

Multiannuual Financial Framework 2028-2034

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Heading 1 Cohesion, Agriculture, Rural and Maritime, Prosperity and Security €1,062 bn (+30%)	Heading 2 Competitiveness, Prosperity and Security €590 bn (+167%)	Heading 3 Global Europe €215 bn (+79%)	Heading 4 Administration €118 bn (-39%)
<i>of which:</i> - National & Regional Partnership Plans, Interreg Plan, EU Facility: €865 bn - Repayment of NGEU: €168 bn - Other Programmes & agencies: €30 bn	<i>of which:</i> - European Competitiveness Fund: €234 bn - Horizon Europe: €175 bn Connecting Europe Facility: €81 bn - Erasmus+ : €41 bn - Other programmes & agencies: €59 bn	<i>excluding:</i> Ukraine Reserve	
<p>Total Headings 1-4: €1,985 bn (+59%)</p> <p>Excluding outside MFF ceilings:</p> <p>Flexibility Instrument €16 bn + competition fines + decommitments</p> <p>Ukraine Reserve €100 bn (loans & grants)</p> <p>NRPP loans: €150 bn & crisis mechanism loans (0.25% of GNI)</p>			

Heading 1

Cohesion, Agriculture, Rural and Maritime, Prosperity and Security
€1,062 bn (+30%)

of which:

- **National & Regional Partnership Plans (NRPPs), Interreg Plans and EU Facility: €865 bn (+10%)**
- Repayment of NGEU: €168 bn (+640%)
- Other Programmes & agencies: €30 bn

- €783 bn for the **NRPPs**, of which:

- at least €218 bn for less developed regions
- at least €294 bn for agricultural income support
- at least €2 bn for fisheries
- at least €34 bn for home affairs funding
- at least 10% for rural areas (added recently), excl. minimum for agri and fisheries

- €10 bn for **Interreg Plans**

- €72 bn for the **EU Facility** (Agri reserve, EU Solidarity Fund, HOME thematic facility, others)

Overall targets:

- at least **14% for social** (excl. minimum agri and fisheries)
- at least **43% for climate and environment** (excl. defence interventions and EU facility)

Preliminary Observations on the NRPP

- **In principle, the Government supports a merged structure**
 - More flexibility to allocate funds according to national needs
 - Some simplification elements – 1 plan and 1 decommitment deadline
- **But has several challenges:**
 - National co-financing rate (general 60% for more developed regions, excluding 0% / 30% for minimum agricultural funds, and for school schemes, and 0% for some interventions under home funds)
 - 43% earmarking for climate and environment (incl. home funds)
 - 10% of all funds (excl. minimum agri and fisheries) for rural areas
 - N + 10 months decommitment rule (compared to the current n+2 yrs / n+ 3 yrs)

Heading 2

Competitiveness, Prosperity and Security
€590 bn (+167%)

of which:

- European Competitiveness Fund: €234 bn (+400%)
- Horizon Europe: €175 bn (+100%)
- Connecting Europe Facility (CEF): €81 bn (+157%)
- Erasmus+ : €41 bn (+49%)
- Other programmes & agencies: €58 bn

• European Competitiveness Fund

- Clean Transition & Industrial Decarbonisation: €26 bn
- Resilience & Security, Defence Industry & Space: €131 bn
- Digital: €55 bn
- Health, Biotech, Agriculture & Bioeconomy: €23 bn

The above include total guarantees of €11 bn under InvestEU

Design likely to favour richer industrialised MS

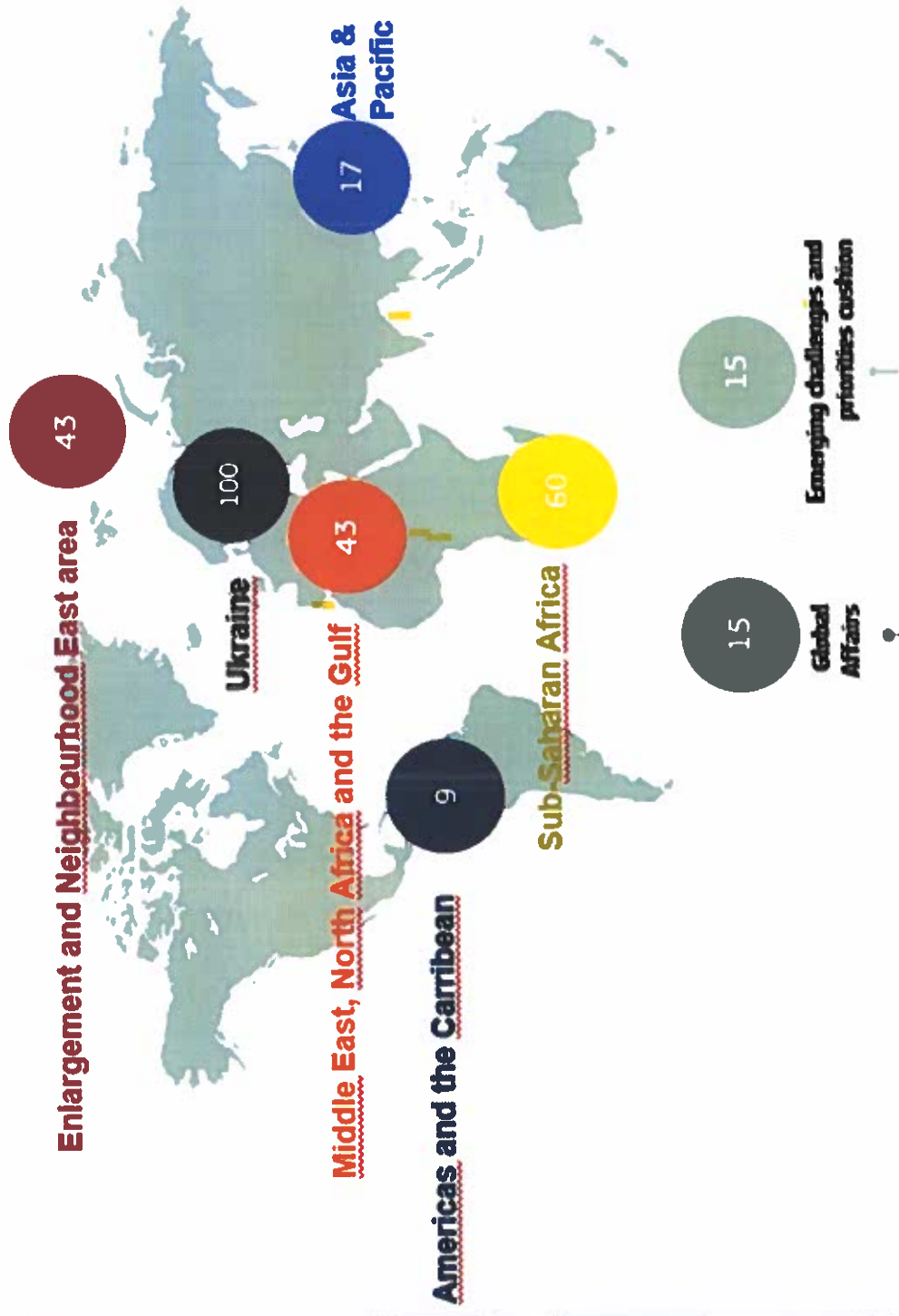
- **Horizon Europe**
 - **Widening/Transition**
- **CEF Transport €52 bn of which military mobility €18 bn (X 10) & CEF Energy €30 bn**

Heading 3

Global Europe

€215 bn (+79%)

excluding Ukraine
Reserve (loans &
grants outside MFF)



Process: MFF and Sectoral Legislation

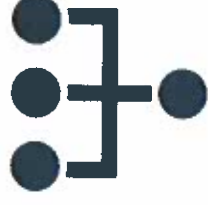


Financial, political and horizontal elements

Bracketed in sectoral legislation and included in the draft European Council Conclusions (negotiating box)

DK Pres finalising first complete draft of nego-box by next week

In the 18-19 Dec. 2025 European Council there will be the first substantive exchange of views, with a view to an agreement by **Dec. 2026** (*Nothing is agreed until everything is agreed*)



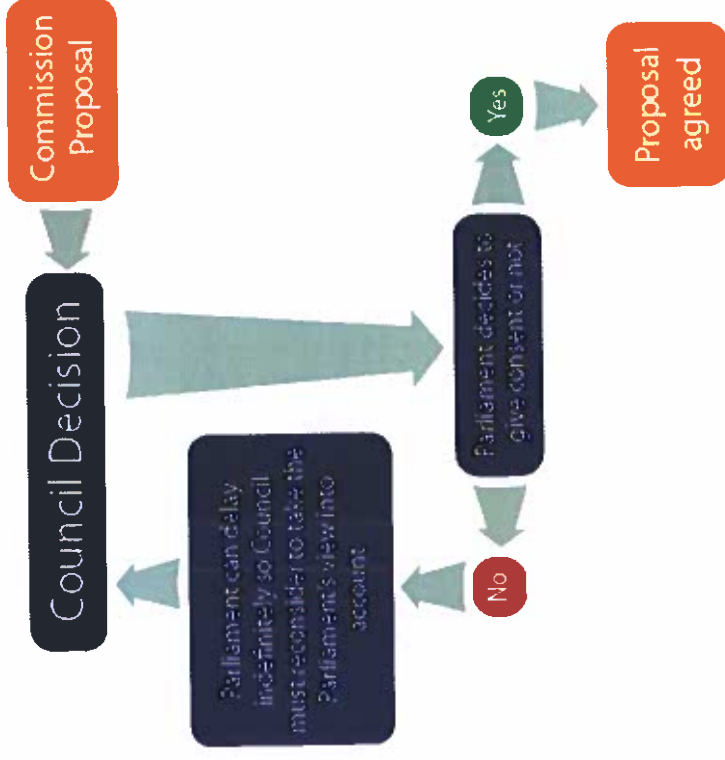
Sectoral proposals

Proceed as per normal procedure

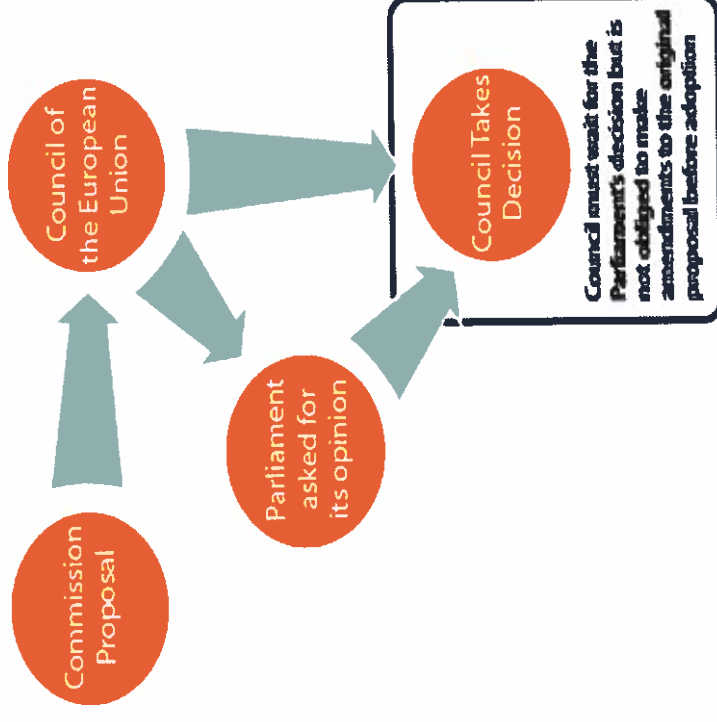
Council can agree on a partial general approach (excl. bracketed elements)

Negotiating the EU Finances with the EP

MF - Consent procedure



Own Resources Decision - Consultation procedure



RATIFIED BY NATIONAL PARLIAMENTS

Own Resources

Adjustments to Current System

- **Traditional Own Resources:** Lower collection costs retained by MS - from 25% to 10%.
- **Non-recycled Plastic Packaging Waste:** Increase in call rate from €0.80/kg to €1/kg + inflation adjustment.
- **VAT:** Removal of the capping of the VAT base.
- **Rebates:** Abolished.

New Basket

- **Emission Trading System:** 30% of revenue generated from ETS 1.
- **Carbon Border Adjustment Mechanism:** Call rate of 75%.
- **Non-collected E-Waste:** A call rate of €2/kg, adjusted for inflation.
- **Tobacco Excise Duty:** Call rate of 15% on products released for consumption x Minimum National Rate.
- **Corporate Resources for Europe:** Lump-sum of 0.1%-0.04% on companies' net turnover between €100 mn - €750 mn; fixed €750k over €750 mn.

THANK YOU