MFF 2028-2034: State of Play

Based on a presentation by Civil Society Europe (Climate Action Network) on Tuesday 20th of October 2026.

1. Where negotiations stand

The negotiations on the EU's next Multiannual Financial Framework (MFF) have entered their political endgame. The main debate is no longer about the overall architecture proposed by the European Commission, but about the **size of the budget and the balance between competing priorities**.

The Commission proposed a budget of approximately **€1.76 trillion** (2025 prices), equivalent to around **1.26% of EU GNI**. However, the Council, under the Irish Presidency, has tabled a negotiating box ("Irish Negobox") proposing cuts of approximately **€141 billion (-8%)**, reducing the budget to around **1.16% of GNI**.

The European Parliament is taking the opposite position and has called for a larger budget of approximately **1.27% of GNI**, plus repayment of NextGenerationEU outside the ceilings, representing roughly **€175 billion more** than the Council proposal.

The European Council is aiming to reach an agreement before the end of 2026 to allow programmes to start on 1 January 2028.

2. The Commission proposal remains highly controversial

The Commission's proposal fundamentally restructures the EU budget by merging **14 separate funds** into larger financing instruments and National and Regional Partnership Plans (NRPPs). This includes major programmes such as:

- Common Agricultural Policy (CAP)
- European Social Fund Plus (ESF+)
- European Regional Development Fund (ERDF)
- European Maritime Fisheries and Aquaculture Fund (EMFAF)

This simplification is presented as increasing flexibility, but many stakeholders fear it reduces transparency and weakens dedicated funding streams.

3. Green transition under growing pressure

One of the biggest concerns in the negotiations is the impact on climate and environmental spending.

The Commission proposal introduced:

- A horizontal target of at least **35% climate and environmental spending**
- Application of the **Do No Significant Harm (DNSH)** principle across relevant funding instruments
- Climate/environment spending targets for major programmes and NRPPs.

However, the Irish Presidency compromise significantly weakens the overall ambition through budget cuts and exemptions. According to CAN Europe:

- Proposed cuts could reduce green spending by approximately **€50 billion**
- The Connecting Europe Facility (Energy) faces cuts of nearly **20%**
- The EU Facility for climate, disaster response and social actions faces reductions close to **49%**
- The European Competitiveness Fund windows face cuts of approximately **13%**.

4. Biodiversity and LIFE remain major concerns

While climate spending targets remain in the negotiations, biodiversity has lost ground.

Key concerns include:

- No dedicated biodiversity spending target as existed under the current MFF.
- Biodiversity expenditure would only be monitored rather than guaranteed through earmarked allocations.
- The standalone LIFE Programme disappears as a separate budget line.

Under the Council proposal:

- LIFE receives **no earmarked allocation**
- Funding for nature, biodiversity and community-based environmental initiatives would need to compete with other priorities within broader funding envelopes.

Several Member States, including Austria, Italy, Luxembourg and Spain, have publicly argued in favour of maintaining a dedicated LIFE programme.

5. DNSH safeguards being weakened

Another major concern is the weakening of the DNSH principle.

The Council position expands exemptions covering areas such as:

- Defence and security
- Military mobility
- Crisis situations
- Migration and border management.

CAN Europe estimates that approximately **€426 billion (26% of the proposed MFF)** could fall outside standard DNSH scrutiny under the current Council approach. Furthermore, the Commission's proposed exclusion list of activities deemed environmentally harmful has been dropped from the Council position.

6. AgoraEU and civic space financing

For civil society organisations, the future of **AgoraEU** remains particularly important.

The Irish Presidency has proposed a **30% reduction** in funding, lowering the programme from approximately **€7.6 billion to €5.3 billion** (2025 prices). No final agreement has yet been reached. However, the Council has confirmed earmarking for:

1. Culture
2. Media
3. Democracy, Citizens, Equality, Rights and Values (CERV)

Civil society networks continue mobilising for stronger funding for democracy and civic participation, particularly around a strengthened CERV+ component.

7. What to watch next

The key issues likely to determine the final outcome over the coming weeks are:

Budget size

The main battle remains between:

- "Frugal" Member States seeking further reductions.
- Cohesion countries seeking protection of regional and agricultural funding.
- Parliament pushing for a larger overall budget.

New Own Resources

There is growing discussion around new EU revenue sources as a way to avoid deep spending cuts and finance priorities such as climate action, competitiveness and social investment. Civil Society Europe references proposals suggesting up to **€100 billion per year** in additional revenue could be generated through new own resources.

National and Regional Partnership Plans (NRPPs)

Even if the overall architecture remains unchanged, substantial decisions on climate, social investment and civic participation will increasingly move to the national level through NRPPs. For NGOs, engagement with national governments on NRPP design is likely to become the most important advocacy arena from 2027 onwards.

Bottom line

The negotiations are increasingly driven by the Council and dominated by pressure to reduce the overall budget. While the headline 35% climate target is likely to survive, the combination of budget cuts, weaker DNSH safeguards, the lack of a biodiversity target, and the disappearance of dedicated LIFE funding risks significantly reducing the environmental ambition of the next MFF. At the same time, civic space funding under AgoraEU remains under pressure, making continued mobilisation by civil society particularly important in the final phase of the negotiations.