Basic information

2025/0313(APP) APP - Consent procedure	Awaiting Parliament's vote
Funding arrangements and the use of a diversified funding strategy **Subject** 8.70 Budget of the Union 8.70.01 Financing of the budget, own resources	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ECON Economic and Monetary Affairs	FERBER Markus (EPP) TAVARES Carla (S&D)	10/12/2025 10/12/2025
	Shadow rapporteur GYŐRI Enikő (PfE) NESCI Denis (ECR) TRIDICO Pasquale (The Left)	

Council of the European Union

European Commission

Commission DG	Commissioner
Economic and Financial Affairs	DOMBROVSKIS Valdis

Key events

Date	Event	Reference	Summary
02/10/2025	Preparatory document	COM(2025)0595	Summary
21/05/2026	Legislative proposal published	06190/2026	
15/06/2026	Committee referral announced in Parliament		
15/07/2026	Vote in committee		

Forecasts

14/09/2026	Indicative plenary sitting date

Technical information	
Procedure reference	2025/0313(APP)
Procedure type	APP - Consent procedure
Procedure subtype	Legislation
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Awaiting Parliament's vote
Committee dossier	ECON/10/04106

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE789.861	17/06/2026	

Council of the EU

Document type	Reference	Date	Summary
Legislative proposal	06190/2026	21/05/2026	

European Commission

Document type	Reference	Date	Summary
Preparatory document	COM(2025)0595	02/10/2025	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Funding arrangements and the use of a diversified funding strategy

2025/0313(APP) - 02/10/2025 - Preparatory document

PURPOSE: to amend Regulation (EC) No 332/2002 to allow for a diversified financing strategy.

PROPOSED ACT: Council Regulation.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: Council Regulation (EC) No 332/2002 establishes a **medium-term financial assistance facility** allowing the granting of loans to one or more Member States which have not adopted the euro and are experiencing difficulties or are seriously threatened with difficulties in their balance of payments or in their balance of capital movements. The financing method of the facility is currently based on back-to-back financing.

Following the adoption of Regulation (EC) No 332/2002, the Commission was authorised to implement a different financing method for financing financial assistance programmes, allowing the Commission to decouple the timing and the maturity of single funding transactions from the disbursements to beneficiaries.

This new method has several advantages:

- it avoids the need for the Commission to contract borrowings on capital markets or with financial institutions in volatile or adverse conditions to fund programmes of financial assistance;

- it enables the Commission to consolidate the financial needs of multiple financial assistance programme, thereby simplifying management of funding operations, reducing costs, and avoiding the fragmentation of Union debt securities.

It is therefore appropriate to amend the financing arrangements allowing the use of the medium-term financial support mechanism, in light of the experience gained and the significant advantages of the diversified funding strategy compared to the back-to-back funding method.

CONTENT: the proposal aims to amend Regulation (EC) No 332/2002 to change the funding method of the facility from the back-to-back funding method towards a diversified funding strategy, bringing it in line with the unified funding strategy of the Commission.

To implement the diversified funding strategy, the proposed amendments will modify and remove certain provisions from Regulation (EC) No 332/2002 to clarify the funding arrangements and ensure the alignment of the legal framework with the diversified funding method.

The proposal should ensure payments to be made to beneficiaries of Union programmes independently of the exact timing of the long-term bond issuance and market conditions prevailing at the time of the disbursement, by allowing the Commission to fund disbursements from the facility through a common liquidity pool financed by the issuance of short-term funding. This will streamline and simplify the funding for the provision of medium-term financial assistance under the facility and is expected to result in cost savings for the Union and the beneficiaries.