

# Revision of the Multiannual Financial Framework: Key Recommendations on Migration and Asylum

Policy Note

# Contents

<b>I. INTRODUCTION</b> .....	<b>3</b>
<b>II. ANALYSIS</b> .....	<b>4</b>
A. An Expanded MFF: Opportunities, Ambitions, Obstacles.....	4
B. Unpacking the Migration Component .....	5
<b>III. RECOMMENDATIONS</b> .....	<b>8</b>
General: .....	8
Heading 2: Cohesion, resilience and values.....	8
Heading 4: Migration and border management .....	9
Heading 6: Neighbourhood and the World .....	10
<b>ANNEX – OVERVIEW TABLE.</b> .....	<b>12</b>

## I. Introduction

Following [repeated appeals](#) from the European Parliament (EP), in June 2023 the European Commission (EC) [requested](#) significant additional pledges from EU Member States (MS) to increase the current Multiannual Financial Framework (MFF). The proposal suggests an increase of approximately 65.8 billion euros in the EU budget for the period 2021 – 2027, which would include estimated 35.9 billion euros for new special instruments and 29.9 billion euros of new contributions to existing programmes. This ambitious target has already sparked intense discussions among the co-legislators, particularly Member States who are being asked to contribute extra funds to address current needs.<sup>1</sup>

The Commission proposes a budget increase of **65.8 billion euros** including (in euros):

- Estimated **17 billion** in grants and guarantees for reconstruction of Ukraine via a new “Ukraine Reserve” special instrument. Part of the support to Ukraine will also be channelled through loans, which the EU will finance by borrowing money on financial markets (estimated 33 billion).
- **15 billion** for what is termed “migration and external challenges”, which covers **2 billion** for internal migration policy, **10.5 billion** for external policy and **2.5 billion** for humanitarian aid, often with a strong displacement focus.

- **10 billion** allocated to enhance EU competitiveness through funding “Strategic Technologies for Europe Platform (STEP)”. This includes top-ups of existing programmes and the possibility of using uncommitted resources from cohesion policy funds to a new objective (European Regional Development Fund, Cohesion Fund, European Social Fund +). While additional contributions cover tech for the Green and digital transformations, it should be noted that it also allocates an additional 1.5 billion to the European Defence Fund.
- **23.8 billion for “technical adjustments”**, covering increased interest rates which impact Next Generation EU through a new EURI instrument (for estimated 18.9 billion), administrative costs, and the Flexibility Instrument.

This policy note offers a concise analysis of the Commission’s June 2023 proposal, with a specific focus on the migration pillar. It concludes with a series of key recommendations aimed at contributing to the ongoing debate surrounding the MFF revision from the perspective of civil society organisations actively working on migration and asylum. An overview table with proposed figures is also included at the end of the paper.

---

<sup>1</sup> Detailed budget breakdown can be found in the [European Commission Staff Working Document accompanying the MFF Mid-term revision, Annex 1 – Overview table, page 15.](#)

## II. Analysis

### A. An Expanded MFF: Opportunities, Ambitions, Obstacles

#### Rethinking Budget Allocations to Tackle Current Challenges

Commissioner Hahn [emphasized](#) the need for additional funds as the EU budget is currently running out of funds. This shortfall has hampered the ability to effectively address prevailing challenges, including those related to inflation, Ukraine's reconstruction, migration, and EU competitiveness.

Regarding migration, ECRE and PICUM, along with their [members](#), have consistently [underscored](#) that the EU's financial response to displacement from Ukraine in 2022 did not entail any additional funding. Instead, it primarily (and merely) provided Member States the flexibility to readjust their programmes and draw from unspent resources in the previous budget.

Hence, a budgetary increase is positive if it allows the EU to secure additional resources to address increased needs that have arisen in the past year since the invasion of Ukraine, to respond to the ongoing reception crisis affecting many Member States, or to provide a solution to rocketing inflation that is deepening social injustice and disproportionately affecting groups which are already marginalised. Consequently, a revised MFF should tackle these challenges head-on, establishing clear spending priorities and safeguards.

#### Unanimity in the Council: Ambitions vs. Reality Checks

It is an ambitious and unprecedented reform. Halfway through the current MFF implementation period, and just one year before the end of its mandate, the EC proposes a budget revision that is ten times bigger than the one [proposed](#) in 2017 at the equivalent point in the MFF cycle. Also, previous revisions, such as in 2017, mainly focused on a re-allocation of budget within the different priorities. The proposal on the table goes beyond that to suggest a significant increase of the overall EU budget. It thus requires MS to increase their national contributions to the current EU budget compared to what they had agreed to pay when the MFF was negotiated.

This process requires unanimity of the Council and approval by the European Parliament by an absolute majority. Although the European Parliament cannot propose text amendments, [efforts](#) are already underway to formulate a position on the proposal, which includes non-binding recommendations. In the Council, the proposal is discussed in the General Affairs configuration. In the last meeting in July, several Member States (Germany, Austria, France, the Netherlands, Sweden and Denmark) [voiced](#) their concern over the increase of national contributions. The debates are further swayed by Poland and Hungary, who announced that they will not support the MFF revision as long as they are unable to receive EU resources (due to their [shortcomings](#) on fundamental rights and rule of law). Finding an agreement among Member States is the responsibility of the Spanish Presidency, which must exhibit exceptional negotiating skills to resolve this challenging situation. A compromise text is planned for October 2023.

## B. Unpacking the Migration Component

Additional funding which relates to migration and displacement appears as part of the 15 billion euros gathered under the heading “migration and external challenges”. In fact, this consists of an addition of 2 billion euros to Heading 4 of the EU’s budget, covering migration (primarily internal) and border management, 10.5 billion for Heading 6, external spending, and 2.5 billion to replenish emergency humanitarian funding (which will cover many crises with a displacement dimension).

### Heading 4: Financing the Pact on Asylum and Migration

Concerning migration activities within the EU, the proposal envisions a 2 billion euro expansion for 2025 – 2027 within Heading 4 “Migration and Border Management”<sup>2</sup>. The amount equates to a 10 % increase of this MFF chapter for the entire budgetary period. The EC [clarifies](#) that around three-quarters of the AMIF and BMVI Thematic Facilities has already been exhausted to respond to challenges stemming from Ukraine, Afghanistan, and Belarus. As a result, it is currently running out of funds to be used for other objectives. Although the introduction to the Communication refers to the strain on Member States’ “integration and reception capacity” and “facing the increasing migratory pressure”, the primary objective of the new funding appears to be the implementation of the Pact, and in particular “the screening and border procedure, reception capacity, relocations, and returns”. The EC further details that the changes in legislation stemming from the Pact will increase needs regarding “maintenance of reception infrastructure, increased returns and relocations”.

While a budget increase to address migration needs is a positive step, resource allocation should be grounded in an assessment of genuine needs through the structural involvement of partners. A revision of the MFF should prioritise inclusion needs, reception conditions, accommodation, and access to services. These areas have been [repeatedly](#) identified as primary implementation gaps and could be supported by additional resources through the Thematic Facility and MS national programmes.

An increase is also positive if the conclusion of the Pact leads to a new focus on implementation and compliance with EU asylum and migration law, however this must be a comprehensive and fair implementation of all elements of the Common European Asylum System (CEAS). There are already indications that implementation plans are selective, focusing on certain elements of the CEAS rather than others, and the text of the Communication enhances this concern. For example, there is a strong risk that resources, including the additional 2 billion euros requested, are used primarily for implementation of the screening and border procedures, which is a [priority](#) for certain Member States. As the proposal notes, Member States face challenges in ensuring integration and reception capacity. Support to those measures should also be prioritised, along with addressing other implementation gaps such as lack of respect for procedural guarantees.

The major increase between the previous and current MFF already focussed on funds for border management, with an increase of 135%<sup>3</sup>. While the BMVI could also be used to support

---

2 Heading 4 of the MFF comprises the Asylum and Migration Fund (AMIF), the Border Management and Visa Instrument (BMVI), the Customs Control Equipment Instrument, and decentralised agencies in the field of migration and borders.

3 EPRS Briefing, [Migration and border management – Heading 4 of the 2021-2027 MFF](#), (Figure 4, page 9), 2021.

search and rescue capacity and provide assistance to vulnerable people arriving at the EU border, it is [likely](#) that additional resources allocated by the current proposal will be spent for staff, infrastructure and equipment required to detain people at the border.

### Heading 6: Major Focus on Returns, Migration Prevention and Border Management

With an increase of 10.5 billion euros within Heading 6 “Neighbourhood and the World”, support to displaced people takes a central role, however, there is also a risk that changes and additions proposed increase the trend towards intrusion of migration control objectives in external funding – to the detriment of external policy. In recent years, intensified attention to returns, questionable agreements with non-EU countries, and the broad outsourcing of responsibilities to third countries have been the [priority](#) of EU external migration policy and increasingly of EU external action as a whole, consuming significant resources and resulting in a substantial utilization of the EU budget for migration control objectives outside the continent.

While a detailed breakdown of the 10.5 billion is not determined by the legislative proposal, the EC Communication offers an indication on how the money will be spent:

- **2 billion for the Western Balkans.** While there is little detail in the Communication about Western Balkans financial support beyond the aim to support “stable, prosperous and well-functioning democratic societies”, it is likely that at least part of the money might be used to implement the [Action Plan on the Western Balkans](#), which has a clear [focus](#) on border management and returns.
- **0.3 billion for the Southern Neighbourhood line** or “Southern migration route”, as mentioned in the Communication and by President Von der Leyen’s [speech](#). This priority has a clear focus on increasing returns, in line with the European Council conclusions of 9 February 2023. This framing around a “route” approach reflects the EU objective to use funds for preventing movements along the route, by replacing other external policy priorities with migration control objectives. The budgetary increase probably entails a top-up of the current [Multi-Country Migration Programme](#), with various objectives that include cooperation with Tunisian, Libyan and Egyptian authorities on migration and border management, as well as returns and a protection component.
- **3 billion for the NDICI Cushion.** The EC mentions that around 80% of these resources have already been used or allocated, and therefore additional contributions are required to replenish this reserve for unforeseen emergencies and unexpected needs. While increasing money that can be used in a flexible manner for major crisis is positive, it is also mentioned that assistance to third countries, such as the recently announced [Macro-Financial Assistance to Tunisia](#) with its anti-migration objectives, will be covered by this budget line. Cooperation with Tunisia has already been criticised by [several observers](#)
- Around half of the additional contributions is dedicated to humanitarian funds linked to displacement. The EC mentions that resources will be dedicated to supporting countries hosting Syrian refugees, with **1.7 billion for Syria, Lebanon, and Jordan**, and **3.5 billion for Türkiye**. As highlighted in the Communication, needs related to refugees in the region “are not decreasing and might increase further” as a result of the earthquakes.

for financing migration control activities drawing funds away from other policy areas such as economic development and anti-poverty actions.

With no clear limitations, there is a risk that the additional budget will operationalise the migration agreements and action plans concluded in the past years which focus on outsourcing migration responsibilities to third countries, returns, and tightened border controls. Modalities will be determined at a programmatic level. However, it is reasonable to expect that funds [will be delivered](#) in the form of equipment, vessels, capacity-building activities, or will reach third countries via indirect management by the Member States, similar to the current arrangements with Libya, Tunisia, and other countries.

### III. Recommendations

The current revision presents the opportunity for the EU to improve safeguards and ensure that available resources contribute to the objective of building sustainable asylum and migration systems in the EU. Fundamental rights monitoring, transparency and increased coherence would ensure that a budgetary increase effectively addresses objective challenges, based on needs assessment and involving all stakeholders in the entire process.

ECRE and PICUM suggest a set of recommendations on the revision process of the MFF, drawing on previous analysis of EU funds by the two organisations.

#### General:

- **A revised MFF should enhance the EU's capacity to respond to unforeseen and structural challenges, including via reduced administrative burden**

ECRE and PICUM welcome the proposal to expand the EU's capability to respond to unexpected emergencies and sustain efforts against ongoing structural shortcomings. We value the principle that new priorities should be funded with new resources, avoiding the redirection of funds from other policy areas and the creation of off-budget programmes. For example, the creation of a specific instrument to support Ukraine is a step in the right direction.

The revision of the MFF should also be used as an opportunity to confront persistent challenges regarding the disbursement of EU funds. This includes reducing administrative burdens to enhance accessibility to civil society and ensuring coherence among established priorities and existing fund management methods (direct, indirect and shared management). Hence, all relevant stakeholders should participate in determining the allocation of resources at the programmatic level, in alignment with the [partnership principle](#).

These recommendations are in line with the findings and lessons learnt from the EU's response to Ukraine outlined in the Special Adviser for Ukraine Lodewijk Asscher's [report](#).

#### Heading 2: Cohesion, resilience and values

- **Cohesion policy funding should not be diverted to other priorities, and social inclusion commitments should be maintained**

In recent years, cohesion policy funds have often been reallocated to fill gaps in other programmes. For instance, last year, EU legislators [agreed](#) to use unspent cohesion funds to cover increased needs stemming from arrivals of people fleeing Ukraine. Similarly, the EC's package allows MS to redirect funds already assigned to cohesion policy funds to strengthen the objectives of the newly proposed Strategic Technologies for Europe Platform. ECRE and



PICUM share the Committee of the Regions' [concerns](#) regarding the growing trend of utilising cohesion policy funds to tackle other challenges other than long-term structural challenges regarding social inclusion and other already agreed priorities. It should also be noted that Heading 2 "Cohesion, resilience and values" is the only programme that is not receiving additional resources under this revision. Therefore, as a minimum, these resources should not be reallocated to other priorities.

Cohesion funds play a paramount role in the implementation of the European Social Pillar of Rights and earmarked priorities. This includes tackling child poverty through the [Child Guarantee](#) initiative, and material deprivation and social exclusion through the European Social Fund +. Given the [surge](#) in poverty resulting from the pandemic and elevated inflation rates, Member States should reassess their social inclusion targets and ensure that their commitments in the areas of housing, employment, reception and access to basic mainstream services through cohesion receive adequate resources.

#### **Heading 4: Migration and border management**

- **Additional funding should be allocated to address objectively identified needs, for a comprehensive implementation of EU migration and asylum policy**

As highlighted by the [AIDA overview of 2022](#), Member States confront several obstacles to realising the objectives and standards of EU asylum and migration policy related to a lack of funding which affects the rights of migrants, including those who are undocumented, refugees and asylum seekers. An allocation of additional 2 billion euros to the AMIF and BMVI could address these challenges. This includes addressing the growing number of "reception crises" in Europe, where individuals are unable to access accommodation, endure poor living conditions, and experience homelessness in various EU countries. The focus should be on a comprehensive and fair implementation of all elements of the CEAS (and of the Pact, should it be approved), including procedural guarantees and reception conditions in EU countries. An example is dedicating resources to help MS develop a contingency planning for adequate reception, as foreseen by the [recast](#) Reception Conditions Directive.

Furthermore, expanded regular pathways, resettlement commitments and life-saving efforts at sea could also benefit from an increase in Heading 4. EU resources should also contribute to improved access to healthcare and social welfare, critical structural challenges that have been exacerbated by inflation and the pandemic. In this context, undocumented migrants are a particularly disadvantaged group, as they are often unable to benefit from MS and EU-funded inclusion measures and, and in some instances, face barriers in accessing social mainstream services.

- **Any allocation of additional funding should not be used for detention, security and border management within the EU**

The systematic detention of asylum applicants and undocumented migrants remains a widespread practice in the EU. In some countries, detention capacity has increased in the past year, while access to safeguards is still generally limited. As both ECRE and PICUM have [pointed out](#), strengthened use of border procedures as outlined by the Pact on Migration and Asylum carries the risk of escalating the use of detention at EU borders. Therefore, potential increase to Heading 4 (both AMIF and BMVI) should address existing gaps in implementing asylum and migration standards. They should abstain from reinforcing border infrastructures, detention, and security measures. As recommended by this [EC note](#) on the use of EU funds, EU resources should be used to phase out or substantially reducing existing isolated settings, rather than creating additional segregated spaces.

- **Additional funds allocated should be based on continuous and thorough assessment of the horizontal enabling conditions**

Further allocations of EU resources to ongoing migration priorities should be rooted in a comprehensive assessment of the functioning of the horizontal enabling conditions. While the EU is bound by fundamental rights obligations, its MS are [equally](#) obligated to implement horizontal enabling conditions linked to the Charter of Fundamental Rights. These conditions are essential for receiving funding reimbursements for programmes covered by the Common Provisions Regulation. The EC and co-legislators should ensure that the release of additional funds takes these rules into due account, and that, if violations occur, EU financial support is suspended.

## **Heading 6: Neighbourhood and the World**

- **Resources for supporting Syrian refugees are welcome, provided that there is no conditionality on migration**

The substantial increase in resources for supporting cooperation with neighbouring countries should be directed toward addressing development and humanitarian needs. It should avoid using external policy as a vehicle for migration control objectives. In this regard, resources for supporting humanitarian needs of Syrian refugees (5.2 billion euros) are welcome, provided that this is needs-driven and not based on conditionality on migration policy or cooperation on returns from the third countries concerned.

- **Funds for Western Balkans should not be diverted to the Action Plan implementation**

As ECRE previously [argued](#), cooperation with third countries should not be leveraged to serve internal policy goals. Instead, it should focus on tackling root causes of poverty, climate change and conflict. In this regard, the 2 billion euros allocated to the Western Balkans should not be diverted into implementing the Action Plan to pursue migration control objectives, but should be used for increasing economic prosperity and stabilisation of the region.

- **Avoid allocating resources by following a “route” approach, and ensure balance and coherence among external policy objectives**

Furthermore, as found by this [EP study](#), the EU should improve overall coherence of activities in the area of migration and mobility in third countries, particularly in the area of return and readmission. In fact, in some cases migration management objectives may undermine efforts related to other priorities, for example, conflict prevention and peacebuilding. This is particularly the case for the 0.3 billion euros announced for the “Southern migration route”. Allocating money following a “route” approach should be avoided as it undermines overall coherence of development funding. Similarly, while it is positive that the NDICI Cushion is replenished to tackle unforeseen crisis (3 billion euros), it should not be used for increasing returns and migration control objectives that draw away funds from other external policy areas.

- **Partnerships with third countries financed under the MFF should be fair, transparent, and respect fundamental rights**

Financial assistance to third countries should embody fairness, transparency, and respect for fundamental rights. It should be open to scrutiny by all co-legislators, including the European Parliament, and accountable to the general public.

Budget support may be a political necessity but carries high risks in states with weak accountability, including where there is limited control over state security actors. Therefore, any such support should be accompanied by rigorous public financial management and human rights monitoring. The EC should consider developing a specific risk assessment and management framework for expenditure on displacement and migration as per Article 8 (14) of the NDICI–Global Europe Regulation.

## ANNEX – OVERVIEW TABLE

EC PRIORITY	MFF HEADING	PROGRAMMES	NEW MEMBER STATES CONTRIBUTIONS (*)
Strategic Technologies for Europe Platform	1	InvestEU; European Innovation Council under Horizon Europe	3.5
	2	ESF+, ERDF, Cohesion Fund	No Possibility to redirect committed funds to a new policy objective
	3	Innovation Fund	5
	5	European Defence Fund	1.5
	<b>Total: 10</b>		
Migration and external challenges	4	AMIF; BMVI; decentralised agencies	2
	6	- Syrian refugees: Syria, Jordan, Lebanon	1.7
		- Syrian refugees: Turkiye	3.5
		- NDICI Neighbourhood South line ("migration route")	0.3
		- NDICI Cushion	3
- Western Balkans	2		
Special Instrument	Solidarity and Emergency Reserve	2.5	
<b>Total: 15</b>			

EC PRIORITY	MFF HEADING	PROGRAMMES	NEW MEMBER STATES CONTRIBUTIONS (*)
<b>Ukraine Facility</b>	NEW Special Instrument	Ukraine Reserve (grants and guarantees)	17 (EC estimates)  To be determined annually, starting from a minimum of 2.5 billion euros per year
		Loans to be financed by borrowing on financial markets or financial institutions	No  To be determined annually up to a maximum of 50 billion until 2027. Estimated amount: 33 billion
	<b>Total: 17 (estimated)</b>		
<b>Technical adjustments</b>	NEW Special Instrument	EURI	18.9 (EC estimates)  Between 17 and 27 billion euros
	7	European Public Administration; Administrative expenditure of the institutions	1.9
	Special Instrument	Flexibility Instrument	3
	<b>Total: 4.9 + 18.9 (estimated)</b>		
<b>MFF and special instruments: 29.9</b>			
<b>New special instruments (estimates): 35.9</b>			
<b>Grand total: 65.8</b>			

(\*) in billion euros expressed in current prices

Source: Authors' elaboration with data and information based on European Commission's public sources



This paper has been supported by the European Programme for Integration and Migration (EPIM), a collaborative initiative of the Network of European Foundation

Design: Chocolate Jesus



**PICUM**

Platform for International  
Cooperation on Undocumented Migrants  
Rue du Congrès / Congressstraat 37-41, post box 5  
1000 Brussels, Belgium

Tel: +32 2 883 68 12  
info@picum.org  
www.picum.org

September 2023



**ECRE**

European Council  
on Refugees and Exiles  
Avenue des Arts 7/8  
1210 Brussels, Belgium

Tel: +32 232 900 40  
info@ecre.org  
www.ecre.org