



## **PROCEDURAL ACT OF THE MINISTERIAL COUNCIL OF THE ENERGY COMMUNITY**

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### **2025/PA/XX/MC-ENC: ON THE ADOPTION OF THE BUDGET OF THE ENERGY COMMUNITY FOR THE YEARS 2026-2027 AND ON THE CONTRIBUTIONS BY THE PARTIES TO THE BUDGET**

The Ministerial Council of the Energy Community,

Having regard to the Treaty establishing the Energy Community, and in particular Articles 73, 74, 86 and 88 thereof,

Having regard to the proposal from the European Commission to the Ministerial Council of the Energy Community on the Budget of the Energy Community for the period 2026-2027,

Having regard to Articles 24 and 25 of the Energy Community procedures for the establishment and implementation of Budget, Auditing and Inspection,

Whereas the Ministerial Council shall adopt a bi-annual budget covering the operational expenses of the Energy Community necessary for the functioning of its institutions,

Whereas each Party shall contribute to the budget of the Energy Community as set out in Annex IV of the Treaty establishing the Energy Community,

HAS DECIDED AS FOLLOWS:

#### **Article 1**

The Energy Community Budget covering the financial years 2026 and 2027 as set out in Annex A and Annex B is hereby adopted.

#### **Article 2**

With effect as of 1 January 2026, the contributions to the budget of the Energy Community by the Parties are set out in Annex A to the present Procedural Act.

#### **Article 3**

This Procedural Act is addressed to all Parties and institutions under the Treaty establishing the Energy Community.



ANNEX A TO PROCEDURAL ACT 2025/XX/MC-EnC  
OF THE MINISTERIAL COUNCIL OF THE ENERGY COMMUNITY  
on the adoption of the Budget of the Energy Community for the years 2026-2027 and  
on the contributions by the Parties to the budget

ENERGY COMMUNITY BUDGET

2026-2027



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## 1. Context of the Proposal

### 1.1 Treaty basis

Articles 73, 74 and 88 of the Treaty establishing the Energy Community (hereinafter referred to as the "*Treaty*") stipulate that a Procedural Act adopted by unanimity by the Ministerial Council, on a proposal of the European Commission, shall lay down a biannual budget of the Energy Community. It covers also *the operational expenditure of the Energy Community necessary for the functioning of its institutions.*

The present budget proposal and explanatory memorandum was prepared by the Director of the Energy Community Secretariat and was submitted to the European Commission for agreement, as required under Article 30 of the *Energy Community Procedures for the Establishment and Implementation of the Budget, Auditing and Inspection* adopted by Procedural Act 2006/03/MC-EnC as amended to date (last amendment by Procedural Act 2024/06/MC-EnC of 19 February 2024) (hereinafter referred to as the "*Budgetary Procedures*").

### 1.2 Provisions for 2026-2027 budget of the Energy Community

Guiding principles and provisions for the preparation of the budget (on content and structure) are laid down in the Energy Community Budgetary Procedures.

## 2. Outline of the Work Program 2026-2027

This outline of the Work Programme of the Energy Community 2026-2027 is a summary of activities linked to the budgeting process of expenditure for the next two years. It is prepared following the requirements of the establishment of the budget laid down in the Energy Community "Budgetary Procedures".

The Work Programme 2026–2027 outlines the Energy Community Secretariat's activities and budget priorities, building on 20 years of support for Contracting Parties in aligning with EU energy and climate policies. Its Treaty-based tasks include creating a competitive regional energy framework, improving security of supply, enabling electricity, gas, hydrogen, and CO<sub>2</sub> market integration, fostering investment, promoting renewables and efficiency, and advancing environmental protection. These are closely linked to EU reforms and instruments like the New Growth Plan for the Western Balkans, the Ukraine Facility, and the Moldova Reform and Growth Facility.

The Secretariat drives implementation by providing legal and technical assistance, organizing institutional meetings, supporting legal alignment, and ensuring compliance with the Energy Community acquis. Key duties for 2026–2027 include implementing the Electricity Integration Package, revised TEN-E Regulation, and Gas Supply and Storage Regulations, which require issuing opinions, monitoring supply security, liaising with EU institutions, and facilitating regional projects.

Monitoring, reporting, and enforcement remain core functions, including annual implementation reports, NECP support, assessing and supporting Monitoring, Reporting, Verification and Accreditation (MRVA) of greenhouse gas emissions, CBAM readiness, dispute settlement, complaints handling, and mediation. Providing support to donors in Ukraine, primarily by

implementing the Ukraine Energy Support Fund, will remain a priority area of activity, together with the support to donors in Moldova, Georgia and the Western Balkans by implementing the EU4Energy Project and engaging in regional initiatives.

### Electricity Sector – Summary

The Work Programme 2026–2027 prioritizes the accelerated integration of Contracting Parties' electricity markets into the EU internal market, based on full and timely implementation of the Electricity Integration Package (EIP) and related EU acquis. Since complete EIP transposition is expected by end 2025, Secretariat activities in 2026–2027 will center on implementation support: drafting and reviewing secondary legislation, ensuring compliance with network codes and guidelines, and aligning with the new EU Electricity Market Design adopted in 2024. Technical assistance, capacity building, and compliance monitoring will guide Contracting Parties toward harmonized frameworks enabling participation in EU single day-ahead, intraday, and balancing platforms (SDAC, SIDC, IGCC, TERRE, MARI, PICASSO).

The Secretariat will also help establish competitive, consumer-centered, and flexible markets by removing barriers to open access, supporting active customer participation, promoting demand response, storage, and renewable integration, and strengthening DSOs' new roles in smart grids, flexibility procurement, and consumer connections. Cooperation through the ECDSO platform and EU associations will advance distribution modernization and regulatory readiness.

On security of supply, the Secretariat will monitor and enforce obligations under the Risk-Preparedness Regulation and the Emergency and Restoration Network Code, reviewing national risk plans, coordinating crisis response, and assisting Ukraine and Moldova with system operation security. Regular monitoring, reporting, and coordination with EU bodies, ENTSO-E, ACER, NEMOs, TSOs, and taxation experts (on VAT harmonization) will ensure coherent progress toward integration, decarbonization, and CBAM compliance.

### Gas Sector – Summary

The Secretariat will work to support the Contracting Parties to close compliance gaps in the gas acquis and, once the Fourth Gas Package is adopted in the Energy Community, support its implementation to address market fragmentation through better rules, unbundling, tariff reform, and storage access. It will promote market integration via CESEC and SEEGAS, focusing on cross-border interconnections, balancing regimes, and closer TSO/DSO cooperation with ENTSG.

On security of supply, activities will cover continuing activities to support implementation of legislation on risk preparedness, emergency plans, gas storage targets, and diversification from Russian imports. The Secretariat will also support hydrogen, biomethane, and other renewable gases, aligning with the EU Hydrogen Strategy and TEN-E projects, while advancing pilot projects. Work on methane reduction will include support on implementing international monitoring and mitigation standards, as well as transposing and implementing the 2024 EU Regulation if proposed for adoption in the Energy Community. In emergency oil stocks, assistance will target legal alignment, stockholding mechanisms, and regional cooperation to boost resilience.

## Governance, Climate Action, MRVA, RES, and Energy Efficiency – Summary

The Secretariat will continue supporting Contracting Parties in achieving 2030 energy and climate targets and 2050 climate neutrality, guided by the Decarbonisation Roadmap and the adapted Governance Regulation. Focus will be on the second round of NECPs (2030–2040) and Long-Term Strategies, ensuring coherence with revised NDCs and sectoral objectives. Support includes technical assistance, guidance on policy implementation, data aggregation, and capacity building through the ReportENER platform, as well as collaboration with the EEA for progress monitoring and assessment. Enhanced Secretariat resources and regional exchange will strengthen timely, high-quality reporting and compliance.

In MRVA and carbon pricing, the Secretariat will monitor the transposition and implementation of the acquis, ensure functional GHG permitting systems, standardize accreditation of verifiers, and assist Contracting Parties in establishing effective carbon pricing mechanisms, aligned with EU ETS and decarbonization goals. Regional dialogue, stakeholder engagement, and institutional readiness will support smooth adoption.

For renewable energy (RES), the Secretariat will facilitate full implementation of the Renewable Energy Directive, promote market-based support schemes, streamline planning and permitting processes, and enable Guarantees of Origin. Support will extend to self-consumption, energy communities, PPAs, cooperation mechanisms, and integration of RES in industry and buildings, including sustainability criteria for biofuels, bioliquids, and biomass.

In energy efficiency, activities will cover the transposition and implementation of updated directives, energy labelling, the Energy Efficiency First principle, and sectoral measures, particularly in buildings, district heating, and cogeneration. The Secretariat will assist with capacity building, data collection, reporting under NECPs, financing solutions for deep renovations, and promotion of best practices to reduce energy poverty and enhance efficiency.

## Energy Infrastructure, Environment, and Cybersecurity – Summary

The Secretariat will intensify support for the transposition and implementation of the TEN-E Regulation, including initiating the 2025–2026 PEI selection process and updating the infrastructure transparency platform PLIMA. Assistance will focus on enabling access to EU and international financing, supporting priority projects under the CESEC High-Level Group, and promoting regional market integration.

In environment, the Secretariat will help Contracting Parties implement the core environmental acquis, including EIA, SEA, Birds and Habitats Directives, Water Framework, large combustion plants, and environmental liability. Emphasis will be placed on limiting land-use conflicts, supporting Renewables Acceleration Areas, and streamlining permitting via one-stop-shop mechanisms, building on best practices such as the Montenegro model. Air quality work will continue, particularly under the Large Combustion Plants Directive and transition to the Industrial Emissions Directive, ensuring alignment with EU standards to support decarbonization and electricity market integration.

In cybersecurity, the Secretariat will prepare for the adoption of the NCCS Regulation, coordinate the Cyber-Security Coordination Group, and establish cooperation with ENISA and ENTSO-E.

Efforts include enhancing the Secretariat's own IT security to mitigate risks from increasing cyber threats, ensuring safe operations across the Energy Community.

### Cooperation with National Authorities – Summary

The Secretariat supports ECRB and national regulators in implementing network codes, REMIT, and the Electricity Integration Package, providing guidance, drafting opinions, organizing working groups, and fostering cross-border coordination, while enhancing market integrity and transparency and building regulators' capacities for EU market integration.

Support to competition and State Aid authorities includes capacity building, workshops, and consultation mechanisms to ensure consistent enforcement, particularly for renewable energy auctions and contracts. For statistics authorities, the Secretariat assists in implementing Energy Statistics acquis, including new Clean Energy Package requirements, ensuring high-quality, disaggregated data for renewable energy, CHP, district heating, and hydrogen. Technical support, training, and collaboration with EUROSTAT enhance compliance, methodology, and data reporting to meet policy and green transition needs.

### Coordination of Donors' and Cross-Cutting Activities – Summary

The Secretariat will continue to assist in the coordination by the European Commission of donors to support NECP implementation, mobilizing financing, de-risking investments, and ensuring alignment with Energy Community priorities, including Ukraine's green rebuilding. Through the Ukraine Energy Support Fund and Ukraine Energy Market Observatory, it channels resources, tracks energy developments, and advises policymakers. Cross-border renewable energy and biomethane projects promote decarbonization, while the EU4Energy Governance Project supports clean energy transitions in Ukraine, Moldova, and Georgia. In the Western Balkans, it fosters regional cooperation, decarbonization, and air quality initiatives.

Communication, stakeholder engagement, and EMAS-based environmental and social responsibility efforts enhance transparency, sustainability, and outreach. The Secretariat ensures robust internal audit, administration, HR, finance, procurement, and general services, enabling efficient project delivery, digitalization, hybrid event management, and well-being of staff while maintaining cost-effectiveness and compliance.

Overall, the Secretariat's work reflects these main priority areas in line with Article 67 of the Treaty, topped up with the 4<sup>th</sup> area introduced in 2022 to support Ukraine.

Activity 1 (A1) – implementation of the acquis pursuant to Article 67(b) of the Treaty focusing on the assistance offered to the Contracting Parties to support the proper implementation of the obligations under the Treaty and annual progress reporting to the Ministerial Council.

Activity 2 (A2) – assistance to donors and to the coordination by the European Commission of the donor's activity pursuant to Article 67(c), including assistance to the work of the donor's community in the areas of the scope of the Energy Community and Contracting Parties.

Activity 3 (A3) – administrative support to institutions and bodies in line with Article 67(a) regarding

the facilitation and organization of the work of the Energy Community institutions and working bodies established by the decisions of the Ministerial Council.

Activity 4 (A4) –support to the critical work using the existing mechanisms to keep the Ukrainian energy system functioning (not part of this Work Programme).

### 3. Budget assumptions

3.1 The major assumption underpinning the budget proposal is that the legal and financial framework will be further applicable to the operations of the Energy Community. The extension of the Treaty until 2036 serves as an assurance that the Energy Community will continue working towards the achievement of the Energy Community objectives, responding to the requirements of creating a single internal energy market in line with the European Green Deal and decarbonisation objectives. On the level of financial planning for 2026-2027, the Energy Community Secretariat considered the experience of budget implementation of the previous years, the strategic planning of future tasks and activities as presented in the Work Programme (WP) 2026-2027, as well as the budgetary framework from the largest contributor, the EU.

3.2 Average increase by +12.8% for most of external contracted goods and outsourced services included, due to the need to cover consumable price adjustments as stipulated by existing contracts and required by Austrian law.

3.3 Another assumption affecting the budget is the planned availability of earmarked revenues for specific projects via grants and donations, mainly provided by the EU. Particular importance lies with the funding, supported by the European Commission and other donors, enabling the management of the Ukrainian Energy Support Fund (UESF), together with the 3-year grant for Moldova (MEIR), the 18-month grant for EU4Climate Resilience funded by GIZ, and the continuation of the EU4Energy grant.

### 4. Energy Community budget structure

The financial planning follows the predefined structure of the budget through the provision of the applicable Rules of Title V: “Establishment and Structure of the Budget” set in the Energy Community Budgetary Procedures.

The present budget is allocated according to **four budget lines** which are *Human Resources*, *Travel*, *Office*, and *Other Costs and Services* that are further detailed in the budget positions (different numbers in different budget lines). Each of the budget positions is further composed of pre-defined accounts that create a group of accounts representing a certain category of expenditure related to the budget lines. Explanations given under this section are applicable for both years 2026-2027.

#### 4.1 Budget Line: Human Resources

**Budget Line I** constitutes human resources expenditure. This part of the budget is defined in accordance with the approved Establishment Plan and follows the established salary scale level. The organisational structure of the Secretariat, as established originally by the Ministerial Council in 2007 and evolved through subsequent Budgets adopted by the Ministerial Council, is the basis for the proposal. The budget for the Human Resources Budget Line is a result of

the following considerations:

- a) In 2026 and 2027 the salaries are adjusted by a **2%** annual inflation factor.
- b) The **Health Insurance** reimbursement scheme was introduced with the approved budget 2024-2025 for full-time permanent staff. The 2026-2027 budget is based on a **10% increase annually** of the maximum health insurance reimbursement from the maximum EUR 500 of the actual cost of the individual health prime to **EUR 550** in 2026; and from EUR 550 to **EUR 605** in 2027 due to annual increase applied by health insurance providers on the market.
- c) The establishment plan under the Budget 2026-2027 is made of **43 full-time permanent staff** – down from 44 in 2024-2025 – and includes the following changes:
  - 4 positions (2 Experts and 2 Officers) approved with the Budget 2024-2025 in the Ukraine Support Unit for the UESF activities will become project-financed by extraordinary budget. It is expected that the Ukraine Support Unit will count 10 positions (level of Experts, Officers and Assistants) funded by extraordinary budget – an increase of 5 positions as compared to the 2024-2025 organigramme. This will guarantee a reinforced management and functioning of UESF's growing operations.
  - 3 new positions are created as follows:
    - **Head of (new) Renewable Unit** to address the increasing need for specialised expertise in the area of transposition and implementation of the acquis, building a sound framework for investments as indicated in Annex B, Section 5 of the Work Program 2026-2027. Staff from the Legal and European Green Deal units will be transferred to the new unit (4 positions).
    - One **NECP Project Officer** in the Decarbonisation and Governance Unit to enhance climate reporting and support under the Governance Regulations indicated in Annex B, Section III, 3 (b) of the Work Program 2026-2027.
    - One **Electricity Grid Expert** in the Electricity Unit to enhance the electricity package application and support as indicated in Annex B, Section III, 1 (c) of the Work Programme 2026-2027.
  - 1 position of Executive Officer is upgraded to the Expert level with the retitling of the post as **Executive Coordinator and HR Expert** due to the increased complexity of the work performed, level of responsibilities and overall growth of the portfolio.
  - One Expert of the Legal Unit will perform the function of “Legal Counsel to the Director” previously performed by the Deputy Director and will be offered complementary remuneration due to the increased complexity and responsibility (no additional position created).
- d) A new **Assistant** job category There is no Assistant position created in the establishment plan under the present Budget, but 3 positions are created under project-financed activities (extraordinary budget).

- e) The European Green Deal Unit is renamed **Decarbonisation and Governance Unit** to more accurately reflect the unit's evolving focus and role within the organisation. The new name highlights a dual emphasis: first, the unit will continue to prioritise the integration of decarbonisation objectives into implementation efforts, in line with the 2030 energy and climate targets and existing legislation framework; second, the governance dimension will continue to be reinforced through a coordinated approach to support the implementation of NECPs, ensure timely progress reporting, and prepare for the second round of NECPs. Coordination of climate and energy reporting obligations under the Governance Regulation will remain central.
- f) Continued promotion of temporary employment under secondment, locally recruited personnel and internship schemes are envisaged<sup>1</sup>. Secondment, used as a form of strengthening the administrative capacity of the Contracting Parties, will be further on use in the years 2026-2027 to complement the Secretariat's team with specific technical expertise from national administrations and other organisations. Internships aim at supporting staff as well as disseminating knowledge about the Energy Community and contributing to capacity building including assignments performed in the contracting parties' countries. It has also been a valuable instrument to engage young professionals or experts from the Contracting Parties into the work of the Energy Community. The financial assumption of the proposed budget envisages funds for up to **84 person/months or 7 one-year temporary staff annually**.
- g) The salary scale is increased by two additional steps, from 5 to 7, with each step representing a difference of +/- 5%. The central reference step is **step 3**. The salary scale will continue to be applied for all positions regardless of the source of funding considering individual annual performance, duration of service and previous professional experience, within the limits of budgetary availability. Usually, new positions are advertised at step 1 with possibilities of periodic adjustments regulated by the Procedural Act 2024/04/ECS-EnC: On the adoption of a Salary Scale and the Comprehensive Performance Appraisal issued by the Director.
- h) The presented budget for Human Resources translates into an overall budget increase of **9.99%** in the Human Resources budget line in 2026 reaching the amount of **EUR 4.702.732** compared with 2025, and **2%** increase in 2027 reaching the amount of **EUR 4.796.786** compared with 2026.

#### 4.2 Budget Line: Travel

**Budget Line II** comprises expenditures related to authorized travels of the Energy Community Secretariat's staff on behalf of the Energy Community pursuing activities related to the Treaty's implementation.

The expenditure refers mainly to the missions to various Contracting Parties locations or technical assistance for the review of the implementation of the obligations under the Treaty. In its structure, the budget for travel expenses is planned and composed of:

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<sup>1</sup> Regulated by separate Rules on Secondees, Interns and locally recruited staff.

- a) Daily Subsistence Allowance (DSA)<sup>2</sup>
- b) Costs for flights and incidentals

and administered in accordance with Staff Regulations.

The presented budget for Travel translates to an overall increase of **9.57%** in 2026 reaching the amount of **EUR 251.453** compared with 2025, and **2%** increase in 2027 reaching the amount of **EUR 256.482** compared with 2026.

#### 4.3 Budget Line: Office

**Budget Line III** comprises expenditures reflecting the increase of the cost of rental for the Secretariat Headquarters in Vienna, Austria due to significant inflation and the assets of the Energy Community and other office infrastructure expenditures (office supplies, consumables and other services) that are necessary for the functioning of the Secretariat as an institution under the Treaty. The budget positions below are already **reduced proportionally** considering other sources of revenue as presented in the Statement of Revenue.

Office costs related to the field offices operations in Ukraine, Georgia and Moldova are not budgeted since fully funded by other sources of revenue.

This budget line includes the following budgetary positions:

- a) Rent: The estimation of expenditures for the rental of office premises increases by 18.01%. This budget position considers the donation to be received from the host country (Austria) to the overall budget of the Energy Community<sup>3</sup>.
- b) Office equipment: This budgetary position reflects the necessity to replenish end-users IT devices, communication equipment, media and other office equipment, keeping office furniture in a functional manner to provide an appropriate working environment and ensure in-person and online conference facilities at the Energy Community premises. It includes significant CAPEX investments to IT network hardware infrastructure, with 78.54% increase in funding.
- c) Consumables: Covers the following accounts: office supplies, repairs and maintenance, office cleaning supplies and services (outsourced), utilities and electricity costs for the premises, with 10.10% decrease in funding.
- d) Other services: Covers the necessary funds for carriers and transport by third parties, postal fees, other operating expenses and costs of communication (internet, landline and mobile communication) with 7.17% decrease in funding

The presented budget for **Office** translates into an overall increase of **17.19%** in 2026 reaching the amount of **EUR 603.664** compared with 2025, and **2%** increase in 2027 reaching the amount of **EUR 615.737** compared with 2026.

<sup>2</sup> The Energy Community Secretariat follows the DSA as published by the *EuropeAid Cooperation Office*.

<sup>3</sup> The Republic of Austria committed voluntarily to donate EUR 170,000 on an annual basis to the office rent of the Secretariat in Vienna until 31.12.2026. Further contribution is a subject of the new office lease negotiation from January 1, 2027.

#### 4.4 Budget Line: Other costs and services

**Budget Line IV** concerns other expenditures that relate to the activities, which are necessary for the functioning of the Energy Community Secretariat and other Institutions under the Treaty (Ministerial Council, PHLG, ECRB and Fora).

This budget line is composed of the following budget positions:

- a) Advertising, communications and representation: It covers the work performed within the area of public relations, related to issuance of publications by the Secretariat (i.e. publishing of new editions of the Legal Framework books, Implementation Reports, etc.), promotion campaigns, design, and advertising required for the purposes of procurement and personnel search; subscriptions; as well as costs of representation, with 5.66% decrease in funding
- b) Studies, research and consulting: Experience has shown that technical support through studies is a very useful tool for achieving the Energy Community's objectives. Research and consulting are required in some areas of work outlined in the Work Programme of the Energy Community. With enhanced in-house expertise and augmented staffing after all new established positions funded under budget 2024-2025 were filled, and considering historical underutilization of this budget position, 73.73% decrease in funding is proposed.
- c) Costs of outsourced services (IT, payroll, etc.): Corresponds to the performance of activities and tasks related to IT administration (outsourced activity to an external service provider), technical maintenance of the website of the Energy Community (in both administrative and external user areas), additional cybersecurity measures from external service provider, as well as the lease contracts for office equipment (e.g. copy machines and printers), and maintenance of existing IT solutions within the area of administration, accounting and human resources (databases for accounting and human resources); recurring software licenses. The increase of 52.79% of funding reflects historical cost increase, volume of transactions and support to be performed.
- d) Costs of audit, legal and financial advice: Covers funds for external audits and outsourced legal services; outsourced financial contracts for payroll, staff travel administration and accounting support services, with 2.00% increase in funding
- e) Financial services: Covers banking and transaction fees, with 14.80% increase in funding
- f) Conference costs: Covers the expenses related to the organization of all regular and *ad hoc* events, including renting of premises and equipment, catering, technical arrangements, video recording, photo shooting, events streaming, with 18.35% increase of funding. The list of key events is presented at Annex B, Appendix 1.
- g) Refunding: Covers the travel expenses related to the participation of representatives of the Contracting Parties and/or Observers in the institutional meetings, workshops and other events organized by the Energy Community Secretariat. Implementation of this budget position follows a separate set of rules on reimbursement updated in 2024. It contains also funds for justified travel linked to the organization and participation of all non-staff temporary personnel, consultants at different meetings, conferences, and training courses including those of the Energy Community institutions, speakers of the events, etc., with 7.30%

increase in funding.

- h) Training: Covers the expenses related to training, education, individual or group staff development, internal annual and other staff meetings of the Secretariat's personnel. It includes educational measures offered to the representatives of the Contracting Parties, with 1.86% increase in funding

The presented budget for **Other Cost and Services** translates to an overall decrease of **-23.49%** in 2026 reaching the amount of **EUR 1.311.635** compared with 2025, and **2%** increase in 2027 reaching the amount of **EUR 1.337.864** compared with 2026.

### 5. Energy Community Budget 2026-2027

The proposed core budget for 2026 reflects the scope of tasks of the Energy Community Work Programme and is **EUR 6.869.481**, or **2%** higher than the budget for 2025.

The proposed core budget for 2027 is **EUR 7.006.871**, or **2%** higher than the budget for 2026. It is subject to the outcome of the annual EU budgetary procedure and the adoption of the EU budget for 2027, for which figures are not available yet. Thus, this constitutes an advanced indication of the resources needed for the operations of the Energy Community in 2027.

## 6. Statement of Revenue 2026-2027

### Core Budget

Parties	Contribution (in %)	Budget 2025 Contribution (in EUR)	Budget 2026 Contribution (in EUR)	Change Budget 2026 vs. 2025 (in %)	Budget 2027 Contribution (in EUR)	Change Budget 2027 vs. 2026 (in %)
European Union	94.78%	6,383,230	6,510,894	2.00%	6,641,112	2.00%
Republic of Albania	0.09%	6,061	6,183	2.00%	6,306	2.00%
Bosnia & Herzegovina	0.20%	13,470	13,739	2.00%	14,014	2.00%
Georgia	0.11%	7,408	7,556	2.00%	7,708	2.00%
Kosovo*	0.07%	4,714	4,809	2.00%	4,905	2.00%
North Macedonia	0.10%	6,735	6,869	2.00%	7,007	2.00%
Moldova	0.10%	6,735	6,869	2.00%	7,007	2.00%
Montenegro	0.05%	3,367	3,435	2.00%	3,503	2.00%
Serbia	0.56%	37,715	38,469	2.00%	39,238	2.00%
Ukraine	3.94%	265,351	270,658	2.00%	276,071	2.00%
Sub-total revenue:		<b>6,734,786</b>	<b>6,869,481</b>	<b>2.00%</b>	<b>7,006,871</b>	<b>2.00%</b>

### Other sources of funding

Donor/Grant	2025 Contribution (in EUR)	Estimated 2026 Contribution (in EUR)	Estimated 2027 Contribution (in EUR)	Change Budget 2026 vs. 2025, %	Change Budget 2027 vs. 2026, %
European Union: EU4Energy Phase II	129,160	-	-	-100.00%	-
European Union: EU4Energy Phase II+	1,213,768	1,740,876	-	43.43%	-
Government of Austria	170,000	170,000	170,000	0.00%	0.00%
UESF *	-	1,420,000	p.m	100.00%	100.00%
European Union: MEIR Phase I	-	1,000,000	1,000,000	100.00%	0.00%
GIZ: EU4Climate Resilience	152,890	305,780	-	100.00%	-
Other revenue	p.m.	p.m	p.m	p.m	p.m
Sub-total expenditure:	<b>1,665,818</b>	<b>4,636,656</b>	<b>1,170,000</b>	<b>178.34%</b>	<b>-74.77%</b>
<b>Expenditure (all sources):</b>	<b>8,400,604</b>	<b>11,506,137</b>	<b>8,176,871</b>	<b>36.97%</b>	<b>-28.93%</b>

\* European Union and donors' contribution to the management fee

## 7. Statement of expenditure 2026-2027

### Core Budget

Budget Line	Budget 2025	Budget 2026	Budget 2027	Change Budget 2026 vs. 2025	Change Budget 2027 vs. 2026
1. Human Resources	4,275,748	4,702,732	4,796,786	9.99%	2.00%
2. Travel	229,500	251,453	256,482	9.57%	2.00%
3. Office	515,100	603,664	615,737	17.19%	2.00%
4. Other Costs and Services	1,714,437	1,311,632	1,337,864	-23.49%	2.00%
Sub-total expenditure:	6,734,786	6,869,481	7,006,870	2.00%	2.00%

### Other sources of funding

Donor/Grant	2025 Contribution (in EUR)	Estimated 2026 Contribution (in EUR)	Estimated 2027 Contribution (in EUR)	Change Budget 2026 vs. 2025, %	Change Budget 2027 vs. 2026, %
European Union: EU4Energy Phase II	129,160	-	-	-100.00%	-
European Union: EU4Energy Phase II+	1,213,768	1,740,876	-	43.43%	-
Government of Austria	170,000	170,000	170,000	0.00%	0.00%
UESF *	-	1,420,000	p.m	100.00%	100.00%
European Union: MEIR Phase I	-	1,000,000	1,000,000	100.00%	0.00%
GIZ: EU4Climate Resilience	152,890	305,780	-	100.00%	-
Other revenue	p.m.	p.m	p.m	p.m	p.m
Sub-total expenditure:	1,665,818	4,636,656	1,170,000	178.34%	-74.77%
<b>Expenditure (all sources):</b>	<b>8,400,604</b>	<b>11,506,137</b>	<b>8,176,870</b>	<b>36.97%</b>	<b>-28.93%</b>

\* European Union and donors' contribution to the management fee

## 8. Details of Statement of expenditure 2026-2027

### CORE BUDGET

Budget Line/Position	Budget 2025	Budget 2026	Budget 2027	Change Budget 2026 vs. 2025	Change Budget 2027 vs. 2026
<b>1. HUMAN RESOURCES</b>					
<b>Subtotal Human Resources</b>	<b>4,275,748</b>	<b>4,702,732</b>	<b>4,796,786</b>	<b>9.99%</b>	<b>2%</b>
<b>2. TRAVEL EXPENSES</b>					
Daily Subsistence Allowance (DSA)	76,500	81,995	83,635	7.18%	2%
Travel Expenses (flights and incidentals)	153,000	169,458	172,848	10.76%	2%
<b>Subtotal Travel Expenses</b>	<b>229,500</b>	<b>251,453</b>	<b>256,482</b>	<b>9.57%</b>	<b>2%</b>
<b>3. OFFICE EXPENSES</b>					
Office rent	219,300	258,802	263,978	18.01%	2%
Office equipment	86,700	154,795	157,891	78.54%	2%
Consumables	137,700	123,788	126,264	-10.10%	2%
Other Services	71,400	66,278	67,604	-7.17%	2%
<b>Subtotal Office Expenses</b>	<b>515,100</b>	<b>603,664</b>	<b>615,737</b>	<b>17.19%</b>	<b>2%</b>
<b>4. OTHER COSTS AND SERVICES</b>					
Advertising, communication and representation	56,100	52,923	53,981	-5.66%	2%
Studies, research and consulting	796,437	209,196	213,380	-73.73%	2%
Costs of outsourced services (IT, payroll, etc.)	244,800	374,020	381,500	52.79%	2%
Costs of Audit, Legal and Financial Advice	132,600	135,252	137,957	2.00%	2%
Financial services	30,600	35,129	35,831	14.80%	2%
Conference costs	198,900	235,390	240,098	18.35%	2%
Refunding	183,600	196,997	200,937	7.30%	2%
Training (internal and external)	71,400	72,726	74,180	1.86%	2%
<b>Subtotal Other Costs and Services</b>	<b>1,714,437</b>	<b>1,311,632</b>	<b>1,337,864</b>	<b>-23.49%</b>	<b>2%</b>
<b>TOTAL COSTS</b>	<b>6,734,786</b>	<b>6,869,481</b>	<b>7,006,870</b>	<b>2%</b>	<b>2%</b>

## 9. Establishment Plan 2026-20274

The establishment plan indicates the number of permanent and temporary posts proposed for carrying out the tasks under the corresponding work programme under the core budget and other funding sources.

### 9.1 Core Budget

Position/Year	2025	Post occupied as of 31.03.2025	2026	2027
	Permanent Post	All Posts	Permanent Post	Permanent Post
Director	1	1	1	1
Deputy Director *	1	0	1	1
Head of Unit	6	6	7	7
Experts	27	27	27	27
Officers	9	8	7	7
<b>Total:</b>	<b>44</b>	<b>42</b>	<b>43</b>	<b>43</b>

\* Position occupied by one Head of Unit and counted only once as Deputy Director

### 9.2 Other sources of funding (ExB)

Position/Year	2025	Post occupied as of 31.03.2025	2026	2027
	Post	Post	Post	Post
EU: EU4Energy Phase II	3	3	0	0
EU: EU4Energy Phase II+	6	6	8	8
UESF	0	0	10	10
EU: MEIR Phase I	0	0	7	7
GIZ: EU4Climate Resilience	0	0	2	0
<b>Total:</b>	<b>9</b>	<b>9</b>	<b>27</b>	<b>25</b>

<sup>4</sup> Based on the data as of 31.03.2025 and subject to revision further to future or amended project funding by other sources of revenue

### 9.3 Summary

Position's Level	2025			2026			2027		
	Core	ExB	Total	Core	ExB	Total	Core	ExB	Total
Director	1	0	1	1	0	1	1	0	1
Deputy Director	1	0	1	1	0	1	1	0	1
Head of Unit	6	1	7	7	1	8	7	1	8
Expert	27	6	33	27	10	37	27	10	37
Officer	9	2	11	7	12	19	7	10	17
Assistant	0	0	0	0	4	4	0	4	4
<b>Total Staff</b>	<b>44</b>	<b>9</b>	<b>53</b>	<b>43</b>	<b>27</b>	<b>70</b>	<b>43</b>	<b>25</b>	<b>68</b>
Temporary staff	7	2	9	7	0	7	7	0	7
Advisor/Consultant	1	1	2	0	0	0	0	0	0
<b>Total Staff+Temp+Advisor</b>	<b>52</b>	<b>12</b>	<b>64</b>	<b>50</b>	<b>27</b>	<b>77</b>	<b>50</b>	<b>25</b>	<b>75</b>

## 10. Energy Community salary scale 2026-2027

Level/description	Full-time salary (base line) per month (in EUR)	Full-time salary (base line) per month (in EUR)	Full-time salary per month (range when applicable) (in EUR)	Full-time salary (base line) per month (in EUR)	Full-time salary per month (range when applicable) (in EUR)
	2025	2026	2026	2027	2027
β	A	B	C	D	F
Director *	16.158	14 000	14 000	14 280	14 280
Deputy Director **	2.190	2.234	2.234	2.279	2.279
Head of Unit	8.758	8.933	8.040-10.720	9.112	8.201-10.934
Expert ***	7.336	7.483	6.735-8.980	7.633	6.870-9.160
Officer	5.368	5.475	4.928-6.570	5.585	5.027-6.702
Assistant		3.643	3.279-4.372	3.716	3.344-4.459
Seconded	3.572	3.643	3.643	3.716	3.716
Intern	1.819	1.855	1.855	1.892	1.892

\* As from 1st December 2026. Until then, it shall apply the 2025 amount +6%, subject to positive appraisal of performance.

\*\* Corresponds to the difference between Head of Unit salary and Deputy Director salary. Position occupied by one Head of Unit and counted only once as Deputy Director.

\*\*\* The Expert of the Legal Unit assigned with the role of Legal Counsel shall be entitled to additional remuneration equal to EUR 1.450 in 2026 and EUR 1.479 in 2027.

Level/description	2026 Full-time salary per month (in EUR)						
	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Head of Unit	8.040	8.486	8.933	9.380	9.826	10.273	10.720
Expert	6.735	7.109	7.483	7.857	8.231	8.605	8.980
Officer	4.928	5.201	5.475	5.749	6.023	6.296	6.570
Assistant	3.279	3.461	3.643	3.825	4.007	4.189	4.372

Level/description	2027 Full-time salary per month (in EUR)						
	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Head of Unit	8.201	8.656	9.112	9.568	10.023	10.479	10.934
Expert	6.870	7.251	7.633	8.015	8.396	8.778	9.160
Officer	5.027	5.306	5.585	5.864	6.144	6.423	6.702
Assistant	3.344	3.530	3.716	3.902	4.088	4.273	4.459

## 11. Units' activities

### The Legal Unit (LU)

The Legal Unit (LU) coordinates the Secretariat's activities related to the implementation of the *acquis communautaire* in the Contracting Parties. Together with the line units, it assists Contracting Parties in drafting texts of a legal nature (laws, secondary legislation, decisions etc.) and reviews compliance of such acts drafted and adopted by Contracting Parties in a comprehensive and structured way. It also advises Contracting Parties on any questions related to compliance with Energy Community law. It is also in charge of assisting Contracting Parties in the areas of environmental and climate as well as competition and State aid policy and ensures their implementation.

The Legal Unit leads the work on enforcing the *acquis communautaire* by carrying out the dispute settlement procedures established by the Treaty. It hosts the Secretariat's Dispute Resolution and Negotiation Center. The Legal Unit assists other institutions such as the Ministerial Council and the Permanent High-Level Group on procedural aspects of their work. The unit organises regular events such as the Energy Law Forum, the Competition Forum and the Dispute Resolution Forum. Finally, the Legal Unit plays a crucial role in knowledge management of the *acquis*, transposition, implementation, and other legal documents pertaining to the activities of the Secretariat.

### The Electricity Unit (EU)

The Electricity Unit (EU) will continuously assist Energy Community Contracting Parties in the transposition and implementation of the electricity market part of the Clean Energy package, Network Codes and Guidelines, including support in drafting and reviewing relevant policy and regulatory documents, guidelines, recommendations and conducting dedicated studies.

Alongside, the Electricity Unit will facilitate, monitor and report on progress made in the electricity market development and cross-border integration at regional and European levels. In support of this, the Electricity Unit supports and coordinates activities of the coordination group of the Energy

Community distribution system operators (ECDSO-E), security of supply coordination group, and cyber security coordination group. The unit also facilitates and organizes meetings with the EnC electricity generation companies and other stakeholders related to the implementation of the Energy Community acquis.

In addition, the Electricity Unit will monitor and report the Energy Community Contracting Parties' progress in the implementation of the obligations related to the Regulation (EU) 347/2013, prepare and implement the process of identifying Projects of Energy Community Interests (PECIs) and any other electricity infrastructure related projects. Experts from the unit provide support to the WBIF in reviewing the applications for grants related to infrastructure and generation projects.

The Electricity Unit will also provide guidance and facilitate implementation of the acquis in the domain of energy statistics compliant with the Treaty, applying the best practice in EU and internationally agreed practice and procedures.

The Electricity Unit regularly organises dedicated workshops on various topics related to the practical aspects of the implementation of acquis (market coupling, storage, smart grids, grid connection of renewables, cross-border projects and more efficient usage of the interconnectors, etc.) providing support to capacity building of Contracting Parties and facilitating exchange of knowledge with EU member states.

### The Gas Unit (GU)

The Gas Unit (GU) continues its mission to transpose the Energy Community's gas and oil stock acquis and support its constituency in the proper implementation of gas market frameworks, enabling efficient, affordable and secure supplies to the citizens of the Contracting Parties; monitor compliance with the existing acquis framework, enable market integration with the European Union's energy market and ensure that all activities, duties and competences of the Secretariat's remit in the gas and oil sectors are taken timely and efficiently. The Gas Unit provides programmatic support and policy guidance in the areas of regulatory and sector-related frameworks for implementation of gas network codes, opening of the markets, proper governance of the network operators, security of energy supply, promotion of de-carbonization of gas sectors, and reducing methane emissions.

### The Decarbonisation and Governance Unit (DGU)

The Decarbonisation and Governance Unit (DGU) will continue its activities focusing on the coordinating activities regarding clean energy transition, decarbonisation and energy and climate governance agenda of the Energy Community. This will include the follow-up work to the Energy Community Decarbonisation Roadmap (updated Decarbonisation Roadmap, including monitoring the implementation of the acquis in energy efficiency, governance and climate, with a particular focus on alignment with the Ministerial Council decision on 2030 energy and climate targets.

A considerable part of the activities will be dedicated to the coordination of work on monitoring the progress in the implementation of National Energy and Climate Plans (NECPs) via improving the exercise of integrated progress reports and climate-related reporting as per the Governance Regulation. In line with the obligation to submit their draft NECPs by 1 January 2028, the unit will be actively engaging with Contracting Parties in H2 2026 and in 2027 in the development of the new draft plans to ensure that the next iteration of NECPs include high-quality information in line

with the provisions of the Governance Regulation.

The unit will be also actively engaged in work concerning carbon pricing in the Energy Community, in line with the Impact Assessment and policy directions given by the Ministerial Council of the Energy Community, including regarding both dedicated bilateral assistance to the Contracting Parties and coordinated actions under milestones defined under the updated decarbonisation Roadmap, in line with the requirements of the CBAM Regulation, such as legal commitment to climate neutrality by 2050, and directions towards alignment with the EU ETS, in particular for electricity generation. Special focus will be given to ensure monitoring of the effective functioning of the MRVA systems. In addition, efforts will be devoted to ensuring that just energy transition dimension is properly reflected in the Energy Community agenda.

In the context of the above, the unit will continue its cooperation with the Contracting Parties, EU institutions, IFIs, bilateral donors, NGOs and market participants, others to identify and implement the most suitable instruments for incentivizing investments supporting the decarbonisation and green energy transition.

The Decarbonisation and Governance Unit organises dedicated forums (Just Transition Forum) working group meetings, energy efficiency coordination group, technical working group on climate policy etc.) and workshops on various topics related to the practical aspects of the implementation of acquis providing support to capacity building of Contracting Parties and facilitating exchange of knowledge with EU member states.

### The Project Management Unit (PMU)

The Project Management Unit (PMU) will continue overseeing development and implementation of the technical assistance Projects funded by donors and implemented by the Energy Community Secretariat in EaP countries - Armenia, Azerbaijan, Georgia, Moldova and Ukraine.

PMU communicates, negotiates and drafts the grant and service contracts with contracting authorities, develops and reviews the work programmes, delivers certain elements of those as deemed appropriate, liaises with all stakeholders to ensure their support and input, undertakes specific Project management and communication activities, prepares technical and contributes to financial planning and reporting required by the donor.

### The Administrative and Finance Unit (AFU)

The Administrative and Finance Unit (AFU) will continue its mission to enable and promote the efficient and effective use of the Energy Community's resources, maintain, update, and monitor compliance with the existing governance framework, and most importantly, provide timely, quality, and value-added service to its clients and other stakeholders.

AFU provides programmatic support and policy guidance in the areas of budget, finance, human resources, procurement and contracting, events management, travel, facilities and assets management, information and communication technology, information security, risk management, and internal control.

### The Ukraine Support Unit (USU)

The Ukraine Support Unit will continue its mission to support Ukraine and its authorities in aiding

the energy infrastructure of the country, in response to the damages and the energy supply situation. While the Ukrainian Support Task Force (USTF) in coordination with the international partners, namely the European Commission (DG ENER, DG NEAR, DG ECHO, DG ENEST) and the G7+ coordination (Energy Rammstein), has been assisting donors with the deliveries of urgently needed energy equipment since Russia's invasion of Ukraine, its focus has shifted to the Ukraine Energy Support Fund (UESF/Fund). The Fund was established in March 2022 upon the request of the European Commission to support the Ministry of Energy of Ukraine to maintain the energy infrastructure and sector suffering from Russian aggression. The Fund is based on a Fiduciary Agreement between Sponsors, the Energy Community Secretariat (as Fiduciary), and the Ministry of Energy of Ukraine.

Since 2022, the European Commission has fully covered UESF's management costs by topping up the EU4Energy project and by increasing and redeploying the Energy Community core budget for 2024-2025. From 2026 onwards, the Unit's activities will be financed by other sources of revenue (EU budget and management fees to be paid by donors).

The Fund's contributions have increased from a total of EUR 136 million at the end of 2022, to EUR 347 million at the end of 2024, to a total of EUR 1.1 billion in March 2025 from more than 30 different donors.

### The Secretariat's activities in implementing the Fund include:

- promotion of the Fund to attract new contributions
- negotiation and conclusion of grant and fiduciary agreements
- overseeing and reviewing compliance of the process of selecting and approving requests for support by Ukrainian energy companies through the Ministry of Energy of Ukraine
- overseeing and coordinating process of procuring the items/services requested and approved through the external procurement agent
- management of concluded supply contracts
- internal controlling and reconciliation in line with the contractual framework
- disbursing funds in line with the contractual framework
- tracking and verifying deliveries and monitoring the use of the items procured under the Fund, along with reporting and auditing.

### The Energy Community Regulatory Board (ECRB) Unit

The ECRB Unit will continue its mission to support the implementation of the ECRB work program and fulfillment of tasks for the ECRB arising from the Energy Community acquis. This includes market monitoring activities, specific surveys on the wholesale and retail gas and electricity markets of the Contracting Parties, as well as analyses of consumer protection and empowerment rules, and regulatory treatment of active consumers, renewable sources, flexibility, and other new participants and schemes in the electricity markets. New obligations for the ECRB stem from the gas and electricity network codes, gas transmission tariff methodologies, and REMIT. Extensive new decision-making obligations will have to be accomplished according to the Electricity Integration Package (EIP), namely review and adoption of terms, conditions and methodologies associated with the electricity market integration. Another pillar of the ECRB Unit's activities is coordination of capacity building of the Energy Community national regulatory authorities (NRAs) and joint activities with other regional regulatory bodies, such as ACER, CEER and MEDREG, in the

format of workshops and reports to enable identification and sharing of the best regulatory practices. Finally, the ECRB Unit will continue to provide the regulatory expertise to activities of other Secretariat's units.

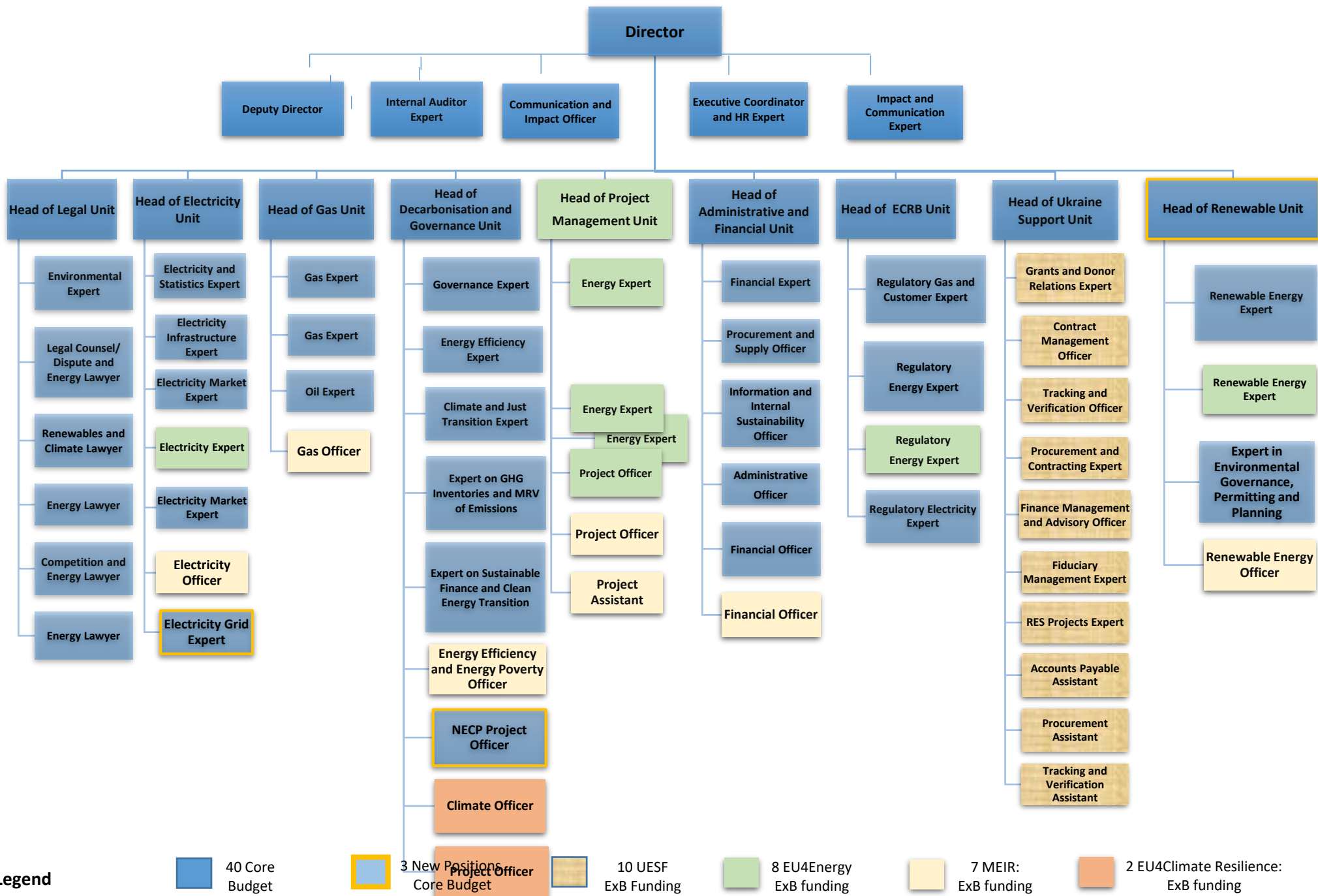
Enhancing the capacities of the Energy Community NRAs and ECRB will be crucial for the implementation of the EIP, the energy market integrity regime, and regulatory reforms that support the decarbonization agenda. The evolution of the market, climate policies, and integrity reforms introduces a range of new and intensive activities for NRAs and the ECRB.

As the new legislative packages impose additional obligations on the ECRB and NRAs, they will have to update their regulatory frameworks and specific rules to implement relevant provisions in practice. This is also a natural outcome of the evolving regulatory framework in Europe, where ACER's role has significantly expanded. As the EU legislation is integrated into the Energy Community, the ECRB's role within the Energy Community mirrors that of ACER in the EU. Unfortunately, this increased role is not yet reflected in the budget, support, and the needed expertise. It is of crucial importance that the focus and resources move towards the regulatory reform and strengthening the capacities of the ECRB and NRA.

### The Renewable Unit (RU)

This is a new Unit to be established from 2026 led by the new Head of Unit position proposed with the budget, and a few existing positions dealing with the subject matter transferred to the this Unit within existing organizational structure to emphasize the relevance, importance and growing operations of the Unit's portfolio as established by the decision of the Energy Community Ministerial Council adopting the revised Renewable Energy Directive (EU) 2018/2001 as part of the Clean Energy Package.

The Renewable Unit will organise a dedicated annual Conference on Advancing Renewable Investments, renewable energy coordination group meetings and workshops on various topics related to the practical aspects of the implementation of acquis (e.g. guarantees of origin, PPAs) providing support to capacity building of Contracting Parties and facilitating exchange of knowledge with EU member states.





#### Article 4

The Director of the Energy Community Secretariat shall make this Procedural Act and its Annexes available to all Parties and institutions under the Treaty establishing the Energy Community within 7 days after its adoption.

Done in Vienna on 18 December 2025

For the Ministerial Council

.....  
Presidency



ANNEX A TO PROCEDURAL ACT 2025/XX/MC-EnC  
OF THE MINISTERIAL COUNCIL OF THE ENERGY COMMUNITY  
on the adoption of the Budget of the Energy Community for the years 2026-2027 and  
on the contributions by the Parties to the budget

ENERGY COMMUNITY BUDGET

2026-2027



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## 1. Context of the Proposal

### 1.1 Treaty basis

Articles 73, 74 and 88 of the Treaty establishing the Energy Community (hereinafter referred to as the "*Treaty*") stipulate that a Procedural Act adopted by unanimity by the Ministerial Council, on a proposal of the European Commission, shall lay down a biannual budget of the Energy Community. It covers also *the operational expenditure of the Energy Community necessary for the functioning of its institutions.*

The present budget proposal and explanatory memorandum was prepared by the Director of the Energy Community Secretariat and was submitted to the European Commission for agreement, as required under Article 30 of the *Energy Community Procedures for the Establishment and Implementation of the Budget, Auditing and Inspection* adopted by Procedural Act 2006/03/MC-EnC as amended to date (last amendment by Procedural Act 2024/06/MC-EnC of 19 February 2024) (hereinafter referred to as the "*Budgetary Procedures*").

### 1.2 Provisions for 2026-2027 budget of the Energy Community

Guiding principles and provisions for the preparation of the budget (on content and structure) are laid down in the Energy Community Budgetary Procedures.

## 2. Outline of the Work Program 2026-2027

This outline of the Work Programme of the Energy Community 2026-2027 is a summary of activities linked to the budgeting process of expenditure for the next two years. It is prepared following the requirements of the establishment of the budget laid down in the Energy Community "Budgetary Procedures".

The Work Programme 2026–2027 outlines the Energy Community Secretariat's activities and budget priorities, building on 20 years of support for Contracting Parties in aligning with EU energy and climate policies. Its Treaty-based tasks include creating a competitive regional energy framework, improving security of supply, enabling electricity, gas, hydrogen, and CO<sub>2</sub> market integration, fostering investment, promoting renewables and efficiency, and advancing environmental protection. These are closely linked to EU reforms and instruments like the New Growth Plan for the Western Balkans, the Ukraine Facility, and the Moldova Reform and Growth Facility.

The Secretariat drives implementation by providing legal and technical assistance, organizing institutional meetings, supporting legal alignment, and ensuring compliance with the Energy Community acquis. Key duties for 2026–2027 include implementing the Electricity Integration Package, revised TEN-E Regulation, and Gas Supply and Storage Regulations, which require issuing opinions, monitoring supply security, liaising with EU institutions, and facilitating regional projects.

Monitoring, reporting, and enforcement remain core functions, including annual implementation reports, NECP support, assessing and supporting Monitoring, Reporting, Verification and Accreditation (MRVA) of greenhouse gas emissions, CBAM readiness, dispute settlement, complaints handling, and mediation. Providing support to donors in Ukraine, primarily by

implementing the Ukraine Energy Support Fund, will remain a priority area of activity, together with the support to donors in Moldova, Georgia and the Western Balkans by implementing the EU4Energy Project and engaging in regional initiatives.

### Electricity Sector – Summary

The Work Programme 2026–2027 prioritizes the accelerated integration of Contracting Parties' electricity markets into the EU internal market, based on full and timely implementation of the Electricity Integration Package (EIP) and related EU acquis. Since complete EIP transposition is expected by end 2025, Secretariat activities in 2026–2027 will center on implementation support: drafting and reviewing secondary legislation, ensuring compliance with network codes and guidelines, and aligning with the new EU Electricity Market Design adopted in 2024. Technical assistance, capacity building, and compliance monitoring will guide Contracting Parties toward harmonized frameworks enabling participation in EU single day-ahead, intraday, and balancing platforms (SDAC, SIDC, IGCC, TERRE, MARI, PICASSO).

The Secretariat will also help establish competitive, consumer-centered, and flexible markets by removing barriers to open access, supporting active customer participation, promoting demand response, storage, and renewable integration, and strengthening DSOs' new roles in smart grids, flexibility procurement, and consumer connections. Cooperation through the ECDSO platform and EU associations will advance distribution modernization and regulatory readiness.

On security of supply, the Secretariat will monitor and enforce obligations under the Risk-Preparedness Regulation and the Emergency and Restoration Network Code, reviewing national risk plans, coordinating crisis response, and assisting Ukraine and Moldova with system operation security. Regular monitoring, reporting, and coordination with EU bodies, ENTSO-E, ACER, NEMOs, TSOs, and taxation experts (on VAT harmonization) will ensure coherent progress toward integration, decarbonization, and CBAM compliance.

### Gas Sector – Summary

The Secretariat will work to support the Contracting Parties to close compliance gaps in the gas acquis and, once the Fourth Gas Package is adopted in the Energy Community, support its implementation to address market fragmentation through better rules, unbundling, tariff reform, and storage access. It will promote market integration via CESEC and SEEGAS, focusing on cross-border interconnections, balancing regimes, and closer TSO/DSO cooperation with ENTSG.

On security of supply, activities will cover continuing activities to support implementation of legislation on risk preparedness, emergency plans, gas storage targets, and diversification from Russian imports. The Secretariat will also support hydrogen, biomethane, and other renewable gases, aligning with the EU Hydrogen Strategy and TEN-E projects, while advancing pilot projects. Work on methane reduction will include support on implementing international monitoring and mitigation standards, as well as transposing and implementing the 2024 EU Regulation if proposed for adoption in the Energy Community. In emergency oil stocks, assistance will target legal alignment, stockholding mechanisms, and regional cooperation to boost resilience.

## Governance, Climate Action, MRVA, RES, and Energy Efficiency – Summary

The Secretariat will continue supporting Contracting Parties in achieving 2030 energy and climate targets and 2050 climate neutrality, guided by the Decarbonisation Roadmap and the adapted Governance Regulation. Focus will be on the second round of NECPs (2030–2040) and Long-Term Strategies, ensuring coherence with revised NDCs and sectoral objectives. Support includes technical assistance, guidance on policy implementation, data aggregation, and capacity building through the ReportENER platform, as well as collaboration with the EEA for progress monitoring and assessment. Enhanced Secretariat resources and regional exchange will strengthen timely, high-quality reporting and compliance.

In MRVA and carbon pricing, the Secretariat will monitor the transposition and implementation of the acquis, ensure functional GHG permitting systems, standardize accreditation of verifiers, and assist Contracting Parties in establishing effective carbon pricing mechanisms, aligned with EU ETS and decarbonization goals. Regional dialogue, stakeholder engagement, and institutional readiness will support smooth adoption.

For renewable energy (RES), the Secretariat will facilitate full implementation of the Renewable Energy Directive, promote market-based support schemes, streamline planning and permitting processes, and enable Guarantees of Origin. Support will extend to self-consumption, energy communities, PPAs, cooperation mechanisms, and integration of RES in industry and buildings, including sustainability criteria for biofuels, bioliquids, and biomass.

In energy efficiency, activities will cover the transposition and implementation of updated directives, energy labelling, the Energy Efficiency First principle, and sectoral measures, particularly in buildings, district heating, and cogeneration. The Secretariat will assist with capacity building, data collection, reporting under NECPs, financing solutions for deep renovations, and promotion of best practices to reduce energy poverty and enhance efficiency.

## Energy Infrastructure, Environment, and Cybersecurity – Summary

The Secretariat will intensify support for the transposition and implementation of the TEN-E Regulation, including initiating the 2025–2026 PEI selection process and updating the infrastructure transparency platform PLIMA. Assistance will focus on enabling access to EU and international financing, supporting priority projects under the CESEC High-Level Group, and promoting regional market integration.

In environment, the Secretariat will help Contracting Parties implement the core environmental acquis, including EIA, SEA, Birds and Habitats Directives, Water Framework, large combustion plants, and environmental liability. Emphasis will be placed on limiting land-use conflicts, supporting Renewables Acceleration Areas, and streamlining permitting via one-stop-shop mechanisms, building on best practices such as the Montenegro model. Air quality work will continue, particularly under the Large Combustion Plants Directive and transition to the Industrial Emissions Directive, ensuring alignment with EU standards to support decarbonization and electricity market integration.

In cybersecurity, the Secretariat will prepare for the adoption of the NCCS Regulation, coordinate the Cyber-Security Coordination Group, and establish cooperation with ENISA and ENTSO-E.

Efforts include enhancing the Secretariat's own IT security to mitigate risks from increasing cyber threats, ensuring safe operations across the Energy Community.

### Cooperation with National Authorities – Summary

The Secretariat supports ECRB and national regulators in implementing network codes, REMIT, and the Electricity Integration Package, providing guidance, drafting opinions, organizing working groups, and fostering cross-border coordination, while enhancing market integrity and transparency and building regulators' capacities for EU market integration.

Support to competition and State Aid authorities includes capacity building, workshops, and consultation mechanisms to ensure consistent enforcement, particularly for renewable energy auctions and contracts. For statistics authorities, the Secretariat assists in implementing Energy Statistics acquis, including new Clean Energy Package requirements, ensuring high-quality, disaggregated data for renewable energy, CHP, district heating, and hydrogen. Technical support, training, and collaboration with EUROSTAT enhance compliance, methodology, and data reporting to meet policy and green transition needs.

### Coordination of Donors' and Cross-Cutting Activities – Summary

The Secretariat will continue to assist in the coordination by the European Commission of donors to support NECP implementation, mobilizing financing, de-risking investments, and ensuring alignment with Energy Community priorities, including Ukraine's green rebuilding. Through the Ukraine Energy Support Fund and Ukraine Energy Market Observatory, it channels resources, tracks energy developments, and advises policymakers. Cross-border renewable energy and biomethane projects promote decarbonization, while the EU4Energy Governance Project supports clean energy transitions in Ukraine, Moldova, and Georgia. In the Western Balkans, it fosters regional cooperation, decarbonization, and air quality initiatives.

Communication, stakeholder engagement, and EMAS-based environmental and social responsibility efforts enhance transparency, sustainability, and outreach. The Secretariat ensures robust internal audit, administration, HR, finance, procurement, and general services, enabling efficient project delivery, digitalization, hybrid event management, and well-being of staff while maintaining cost-effectiveness and compliance.

Overall, the Secretariat's work reflects these main priority areas in line with Article 67 of the Treaty, topped up with the 4<sup>th</sup> area introduced in 2022 to support Ukraine.

Activity 1 (A1) – implementation of the acquis pursuant to Article 67(b) of the Treaty focusing on the assistance offered to the Contracting Parties to support the proper implementation of the obligations under the Treaty and annual progress reporting to the Ministerial Council.

Activity 2 (A2) – assistance to donors and to the coordination by the European Commission of the donor's activity pursuant to Article 67(c), including assistance to the work of the donor's community in the areas of the scope of the Energy Community and Contracting Parties.

Activity 3 (A3) – administrative support to institutions and bodies in line with Article 67(a) regarding

the facilitation and organization of the work of the Energy Community institutions and working bodies established by the decisions of the Ministerial Council.

Activity 4 (A4) –support to the critical work using the existing mechanisms to keep the Ukrainian energy system functioning (not part of this Work Programme).

### 3. Budget assumptions

3.1 The major assumption underpinning the budget proposal is that the legal and financial framework will be further applicable to the operations of the Energy Community. The extension of the Treaty until 2036 serves as an assurance that the Energy Community will continue working towards the achievement of the Energy Community objectives, responding to the requirements of creating a single internal energy market in line with the European Green Deal and decarbonisation objectives. On the level of financial planning for 2026-2027, the Energy Community Secretariat considered the experience of budget implementation of the previous years, the strategic planning of future tasks and activities as presented in the Work Programme (WP) 2026-2027, as well as the budgetary framework from the largest contributor, the EU.

3.2 Average increase by +12.8% for most of external contracted goods and outsources services included, due to the need to cover consumable price adjustments as stipulated by existing contracts and required by Austrian law.

3.3 Another assumption affecting the budget is the planned availability of earmarked revenues for specific projects via grants and donations, mainly provided by the EU. Particular importance lays with the funding, supported by the European Commission and other donors, enabling the management of the Ukrainian Energy Support Fund (UESF), together with the 3-year grant for Moldova (MEIR), the 18-month grant for EU4Climate Resilience funded by GIZ, and the continuation of the EU4Energy grant.

### 4. Energy Community budget structure

The financial planning follows the predefined structure of the budget through the provision of the applicable Rules of Title V: “Establishment and Structure of the Budget” set in the Energy Community Budgetary Procedures.

The present budget is allocated according to **four budget lines** which are *Human Resources*, *Travel*, *Office*, and *Other Costs and Services* that are further detailed in the budget positions (different numbers in different budget lines). Each of the budget positions is further composed of pre-defined accounts that create a group of accounts representing a certain category of expenditure related to the budget lines. Explanations given under this section are applicable for both years 2026-2027.

#### 4.1 Budget Line: Human Resources

**Budget Line I** constitutes human resources expenditure. This part of the budget is defined in accordance with the approved Establishment Plan and follows the established salary scale level. The organisational structure of the Secretariat, as established originally by the Ministerial Council in 2007 and evolved through subsequent Budgets adopted by the Ministerial Council, is the basis for the proposal. The budget for the Human Resources Budget Line is a result of

the following considerations:

- a) In 2026 and 2027 the salaries are adjusted by a **2%** annual inflation factor.
- b) The **Health Insurance** reimbursement scheme was introduced with the approved budget 2024-2025 for full-time permanent staff. The 2026-2027 budget is based on a **10% increase annually** of the maximum health insurance reimbursement from the maximum EUR 500 of the actual cost of the individual health prime to **EUR 550** in 2026; and from EUR 550 to **EUR 605** in 2027 due to annual increase applied by health insurance providers on the market.
- c) The establishment plan under the Budget 2026-2027 is made of **43 full-time permanent staff** – down from 44 in 2024-2025 – and includes the following changes:
  - 4 positions (2 Experts and 2 Officers) approved with the Budget 2024-2025 in the Ukraine Support Unit for the UESF activities will become project-financed by extraordinary budget. It is expected that the Ukraine Support Unit will count 10 positions (level of Experts, Officers and Assistants) funded by extraordinary budget – an increase of 5 positions as compared to the 2024-2025 organigramme. This will guarantee a reinforced management and functioning of UESF's growing operations.
  - 3 new positions are created as follows:
    - **Head of (new) Renewable Unit** to address the increasing need for specialised expertise in the area of transposition and implementation of the acquis, building a sound framework for investments as indicated in Annex B, Section 5 of the Work Program 2026-2027. Staff from the Legal and European Green Deal units will be transferred to the new unit (4 positions).
    - One **NECP Project Officer** in the Decarbonisation and Governance Unit to enhance climate reporting and support under the Governance Regulations indicated in Annex B, Section III, 3 (b) of the Work Program 2026-2027.
    - One **Electricity Grid Expert** in the Electricity Unit to enhance the electricity package application and support as indicated in Annex B, Section III, 1 (c) of the Work Programme 2026-2027.
  - 1 position of Executive Officer is upgraded to the Expert level with the retitling of the post as **Executive Coordinator and HR Expert** due to the increased complexity of the work performed, level of responsibilities and overall growth of the portfolio.
  - One Expert of the Legal Unit will perform the function of “Legal Counsel to the Director” previously performed by the Deputy Director and will be offered complementary remuneration due to the increased complexity and responsibility (no additional position created).
- d) A new **Assistant** job category There is no Assistant position created in the establishment plan under the present Budget, but 3 positions are created under project-financed activities (extraordinary budget).

- e) The European Green Deal Unit is renamed **Decarbonisation and Governance Unit** to more accurately reflect the unit's evolving focus and role within the organisation. The new name highlights a dual emphasis: first, the unit will continue to prioritise the integration of decarbonisation objectives into implementation efforts, in line with the 2030 energy and climate targets and existing legislation framework; second, the governance dimension will continue to be reinforced through a coordinated approach to support the implementation of NECPs, ensure timely progress reporting, and prepare for the second round of NECPs. Coordination of climate and energy reporting obligations under the Governance Regulation will remain central.
- f) Continued promotion of temporary employment under secondment, locally recruited personnel and internship schemes are envisaged<sup>1</sup>. Secondment, used as a form of strengthening the administrative capacity of the Contracting Parties, will be further on use in the years 2026-2027 to complement the Secretariat's team with specific technical expertise from national administrations and other organisations. Internships aim at supporting staff as well as disseminating knowledge about the Energy Community and contributing to capacity building including assignments performed in the contracting parties' countries. It has also been a valuable instrument to engage young professionals or experts from the Contracting Parties into the work of the Energy Community. The financial assumption of the proposed budget envisages funds for up to **84 person/months or 7 one-year temporary staff annually**.
- g) The salary scale is increased by two additional steps, from 5 to 7, with each step representing a difference of +/- 5%. The central reference step is **step 3**. The salary scale will continue to be applied for all positions regardless of the source of funding considering individual annual performance, duration of service and previous professional experience, within the limits of budgetary availability. Usually, new positions are advertised at step 1 with possibilities of periodic adjustments regulated by the Procedural Act 2024/04/ECS-EnC: On the adoption of a Salary Scale and the Comprehensive Performance Appraisal issued by the Director.
- h) The presented budget for Human Resources translates into an overall budget increase of **9.99%** in the Human Resources budget line in 2026 reaching the amount of **EUR 4.702.732** compared with 2025, and **2%** increase in 2027 reaching the amount of **EUR 4.796.786** compared with 2026.

#### 4.2 Budget Line: Travel

**Budget Line II** comprises expenditures related to authorized travels of the Energy Community Secretariat's staff on behalf of the Energy Community pursuing activities related to the Treaty's implementation.

The expenditure refers mainly to the missions to various Contracting Parties locations or technical assistance for the review of the implementation of the obligations under the Treaty. In its structure, the budget for travel expenses is planned and composed of:

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<sup>1</sup> Regulated by separate Rules on Secondees, Interns and locally recruited staff.

- a) Daily Subsistence Allowance (DSA)<sup>2</sup>
- b) Costs for flights and incidentals

and administered in accordance with Staff Regulations.

The presented budget for Travel translates to an overall increase of **9.57%** in 2026 reaching the amount of **EUR 251.453** compared with 2025, and **2%** increase in 2027 reaching the amount of **EUR 256.482** compared with 2026.

#### 4.3 Budget Line: Office

**Budget Line III** comprises expenditures reflecting the increase of the cost of rental for the Secretariat Headquarters in Vienna, Austria due to significant inflation and the assets of the Energy Community and other office infrastructure expenditures (office supplies, consumables and other services) that are necessary for the functioning of the Secretariat as an institution under the Treaty. The budget positions below are already **reduced proportionally** considering other sources of revenue as presented in the Statement of Revenue.

Office costs related to the field offices operations in Ukraine, Georgia and Moldova are not budgeted since fully funded by other sources of revenue.

This budget line includes the following budgetary positions:

- a) Rent: The estimation of expenditures for the rental of office premises increases by 18.01%. This budget position considers the donation to be received from the host country (Austria) to the overall budget of the Energy Community<sup>3</sup>.
- b) Office equipment: This budgetary position reflects the necessity to replenish end-users IT devices, communication equipment, media and other office equipment, keeping office furniture in a functional manner to provide an appropriate working environment and ensure in-person and online conference facilities at the Energy Community premises. It includes significant CAPEX investments to IT network hardware infrastructure, with 78.54% increase in funding.
- c) Consumables: Covers the following accounts: office supplies, repairs and maintenance, office cleaning supplies and services (outsourced), utilities and electricity costs for the premises, with 10.10% decrease in funding.
- d) Other services: Covers the necessary funds for carriers and transport by third parties, postal fees, other operating expenses and costs of communication (internet, landline and mobile communication) with 7.17% decrease in funding

The presented budget for **Office** translates into an overall increase of **17.19%** in 2026 reaching the amount of **EUR 603.664** compared with 2025, and **2%** increase in 2027 reaching the amount of **EUR 615.737** compared with 2026.

<sup>2</sup> The Energy Community Secretariat follows the DSA as published by the *EuropeAid Cooperation Office*.

<sup>3</sup> The Republic of Austria committed voluntarily to donate EUR 170,000 on an annual basis to the office rent of the Secretariat in Vienna until 31.12.2026. Further contribution is a subject of the new office lease negotiation from January 1, 2027.

#### 4.4 Budget Line: Other costs and services

**Budget Line IV** concerns other expenditures that relate to the activities, which are necessary for the functioning of the Energy Community Secretariat and other Institutions under the Treaty (Ministerial Council, PHLG, ECRB and Fora).

This budget line is composed of the following budget positions:

- a) Advertising, communications and representation: It covers the work performed within the area of public relations, related to issuance of publications by the Secretariat (i.e. publishing of new editions of the Legal Framework books, Implementation Reports, etc.), promotion campaigns, design, and advertising required for the purposes of procurement and personnel search; subscriptions; as well as costs of representation, with 5.66% decrease in funding
- b) Studies, research and consulting: Experience has shown that technical support through studies is a very useful tool for achieving the Energy Community's objectives. Research and consulting are required in some areas of work outlined in the Work Programme of the Energy Community. With enhanced in-house expertise and augmented staffing after all new established positions funded under budget 2024-2025 were filled, and considering historical underutilization of this budget position, 73.73% decrease in funding is proposed.
- c) Costs of outsourced services (IT, payroll, etc.): Corresponds to the performance of activities and tasks related to IT administration (outsourced activity to an external service provider), technical maintenance of the website of the Energy Community (in both administrative and external user areas), additional cybersecurity measures from external service provider, as well as the lease contracts for office equipment (e.g. copy machines and printers), and maintenance of existing IT solutions within the area of administration, accounting and human resources (databases for accounting and human resources); recurring software licenses. The increase of 52.79% of funding reflects historical cost increase, volume of transactions and support to be performed.
- d) Costs of audit, legal and financial advice: Covers funds for external audits and outsourced legal services; outsourced financial contracts for payroll, staff travel administration and accounting support services, with 2.00% increase in funding
- e) Financial services: Covers banking and transaction fees, with 14.80% increase in funding
- f) Conference costs: Covers the expenses related to the organization of all regular and *ad hoc* events, including renting of premises and equipment, catering, technical arrangements, video recording, photo shooting, events streaming, with 18.35% increase of funding. The list of key events is presented at Annex B, Appendix 1.
- g) Refunding: Covers the travel expenses related to the participation of representatives of the Contracting Parties and/or Observers in the institutional meetings, workshops and other events organized by the Energy Community Secretariat. Implementation of this budget position follows a separate set of rules on reimbursement updated in 2024. It contains also funds for justified travel linked to the organization and participation of all non-staff temporary personnel, consultants at different meetings, conferences, and training courses including those of the Energy Community institutions, speakers of the events, etc., with 7.30%

increase in funding.

- h) Training: Covers the expenses related to training, education, individual or group staff development, internal annual and other staff meetings of the Secretariat's personnel. It includes educational measures offered to the representatives of the Contracting Parties, with 1.86% increase in funding

The presented budget for **Other Cost and Services** translates to an overall decrease of **-23.49%** in 2026 reaching the amount of **EUR 1.311.635** compared with 2025, and **2%** increase in 2027 reaching the amount of **EUR 1.337.864** compared with 2026.

### 5. Energy Community Budget 2026-2027

The proposed core budget for 2026 reflects the scope of tasks of the Energy Community Work Programme and is **EUR 6.869.481**, or **2%** higher than the budget for 2025.

The proposed core budget for 2027 is **EUR 7.006.871**, or **2%** higher than the budget for 2026. It is subject to the outcome of the annual EU budgetary procedure and the adoption of the EU budget for 2027, for which figures are not available yet. Thus, this constitutes an advanced indication of the resources needed for the operations of the Energy Community in 2027.

## 6. Statement of Revenue 2026-2027

### Core Budget

Parties	Contribution (in %)	Budget 2025 Contribution (in EUR)	Budget 2026 Contribution (in EUR)	Change Budget 2026 vs. 2025 (in %)	Budget 2027 Contribution (in EUR)	Change Budget 2027 vs. 2026 (in %)
European Union	94.78%	6,383,230	6,510,894	2.00%	6,641,112	2.00%
Republic of Albania	0.09%	6,061	6,183	2.00%	6,306	2.00%
Bosnia & Herzegovina	0.20%	13,470	13,739	2.00%	14,014	2.00%
Georgia	0.11%	7,408	7,556	2.00%	7,708	2.00%
Kosovo*	0.07%	4,714	4,809	2.00%	4,905	2.00%
North Macedonia	0.10%	6,735	6,869	2.00%	7,007	2.00%
Moldova	0.10%	6,735	6,869	2.00%	7,007	2.00%
Montenegro	0.05%	3,367	3,435	2.00%	3,503	2.00%
Serbia	0.56%	37,715	38,469	2.00%	39,238	2.00%
Ukraine	3.94%	265,351	270,658	2.00%	276,071	2.00%
Sub-total revenue:		<b>6,734,786</b>	<b>6,869,481</b>	<b>2.00%</b>	<b>7,006,871</b>	<b>2.00%</b>

### Other sources of funding

Donor/Grant	2025 Contribution (in EUR)	Estimated 2026 Contribution (in EUR)	Estimated 2027 Contribution (in EUR)	Change Budget 2026 vs. 2025, %	Change Budget 2027 vs. 2026, %
European Union: EU4Energy Phase II	129,160	-	-	-100.00%	-
European Union: EU4Energy Phase II+	1,213,768	1,740,876	-	43.43%	-
Government of Austria	170,000	170,000	170,000	0.00%	0.00%
UESF *	-	1,420,000	p.m	100.00%	100.00%
European Union: MEIR Phase I	-	1,000,000	1,000,000	100.00%	0.00%
GIZ: EU4Climate Resilience	152,890	305,780	-	100.00%	-
Other revenue	p.m.	p.m	p.m	p.m	p.m
Sub-total expenditure:	<b>1,665,818</b>	<b>4,636,656</b>	<b>1,170,000</b>	<b>178.34%</b>	<b>-74.77%</b>
<b>Expenditure (all sources):</b>	<b>8,400,604</b>	<b>11,506,137</b>	<b>8,176,871</b>	<b>36.97%</b>	<b>-28.93%</b>

\* European Union and donors' contribution to the management fee

## 7. Statement of expenditure 2026-2027

### Core Budget

Budget Line	Budget 2025	Budget 2026	Budget 2027	Change Budget 2026 vs. 2025	Change Budget 2027 vs. 2026
1. Human Resources	4,275,748	4,702,732	4,796,786	9.99%	2.00%
2. Travel	229,500	251,453	256,482	9.57%	2.00%
3. Office	515,100	603,664	615,737	17.19%	2.00%
4. Other Costs and Services	1,714,437	1,311,632	1,337,864	-23.49%	2.00%
Sub-total expenditure:	6,734,786	6,869,481	7,006,870	2.00%	2.00%

### Other sources of funding

Donor/Grant	2025 Contribution (in EUR)	Estimated 2026 Contribution (in EUR)	Estimated 2027 Contribution (in EUR)	Change Budget 2026 vs. 2025, %	Change Budget 2027 vs. 2026, %
European Union: EU4Energy Phase II	129,160	-	-	-100.00%	-
European Union: EU4Energy Phase II+	1,213,768	1,740,876	-	43.43%	-
Government of Austria	170,000	170,000	170,000	0.00%	0.00%
UESF *	-	1,420,000	p.m	100.00%	100.00%
European Union: MEIR Phase I	-	1,000,000	1,000,000	100.00%	0.00%
GIZ: EU4Climate Resilience	152,890	305,780	-	100.00%	-
Other revenue	p.m.	p.m	p.m	p.m	p.m
Sub-total expenditure:	1,665,818	4,636,656	1,170,000	178.34%	-74.77%
<b>Expenditure (all sources):</b>	<b>8,400,604</b>	<b>11,506,137</b>	<b>8,176,870</b>	<b>36.97%</b>	<b>-28.93%</b>

\* European Union and donors' contribution to the management fee

## 8. Details of Statement of expenditure 2026-2027

### CORE BUDGET

Budget Line/Position	Budget 2025	Budget 2026	Budget 2027	Change Budget 2026 vs. 2025	Change Budget 2027 vs. 2026
<b>1. HUMAN RESOURCES</b>					
<b>Subtotal Human Resources</b>	<b>4,275,748</b>	<b>4,702,732</b>	<b>4,796,786</b>	<b>9.99%</b>	<b>2%</b>
<b>2. TRAVEL EXPENSES</b>					
Daily Subsistence Allowance (DSA)	76,500	81,995	83,635	7.18%	2%
Travel Expenses (flights and incidentals)	153,000	169,458	172,848	10.76%	2%
<b>Subtotal Travel Expenses</b>	<b>229,500</b>	<b>251,453</b>	<b>256,482</b>	<b>9.57%</b>	<b>2%</b>
<b>3. OFFICE EXPENSES</b>					
Office rent	219,300	258,802	263,978	18.01%	2%
Office equipment	86,700	154,795	157,891	78.54%	2%
Consumables	137,700	123,788	126,264	-10.10%	2%
Other Services	71,400	66,278	67,604	-7.17%	2%
<b>Subtotal Office Expenses</b>	<b>515,100</b>	<b>603,664</b>	<b>615,737</b>	<b>17.19%</b>	<b>2%</b>
<b>4. OTHER COSTS AND SERVICES</b>					
Advertising, communication and representation	56,100	52,923	53,981	-5.66%	2%
Studies, research and consulting	796,437	209,196	213,380	-73.73%	2%
Costs of outsourced services (IT, payroll, etc.)	244,800	374,020	381,500	52.79%	2%
Costs of Audit, Legal and Financial Advice	132,600	135,252	137,957	2.00%	2%
Financial services	30,600	35,129	35,831	14.80%	2%
Conference costs	198,900	235,390	240,098	18.35%	2%
Refunding	183,600	196,997	200,937	7.30%	2%
Training (internal and external)	71,400	72,726	74,180	1.86%	2%
<b>Subtotal Other Costs and Services</b>	<b>1,714,437</b>	<b>1,311,632</b>	<b>1,337,864</b>	<b>-23.49%</b>	<b>2%</b>
<b>TOTAL COSTS</b>	<b>6,734,786</b>	<b>6,869,481</b>	<b>7,006,870</b>	<b>2%</b>	<b>2%</b>

## 9. Establishment Plan 2026-20274

The establishment plan indicates the number of permanent and temporary posts proposed for carrying out the tasks under the corresponding work programme under the core budget and other funding sources.

### 9.1 Core Budget

Position/Year	2025	Post occupied as of 31.03.2025	2026	2027
	Permanent Post	All Posts	Permanent Post	Permanent Post
Director	1	1	1	1
Deputy Director *	1	0	1	1
Head of Unit	6	6	7	7
Experts	27	27	27	27
Officers	9	8	7	7
<b>Total:</b>	<b>44</b>	<b>42</b>	<b>43</b>	<b>43</b>

\* Position occupied by one Head of Unit and counted only once as Deputy Director

### 9.2 Other sources of funding (ExB)

Position/Year	2025	Post occupied as of 31.03.2025	2026	2027
	Post	Post	Post	Post
EU: EU4Energy Phase II	3	3	0	0
EU: EU4Energy Phase II+	6	6	8	8
UESF	0	0	10	10
EU: MEIR Phase I	0	0	7	7
GIZ: EU4Climate Resilience	0	0	2	0
<b>Total:</b>	<b>9</b>	<b>9</b>	<b>27</b>	<b>25</b>

<sup>4</sup> Based on the data as of 31.03.2025 and subject to revision further to future or amended project funding by other sources of revenue

### 9.3 Summary

Position's Level	2025			2026			2027		
	Core	ExB	Total	Core	ExB	Total	Core	ExB	Total
Director	1	0	1	1	0	1	1	0	1
Deputy Director	1	0	1	1	0	1	1	0	1
Head of Unit	6	1	7	7	1	8	7	1	8
Expert	27	6	33	27	10	37	27	10	37
Officer	9	2	11	7	12	19	7	10	17
Assistant	0	0	0	0	4	4	0	4	4
<b>Total Staff</b>	<b>44</b>	<b>9</b>	<b>53</b>	<b>43</b>	<b>27</b>	<b>70</b>	<b>43</b>	<b>25</b>	<b>68</b>
Temporary staff	7	2	9	7	0	7	7	0	7
Advisor/Consultant	1	1	2	0	0	0	0	0	0
<b>Total Staff+Temp+Advisor</b>	<b>52</b>	<b>12</b>	<b>64</b>	<b>50</b>	<b>27</b>	<b>77</b>	<b>50</b>	<b>25</b>	<b>75</b>

## 10. Energy Community salary scale 2026-2027

Level/description	Full-time salary (base line) per month (in EUR)	Full-time salary (base line) per month (in EUR)	Full-time salary per month (range when applicable) (in EUR)	Full-time salary (base line) per month (in EUR)	Full-time salary per month (range when applicable) (in EUR)
	2025	2026	2026	2027	2027
β	A	B	C	D	F
Director *	16.158	14 000	14 000	14 280	14 280
Deputy Director **	2.190	2.234	2.234	2.279	2.279
Head of Unit	8.758	8.933	8.040-10.720	9.112	8.201-10.934
Expert ***	7.336	7.483	6.735-8.980	7.633	6.870-9.160
Officer	5.368	5.475	4.928-6.570	5.585	5.027-6.702
Assistant		3.643	3.279-4.372	3.716	3.344-4.459
Seconded	3.572	3.643	3.643	3.716	3.716
Intern	1.819	1.855	1.855	1.892	1.892

\* As from 1st December 2026. Until then, it shall apply the 2025 amount +6%, subject to positive appraisal of performance.

\*\* Corresponds to the difference between Head of Unit salary and Deputy Director salary. Position occupied by one Head of Unit and counted only once as Deputy Director.

\*\*\* The Expert of the Legal Unit assigned with the role of Legal Counsel shall be entitled to additional remuneration equal to EUR 1.450 in 2026 and EUR 1.479 in 2027.

Level/description	2026 Full-time salary per month (in EUR)						
	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Head of Unit	8.040	8.486	8.933	9.380	9.826	10.273	10.720
Expert	6.735	7.109	7.483	7.857	8.231	8.605	8.980
Officer	4.928	5.201	5.475	5.749	6.023	6.296	6.570
Assistant	3.279	3.461	3.643	3.825	4.007	4.189	4.372

Level/description	2027 Full-time salary per month (in EUR)						
	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Head of Unit	8.201	8.656	9.112	9.568	10.023	10.479	10.934
Expert	6.870	7.251	7.633	8.015	8.396	8.778	9.160
Officer	5.027	5.306	5.585	5.864	6.144	6.423	6.702
Assistant	3.344	3.530	3.716	3.902	4.088	4.273	4.459

## 11. Units' activities

### The Legal Unit (LU)

The Legal Unit (LU) coordinates the Secretariat's activities related to the implementation of the *acquis communautaire* in the Contracting Parties. Together with the line units, it assists Contracting Parties in drafting texts of a legal nature (laws, secondary legislation, decisions etc.) and reviews compliance of such acts drafted and adopted by Contracting Parties in a comprehensive and structured way. It also advises Contracting Parties on any questions related to compliance with Energy Community law. It is also in charge of assisting Contracting Parties in the areas of environmental and climate as well as competition and State aid policy and ensures their implementation.

The Legal Unit leads the work on enforcing the *acquis communautaire* by carrying out the dispute settlement procedures established by the Treaty. It hosts the Secretariat's Dispute Resolution and Negotiation Center. The Legal Unit assists other institutions such as the Ministerial Council and the Permanent High-Level Group on procedural aspects of their work. The unit organises regular events such as the Energy Law Forum, the Competition Forum and the Dispute Resolution Forum. Finally, the Legal Unit plays a crucial role in knowledge management of the *acquis*, transposition, implementation, and other legal documents pertaining to the activities of the Secretariat.

### The Electricity Unit (EU)

The Electricity Unit (EU) will continuously assist Energy Community Contracting Parties in the transposition and implementation of the electricity market part of the Clean Energy package, Network Codes and Guidelines, including support in drafting and reviewing relevant policy and regulatory documents, guidelines, recommendations and conducting dedicated studies.

Alongside, the Electricity Unit will facilitate, monitor and report on progress made in the electricity market development and cross-border integration at regional and European levels. In support of this, the Electricity Unit supports and coordinates activities of the coordination group of the Energy

Community distribution system operators (ECDSO-E), security of supply coordination group, and cyber security coordination group. The unit also facilitates and organizes meetings with the EnC electricity generation companies and other stakeholders related to the implementation of the Energy Community acquis.

In addition, the Electricity Unit will monitor and report the Energy Community Contracting Parties' progress in the implementation of the obligations related to the Regulation (EU) 347/2013, prepare and implement the process of identifying Projects of Energy Community Interests (PECIs) and any other electricity infrastructure related projects. Experts from the unit provide support to the WBIF in reviewing the applications for grants related to infrastructure and generation projects.

The Electricity Unit will also provide guidance and facilitate implementation of the acquis in the domain of energy statistics compliant with the Treaty, applying the best practice in EU and internationally agreed practice and procedures.

The Electricity Unit regularly organises dedicated workshops on various topics related to the practical aspects of the implementation of acquis (market coupling, storage, smart grids, grid connection of renewables, cross-border projects and more efficient usage of the interconnectors, etc.) providing support to capacity building of Contracting Parties and facilitating exchange of knowledge with EU member states.

### The Gas Unit (GU)

The Gas Unit (GU) continues its mission to transpose the Energy Community's gas and oil stock acquis and support its constituency in the proper implementation of gas market frameworks, enabling efficient, affordable and secure supplies to the citizens of the Contracting Parties; monitor compliance with the existing acquis framework, enable market integration with the European Union's energy market and ensure that all activities, duties and competences of the Secretariat's remit in the gas and oil sectors are taken timely and efficiently. The Gas Unit provides programmatic support and policy guidance in the areas of regulatory and sector-related frameworks for implementation of gas network codes, opening of the markets, proper governance of the network operators, security of energy supply, promotion of de-carbonization of gas sectors, and reducing methane emissions.

### The Decarbonisation and Governance Unit (DGU)

The Decarbonisation and Governance Unit (GDU) will continue its activities focusing on the coordinating activities regarding clean energy transition, decarbonisation and energy and climate governance agenda of the Energy Community. This will include the follow-up work to the Energy Community Decarbonisation Roadmap, including monitoring the implementation of the acquis in energy efficiency, governance and climate, with a particular focus on alignment with the Ministerial Council decision on 2030 energy and climate targets.

A considerable part of the activities will be dedicated to the coordination of work on monitoring the progress in the implementation of National Energy and Climate Plans (NECPs) via improving the exercise of integrated progress reports and climate-related reporting as per the Governance Regulation. In line with the obligation to submit their draft NECPs by 1 January 2028, the unit will be actively engaging with Contracting Parties in H2 2026 and in 2027 in the development of the new draft plans to ensure that the next iteration of NECPs include high-quality information in line

with the provisions of the Governance Regulation.

The unit will be also actively engaged in work concerning carbon pricing in the Energy Community, in line with the Impact Assessment and policy directions given by the Ministerial Council of the Energy Community, including regarding both dedicated bilateral assistance to the Contracting Parties and coordinated actions under milestones defined under the updated decarbonisation Roadmap, in line with the requirements of the CBAM Regulation, such as legal commitment to climate neutrality by 2050, and directions towards alignment with the EU ETS, in particular for electricity generation. Special focus will be given to ensure monitoring of the effective functioning of the MRVA systems. In addition, efforts will be devoted to ensuring that just energy transition dimension is properly reflected in the Energy Community agenda.

In the context of the above, the unit will continue its cooperation with the Contracting Parties, EU institutions, IFIs, bilateral donors, NGOs and market participants, others to identify and implement the most suitable instruments for incentivizing investments supporting the decarbonisation and green energy transition.

The Decarbonisation and Governance Unit organises dedicated forums (Just Transition Forum) working group meetings, energy efficiency coordination group, technical working group on climate policy etc.) and workshops on various topics related to the practical aspects of the implementation of acquis providing support to capacity building of Contracting Parties and facilitating exchange of knowledge with EU member states.

### The Project Management Unit (PMU)

The Project Management Unit (PMU) will continue overseeing development and implementation of the technical assistance Projects funded by donors and implemented by the Energy Community Secretariat in EaP countries - Armenia, Azerbaijan, Georgia, Moldova and Ukraine.

PMU communicates, negotiates and drafts the grant and service contracts with contracting authorities, develops and reviews the work programmes, delivers certain elements of those as deemed appropriate, liaises with all stakeholders to ensure their support and input, undertakes specific Project management and communication activities, prepares technical and contributes to financial planning and reporting required by the donor.

### The Administrative and Finance Unit (AFU)

The Administrative and Finance Unit (AFU) will continue its mission to enable and promote the efficient and effective use of the Energy Community's resources, maintain, update, and monitor compliance with the existing governance framework, and most importantly, provide timely, quality, and value-added service to its clients and other stakeholders.

AFU provides programmatic support and policy guidance in the areas of budget, finance, human resources, procurement and contracting, events management, travel, facilities and assets management, information and communication technology, information security, risk management, and internal control.

### The Ukraine Support Unit (USU)

The Ukraine Support Unit will continue its mission to support Ukraine and its authorities in aiding

the energy infrastructure of the country, in response to the damages and the energy supply situation. While the Ukrainian Support Task Force (USTF) in coordination with the international partners, namely the European Commission (DG ENER, DG NEAR, DG ECHO, DG ENEST) and the G7+ coordination (Energy Rammstein), has been assisting donors with the deliveries of urgently needed energy equipment since Russia's invasion of Ukraine, its focus has shifted to the Ukraine Energy Support Fund (UESF/Fund). The Fund was established in March 2022 upon the request of the European Commission to support the Ministry of Energy of Ukraine to maintain the energy infrastructure and sector suffering from Russian aggression. The Fund is based on a Fiduciary Agreement between Sponsors, the Energy Community Secretariat (as Fiduciary), and the Ministry of Energy of Ukraine.

Since 2022, the European Commission has fully covered UESF's management costs by topping up the EU4Energy project and by increasing and redeploying the Energy Community core budget for 2024-2025. From 2026 onwards, the Unit's activities will be financed by other sources of revenue (EU budget and management fees to be paid by donors).

The Fund's contributions have increased from a total of EUR 136 million at the end of 2022, to EUR 347 million at the end of 2024, to a total of EUR 1.1 billion in March 2025 from more than 30 different donors.

### The Secretariat's activities in implementing the Fund include:

- promotion of the Fund to attract new contributions
- negotiation and conclusion of grant and fiduciary agreements
- overseeing and reviewing compliance of the process of selecting and approving requests for support by Ukrainian energy companies through the Ministry of Energy of Ukraine
- overseeing and coordinating process of procuring the items/services requested and approved through the external procurement agent
- management of concluded supply contracts
- internal controlling and reconciliation in line with the contractual framework
- disbursing funds in line with the contractual framework
- tracking and verifying deliveries and monitoring the use of the items procured under the Fund, along with reporting and auditing.

### The Energy Community Regulatory Board (ECRB) Unit

The ECRB Unit will continue its mission to support the implementation of the ECRB work program and fulfillment of tasks for the ECRB arising from the Energy Community acquis. This includes market monitoring activities, specific surveys on the wholesale and retail gas and electricity markets of the Contracting Parties, as well as analyses of consumer protection and empowerment rules, and regulatory treatment of active consumers, renewable sources, flexibility, and other new participants and schemes in the electricity markets. New obligations for the ECRB stem from the gas and electricity network codes, gas transmission tariff methodologies, and REMIT. Extensive new decision-making obligations will have to be accomplished according to the Electricity Integration Package (EIP), namely review and adoption of terms, conditions and methodologies associated with the electricity market integration. Another pillar of the ECRB Unit's activities is coordination of capacity building of the Energy Community national regulatory authorities (NRAs) and joint activities with other regional regulatory bodies, such as ACER, CEER and MEDREG, in the

format of workshops and reports to enable identification and sharing of the best regulatory practices. Finally, the ECRB Unit will continue to provide the regulatory expertise to activities of other Secretariat's units.

Enhancing the capacities of the Energy Community NRAs and ECRB will be crucial for the implementation of the EIP, the energy market integrity regime, and regulatory reforms that support the decarbonization agenda. The evolution of the market, climate policies, and integrity reforms introduces a range of new and intensive activities for NRAs and the ECRB.

As the new legislative packages impose additional obligations on the ECRB and NRAs, they will have to update their regulatory frameworks and specific rules to implement relevant provisions in practice. This is also a natural outcome of the evolving regulatory framework in Europe, where ACER's role has significantly expanded. As the EU legislation is integrated into the Energy Community, the ECRB's role within the Energy Community mirrors that of ACER in the EU. Unfortunately, this increased role is not yet reflected in the budget, support, and the needed expertise. It is of crucial importance that the focus and resources move towards the regulatory reform and strengthening the capacities of the ECRB and NRA.

### The Renewable Unit (RU)

This is a new Unit to be established from 2026 led by the new Head of Unit position proposed with the budget, and a few existing positions dealing with the subject matter transferred to the this Unit within existing organizational structure to emphasize the relevance, importance and growing operations of the Unit's portfolio as established by the decision of the Energy Community Ministerial Council adopting the revised Renewable Energy Directive (EU) 2018/2001 as part of the Clean Energy Package.

The Renewable Unit will organise a dedicated annual Conference on Advancing Renewable Investments, renewable energy coordination group meetings and workshops on various topics related to the practical aspects of the implementation of acquis (e.g. guarantees of origin, PPAs) providing support to capacity building of Contracting Parties and facilitating exchange of knowledge with EU member states.

## 12. Updated Organigramme 2026-2027

