

Amending budget no 1/2026: entering the surplus of the financial year 2025

2026/0090(BUD) - 24/06/2026 - Budgetary report tabled for plenary, 1st reading

The Committee on Budgets report, prepared by rapporteur Andrzej Halicki, concerns the Council position on Draft amending budget No 1/2026 of the European Union for the financial year 2026, which enters the surplus of the financial year 2025 into the 2026 budget. The Commission adopted the draft amending budget on 10 April 2026, the Council adopted its position on 16 June 2026 and forwarded it to Parliament on 18 June 2026. The committee adopted the report on 23 June 2026 by 25 votes in favour, 3 against and 4 abstentions.

Surplus Amount and Composition

The 2025 surplus amounts to EUR 2 095 million and is to be entered into the 2026 budget in accordance with Article 18(3) of the Financial Regulation. The surplus is composed primarily of a positive revenue outturn of EUR 1 994 million and an expenditure under-spend of EUR 101 million. On the revenue side, the main drivers are higher-than-expected customs duties (EUR 860 million) and financial revenue, default interest and fines (EUR 840 million). On the expenditure side, under-implementation in payments across all institutions, including cancellations of appropriations carried over, totalled EUR 111 million, representing 0.04% of authorised payment appropriations.

Concerns Regarding Budgetary Flexibility and GNI-Based Contributions

The report regrets that entering the surplus into the budget reduces the total GNI-based own resources contributions of Member States by a commensurate amount. It underlines that, given high financing needs — particularly for EURI debt service costs — and the extremely limited room for manoeuvre within the Union budget, sufficient flexibility must be maintained in the final years of the current multiannual financial framework (MFF). The report also recalls the committee's long-standing position that windfall gains from fines and fees should serve as supplementary revenue for the Union budget and should not lead to a corresponding decrease in GNI-based contributions.

GNI Lump-Sum Reductions and Negative Income Item

The report takes note of the adjusted annual GNI lump-sum reductions for the five beneficiary Member States, amounting to approximately EUR 5.8 billion net, and highlights that these rebates are inflation-linked and have therefore increased at a higher rate than the MFF ceilings, which are adjusted on the basis of a 2% deflator, thereby increasing the burden on other Member States. The report also welcomes the use of a negative income item under Article 425, amounting to EUR 54 million, to incorporate costs arising from settlement agreements involving compensatory and default interest related to the repayment of annulled or reduced competition fines. It recalls that this solution expires on 31 December 2027 and invites the Commission to propose a definitive solution for the next MFF.

Own Resources and the Next MFF

The report reiterates the call for sustainable, predictable and resilient revenue for the Union budget, and reaffirms Parliament's commitment to the introduction of new own resources — not only for NextGenerationEU debt repayment but also to finance the Union's enhanced policy ambitions. It considers

that the introduction of genuine new revenue streams of at least EUR 60 billion per year is an essential condition for an ambitious MFF for the years 2028 to 2034, warning that without new own resources the financial burden will inevitably fall on Member States through increased GNI-based contributions.

Proposed Parliament Position

The report proposes that Parliament approve the Council position on Draft Amending Budget No 1/2026.

This summary was AI-generated and human-reviewed.