Council of the European Union

Brussels, 24 April 2026
(OR. en)

8549/26

Interinstitutional File:
2025/0571 (APP)

CADREFIN 182
POLGEN 104
FIN 582

NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	Proposal for a Council Regulation laying down the multiannual financial framework for the years 2028-2034 - Opinion of the European Court of Auditors

Delegations will find attached a copy of the above-mentioned opinion. This opinion will be available in all language versions on the following website:

Opinion 03/2026 | European Court of Auditors

ANNEX

OPINION 03/2026
(pursuant to Article 287(4) TFEU)

concerning the proposal for a regulation of the Council laying down the multiannual financial framework for the years 2028 to 2034

(COM(2025) 571 final)

CURIA RATIONUM

EUROPEAN COURT OF AUDITORS

Contents

Annexes

Annex I – List of ECA publications referenced in this opinion

Annex II – Suggested changes with comments

Annex III – Proposed MFF ceilings

Glossary

Introduction

Why we provide this opinion

Legal basis

01 On 16 July 2025, the European Commission adopted the proposal (2025)571 for a Council Regulation laying down the Multiannual Financial Framework (MFF) for the years 2028 - 2034. Pursuant to Article 287(4) TFEU, the European Court of Auditors (ECA) delivers opinions at the request of one of the other EU institutions. This opinion has been adopted in response to a request by the European Parliament received on 8 September 2025.

02 The Commission's proposal is based on the Treaty on the Functioning of the European Union, in particular Article 312(2), which provides that "The Council, acting in accordance with a special legislative procedure, shall adopt a regulation laying down the multiannual financial framework. The Council shall act unanimously after obtaining the consent of the European Parliament, which shall be given by a majority of its component members". The proposal also draws on Article 311, which sets out the principles of the EU's system of own resources. We provide a separate ECA opinion concerning the proposal for a Decision on the system of own resources of the European Union (COM(2025) 574 final).

Context

03 The proposal establishes the duration, structure and expenditure ceilings of the 2028-2034 MFF. It is accompanied by a *Staff Working Document* providing analytical support and a Communication, which outlines the strategic rationale and policy priorities underlying the proposal. The main changes introduced by the proposal are:

- reducing the number of MFF headings from seven to four.
- re-organising and updating the special and *flexibility instruments*.
- a new method for the conversion of the amounts of the expenditure ceilings and other amounts set out in the MFF from constant 2025 prices to current prices.

04 The focus of our opinion is on these changes to the MFF. We do not express a view on the overall level of the amounts proposed.

Main messages

05 *Box 1* lists our main messages. They are further developed in the following sections:

Box 1

Main messages at a glance

- Compared to the current MFF, the proposed total financial envelope for the 2028-2034 MFF increases by 59 % at current prices and by 39 % at 2025 prices, reaching 1.26 % of EU's gross national income. When excluding the appropriations earmarked for the repayment of NextGenerationEU borrowing, the level of financing under the combined 2021-2027 MFF and NextGeneration EU grants increases by 11 % at current prices (€173 billion) or decreases by 5 % at 2025 prices (€79 billion). When calculated as a percentage of the EU's gross national income and excluding NextGenerationEU repayment, the amounts for the two periods are increasing from 1.13 % to a proposed 1.15 %.

- The proposal intends to simplify the budgetary framework. The extent of simplification for final recipients will depend on how implementing rules and control arrangements are designed and implemented in practice.

- The proportion of the EU budget under *shared management* is proposed to decline by 20 percentage points (i.e. from 66 % to 46 %). An increase of *direct and indirect management* may pose administrative challenges for the Commission. It may also affect the geographical distribution of expenditure.

- The annual ceilings for commitment appropriations for the national and regional partnership plans do not reflect that at least 80 % of the flexibility amount in Heading 1 will be only available after the mid-term review of the MFF in 2031.

- The proposed simplification of the flexibility instruments is generally in line with our previous recommendations, but uncertainties remain such as the lack of a quantitative assessment linking the size and composition of those instruments to an analysis of the expected type of potential events, their likelihood and the potential impact.

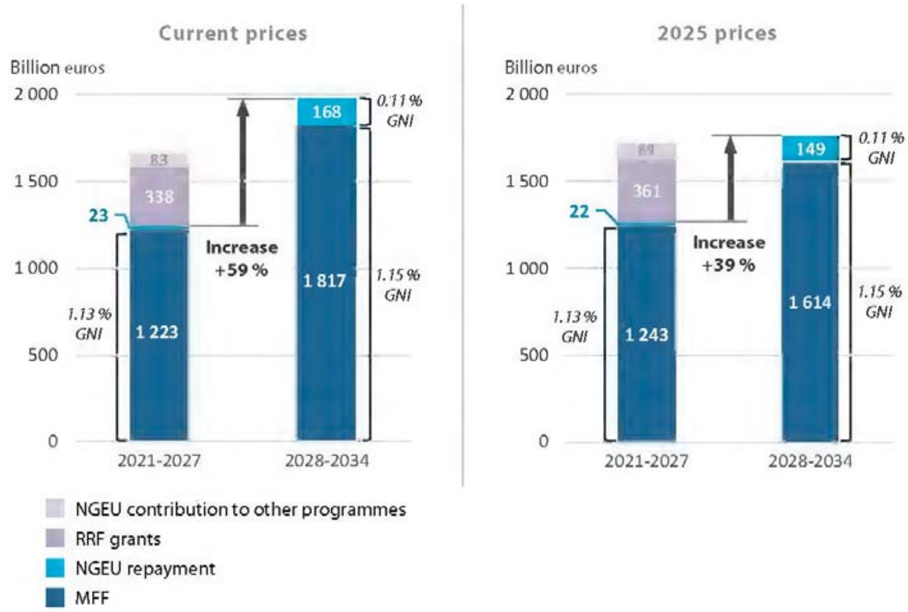
- The Commission's proposal better protects the EU budget from inflation deviations. We point to possible consequences of the proposed adjustment methodology, which need to be taken into account when taking a final decision on it.
- The time allowed for the negotiations on the 2035+ MFF is shorter than for the current MFF, which based on previous experiences may be challenging to achieve. We propose to adjust the deadline in line with the current arrangements.

MFF ceilings proposed for 2028-2034 (Chapter 1, Article 2)

Overall amounts of the proposal compared to the current MFF

06 The Commission proposes a total MFF ceiling for commitments of €2 trillion at current prices or €1.8 trillion at 2025 prices. Compared to the €1.2 trillion of 2021-2027 MFF, this represents an increase of 59 % at current prices and 39 % at 2025 prices. When expressed as a percentage of EU gross national income, the MFF ceilings increase from 1.13 % to 1.26 % (see ***Figure 1***).

Figure 1 | Comparison of commitment ceilings between current and proposed MFF



Note: The amounts of 2021-2027 MFF do not include the following amounts of the repower EU plan: the additional grants under the Emissions Trading System(€17.3 billion) and the Brexit adjustment reserve (€1.6 billion) which is over and above the MFF ceilings.

Source: ECA based on European Commission data.

07 Excluding the appropriations earmarked for the repayment of NextGenerationEU borrowing, the remaining MFF amounts are €1.8 trillion at current prices or €1.6 trillion at 2025 prices. This represents an increase of 11 % at current prices (€173 billion) or a decrease of 5 % at 2025 prices (€79 billion) in the level of financing under the combined 2021–2027 MFF and NextGenerationEU grants. When calculated as a percentage of the EU's gross national income and excluding NextGeneration EU repayment, the MFF ceilings are increasing from 1.13 % to a proposed 1.15 %[1].

[1] See Figure 5.1 of Staff Working Document SWD(2025) 570

Simplification of the budgetary architecture

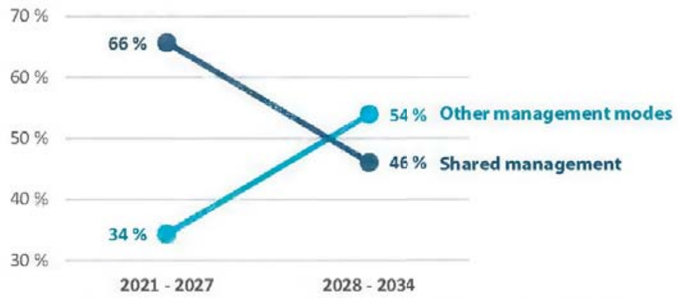
08 The proposal intends to simplify the budgetary framework by reducing the number of headings from seven to four and the number of programmes from 52 to 16[2]. We note that reducing the number of the programmes may also lead to simplification for the final recipients due to a reduced number of rulebooks. However, the actual extent of simplification for final recipients will depend on how the implementing rules and control arrangements are designed and implemented in practice.

Budget allocation under shared management and other management modes

09 The proportion of expenditure implemented under shared management is proposed to decline markedly, from approximately 66 % of the total budget under the 2021-2027 MFF to 46 % in the current proposal (see ***Figure 2***). As a consequence, the share of funding implemented under other management modes (i.e. direct / indirect) will increase significantly, mainly through allocations to programmes grouped under the "Competitiveness" heading. In our view, this shift in implementation modes towards centrally managed instruments may have implications for the accountability structures. This expansion of mostly directly managed programmes significantly increases the operational responsibility of the Commission, which must ensure effective controls, monitoring, and performance verification across a much broader portfolio. At the same time, the Commission must ensure it has adequate administrative capacity, to mitigate the risk of reducing control intensity and take timely action as programme complexity and volume grow.

[2] SWD/2025/570 final/2

Figure 2 | Proportion of shared and other management modes in current and proposed MFF



Note: The total shares of other management modes and shared management excludes administration and repayment of NextGenerationEU borrowing.

Source: ECA based on European Commission data.

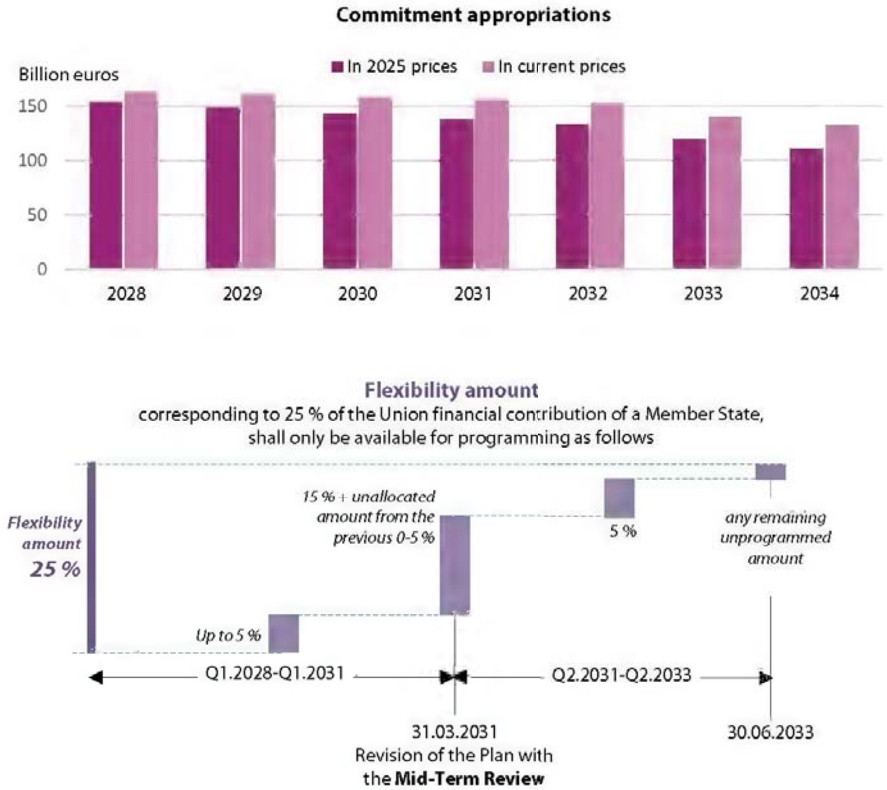
10 Under the current MFF, the financial allocations of some directly managed programmes, such as Horizon Europe programme, are based on competitive calls for proposals, which in some cases lead to geographical concentration. For example[3], the six largest beneficiary member states (Germany, France, Spain, Netherlands, Italy, Belgium) together absorb close to 70 % of the total Horizon Europe budget. An additional consideration is that as the Heading 2 ("Competitiveness, prosperity and security") budget is set to more than double, meaning that further accompanying measures may be needed to support - and in some cases ensure - adequate absorption.

Profile of annual commitment ceilings

11 The profile of annual commitment ceilings presented in the annex to the proposed MFF regulation (see ***Annex II***) shows a downward trend for the national and regional partnership plans in Heading 1 (see ***Figure 3***). Article 14(2) of the proposal for a Regulation (EU) 2025/565 (see also the upcoming ECA Opinion concerning this proposal), provides for a flexibility amount corresponding to 25 % of the approximately €865 billion allocated for the national and regional partnership plans. Most of this (at least 20 % of the overall budget for the national and regional partnership plans) will only become available at the mid-term review in 2031. The planned commitment ceilings do not reflect the impact of this flexibility amount on the commitments available beyond 2031. This reduces budgetary predictability for the beneficiaries and may complicate long-term planning, delay implementation and affect absorption.

[3] EU Commission's Horizon dashboard – data 04 September 2025.

Figure 3 | Commitment profile for Heading 1 of the proposed MFF



Source: ECA based on Commission data.

12 In our view, the profile of annual commitment ceilings should take into account the timing of the availability of the flexibility amount, in order to provide a realistic picture of the expected budgetary trajectory and support sound financial planning throughout the implementation period of the MMF. We also note that in the context of the EU-Mercosur agreement, the Commission has proposed that members states, when submitting their initial national and regional partnership plans from 2028, will have access to up to two thirds of the amount normally available for the midterm review (about €45 billion)[4]. This is to ensure that additional resources are available as of 2028 for addressing the needs of farmers and rural communities. The use of flexibility amounts for policy choices even before agreeing on the MFF undermines the flexibility of the budget.

[4] Outcome document from the meeting of the 7th January 2026 of the EU agriculture minsters (p.2).

Adjustment of ceilings for shared management

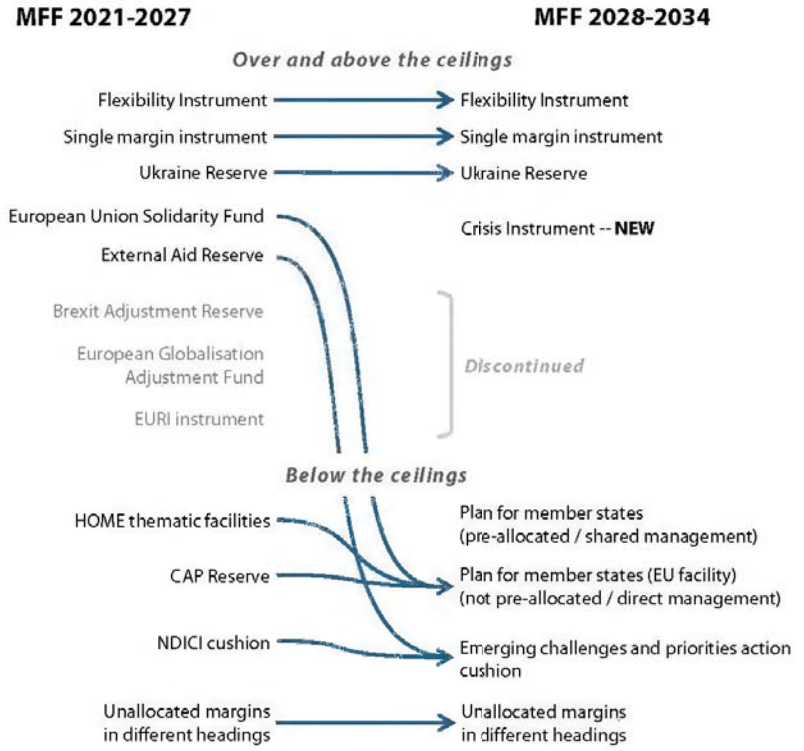
13 The MFF proposal does not include the provision of "Adjustment following new rules or programmes under shared management" from Article 7 of the 2021-2027 MFF. The article stated that if new rules or programmes under shared management were adopted after 1 January 2021, the unused allocations from 2021 would have to be transferred in equal proportions to the years 2022 to 2025, and the corresponding MFF ceilings would have to be adjusted accordingly. The absence of this provision reduces the possibility of carrying-over commitments to subsequent periods. While this may incentivise member states to ensure timely absorption of funds to avoid de-commitments and reduce the amount of outstanding commitments, it could also increase the risk of irregular or inefficient spending due to increased pressure on absorption[5].

Flexibility of the EU budget - special instruments (Chapter 3)

14 We welcome the Commission's efforts to reduce the number of instruments above the MFF ceiling from eight to four (see ***Figure 4***) and to integrate disaster response tools within the MFF ceilings. This approach can improve budgetary management, by reducing overlaps between instruments, and increase predictability, by reducing the need to request additional funding above the MFF ceiling. Although not mentioned in the proposed MFF regulation, an EU Facility is proposed to increase flexibility of the EU budget in addressing unforeseen crisis and to complement interventions from the national and regional partnership plans in COM(2025) 565. Additional flexibility is also proposed with the Emerging challenges and Priorities cushion in COM(2025) 551.

[5] Review 04/2025, paragraphs 56 and 57 and 2021 annual report, paragraphs 2.4 and 2.8

Figure 4 | Flexibilities in the 2021-2027 MFF and 2028-2034 MFF



Note: For the new "Crisis Instrument", see our upcoming ECA opinion concerning the proposal for a Decision on the system of own resources of the European Union COM(2025) 574 final, and recommendation 1(b) of the special report on EU budget flexibility.

Source: SWD(2025) 570 final, pages 35-36.

15 In our special report on EU budget flexibility[6], we recommend that, for future MFFs, the Commission should provide a forward-looking scenario-based needs assessment and explain how the size of the chosen instruments derives from that assessment. In the current proposal, the Commission has not provided such a quantitative assessment linking the size and composition of those instruments to an analysis of the expected type of potential events that EU budget flexibilities should be able to address, nor to their likelihood and potential impact.

16 The Commission's proposal maintains a similar set of non-thematic flexibility instruments to the current 2021-2027 MFF, i.e. the *Single Margin Instrument* and the Flexibility

[6] Special report 18/2025, paragraph 13, recommendation 1(b).

Instrument. The Flexibility Instrument financing was increased to a fixed amount of €2 billion per year from around €1.3 billion in the 2021-2027 MFF (at 2025 prices)[7]. This amount can be further increased by decommitments and revenue from fines and penalties[8]. The proposal also allows any unused annual amounts to be mobilised throughout the whole MFF, while previously this was limited to the year n+2[9]. While these changes may increase flexibility, we note that the additional sources of funding are inherently volatile: decommitments depend on budget implementation, while revenue from fines and penalties depend on the outcome of legal proceedings in the Court of Justice. Therefore, they do not constitute stable or predictable additional funding to the fixed amounts of the Flexibility Instrument.

17 We have also recommended that more information should be provided on the potential events that the proposed EU budget flexibilities should be able to address[10]. While the proposal does not provide these details, the staff working document nevertheless provides for a new steering mechanism "with a reinforced dialogue between the European Parliament, the Council and the European Commission" that will guide the use of flexibilities to address new priorities and unexpected needs"[11]. The sound justification of the use of flexibility instruments will depend on the procedures of the steering mechanism that remain to be developed.

7 SWD(2025) 571, Section 3.1.

8 COM(2025) 571, Article 7.1 and Article 8.1-8.2.

9 MFF Regulation for 2021-2027, Article 12.2.

10 Special report 18/2025, recommendation 1(a).

11 SWD(2025) 571, Section 3.4.

Specific comments

Annual revaluation of the MFF (Chapter 2, Article 4)

18 The Commission's proposal improves the protection of the EU budget against high inflation, compared with the 2021-2027 MFF, where the 2 % fixed deflator applies irrespective of actual inflation. The new approach recognises a potential inflationary volatility such as the one experienced in 2021-2023 and aims to maintain both budgetary predictability and the real value of expenditure ceilings. It also addresses the challenges identified in our annual reports[12] which in particular noted in 2023, that the EU budget could lose about 13 % of its purchasing power by the end of 2025.

19 The Commission proposes to adjust the ceilings every year by 2 % when the inflation is between 1 % and 3 %. Otherwise, the ceilings should be adjusted by using the actual inflation.The proposed change to the adjustment methodology addresses to some extent our previous recommendation in this area[13]. However, a one percentage-point band around the 2 % benchmark still exposes the ceilings to moderate inflation deviations. With an inflation between 1 % and 2 %, the real value of the budget will increase, and in the case of inflation being between 2 % and 3 %, the real value of the budget will erode. Furthermore, in periods with an inflation below 1 % the adjustment methodology proposed may impact budget predictability and financial planning. These elements will need to be considered when taking a final decision on the adjustment methodology.

[12] 2022 annual report, paragraphs 2.53-2.54 and 2023 annual report, paragraphs 2.66-2.67.

[13] 2022 annual report, chapter 2.

20 While the MFF regulation provides for an annual inflation adjustment of the expenditure ceilings, sectoral programmes are adopted with financial envelopes expressed at current prices and are not automatically indexed. The increase in inflation in 2021-2023 eroded the value of programmes such as Erasmus+ and Horizon Europe. To ensure adequate protection of the EU budget against high inflation, we propose that the inflation effect be considered for such programmes.

Revision of the MFF (Chapter 4, Articles 9-12)

21 The proposal omits some provisions from the corresponding article of the 2021-2027 MFF regulation. These include the requirement to examine the scope for reallocating underused funds within the affected heading before revising it, and the requirement to offset any increase in one heading by lowering another[14]. In our view, these provisions contributed to budgetary discipline and efficiency and should therefore be retained (see ***Annex I***).

Deadline for presenting a proposal for the 2035+ MFF (Chapter 5, Articles 13-14)

22 The previous two MFF regulations have set longer deadlines for the submission of the Commission's proposals, between two and a half[15] and three[16] years before the start of the corresponding MFFs. The proposal for the 2014-2020 MFF[17] was published on 29 June 2011 and adopted on 2 December 2013. The proposal for the 2021-2027 MFF[18] was published on 2 May 2018 and adopted on 17 December 2020.

---

[14] Council Regulation (EU, Euratom) 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027, Articles 13(3) and 13(4).

[15] Council Regulation 2020/2093, Article 21 where is stated that "before 1 July 2025, the Commission shall present a proposal for a new multiannual financial framework" (i.e. 01 January 2028).

[16] Council Regulation (EU, Euratom) No 1311/2013, Article 25 where is stated "Before 1 January 2018, the Commission shall present a proposal for a new multiannual financial framework" (i.e. 01 January 2021).

[17] COM(2011) 398

[18] COM(2018) 322

23 In Article 13, the Commission puts forward the deadline of 1 July 2033 for presenting a proposal for a new MFF, starting 18 months later in January 2035. Reaching an agreement by this deadline might be challenging. For this reason, we propose to adjust the deadline in line with the current arrangements, to ensure timely start of the MFF implementation (see ***Annex I***).

This opinion was adopted by the Court of Auditors in Luxembourg at its meeting of 22 January 2026.

For the Court of Auditors

Tony Murphy
President

Annexes

Annex I – List of ECA publications referenced in this opinion

Annual reports on the implementation of the EU budget – for the 2020-2023 financial years

Special report 18/2025 – EU budget flexibility – Allowed unforeseen challenges to be addressed, but the framework is too complex

Review 04/2025 – The Future of EU Cohesion Policy: Drawing lessons from the past

Annex II – Suggested changes with comments

Table 1 | Suggested changes with comments

Text of the proposal	Suggested change	Comments
Article 9 Revision of the MFF to ensure compliance with the own resources ceiling (...) 2. As a general rule, any proposal for a revision of the MFF in accordance with paragraph 1 shall be presented and adopted before the start of the budgetary procedure for the year or the first of the years concerned. 3. Any revision of the MFF in accordance with paragraph 1 shall maintain an appropriate relationship between commitment and payment appropriations.	Article 9 Revision of the MFF to ensure compliance with the own resources ceiling (...) 2. As a general rule, any proposal for a revision of the MFF in accordance with paragraph 1 shall be presented and adopted before the start of the budgetary procedure for the year or the first of the years concerned. **3. Any proposal for a revision of the MFF in accordance with paragraph 1 shall examine the scope for reallocating expenditure between the programmes covered by the heading concerned by the revision, with particular reference to any expected underutilisation of appropriations.** **4. Any revision of the MFF in accordance with paragraph 1 shall take into account the scope for offsetting any raising of the ceiling for one heading by the lowering of the ceiling for another heading.** 5. Any revision of the MFF in accordance with paragraph 1 shall maintain an appropriate relationship between commitment and payment appropriations.	We propose including the provisions of the current MFF (Article 13, paragraphs 3 and 4) as safeguards for budgetary discipline and efficiency. (see paragraph *21*).

Text of the proposal	Suggested change	Comments
Article 13 Transition towards the next multiannual financial framework By 1 July 2033, the Commission shall present a proposal for a new multiannual financial framework.	Article 13 Transition towards the next multiannual financial framework By 1 July **2032**, the Commission shall present a proposal for a new multiannual financial framework.	We propose increasing the timeframe available for negotiations, in line with the previous MFF (see paragraph *23*).

Annex III – Proposed MFF ceilings

ANNEX

MULTIANNUAL FINANCIAL FRAMEWORK (EU-27)

(EUR million - 2025 prices)

COMMITMENT APPROPRIATIONS	2028	2029	2030	2031	2032	2033	2034	Total 2028-2034
1. Economic, social and territorial cohesion, agriculture, rural and maritime prosperity and security	153 681	148 610	143 153	138 137	132 563	119 607	110 652	946 404
2. Competitiveness, prosperity and security	63 017	75 108	75 335	77 530	77 141	77 416	76 658	522 205
3. Global Europe	23 138	23 213	23 166	27 174	31 132	31 103	31 074	190 000
4. Administration	14 083	14 397	14 746	14 980	15 205	15 415	15 621	104 447
TOTAL COMMITMENT APPROPRIATIONS	253 919	261 328	256 400	257 822	256 041	243 541	234 005	1 763 056
TOTAL PAYMENT APPROPRIATIONS	254 393	277 805	269 054	259 983	241 498	234 421	223 815	1 760 969

(EUR million - current prices using, 2% deflator)

COMMITMENT APPROPRIATIONS	2028	2029	2030	2031	2032	2033	2034	Total 2028-2034
1. Economic, social and territorial cohesion, agriculture and rural, maritime , prosperity and security	163 088	160 860	158 053	155 565	152 274	140 140	132 240	1 062 220
2. Competitiveness, prosperity and security	66 875	81 300	83 176	87 312	88 611	90 706	91 614	589 594
3. Global Europe	24 555	25 127	25 578	30 603	35 761	36 442	37 137	215 203
4. Administration	14 945	15 584	16 281	16 870	17 466	18 062	18 669	117 877
TOTAL COMMITMENT APPROPRIATIONS	269 463	282 871	283 088	290 350	294 112	285 350	279 660	1 984 894
TOTAL PAYMENT APPROPRIATIONS	269 964	300 706	297 058	292 784	277 406	274 662	267 480	1 980 060

Source: Proposal for MFF regulation COM(2025) 571, Annex I.

Glossary

Term	Definition/Explanation
Constant (2025) prices	Figures that have been adjusted to a fixed, constant price level for a given reference year, in this case 2025, making it easier to compare a budget's volume or purchasing power across different years or MFF periods.
Current prices	Figures expressed in their actual monetary value in the year in which the payment is made.
Deflator	Statistical tool used to adjust historical prices to take account of later inflation so that prices can be compared over time.
Direct management	Management of an EU fund or programme by the Commission alone, as opposed to shared management or indirect management.
Flexibility instrument	Source of funding for clearly identified items of expenditure which cannot be covered by the EU's annual budget without exceeding the corresponding ceilings.
Indirect management	Method of implementing the EU budget whereby the Commission entrusts implementation tasks to other entities (such as non-EU countries and international organisations).
Multiannual financial framework	The EU's spending plan setting priorities (based on policy objectives) and ceilings, generally for 7 years. It provides the structure within which annual EU budgets are set, limiting spending for each category of expenditure.
NextGenerationEU	Funding package to help EU member states recover from the economic and social impact of the COVID-19 pandemic.
Shared management	Method of spending the EU budget in which, in contrast to direct management, the Commission delegates to the member state while retaining ultimate responsibility.
Single margin instrument	EU special instrument allowing the inclusion in the budget of unused appropriations from previous years or, as a last resort, from current and future years.
Staff working document	Non-binding Commission document produced for discussion, either internally or outside the institution.

HTML	ISBN 978-92-849-6633-2	ISSN 2812-2860	doi:10.2865/8464226	QJ-01-26-004-EN-Q
PDF	ISBN 978-92-849-6634-9	ISSN 2812-2860	doi:10.2865/6424657	QJ-01-26-004-EN-N

HOW TO CITE

European Court of Auditors, opinion 03/2026 "concerning the proposal for a regulation of the Council laying down the multiannual financial framework for the years 2028 to 2034 (COM(2025) 571 final)", Publications Office of the European Union, 2026.

This opinion was issued pursuant to Article 287(4) TFEU, which provides for consultation of the European Court of Auditors at the request of one of the other institutions of the EU institutions. It concerns the proposal for a new regulation laying down the multiannual financial framework for the years 2028 to 2034 (COM(2025) 571 final), which was presented by the European Commission on 16 July 2025.

The purpose of this opinion is to provide observations on the proposal's design to help ensure that the future multiannual financial framework promotes budgetary discipline, sound financial management and accountability, and appropriately protects the EU budget against the effects of inflation.

EUROPEAN COURT OF AUDITORS
12, rue Alcide De Gasperi
1615 Luxembourg
LUXEMBOURG

Tel. +352 4398-1

Enquiries: eca.europa.eu/en/contact
Website: eca.europa.eu
Social media: @EUauditors

CURIA RATIONUM
EUROPEAN COURT OF AUDITORS

Publications Office of the European Union