

A revamped long-term budget for the Union in a changing world

The European Parliament is due to adopt its vision for the European Union's post-2027 long-term budget during the May plenary session. Ahead of the European Commission's proposal, expected in July, the report adopted by the Committee on Budgets insists that the next multiannual financial framework (MFF) must be significantly above 1 % of the EU's gross national income (GNI). The report rejects the 'one national plan per Member State' approach, as envisaged by the European Commission, as a basis for shared management of post-2027 spending.

Background

Under the [MFF Regulation](#), the European Commission is required to present a legislative proposal for the post-2027 MFF by 1 July 2025. The Commission's 2025 [work programme](#) schedules that proposal for the third quarter. On 11 February 2025, the Commission outlined in a [communication](#) its first ideas for the next MFF. In accordance with Article 312(5) of the Treaty on the Functioning of the European Union, the institutions shall take any measure necessary to facilitate the adoption of the new MFF.

Committee on Budgets position

The Committee on Budgets (BUDG) report, adopted on 23 April 2025, defines Parliament's main **priorities** and presents its views on **the design and principles** for the next MFF; the committee calls for:

- a **significant increase** in the next MFF beyond the level of 1 % of GNI; the next MFF should focus on financing **European public goods** with a clear added value compared to national spending;
- **progress towards a genuine defence union** through an increase in defence investment; BUDG considers that **joint borrowing through the issuance of EU bonds** presents a viable option to ensure the Union has sufficient resources to respond to EU-wide crises such as the security and defence crisis;
- sufficient margins under each heading, and predictability for investment; spending programmes should retain a **substantial in-built flexibility reserve** to be allocated by the budgetary authority;
- **substantial simplification for final beneficiaries**;
- a **stronger link between the rule of law and the Union budget**;
- an **enhanced crisis-response capacity** through a rationalisation of special instruments and the possibility to feed crisis response with unused funds in the EU budget.

The committee:

- **opposes the Commission's idea to replicate the 'one national plan per Member State' approach**, with the Recovery and Resilience Facility as a blueprint for post-2027 shared management spending; instead, BUDG calls for a structure that ensures transparency and parliamentary accountability, and involves regional and local authorities and all relevant actors;
- **rejects an umbrella 'Competitiveness Fund' envisaged by the Commission** as not fit for purpose; instead, BUDG requests a new instrument based on InvestEU and the Innovation Fund; and
- calls on the Council to adopt **new own resources** to enable sustainable repayment of Next Generation EU debt; new genuine own resources are essential for the Union's higher spending needs.

Own-initiative report: [2024/2051\(INI\)](#); Committee responsible: BUDG; Co-rapporteurs: Siegfried Mureșan (EPP, Romania) and Carla Tavares (S&D, Portugal).

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