Federal Committee Meeting,
Brussels 21-22 November 2026

A Federal Budget for a Sovereign Europe

Resolution on the 2028–2034 Multiannual Financial Framework, own resources and a European fiscal capacity

Adopted by the Federal Committee of the Union of European Federalists in Brussels on 22 November 2026.

The Federal Committee of the Union of European Federalists, meeting in Brussels on 22 November 2026:

NOTES that Europe is facing simultaneous geopolitical, economic, social, technological and climate challenges, while the Union is expected to provide security and defence, competitiveness, decarbonisation, social and territorial cohesion, support for Ukraine, resilient infrastructure and preparedness for future crises;

TAKES NOTE of the European Commission proposal of 16 July 2025 for a 2028–2034 Multiannual Financial Framework (MFF) of almost EUR 2 trillion in current prices, corresponding on average to 1.26% of EU gross national income (GNI), as well as the proposal for a new basket of own resources;

RECALLS that the European Parliament, in its interim position adopted in April 2026, called for 1.27% of EU GNI for Union programmes and for the costs of servicing NextGenerationEU (NGEU) debt, estimated at around 0.11% of GNI, to be financed over and above the MFF ceilings;

OBSERVES that, once NGEU debt service is considered, the Commission proposal leaves substantially less fiscal space for Union policies than the headline figure suggests, at a time when new common responsibilities are becoming structural rather than temporary;

STRESSES that the next MFF must combine adequate scale with greater flexibility and simplicity. A budget designed around too many rigid compartments is ill-equipped to react to shocks, technological change and shifting geopolitical priorities; simplification should reduce administrative burdens and fragmentation while preserving democratic accountability, common European objectives and transparent control of results;

CONSIDERS that the proposed National and Regional Partnership Plans (NRPPs) risk undermining the European character of Cohesion Policy by paving the way for its renationalisation and the fragmentation of its common framework. Cohesion Policy must remain a strong, autonomous and predictable EU policy, based on shared management and the partnership principle, with clearly defined European objectives and dedicated resources for the ERDF, the Cohesion Fund and Interreg. This requires safeguarding the role of all regions, ensuring meaningful regional and local involvement in programming, implementation and monitoring, and preventing national priorities or performance-based milestones from penalising regions or weakening territorial cohesion.

STRESSES that the next MFF cannot be designed as a zero-sum exercise in which defence and security are financed through disproportionate cuts to cohesion, the Common Agricultural Policy, research and innovation, the green and digital transitions, social investment or

external action. Priorities must be reviewed and spending must be able to adapt, but genuinely new common responsibilities require additional common resources;

RECALLS that Article 311 TFEU provides that the Union shall provide itself with the means necessary to attain its objectives, while the present own-resources system remains dominated by national contributions and subject to unanimity and national approval, reinforcing net-balance calculations rather than a genuinely European budgetary debate;

CONSIDERS that a Union expected to provide European public goods must progressively acquire a genuine fiscal capacity: sufficient, stable and predictable own revenues; democratic control over both revenue and expenditure; and a permanent capacity to finance common investments and respond to major common shocks;

RECALLS that NGEU demonstrated the added value of common European borrowing in an exceptional crisis and that its debt service must not crowd out future Union programmes or be used as an argument for renewed austerity at European level;

STRESSES that the MFF and the own-resources system are constitutional questions as much as budgetary ones: a Union that cannot decide democratically on the resources needed to carry out its common decisions cannot exercise full political sovereignty;

The Federal Committee therefore

CALLS FOR an MFF that is at least 1.27% of EU GNI for Union policies, with NGEU debt service financed above the expenditure ceilings; in any event, the resources available for Union policies must not be lower in real terms than under the 2021–2027 MFF once NGEU is excluded, and the budget must evolve in line with new common responsibilities;

CALLS FOR a simpler and more flexible budget architecture, with fewer unnecessary silos, adequate unallocated margins and crisis-response capacity, and the possibility to reallocate resources when circumstances change, subject to transparent criteria, parliamentary scrutiny and protection of the Union's long-term objectives. Simplification must mean better European delivery, not weaker common policies or less democratic control;

SUPPORTS the simplification of EU funding instruments, while **INSISTS** that Cohesion Policy, the Common Agricultural Policy (CAP) and the European Social Fund Plus (ESF+) must remain autonomous, strong and adequately funded EU policies, with dedicated programmes and resources, independent from any funding arrangements for security and defence, which should be addressed through a separate and dedicated fund. INSISTS, however, that the National and Regional Partnership Plans must not become national envelopes or bilateral arrangements between the Commission and central governments. They must preserve strong EU-level programmes and cross-border projects and guarantee an effective role for regions and local authorities, consistent with economic, social and territorial cohesion;.

CALLS FOR the 2028–2034 MFF to establish a dedicated, additional cohesion-policy allocation for the Union's eastern border regions;

REJECTS a false arbitrage between established and new European priorities. Cohesion and the Common Agricultural Policy, defence and security, research and innovation, competitiveness, climate and energy investment, social policy, education, youth mobility (such as Erasmus+), culture (such as Creative Europe), civic participation and democratic engagement programmes (such as CERV), and external action all contribute to European resilience. New priorities should be financed through additional common resources and

stronger European added value rather than through systematic cannibalisation of existing policies;

CALLS FOR a strong rebalancing of Union revenue away from GNI-based national contributions towards genuine own resources. The GNI-based resource should progressively return to being a residual balancing instrument rather than the dominant source of EU revenue, so that the ordinary citizens and SMEs are not left alone to contribute, while multinational economic agents take advantage of the Single Market without contributing.

CALLS UPON THE COUNCIL AND THE MEMBER STATES to adopt the Commission's 2025 own-resources package as a minimum first step, while ending all rebates, lump-sum corrections and equivalent correction mechanisms, reducing retained collection costs for traditional own resources, and ensuring that new revenues are additional to - and do not substitute for - an adequately sized MFF;

CALLS FOR a binding roadmap by 2028 for further genuine European own resources, assessed as a coherent basket according to sufficiency, stability, fairness, simplicity, progressivity where appropriate and a clear link to European policies or cross-border externalities. This roadmap should include policy-based options such as a European digital levy and a broad financial transaction tax, alongside revenues linked to the ETS, CBAM and other Single Market-based sources, while protecting households and SMEs from disproportionate burdens;

CALLS FOR European Parliament co-decision over the revenue side of the Union budget. New own resources should increasingly derive from European political decisions and flow to the Union budget because of genuine European added value, rather than merely relabelling national contributions;

CALLS UPON THE EUROPEAN COMMISSION to develop, under full parliamentary control and sound debt-management rules, a permanent common borrowing capacity for clearly defined European public goods, strategic cross-border investment and responses to major common shocks; For defence projects, access to common financing should depend on a jointly agreed capability requirement and measurable commitments on interoperability, shared access or joint procurement. The Commission should submit an annual report to the European Parliament on progress made in fulfilling those commitments.

CALLS FOR a sustainable and growth-friendly repayment strategy for NGEU debt. Debt service should remain outside the MFF programme ceilings and should be financed primarily through new own resources. The repayment profile should be smoothed over an appropriate long-term horizon, making full use of refinancing and active debt management so as to avoid excessive annual repayment peaks and the crowding-out of cohesion, competitiveness, defence, innovation and investment. As part of the development of a permanent European fiscal capacity, the Union should assess whether the current repayment horizon remains economically appropriate and adapt the relevant legal framework where justified;

INSISTS that expenditure and own resources are directly linked to institutional reform. As the European Union is required to take on permanent new responsibilities, it cannot remain dependent on ad hoc national transfers and unanimous votes for their financing;

CALLS UPON THE EUROPEAN COUNCIL to activate the passerelle in Article 312(2) TFEU, allowing the Council to adopt the MFF regulation by qualified majority while preserving the European Parliament's consent under the current Treaties;

CALLS UPON THE COUNCIL to act on the European Parliament's request for Treaty change and to submit to the European Council the proposal to convene a Convention under Article 48 TEU. Treaty reform should replace unanimity in Article 311 TFEU with qualified majority voting, make the European Parliament an equal co-legislator on own resources and the MFF, and remove the requirement for unanimous national approval of the Own Resources Decision;

CALLS UPON THE EUROPEAN PARLIAMENT to use its consent power strategically and to make approval of the next MFF dependent on a balanced settlement comprising: an adequate real level of expenditure; NGEU debt service above the ceilings and a sustainable repayment profile; a credible and ambitious package of new own resources; the abolition of rebates; a simpler and more flexible budget architecture that preserves cohesion and the role of regions; and a concrete institutional pathway towards majority decision-making and Treaty reform;

CALLS UPON THE EUROPEAN COMMISSION, THE EUROPEAN PARLIAMENT AND WILLING MEMBER STATES if unanimity continues to block necessary progress, to use all available Treaty mechanisms to advance fiscal integration among those ready to move forward, while keeping such initiatives open to all Member States and directed towards a stronger Union framework;

URGES the institutions not to sacrifice the quality, democratic legitimacy or European character of the settlement for the sake of an artificial deadline. A timely agreement is desirable, but the objective must be a budget capable of financing the Union’s priorities from 2028 and of supporting an enlarged, more sovereign and more democratic Europe;

AFFIRMS that Europe must become the master of its own budget. A genuine European fiscal capacity, backed by democratic own resources, flexible common expenditure and common investment instruments, is indispensable if the Union is to provide the public goods, solidarity and strategic capacity that its citizens and its place in the world require.