

Commission's proposal of next MFF 2028-2034

On 16 July 2025, the European Commission presented its proposal for the **next Multiannual Financial Framework (MFF) 2028-2034**, with a total budget of nearly **€2 trillion** (1.26% of the EU's Gross National Income).

The Commission proposal organises the EU budget into four main pillars: the **national and regional partnership plans**, the **Competitiveness Fund** (with *Horizon Europe*), the **Global Europe Fund** and a pillar devoted to spending on **European public administration**.

The proposal aims to **simplify and streamline EU funding** by consolidating over **540 existing programmes** into **27 new "National and Regional Partnership Plans"** (NRPPs). Under these plans, Member States and regions will be able to propose **EU-funded reforms, investments and tailored interventions**, supported by **€865 billion**, across the following areas:

- Cohesion policy
- Social policy
- Common agricultural policy
- Fisheries and maritime policy
- Migration, border management, and internal security

In addition, the Commission proposes a **new dedicated crisis mechanism** worth nearly **€400 billion in loans** to Member States, to be activated in response to major crises affecting the EU.

Social policy and skills development

- The **European Social Fund** will be delivered via the NRPPs, **14%** of national allocations will have to finance national reforms and investments in:
 - **Reskilling and upskilling**
 - Improve the **quality of education and training** systems
 - Fighting poverty and homelessness
 - Capitalise on synergies between different policies to better equip the Member States and regions to **integrate migrants in the labour market**
- The **European Competitiveness Fund** will work together with **ERASMUS+** (€40 billion) to finance activities to close the skill gaps identified
- Member States will also receive means to invest with **Catalyst Europe** policy loans

Competitiveness

- The new **European Competitiveness Fund (€410 billion)** will work tightly with **Horizon Europe** to:
 - **Simplify access to funding**, reducing the number of programmes from 52 to 16, with harmonised rules. A **single portal** will be created to serve as a one-stop shop for SMEs
 - Mobilise private and public investment
 - Focus on key areas such as the **clean and digital transitions**.

- The **NRPPs** will foster national competitiveness through investments allowing more **integrated regional approaches**
The **InvestEU** programme will **include SMEs** as a target
- As part of the plans, the **European Social Fund** will contribute to promote equal opportunities for all, to support strong social safety nets, foster social inclusion and intergenerational fairness.

Clean transition

- **35% of the overall MFF** (over €700 billion) will be allocated to **climate and environmental goals**, including:
 - Building resilience across sectors and communities
 - Enhancing circularity
- **NRPPs** will link national reforms to **green investments**, contributing to the **EU 2040 climate and energy targets** and supporting **local businesses and communities**.
- The **European Competitiveness Fund** will strengthen EU's economy through investments aiming to decarbonise SMEs via:
 - The **Innovation Fund**
 - The **Industrial Decarbonisation Bank**
- An **upgraded monitoring system** will assess how much the EU budget spends on green priorities.

Tourism

- **Tourism will be** a priority area, according with Commissioner Tzitzikostas', at the TRAN Committee on 16 July, and will be guided by the forthcoming **European Strategy on Sustainable Tourism**, expected in March–April 2026.
- A budget of **€453 billion** within the €865 billion allocated to the NRPPs is earmarked for “economic, territorial and social cohesion including fisheries and rural communities and **tourism**”.
- Investments in tourism will be prioritised within the **NRPPs**, with each Member State and region tailoring support according to **their specific needs**.
- **Sustainable tourism** is identified as a key objective of the **European Competitiveness Fund**, which will also support SMEs in adopting more sustainable practices.
- The new **AgoraEU** programme (budget: €8.6 billion) will support European culture, media and civil society organisations, and will **promote lesser-known travel destinations** across the EU.

HOTREC initial reaction

- We call for improved facilitation of access to EU funding for companies, especially SMEs.
- We welcome the reinforcement of the NRPs and hope that Cohesion Funds will be strengthened, as they are among the most accessible for companies.
- A dedicated budget line for tourism should be established to prevent companies from having to search across multiple budget lines for applicable funding.



- Companies, particularly SMEs, should be supported in enhancing their competitiveness and advancing the twin transition.
- Business advisory services and infrastructure should be provided to support industrial decarbonisation and digitalisation.
- Funding should be allocated for a tool to implement the Product Environmental Footprint Category Rules (PEFCR) for accommodation.

Next steps

The proposed long-term EU budget and the revised revenue system will be discussed by the **European Council**, following the **European Parliament's consent**, over the next **two years**.

For addition information

- [Commission's press release](#)
- [Q&A](#)
- [Factsheets](#)
- [Commissioner Tzitzikostas speech in the EP TRAN Committee](#)