

(Online) Appendix to: The Revenue Side of the Next EU Budget

Dr. Cédric Koch, DGAP

1. Methods used for estimates in the paper:

a. MFF expenditure

The Commission's 2028–2034 envelope is taken as published: €1,984.9 billion in commitments and €1,961.9 billion in payments, current prices.¹ The annual payment profile comes from Tables 1.2, 1.3 and 1.4 of the 2027 budget's long-term projections (payments on 2021–2027 commitments, on pre-2021 commitments, and on the next MFF's own headings) which add up to the total in Table 1.1 for every year.² Three further negotiating positions are modelled as changes to that envelope, each from the public record: the Cypriot Presidency negotiating box of June 11, 2026 (–2 percent/€32.8 billion), the German ask (–20 percent) and the European Parliament's interim report (+10 percent).³ None specifies how a different envelope would be financed. But under Art. 310(1) TFEU, the GNI-based own resource is the balancing item. Anything the other own resources do not cover falls on national treasuries according to the GNI key.⁴

We therefore make one explicit, uniform assumption: The entire volume change for each negotiating position is absorbed by the GNI-based own resource, with all other revenue held at current-system levels. Each position is applied as a scale factor on the 2028–2034 GNI-based residual of €1,054.7 billion held constant across the seven years: Cyprus 0.968901, the German ask 0.623609, and the EP 1.188196. All comparisons are against 2027, the last year of the current MFF and the year with the highest GNI-based contribution of €151.4 billion at EU-27 level.

b. Member state contributions

Germany's own-resource shares are 2021–2024 averages taken from the Commission's official revenue and expenditure dataset, applied to the GNI-based residual in each expenditure scenario and to each other revenue stream: GNI 25.272 percent, VAT 24.009 percent, customs 20.304 percent, and plastics 20.970 percent.⁵ Shares are held flat from 2025 onwards, since no official country breakdown exists for 2028–2034 under any scenario. This assumption is conservative for Germany unless its GNI grows faster than every other member state's. Germany receives €1.890 billion a year under the current lump-sum corrections, the 2021–2024 average of the gross reduction. The Own Resources Decision proposal abolishes this and introduces the new resources at the same time, so the two always move together: Budget lines including the Commission's own resources reform drop the corrections, while

¹ European Commission, COM(2026) 365. Available at: <https://op.europa.eu/en/publication-detail/-/publication/926a4d64-7b56-11f1-bf5e-01aa75ed71a1>

² European Commission, COM(2025) 573. Available at: https://commission.europa.eu/document/download/d5d11d32-c7d9-48a5-815f-436b249d22ce_en?filename=Long-ter

³ Council of the EU, 10058/26. Available at: <https://data.consilium.europa.eu/doc/document/ST-10058-2026-INIT/en/pdf>; European Parliament, A10-0105/2026. Available at: https://www.europarl.europa.eu/doceo/document/A-10-2026-0105_EN.html; Rinke, 'Germany Demands \$450 Billion Cut'. Available at: <https://www.reuters.com/business/germany-demands-450-billion-cut-unaffordable-eu-budget-document-shows-2026-06-30/>

⁴ Treaty on the Functioning of the European Union, Art. 310(1); Council Decision (EU, Euratom) 2020/2053. Available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32020D2053>

⁵ Commission dataset 'EU Spending and Revenue'. Available at: https://commission.europa.eu/document/download/45d0623a-529e-44d2-aae4-2ca9bac87ec3_en?filename=eu_budget_spending_and_revenue_2000-2023.xlsx

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lines “excluding reform” retain them.⁶ Germany’s 2025–2027 estimates are net of its correction, matching the 2021–2024 outturn.

For Germany’s net position, reflows are subtracted from the full contribution (GNI-based, VAT-based, net customs duties, and plastics-based). Each scenario’s seven-year envelope is distributed across years using the published payment profile from section 1 and multiplied by Germany’s 9.363 percent share of the expenditure allocable to the EU-27, again using the 2021–2024 average held flat from 2025. This too is conservative, since the next MFF’s Competitiveness Fund will likely increase relative reflows into Germany. Net customs duties are at the proposed 10 percent retention on lines incl. own resources reform and at the current 25 percent on the others. Legacy payments from the current and preceding MFF flow back through the same reflow calculation on the same GNI share basis, so they appear on both sides of the net position.

c. Own resources

The Commission’s package has two parts. The five entirely new own resources are taken as published in Annex II Table 4 of the 2027 budget’s long-term projections (COM(2026) 365). The adjustments to existing own resources cannot be drawn from it, because the Commission has published no current-rules counterfactual for 2028–2034. Tables 5 and 6 of the 2025 forecast are the only published before/after pair, so their customs gap is carried forward and rebased by the ratio of the 2027 net traditional own resources from the 2026 report (€25.0 billion) to the 2025 proposal’s forecast for the same year (€22.1 billion).

That gap covers two of the three customs changes: the retention cut from 25 percent to 10 percent, exactly computable as $\text{net TOR} \times 0.75/0.90$ (that same Annex II table already publishes net TOR at the proposed 10 percent rate) and reported as a sub-line, and the e-commerce handling fee, which is the remainder. It does not cover the abolition of the €150 de-minimis threshold, which was already removed on July 1, 2026 under the Union Customs Code, so those duties already sit inside the 2027 reference level. The already agreed new handling fee is not yet included. This is dependent on a new Own Resources Decision, and so is available only from January 1, 2028. The VAT cap and plastics adjustments are carried from Table 5 of the 2025 forecast, unchanged, official for 2028–2030 and linearly extrapolated for 2031–2034; they are the softest element in the model.

Alternative own resources are valued at the midpoint of the range the paper establishes for each, in current prices and held flat in nominal terms (two conservative assumptions). From both the Commission’s basket and the alternatives in the literature we keep only those we consider economically and politically realistic (see the criteria in the paper and the Appendix), then substitute that plausible basket for the Commission’s while holding the expenditure envelopes of section 1 constant. Because the GNI-based resource is the balancing item, the residual moves by exactly the difference between the two baskets, which is why these lines share an axis with the expenditure scenarios.

⁶ European Commission, COM(2025) 574. Available at: https://eur-lex.europa.eu/resource.html?uri=cellar:176f6907-626d-11f0-bf4e-01aa75ed71a1.0001.02/DOC_1&format=PDF

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d. NGEU repayment

The estimates we use are priced on the Commission's own repayment path as published in Figure 4.4 of SWD(2025) 570 alongside the MFF proposal, so that our scenarios and its proposal rest on the same assumptions. Real-term versions deflate the same nominal schedule at 2.0 percent a year, the Commission's EU-27 GDP deflator assumption, base 2025.

2. Tables on (proposed and potential alternative) own resources

Table 1: Changes to existing (traditional) EU own resources in the Commission's July 2025 proposal

Element	Basis	Estimated annual revenue (2025 prices/current prices)	Implied reduction from member state budgets?
TOR – reduced collection-cost retention	Member states' retained share of customs duties cut from 25% to 10%	€4.5 billion (€5.0 billion)	Yes
TOR – e-commerce handling fee	New charge on low-value e-commerce imports, classified as a Traditional Own Resource	€4.6 billion (€5.2 billion)	No
TOR – abolition of €150 de-minimis threshold	Customs duty now due on previously exempt low-value parcels	€2.3 billion (€2.5 billion)	No
TOR subtotal		€11.4 billion (€12.8 billion)	€6.9 billion (€7.7 billion)
VAT-based – abolition of VAT base capping	Removes the 50%-of-GNI cap on the notional VAT base	€0.2 billion (€0.2 billion)	Yes
Plastics-based – rate increase + lump-sum abolition	Call rate €0.80/kg → €1.00/kg (indexed to inflation from 2028); national lump-sum reductions dropped	€2.8 billion (€3.2 billion)	Yes
Total – adjustments to existing own resources		€14.4 billion (€16.2 billion)	€6.9 billion (€7.7 billion)

Source: [ECA Opinion 04/2026, Annex II §07](#)

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Table 2: Official new own-resource proposals from the Commission (July 2025, revenue estimates updated in September 2026)

Proposal	Estimated annual revenue (2025 prices/current prices)	Revenue update (Coreper II, September 8, 2026, current prices)	Economic caveats and robustness checks	Political viability	Potential annual revenue with economic and political confidence?
E-waste-based (€2/kg levy on non-collected e-waste)	€13.9 billion (€15.7 billion) – €17.2 billion (€19.4 billion)	€17.9 billion (+€1.1 billion)	The Commission estimates potential revenue for this own resource at €16.9 billion in current prices. Independent verification by Schütz & Heimberger (2026) confirms this estimate broadly, arriving at €17.2 billion in annual revenue. However, Bruegel identified a technical design flaw which effectively penalizes high-growth markets, contrary to the objectives of the proposal. Applying their suggested correction would lower the yield. In our estimate, the corrected revenue potential would then be closer to €16.6 billion in current prices, measured against the €17.9 billion the Commission now estimates.	Politically, this proposed new own resource reportedly receives broad support from member states. . It would, however, have to be paid out of national budgets, and would not compensate net contributors. Its base is the three-year average of equipment placed on the market less the waste collected in the year (COM(2025) 574 Art. 3(1)(f)), and Germany’s share of that base is 27.5% against a GNI key of 25.272 percent. It places about a quarter more electrical and electronic equipment per head on the market than the EU average and collects only 28.3% of it back, against 38.5% EU-wide (Eurostat env waselecos; Umweltbundesamt). Net of the lower GNI call the levy therefore costs Germany around €0.4 billion a year, which is why we exclude it.	No
ETS1-based (30% of auction revenue)	€6.4 billion (€7.2 billion) – €9.1 billion (€10.2 billion)	€11.6 billion (+€0.8 billion)	First, ETS revenue fluctuates depending on the CO2 price, which dropped more than 20% in 2024. It also remained under its 2023 level on average in 2025 and parts of 2026 (roughly the required level of €88/tCO2e for the Commission’s revenue estimates of €9.6 billion to hold). At the time of writing, ETS allowances were trading at around €82/tCO2e. Second, the potential revenue and underlying CO2 price is affected by the ongoing ETS1 reform for which the Commission only presented its proposal in July 2026. The EP and the Council are only now developing their positions, with an agreement sought before the end of the year. Any revenue estimates for a new ETS1-based own resource will depend on the outcome, notably on the level of additional free	It remains politically unclear whether member states would indeed (continue to) be willing to forego 30% of future ETS1 auction revenues and share them with the general EU budget, rather than with individual (climate-related) funds, only some of which sit inside the EU budget, as is currently the case. Even though the proposed new own resource does not directly reduce existing member state budgets (and arguably only exists because of the EU and the added-value its ETS provides in coordinating emissions reductions), it would draw from additional future revenues, starting in 2028. At a time of national fiscal consolidation , this remains challenging politically. Indeed, in Germany, the government just proposed using part of its ETS revenues to finance the main budget from 2027 onwards and faces large financing	Yes

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Proposal	Estimated annual revenue (2025 prices/current prices)	Revenue update (Coreper II, September 8, 2026, current prices)	Economic caveats and robustness checks	Political viability	Potential annual revenue with economic and political confidence?
			allowances introduced to the system, the reduction rate of the overall allowance cap (the so-called linear reduction factor), and on the future coverage of the CBAM system. CBAM protects the ETS against leakage abroad and its reform is also currently being negotiated between the Council and EP. Despite the uncertainty of its exact revenue, inflows from this source would potentially be sizable, without increasing national payments relative to the status quo. At the moment, member states already forgo a substantial share of ETS1 revenue to EU programs. In 2024, 35.6% of the €38.8 billion auctioned went to EU-level purposes – nearly €3 billion to the Innovation Fund, over €6 billion to the Modernisation Fund (financed from allowances but disbursed outside the EU budget to 13 member states) and around €4.8 billion to the Recovery and Resilience Facility under REPowerEU – while only 20.1% passed through the EU budget itself (European Commission, EU ETS auctioning; see Table 4). Those flows expire on a schedule: REPowerEU auctioning ends in August 2026 and the Innovation and Modernisation Fund endowments run only to 2030. We therefore depart from the Commission’s design and read the proposed 30% as a ceiling on the total EU-level claim rather than as an increment on top of it, so that the own resource receives only the residual inside the 30% while the two funds still run (2028-2030) and obtains the full 30% thereafter, so member states never forgo more of ETS1 than they already do. Using an IMF emissions trade model, Dellatte (2026) recently calculated that, if the proposal is not further weakened in the trilogue, after the reform even a lower price path for ETS1 (where the CO2 price rises to €150 by 2035) could yield over €50 billion in annual revenue by 2030 (for the EU-27 + Norway and Iceland) in current prices and rise	gaps of over 70 billion € until 2029 – it would be critical to clarify whether the proposed inclusion of ETS1 auction revenues could retain at least a 30% share going to the EU budget. Whether the growing future ETS1-revenues will (continue to) be shared by member states thus remains as politically unclear as the exact impacts of the ongoing ETS1 reform on the revenue size itself.	

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			further thereafter. Under that ceiling, pairing the higher revenue path with the narrower remaining carve-out, this implies around €10.2 billion in current prices annually. At the lower end, the 2024 revenue level of €38.8 billion (at around €65/tCO ₂ e) paired with the wider carve-out results in around €7.2 billion. If applied as the Commission proposes, then Art. 3(1)(g) of COM(2025) 574 would restrict the 30% to revenue from allowances auctioned by the member states and would stack it on top of the existing funds, which would result in €10.3 billion-€13.7 billion a year but would raise the total EU-level claim to 46-49% in 2028-2030, well above the 35.6% member states forgo today. ⁷ Further, maritime shipping has been included in the ETS1 since 2024 and will fully pay from 2026 onwards, generating additional revenue going forward. ⁸		

⁷ A higher price path of €240/tCO₂e by 2030 would even yield over €100 billion per year in 2030 according to Dellatte (2026), i.e. €31.2 billion for the EU budget and rising thereafter if it receives 30%. See Joseph Dellatte, 'More Allowances, More Revenue? The Industrial-Policy Stakes of the EU ETS Reform', Institut Montaigne, 27 July 2026. Available at: <https://www.institutmontaigne.org/en/expressions/more-allowances-more-revenue-industrial-policy-stakes-eu-ets-reform>

⁸ We assume these will balance out the lower implied revenue for the EU-27 once we exclude Norway and Iceland's revenue shares, so we proceed with Dellatte's estimates going forward.

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Proposal	Estimated annual revenue (2025 prices/current prices)	Revenue update (Coreper II, September 8, 2026, current prices)	Economic caveats and robustness checks	Political viability	Potential annual revenue with economic and political confidence?
TEDOR (tobacco excise duty) – (15% of minimum excise duty)	€4.9 billion (5.5 billion) – €11.2 billion (€12.6 billion)	€9.3 billion (–€3.3 billion)	According to the Commission, the 15% share of minimum national tobacco duties could yield €12.6 billion in current prices annually, but this is conditional on a recast of the Tobacco Directive and otherwise would fall to around €5.5 billion annually, the current level of revenue according to the Council . Bruegel has proposed changing the design of the tax, for example by raising minimum rates and charging the surplus. Without this, the tax would simply subtract from existing member state revenues, rendering it unable to help close the revenue gap in the next MFF negotiations. The Commission’s latest updates reduced the potential revenue of this own resource due to the compromise agreement found on recasting the Tobacco Directive this year.	While agreement on this new own resource was reportedly close during the Cypriot Council Presidency and blocked only by Sweden, its political viability as a revenue source remains unclear: The German government recently announced plans to hike national tobacco duties as a means to consolidate the budget, making it doubtful that this revenue will be shared with Brussels (or if EU-wide minimum excise taxes could rise far enough to generate additional revenue that does not subtract from national budgets nonetheless).	No
CBAM-based (75% of certificate revenue)	€1.2 billion (€1.4 billion) – €2.2 billion (€2.5 billion)	€1.6 billion (+€0.1 billion)	Supposed to generate around €1.6 billion per year in current prices according to the Commission’s proposal. The ongoing CBAM reform might revise this estimate upwards slightly: The Commission estimated the increase (before Council changes and negotiations with the EP) at €0.58 billion annually by 2030 and €0.69 billion by 2035 (in 2025 prices). Bruegel puts both the initial revenue level and the 2028 product extension slightly lower at €1.35 billion and €0.3 billion in current prices, respectively. Contrarily, the estimated overall revenue could shrink if measures to address export-related carbon leakage are adopted.	Politically, there seems to be broad agreement among member states on this revenue source for the EU budget. Potentially, member states could go even further in this option and allocate the entire CBAM revenue to the EU-budget, given that it is inherently a trade-related resource from a field where the EU holds sole authority, akin to the customs-based traditional own resources. Given this potential, we proceed with the range of revenue estimates discussed above, assuming it might balance out any potential losses due to export-related carbon leakage inclusion.	Yes

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CORE (Corporate levy) - (tiered lump-sum levy of €100k-€750k p.a. on large companies)	€6.8 billion (€7.6 billion)	€7.7 billion (+0.1)	Economically, the problems with the proposal include that the tax is on revenues rather than profits, as well as in lump-sum form within brackets rather than continuous (see Darvas & Dom, 2026).	Politically, it has faced almost universal condemnation , and even Commission attempts to save it by excluding loss-making firms and SMEs from the coverage have been rejected including by Germany .	No

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Table 3: Alternative own-resource proposals with concrete revenue estimates

Proposal	Estimated annual revenue (2025 prices / current prices)	Economic caveats and robustness checks	Political viability	Potential annual revenue with economic and political confidence?	Sources
Financial Transaction Tax (FTT)	Original 2011 Commission estimate (EU27+UK): €57.0 billion (€64.1 billion). 2013 enhanced-cooperation proposal, 11 states: €30 billion–€35 billion (€33.8 billion–€39.4 billion). Later academic re-estimates, once evasion and demand elasticities are modelled — Solilová, Nerudová & Dobranschi 2017, 10 states: €4.1 billion–€15.1 billion (€4.6 billion–€17.0 billion); Pekanov & Schratzenstaller 2019, 10 states: €7.7 billion–€14.5 billion (€8.7 billion–€16.3 billion); scaled EU-wide roughly €8 billion–€30 billion (€9.0 billion–€33.8 billion) (Schütz & Heimberger, 2026). (€4.1 billion–€15.1 billion (€4.6 billion–€17.0 billion) as plausible range only of academic re-estimates on the 10 states that remain)	The 2011 and 2013 official figures are essentially static: They do not model tax evasion, relocation of trading venues or demand elasticities, which the later academic re-estimates find can cut yields by close to an order of magnitude. The estimates also assume different participating-country coverage (10, 11 or 27 states), so the headline numbers are not directly comparable with one another.	Stalled since 2013 under enhanced cooperation. The Commission's 2026 Work Programme signals an intent to withdraw the proposal (Tax Foundation, 2026) – so the original figures are politically as well as economically unrealistic.	No	Schütz & Heimberger, wiiw Policy Note/Report No. 108 (June 2026) Solilová, Nerudová & Dobranschi (2017), Empirica 44(4) Pekanov & Schratzenstaller (2019), WIFO/SSRN Tax Foundation, June 2026
Digital services tax (DST)	At 3% — EC 2018: €4.2 billion (€4.8 billion), re-based from 2018 prices; CEPS/Thomadakis 2025: €16.3 billion (€18.3 billion); EC 2026 fiche, extrapolated from ES/FR/IT: €5.0 billion (€5.6 billion). At 5% — EC 2018: €7.1 billion (€8.0 billion), re-based from 2018 prices; CEPS/Thomadakis 2025: €27.1 billion (€30.5 billion). Alternative Pillar-One-	The estimates span a factor of eight, and the spread comes from design choices – rate, in-scope activities and turnover threshold – rather than from better or worse data. A useful reality check: Spain, France and Italy together actually collected €1.66 billion from their national DSTs in 2024 – €392 million, €785 million and €485 million respectively, per the	Strongly opposed by Ireland with reference to the EU-US Turnberry deal. Also, unanimity applies, so this is a hard veto risk. The Commission has also stated that it does not intend to table a new DST proposal for now, pending a Pillar Two “side-by-side” settlement at OECD level (EPRS, 2025).	No	Schütz & Heimberger, wiiw Policy Note/Report No. 108 (June 2026) Thomadakis, CEPS (2025) Barake & Le Pouhaër (2025), via Schütz & Heimberger European Commission, MFF 2028–2034 Fiche no. 48, 28

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	based approach (Barake & Le Pouhaër, 2025): €2.3 billion (€2.6 billion). (the plausible band is €7.0 billion–€25.7 billion in current prices, both figures at a 3% rate: the low end is Amaro & Picciotto’s bottom-up estimate of the 2018 scope for all 27 member states, the high end Thomadakis’s projection for 2028. Their intermediate readings – €13.5 billion for the broader scope member states actually legislate, €31.8 billion for all automated digital services – show that the spread is a question of scope rather than of measurement; the 5% rate scenarios of €30.5 billion and €42.9 billion are excluded)	Commission's own fiche — which is the 37% of EU GDP that the €5.0 billion EU-wide figure is scaled up from (EPRS, 2025), which sits well below the upper EU-wide projections once scaled. Two BUDG briefings of June 2026 resolve most of the spread: Amaro & Picciotto estimate the revenue bottom-up from cross-border services trade data and separate rate from scope, while Thomadakis updates his own top-down estimate and projects it to 2028. The two differ mainly because the latter counts business-to-consumer e-commerce, about 70 percent of its base, which neither the 2018 proposal nor any adopted national DST taxes.	There remains strong potential for this own resource, but it requires accepting potential retaliation risk from US President Trump. We therefore carry it separately as politically unclear rather than inside the headline package. Amaro and Picciotto argue that the narrow 2018 design is the one most exposed to the charge of discriminating against US suppliers, so a broader levy would be both larger and harder to treat as a trade barrier.		May 2026 (working document of the Commission services) EPRS, ‘Side-by-side? The future of Pillar Two’ (2025) Politico, 2026 Eurostat, HICP annual average inflation (prc_hicp_ainr) F. Amaro and S. Picciotto, ‘Possible EU own resource based on a digital levy: Cross-border services trade, digital transformation and tax implications’, European Parliament, Budgetary Support Unit, Directorate-General for Budgetary Affairs, briefing requested by the BUDG Committee, PE 785.787 (June 2026) A. Thomadakis, ‘Could a digital services tax become an EU own resource? Revenue potential, policy trade-offs and strategic options’, European Parliament, Budgetary Support Unit, Directorate-General for Budgetary Affairs, briefing requested by the BUDG Committee, PE 785.788 (June 2026)

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Aviation tax (two designs)	Design 1, kerosene tax at €0.33/liter (EC 2021 estimate, to 2050): €8.2 billion (€9.2 billion), re-based from 2021 prices. Design 2, CO2-linked flight ticket tax (Krenek & Schratzenstaller, 2017, EU-wide ex-UK): €3.9 billion–€5.5 billion (€4.4 billion–€6.2 billion), re-based from 2017 prices.	The two designs are not additive and rest on different bases. Aviation is also already inside ETS1, so a fuel or ticket levy layered on top would in part price the same emissions twice; conversely both designs target a sector that remains under-taxed relative to its emissions (Schratenstaller, 2025). Both designs are re-based to 2025 prices with Eurostat EU annual average HICP inflation: 22.2% between 2021 and 2025 for the kerosene design, and 31.0% between 2017 and 2025 for the ticket tax.	Kerosene taxation of aviation fuel remains legally blocked by the 1944 Chicago Convention and bilateral air-service agreements, so Design 1 is not easily available. The ticket-tax design faces no comparable legal obstacle, which is why it forms the confident range. However, Germany just reduced its own ticket tax on airlines , so it remains unclear whether a new EU-wide one would be acceptable (although national competitiveness disadvantages cited as the reason would not apply in an EU-wide scheme).	Yes	Schütz & Heimberger, wiiw Policy Note/Report No. 108 (June 2026) Krenek & Schratzenstaller (2017), Empirica 44(4) Schratenstaller (2025) , Heinrich-Böll-Stiftung Eurostat, HICP annual average inflation (prc_hicp_ainr)
Bank levy	National revenues ranged 0.02%–0.27% of GDP across member states (2012–2020 average, with higher crisis-era top-ups); scaled EU-wide roughly €8 billion–€33 billion (€9.0 billion–€37.1 billion) (Schütz & Heimberger, 2026).	The range is a scaled-up composite of very heterogeneous national designs – some levy bank liabilities net of equity and insured deposits, others profits or revenues – so the upper bound overstates what a single harmonized EU design would raise. Crisis-era top-up rates are also unlikely to be sustained in a standing own resource.	No EU-level proposal is on the table. National levies are entrenched, so member states would be handing over an established domestic revenue stream; no formal Council position exists either for or against.	No	Schütz & Heimberger, wiiw Policy Note/Report No. 108 (June 2026)
Tax on centimillionaires / UHNWIs (TOC)	wiiw's own simulation using World Inequality Database data and 20 percent assumed evasion: €39.5 billion (€44.4 billion). EU Tax Observatory (Parrinello, Varaschin & Zucman, 2025), no evasion assumed: €67.2 billion (€75.6 billion). Oxfam's	The gap between the two central estimates is driven almost entirely by the assumed evasion and avoidance elasticity rather than by the size of the tax base. The Oxfam figure is static and applies a much broader base and higher rate, so it is not comparable and	No Commission proposal exists, and unanimity on direct taxation makes adoption demanding; jurisdictions competing for mobile wealth would be expected to resist. Exit taxes on unrealized gains have been floated as a complement to limit outflows	No	Schütz & Heimberger, wiiw Policy Note/Report No. 108 (June 2026) Zucman, EU Tax Observatory (2024)

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	separate, more expansive up-to-5% design: over €250 billion (over €280 billion). A narrower design is costed by EPRS Study PE 774.671 (November 2025): a 1% tax on net wealth above €1 billion, with all member states applying the same rate and a uniform 80% effective compliance rate, would yield about €20 billion (€22.5 billion) a year now, rising to €30 billion–€35 billion by 2035 on steady wealth growth. The same study costs a narrower but more enforceable base – applying current national real estate tax rates to the holdings of individuals with over €1 billion in real estate wealth – at €12.9 billion (€14.5 billion), or €15.2 billion (€17.1 billion) if member states below the EU average rate converged on it.	is excluded from the confident range. Spain's wealth tax is the only live EU case available for calibrating behavioral response. The EPRS figures are lower than the wiiw and EU Tax Observatory ones because the design is different, not because the modeling disagrees: EPRS applies 1% above €1 billion, against 2% above €100 million in the other two, so both the threshold and the rate are less demanding. Read together, the three give a design ladder rather than a contested range.	(Krenek & Schratzenstaller, 2022). Politically unrealistic currently despite its significant revenue potential, due to the dominance of the EPP (who remains opposed to taxing wealth more strongly) in the EP, Council, and COM. In addition, wealth taxes would constitutionally accrue to the regional level in Germany, which makes its use as an EU own resource conditional on a complex fiscal-federal deal within Germany.		Parrinello, Varaschin & Zucman (2025), EU Tax Observatory European Commission, DG TAXUD, Annual Report on Taxation 2024 (citing Oxfam) EPRS Study PE 774.671, The future of EU tax policy harmonisation (2025)
Excess profit tax (windfall profits)	Heck, Rabensteiner & Tippet (2024): progressive 20%/40% surcharge on returns above 10%/15% → €126 billion on 2022 data, EU-wide, i.e. €141.0 billion (€158.6 billion) re-based. François, Oliveira, Planterose & Zucman (2022): 33% tax on energy-sector stock-market valuation gains (Jan–Sep 2022) → €65–80 billion, i.e. €72.7–89.5 billion (€81.8–100.7 billion) re-based. Dubinina, Garcia-Bernardo & Janský (2024): flat 10% rate → about \$6 billion globally (left as	All the large figures rest on 2022 crisis-year data and are not annualized MFF-period projections — 2022's exceptional energy margins are not representative of a normal year. Nicolay, Spix & Steinbrenner (2026) evaluate the EU's actual 2022 package (anticipated at roughly €140 billion combined, of which about €25 billion from the fossil-fuel solidarity contribution) and find realized national revenue fell well short, with uneven transposition and incomplete	Feasibility depends on a trigger event and is more likely to finance responses to immediate (and temporary) crisis consequences: An EU-wide levy was politically possible in 2022 under acute energy-price pressure, but there is no standing constituency for a permanent version. Five member states asked the Commission in 2026 to consider a comparable levy on Middle East-linked energy windfalls. In August 2026, a new attempt was	No	Heck, Rabensteiner & Tippet (2024) François, Oliveira, Planterose & Zucman (2022), EU Tax Observatory Nicolay, Spix & Steinbrenner (2026), ZEW DP 26-012 Dubinina, Garcia-Bernardo & Janský (2024) Eurostat, HICP annual average inflation (prc_hicp_ainr)

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Proposal	Estimated annual revenue (2025 prices / current prices)	Economic caveats and robustness checks	Political viability	Potential annual revenue with economic and political confidence?	Sources
	published: a global, dollar figure). The two EU figures are 2022 nominal, re-based here using EU HICP inflation of 11.9% between 2022 and 2025. (illustrative overall range €4.9–28.0 billion (€5.5–31.5 billion); reflects the gap between anticipated and realized revenue in 2022)	reporting; an earlier FISC study calculated only about €4.4 billion from the solidarity contribution itself. Re-based, the €4.4 billion realized and €25 billion anticipated become €4.9 billion and €28.0 billion in 2025 prices (€5.5 billion and €31.5 billion current), which is what the confident range now brackets.	made by six countries incl. Germany to bring back a windfall profit tax on fossil fuel companies to fight the Iran-War-linked economic consequences.		
Sugar-sweetened beverage tax (SSBT)	Global national average revenue 0.07% of GDP, maximum 0.19% (Schütz & Heimberger, 2026). Scaled EU-wide this would yield about €13.2 billion (€14.8 billion). Assuming member states (including the seven with an existing scheme) were willing to share 15% of that with the EU, this would yield €2 billion (€2.2 billion) annually.	Estimate is scaled from heterogeneous national designs – volume-based versus sugar-content-based – which yield materially different revenue and different reformulation incentives. There is no existing (official) EU-wide scheme with revenue estimates. The base also shrinks as reformulation succeeds, so the revenue and health objectives pull against each other.	Politically unclear, as e.g. Germany plans its own SSBT starting in 2028, including to reduce national budget deficits paid to health insurance providers – so the revenue may be claimed nationally before any EU assignment.	No, given Germany's national SSBT.	Schütz & Heimberger, wiiw Policy Note/Report No. 108 (June 2026) Deutscher Bundestag, 2026
Crypto-asset transaction tax	€3.0 billion–€4.0 billion (€3.4 billion–€4.5 billion) – European Commission technical note, May 2026; Euronews, 29 May 2026).	A single official source with no independent re-estimate. The base is highly volatile and mobile: a 0.1% levy on transaction value can be avoided by shifting to non-EU venues or decentralized protocols, which the estimate does not model.	No formal Council position reported to date. MiCA now provides the reporting infrastructure, which makes this administratively more plausible than in earlier years.	Yes	Euronews, 29 May 2026 (European Commission technical note, May 2026)
Crypto-asset capital gains tax (alternative design)	European Commission technical note, May 2026 (drawing on the 2022 DAC8 impact assessment): €1.0 billion–€2.4 billion (€1.1 billion–€2.7 billion). EPRS Study PE 774.671 (November	A single official source with no independent re-estimate. A realized-gains base is strongly procyclical and would largely disappear in a market downturn; it also overlaps with	No formal Council position reported. As a capital-gains measure it interacts directly with national direct-tax competence, which makes	No	European Commission, MFF 2028–2034 Fiche no. 48, 28 May 2026 (working document of the Commission services)

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	2025) models the same design directly and finds that taxing realized crypto gains under current national regimes would have raised €4.7 billion across the EU-27 in 2024 on a full-compliance assumption – €4.8 billion (€5.4 billion) re-based – rising to over €10 billion by 2035 on conservative price assumptions, and several times that under high-price scenarios.	existing national capital-gains regimes rather than opening a genuinely new base. Administratively it is also the harder of the two crypto designs: the transaction levy can be applied to flows that MiCA-regulated venues already report, whereas a gains tax needs acquisition-cost histories per holder, which exchanges do not consistently hold once assets have moved through self-custody wallets or non-EU platforms. The two estimates are reconcilable rather than contradictory, and the gap between them is the point: EPRS's headline €4.7 billion assumes full compliance, while its alternative 40% compliance scenario – proxied from VAT enforcement gaps — implies roughly €1.9 billion, which is squarely inside the Commission's €1.0 billion–€2.4 billion range. In other words the Commission figure is best read as a realistic enforcement estimate and the EPRS figure as the ceiling if the cost-basis and reporting problems were solved.	unanimity harder to reach than for a transaction levy.		Euronews, 29 May 2026
Online gambling levy	€1.9 billion (€2.1 billion) – European Commission technical note, May 2026.	Between 28% and 71% of the market may be unregulated (EGBA 2025 vs. European Casino Association 2025 estimates), so the effective base is highly uncertain. A 3% levy on net turnover also risks pushing activity	Strongly opposed by Italy and Malta, both of which host large licensed-operator sectors and would bear a disproportionate share of the levy. For Malta the objection is structural rather than tactical: gaming is about	No, given Malta's structural exposure.	Euronews, 29 May 2026 (European Commission technical note, May 2026) EGBA (2025) and European Casino Association (2025) market-share estimates

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		toward unregulated or non-EU operators, an effect the estimate does not capture.	9.6% of its gross value added directly and some 12% of its economy once indirect effects are counted (Malta Gaming Authority), so no call rate buys the vote in a file decided by unanimity.		
ETS2-based own resource (extension of the ETS resource)	No official own-resource estimate exists. Own derivation. The range in circulation (€342 billion–€570 billion of ETS2 auction revenue over 2027–2032, of which €277 billion–€505 billion to member states) comes from Bruegel (Policy Brief 14/2025): the 5,700 million allowances it expects to be auctioned over 2027–2032, at €60–€100/tCO ₂ e. The lower bound is not a pessimistic case but the price the market stability reserve is designed to defend (€45 in 2020 prices, about €60 at the start in 2028); the upper bound is conservative against market projections of €112–€259/t for 2030 (Vertis) and €149/t (BloombergNEF). We rebuild the volume for 2028–2034 on the official cap path (1,036 million allowances for 2027 (Commission Decision of 3 December 2024), falling by a linear reduction factor of 5.38% a year) plus the market stability reserve, which the agreement of June 11, 2026 strengthened to 40 million allowances per release, twice a year, out of a 600-million buffer whose expiry was removed. At any price in this band the	This is our own calculation rather than a published own-resource estimate, so it should be read as an order of magnitude. Price uncertainty is larger than for ETS1: the market stability reserve releases additional allowances if the price exceeds €45 per tonne (2020 prices, inflation-adjusted), but €45 is not an absolute ceiling and the price can rise further. Price forecasts for 2030 are correspondingly high and wide: €111.7–€259/tCO ₂ e (Vertis Environmental Finance) and €149/tCO ₂ e (BloombergNEF). Darvas & Dom (2026) argue on efficiency grounds that ETS2 should be included, since buildings and transport emissions cause the same cross-border harm as ETS1 sectors.	ETS2 has already been postponed by a year to 2028 under the energy-price safeguard clause and is politically fragile because its costs are directly consumer-facing. Member states originally insisted on keeping ETS2 revenue entirely national in the Commission's own resources proposal. Both Bruegel and Schatzenstaller (2026) recommend including it, so the economic case is considerably stronger than the current political prospects.	Yes	EPRS, PE 772.878, May 2025 Social Climate Fund / ETS2, ICAP Schatzenstaller, Heinrich-Böll-Stiftung (2025) Darvas & Dom, Bruegel Analysis 09/2026 Schatzenstaller (2026), FEPS Policy Brief, March 2026

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	trigger is breached, so the buffer is drawn down at up to 80 million a year and is all but exhausted by 2034. That results in 871 million allowances a year and €52.2 billion–€87.0 billion a year, against the €57 billion–€95 billion that Bruegel's own average implies for his six years. Applying the same 30% ceiling on the total EU-level claim that we use for ETS1 (30% of total auction revenue less the Social Climate Fund's prior claim, deducted in full) implies about €7.5 billion–€16.8 billion (€8.4 billion–€18.9 billion) per year for the EU budget. That claim is sized on the revenue calendar rather than on the Fund's spending calendar: ETS2 auctioning was postponed to 2028 in March 2026 while the Fund's own 2026–2032 window was left in place, so the Fund must be raised over five auction years rather than six. Its size moved with the postponement too: Art. 10(1) of Regulation (EU) 2023/955 sets €65 billion for 2026–2032 or €54.6 billion if ETS2 is postponed to 2028, which it was. Setting aside the €4 billion financed from 50 million ETS1 allowances, on the assumption that it is exhausted in 2026–2027 bridging the Fund before ETS2 auctioning starts (see Table 4), leaves €50.6 billion over 2028–2032, or €10.1 billion a year. Deducting only 30% of the claim				

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Proposal	Estimated annual revenue (2025 prices / current prices)	Economic caveats and robustness checks	Political viability	Potential annual revenue with economic and political confidence?	Sources
	instead would result in €12.3–22.4 billion (€13.8–25.2 billion).				
Pillar Two / UTPR-based own resource	Baraké, Chouc, Neef & Zucman (2022) estimate that EU member states could collect €67 billion from a 15% minimum top-up tax, or about €55 billion/year under the agreement as actually concluded once substance carve-outs apply – 2022 figures, re-based here to €75.0 billion (€84.3 billion) and €61.5 billion (€69.2 billion) using EU HICP inflation of 11.9% between 2022 and 2025. No official call rate has been proposed; a 10–15% share of the re-based €61.5 billion would yield roughly €6.2 billion–€9.2 billion (€6.9 billion–€10.4 billion) per year for the EU budget (own derivation). Saint-Amans (Bruegel, 2024) proposes channeling a share of EU-collected UTPR revenue specifically.	The €61.5 billion–€75.0 billion re-based figures are member state revenue, not EU budget revenue: the own-resource yield depends entirely on an as-yet unspecified call rate, so the €6.9 billion–€10.4 billion range is our illustration rather than a published estimate. Carve-outs for real economic activity reduce the base by 14–22%. The yield also falls as the rules succeed – the more profit shifting they deter, the smaller the top-up base becomes.	Darvas et al. (2025) and Schratzenstaller (2025) both consider a Pillar Two-linked resource a better candidate than CORE. Against this, the Commission's 2026 position is that Pillar One is on hold and a “side-by-side” Pillar Two settlement with the US is being sought (EPRS, 2025), so the underlying framework is itself in flux and US retaliation risk over the UTPR is live.	No	Baraké, Chouc, Neef & Zucman (2022) Saint-Amans, Bruegel Policy Brief 06/2024 Darvas et al., Bruegel Blueprint 37 (2025) EPRS (2025) Schratzenstaller (2025) , Heinrich-Böll-Stiftung Eurostat, HICP annual average inflation (prc_hicp_ainr)
Company Profits Own Resource (CPOR / gross operating surplus)	€20.6 billion (€23.1 billion): the Commission's 2023 adjusted package proposed a 0.5% call rate on the notional EU company profit base derived from national-accounts gross operating surplus, originally stated as €16 billion in 2018 prices.	This is a statistical resource rather than a tax: It is levied on member states from Eurostat national-accounts data, so it does not change any firm's tax bill and cannot be avoided through profit shifting. The corollary is that it raises no new money – it reallocates national contributions. It rests on a single Commission figure with no independent re-estimate. The	Superseded by CORE in the 2025 package and not currently tabled. Darvas & Dom (2026) explicitly recommend reverting to it if a corporate-based resource is judged politically necessary, which makes it the most plausible landing zone should CORE be dropped. It nevertheless reallocates national contributions rather than adding to	Yes	Darvas & Dom, Bruegel Analysis 09/2026 European Commission, 2023 own resources package Eurostat, HICP annual average inflation (prc_hicp_ainr)

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Proposal	Estimated annual revenue (2025 prices / current prices)	Economic caveats and robustness checks	Political viability	Potential annual revenue with economic and political confidence?	Sources
		Commission's headline €16 billion is stated in 2018 prices and has been re-based here: EU HICP inflation of 28.5% between 2018 and 2025 results in €20.6 billion in 2025 prices, and €23.1 billion in current prices.	them until BEFIT passes, which is why we do not count it.		

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Table 4: Where ETS auction revenue would go in our design, 2024–2034.

	2024 (observed)	2025–2026	2027	2028–2030	2031– 2032	2033– 2034
ETS1 → Innovation Fund → EU budget	7.7% (€3.0 billion)			continues; counted inside the 30%	—	
ETS1 → Modernisation Fund → 13 member states, outside the EU budget	15.5% (€6.0 billion)			continues; counted inside the 30%	—	
ETS1 → Recovery and Resilience Facility (REPowerEU) → EU budget	12.4% (€4.8 billion)	ends August 2026	—	—	—	
ETS1 → Social Climate Fund → EU budget	—	50 million allowances (~€4 billion)	—	— (assumed exhausted in 2026–7; see note)	—	
ETS1 → new own resource → EU budget	—	—	—	the residual inside the 30% (3–7%)	the full 30%	
ETS1 → to EU programs, total	35.6% (€13.8 billion)		23–27%	30%	30%	
ETS1 → to member state budgets	64.4% (€25.0 billion)		73–77%	70%	70%	
ETS2 → Social Climate Fund → EU budget	—	—	—	€10.1 billion per year		
ETS2 → new own resource → EU budget	—	—	—	30% less the SCF's claim	the full 30%	
ETS2 → to EU programs, total	—	—	—	30%	30%	
ETS2 → to member state budgets	—	—	—	70%	70%	

Note: 2024 is the European Commission's published outturn on €38.8 billion of total ETS1 auction revenue; component figures are rounded, so the shares carry about ±1pp. ETS2 auctioning begins in 2028, postponed by one year in March 2026, while the Social Climate Fund's own 2026–2032 window was left in place. Shares for 2028–2034 follow this paper's assumption that the 30 percent call rate is a ceiling on the total EU-level claim rather than an increment on top of it. The Modernisation Fund is financed from allowances but disbursed outside the EU budget to thirteen beneficiary member states. The Social Climate Fund also draws 50 million ETS1 allowances, about €4 billion: we assume these are exhausted in 2026–2027 bridging the Fund, which begins spending in 2026 while ETS2 auctioning only starts in 2028, so none of the slice falls inside the next MFF and it is not part of the 30 percent ceiling. Sources: European Commission, EU ETS auctioning; Directive (EU) 2023/959; COM(2025) 574; EPRS PE 772.878.

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Table 5: Estimated distributional effect of the Commission's proposed adjustments to existing own resources, by member state, share of each base and resulting net effect, in EUR billion per year, annual averages 2028–2034.

Member State	GNI key	Customs duties		VAT cap		Plastics		Net effect
		share	€ billion	share	€ billion	share	€ billion	€ billion
France	17.16%	9.42%	+0.89	18.54%	0.00	21.12%	−0.12	+0.77
Germany	25.27%	20.30%	+0.57	24.01%	0.00	20.97%	+0.13	+0.71
Austria	2.80%	1.13%	+0.19	3.01%	0.00	2.48%	+0.01	+0.20
Italy	12.28%	10.78%	+0.17	11.76%	0.00	11.95%	+0.01	+0.18
Sweden	3.50%	2.64%	+0.10	3.44%	0.00	2.05%	+0.04	+0.14
Finland	1.69%	0.80%	+0.10	1.54%	0.00	1.16%	+0.02	+0.12
Denmark	2.32%	1.84%	+0.06	2.06%	0.00	1.93%	+0.01	+0.07
Luxembourg	0.33%	0.07%	+0.03	0.38%	0.00	0.19%	0.00	+0.03
Romania	1.78%	1.25%	+0.06	1.43%	0.00	2.94%	−0.04	+0.03
Croatia	0.42%	0.27%	+0.02	0.48%	0.00	0.35%	0.00	+0.02
Czechia	1.67%	1.68%	0.00	1.64%	0.00	1.09%	+0.02	+0.02
Slovakia	0.69%	0.69%	0.00	0.66%	0.00	0.46%	+0.01	+0.01
Ireland	2.25%	2.07%	+0.02	1.65%	0.00	2.81%	−0.02	0.00
Portugal	1.50%	1.15%	+0.04	1.72%	0.00	2.72%	−0.04	0.00
Cyprus	0.16%	0.19%	0.00	0.18%	0.00	0.07%	0.00	0.00
Latvia	0.23%	0.25%	0.00	0.25%	0.00	0.25%	0.00	0.00
Estonia	0.21%	0.21%	0.00	0.24%	0.00	0.32%	0.00	0.00
Malta	0.10%	0.11%	0.00	0.11%	0.00	0.13%	0.00	0.00
Lithuania	0.39%	0.54%	−0.02	0.39%	0.00	0.30%	0.00	−0.01
Bulgaria	0.51%	0.69%	−0.02	0.57%	0.00	0.61%	0.00	−0.02
Greece	1.28%	1.58%	−0.04	1.24%	0.00	1.37%	0.00	−0.04
Spain	8.50%	8.82%	−0.04	9.14%	0.00	8.67%	−0.01	−0.04
Slovenia	0.36%	0.80%	−0.05	0.40%	0.00	0.23%	0.00	−0.05
Hungary	1.06%	1.25%	−0.02	1.02%	0.00	2.99%	−0.06	−0.08
Poland	4.12%	5.45%	−0.15	4.72%	0.00	7.26%	−0.10	−0.25
Belgium	3.46%	11.14%	−0.89	3.24%	0.00	2.35%	+0.03	−0.85
Netherlands	5.96%	14.88%	−1.03	6.18%	0.00	3.20%	+0.09	−0.94
EU-27 total	100.00%	100.00%	€11.5 billion	100.00%	€0.2 billion	100.00%	€3.1 billion	0

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Note: current prices, annual averages 2028–2034. The GNI-based own resource is the balancing item under Art. 310(1) TFEU, so every euro raised by another own resource reduces the GNI call by a euro. A positive figure is a relief, a negative one a cost, and every column sums to zero across the 27 — nothing is created, only redistributed. Rows are ordered from the largest net gain to the largest net cost. The GNI, customs, VAT and plastics keys are 2021–2024 averages from the Commission's 'EU spending and revenue' dataset, the same basis the rest of this paper uses. The abolition of Germany's lump-sum correction is not attributed to any single resource and is excluded throughout. The VAT column rounds to zero for every member state: the cap abolition yields EUR 0.2 billion across the Union as the cap binds for only a handful of member states, so no national net effect reaches EUR 5m. Sources: European Commission, EU spending and revenue; COM(2026) 365 Annex II; European Commission, 'Financing EU priorities', presentation to Coreper II, 8 September 2026.

Table 6: Estimated distributional effect of the two ETS-based own resources in this paper, by member state and by treatment of Poland, EUR billion a year, annual averages 2028–2034

Member State	ETS1 (30% ceiling)			ETS2 (30% ceiling, net of SCF)			Both resources		
	no Polish rebate	75% rebate to Poland	100% + German rebate	no Polish rebate	75% rebate to Poland	100% + German rebate	no Polish rebate	75% rebate to Poland	100% + German rebate
France	+0.96	+0.80	+0.68	+0.21	+0.06	−0.06	+1.17	+0.87	+0.62
Sweden	+0.22	+0.19	+0.17	+0.29	+0.26	+0.23	+0.51	+0.45	+0.40
Germany	+0.24	+0.01	+0.24	+0.21	0.00	+0.21	+0.45	+0.01	+0.45
Netherlands	+0.19	+0.14	+0.09	+0.24	+0.19	+0.15	+0.43	+0.32	+0.24
Denmark	+0.08	+0.06	+0.04	+0.15	+0.13	+0.12	+0.23	+0.19	+0.16
Ireland	+0.10	+0.08	+0.07	+0.10	+0.08	+0.07	+0.21	+0.17	+0.13
Austria	+0.11	+0.08	+0.06	+0.01	−0.01	−0.03	+0.12	+0.07	+0.03
Finland	−0.02	−0.03	−0.04	+0.07	+0.05	+0.04	+0.05	+0.02	0.00
Belgium	+0.07	+0.04	+0.02	−0.05	−0.08	−0.10	+0.03	−0.03	−0.08
Italy	+0.14	+0.03	−0.06	−0.13	−0.23	−0.32	+0.02	−0.20	−0.38
Malta	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Latvia	0.00	0.00	0.00	−0.01	−0.01	−0.01	−0.01	−0.01	−0.01
Cyprus	−0.01	−0.01	−0.01	−0.01	−0.01	−0.01	−0.02	−0.02	−0.02
Lithuania	0.00	−0.01	−0.01	−0.01	−0.02	−0.02	−0.02	−0.03	−0.03
Luxembourg	+0.02	+0.01	+0.01	−0.04	−0.04	−0.04	−0.02	−0.02	−0.03
Slovenia	−0.01	−0.01	−0.02	−0.02	−0.02	−0.02	−0.03	−0.04	−0.04
Croatia	−0.01	−0.01	−0.02	−0.04	−0.04	−0.04	−0.05	−0.06	−0.06
Portugal	−0.04	−0.05	−0.06	−0.01	−0.03	−0.04	−0.05	−0.08	−0.10
Estonia	−0.06	−0.06	−0.06	−0.01	−0.01	−0.02	−0.07	−0.07	−0.08
Spain	−0.10	−0.17	−0.24	+0.03	−0.05	−0.11	−0.07	−0.22	−0.34
Slovakia	−0.08	−0.09	−0.09	−0.04	−0.05	−0.05	−0.12	−0.13	−0.14
Hungary	−0.04	−0.05	−0.06	−0.10	−0.11	−0.12	−0.14	−0.16	−0.18
Bulgaria	−0.19	−0.20	−0.20	−0.05	−0.06	−0.06	−0.25	−0.26	−0.26
Greece	−0.22	−0.24	−0.25	−0.04	−0.06	−0.06	−0.27	−0.29	−0.31

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Member State	ETS1 (30% ceiling)			ETS2 (30% ceiling, net of SCF)			Both resources		
	no Polish rebate	75% rebate to Poland	100% + German rebate	no Polish rebate	75% rebate to Poland	100% + German rebate	no Polish rebate	75% rebate to Poland	100% + German rebate
Romania	−0.26	−0.28	−0.29	−0.10	−0.11	−0.13	−0.36	−0.39	−0.42
Czechia	−0.30	−0.31	−0.32	−0.11	−0.13	−0.14	−0.41	−0.44	−0.46
Poland	−0.79	+0.07	+0.36	−0.54	+0.29	+0.56	−1.33	+0.36	+0.92
EU-27 total	€8.7 billion	0.00	0.00	€13.6 billion	0.00	0.00	€22.3 billion	0.00	0.00

Note: current prices, annual averages 2028–2034. The GNI-based own resource is the balancing item under Art. 310(1) TFEU, so every euro raised by another own resource reduces the GNI call by a euro. A positive figure is a relief, a negative one a cost, and every column sums to zero across the 27 – nothing is created, only redistributed. Rows are ordered from the largest to the smallest combined net effect in the column without a Polish rebate. The three columns per resource are the three treatments of Poland discussed in the text. In all of them Poland pays its own resource in full and the correction runs through the GNI side, so the payments into the resource are identical and only the GNI counter-entry differs. '75 percent rebate' returns three quarters of Poland's contribution as a GNI rebate financed by the other 26 in proportion to their GNI keys; '100 percent + German rebate' returns all of it and adds a rebate to Germany worth the extra burden this places on it, financed by the remaining 25. The ETS1 key is the legally binding distribution of auction volumes in Annex I of Commission Decision (EU) 2020/2166, renormalized to the EU-27 by removing Iceland, Liechtenstein, Norway and the United Kingdom (Northern Ireland); validated against the 2024 outturn according to the European Environment Agency. The ETS2 key is secondary: Art. 30d(5) of Directive 2003/87/EC distributes the volumes by reference emissions for 2016–2018 under the Effort Sharing Regulation, but the Commission has published no table of the resulting shares and no implementing act carries those emissions, so the figures here are the calculation by the Öko-Institut for the German Environment Agency. They sum to exactly 100 percent and their three largest entries are confirmed independently. Sources: Commission Decision (EU) 2020/2166, Annex I; European Environment Agency, use of ETS auctioning revenues, 2024; J. Graichen and S. Ludig, 'Supply and demand in the ETS 2', Umweltbundesamt Climate Change 09/2024, Table 8; European Commission, EU spending and revenue dataset.

3. Discussion of NGEU repayment scenario tests

In the status quo scenario (S0), the EU would pay a fixed annuity covering both principal and interest starting in 2028, with final payments in 2056. This is the profile the Commission proposes in SWD(2025) 570 (section 4.6, Figure 4.4). Because the amount is fixed while interest falls as the stock is retired, the principal repaid rises over time, from €9.7 billion in 2028 to €22.4 billion in 2055. The Commission also examined repaying the principal in equal euro amounts and rejected that option, which it prices at €195 billion over 2028–2034 against €168 billion for the annuity. This would satisfy all legal requirements mentioned above: a steady and predictable reduction of liabilities, annual repayments never rising above 7.5 percent of the €421 billion total principal (in current prices) and repayment before the lapse of the 2058 deadline for repayment and for the member state guarantee. This holds the burden constant in nominal terms and therefore lets it fall gradually in real terms.

According to the Commission's own profile, the status quo entails principal repayment of €9.7 billion in current prices in 2028 plus interest of €14.3 billion, with the interest share falling and the principal share rising as the outstanding stock shrinks. The total costs of NGEU repayment during the next MFF stand at €168.0 billion in current prices, and the total costs until 2056 at €693.8 billion.

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A second scenario (S2) would instead repay the principal at an equal share of GNI each year over the same 2028-2058 period, as proposed by Darvas and McCaffrey.⁹ Again, this would clear all legal hurdles. Liabilities would be reduced predictably and at an even pace (expressed as a share of GNI), annual repayments would remain under the €31.6 billion limit throughout, and repayment would terminate at the 2058 deadline. Repayment would be lower initially and rise gradually with GNI over time, at least in current prices which ignore future inflation impacts.

Contrary to the status quo, S2 would free up significant resources during the next MFF period when we express repayment in euro terms. According to our estimates, €8.4 billion of principal would then be repaid in 2028 (plus €14.3 billion of interest), rising to €10.1 billion in current prices of principal repayment by 2034. On the Commission's interest path, the total costs of NGEU repayment over the next MFF would decline to €159.1 billion in current prices, whereas total repayment costs until 2058 would rise to €717.4 billion.¹⁰

A third scenario (S3) would backload repayment burdens more strongly than S2 by increasing the level of principal repayment each year by (for example) 4 percent from 2028-2058. This option would clear the maximum 7.5 percent repayment cap and the repayment deadline, but whether it respects the “steady and predictable reduction of liabilities” requirement is more questionable. In a stricter reading, “steady” would entail a constant level of repayment as in S1-S2 (whether expressed in euro terms or as a share of GNI), which S3’s increasing rate of repayment would breach. In a weaker reading, however, “steady” would merely entail a continuous reduction of liabilities, which this option would clearly also ensure.

This scenario would entail a similar but further backloaded financial implication. According to our estimates, in this mode of repayment, the next MFF’s debt service expenditure would decrease further to €151.6 billion in current prices on the Commission’s interest path. The overall bill until 2058 would increase further, to around €730.1 billion in current prices,

A fourth scenario (S4) takes this potential legal possibility for backloading to its maximum by increasing the rate of principal repayment by around 7 percent each year from 2028 to 2058. As in S3, this would clear the repayment deadline and the 7.5 percent maximum repayment cap in the 2020 ORD. But it could run up against a strict reading of the “steady and predictable reduction of liabilities.” Repayment burdens would be even lower initially and rise more strongly over time, with principal repayment reaching the limit of €31.6 billion in 2058.

This maximum backloading option pushes debt service costs during the next MFF down even further, to an estimated €133.1 billion on the Commission’s interest path. Total repayment costs would accordingly climb higher as well, to around €765.6 billion by 2058.

A fifth scenario (S5) would backload even more strongly, for example by increasing principal repayment by 15 percent each year between 2028 and 2058. In consequence, this option would not only depend on avoiding a strict reading of the “steady and predictable” liability reduction requirement but would also breach the maximum repayment cap of 7.5 percent per year.

⁹ Darvas and McCaffrey, *Management of Debt Liabilities in the EU Budget*. Available at:

[https://www.europarl.europa.eu/RegData/etudes/BRIE/2024/766173/IPOL_BRI\(2024\)766173_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2024/766173/IPOL_BRI(2024)766173_EN.pdf)

¹⁰ We assume 3 percent of nominal GNI growth in this scenario, composed of 2 percent inflation and 1 percent of real growth.

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Accordingly, this level of backloading would be the first among our options to definitely require a change to (this part of) the current ORD, making it politically more challenging than the previous alternatives.

This option would however lead to an even lower bill during the next MFF than all other previous alternatives: €109.7 billion in current prices according to our estimate on the Commission's interest path. However, over the entire repayment period, total costs would thereby also increase most strongly from the status quo. We estimate the total bill at €831.4 billion.

A sixth scenario (S6) would extend the time horizon of repayment (for example to 2073) instead of tinkering with the rates of repayment until 2058. This would reduce the burden of repayment both initially and keep it low over time, but it would raise the total costs of repayment considerably. Of course, this option would squarely breach the 2020 ORD's deadline of repayment and the member state guarantees which equally were agreed only until 2058. Accordingly, it would require not only agreement on a change to Art. 5 (2), but also Art. 6, including a commitment from member states to extend their guarantees beyond 2058 (which they would have to confirm unanimously by ratification). The ladder requirement makes this option even more politically challenging than the previous one.

In terms of financial implications, this scenario would also decrease the costs during the next MFF compared to the status quo, but less so than options S3-S5. In our estimates, debt service payments during 2028-2034 would then total €158.5 billion in current prices, while the total bill would climb higher still. We estimate it at €852.8 billion in current prices until 2073 under S6.

Finally, a seventh scenario (S7) would take this route to its extreme and perpetually roll over the existing stock of EU debt instead of ever repaying it. This option has been proposed by Bruegel in the context of the EU safe asset debate as a way to ensure a permanent, deep, and liquid EU bond market which could underwrite more fully developed capital markets in the EU, improve financial stability and lower public borrowing costs as well as enable a stronger international role of the euro.¹¹ In the context of our discussion here, this option would however most strongly deviate from the existing legal basis of NGEU repayment. There would be no steady or predictable principal reduction and the deadline for repayment in 2058 when the member state guarantee expires would be breached. Both would require a new political settlement among member states about how to handle and guarantee NGEU debt. But it would reduce repayment burdens immediately to the level of refinancing interest costs and stay there forever. Its exact values would depend on interest rate developments and GNI growth, but the real cost of these payments could plausibly decline continuously over time.

According to our estimates, repayment during the next MFF would drop the furthest in this case from among all options discussed here, to €101.2 billion in current prices on the Commission's interest path. The total bill is impossible to estimate, given that repayment of the principal would be perpetual. However, it would of course be highest in nominal terms from among all options

¹¹ Marie-Sophie Lappe and Jeromin Zettelmeyer, *A Sober Look at the Case for Common European Union Debt*, Bruegel Working Paper 20/2026, July 2026. Available at: <https://www.bruegel.org/sites/default/files/2026-07/WP%2020%202026.pdf>

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discussed here. For illustrative purposes, our model estimates it at around €1837 billion in current prices until 2100. Even more relevant than this perspective however would arguably be the inflation-adjusted bill for this option (as inflation gradually erodes the value of nominal perpetual payments over time). Our model estimates total costs until 2100 at €532.5 billion in 2025 prices compared to the status quo's €458.7 billion, a much smaller difference of 16 percent rather than 64 percent in current prices. However, it is worth stating again that at these timepoints far in the future, our model's estimated interest costs are much less certain than in the shorter term.

Figure A1: NGEU repayment options with greater legal hurdles

