General budget of the European Union for the financial year 2027 – all sections

2026/0196(BUD) - 09/07/2026 - Commission draft budget

PURPOSE: presentation by the Commission of the draft annual budget of the Union for the financial year 2027.

BACKGROUND: the draft budget 2027 covers the last year of the 2021-2027 Multiannual Financial Framework (MFF) period, which has been marked by a series of crises and unprecedented challenges, including the ongoing Russian war of aggression against Ukraine, as well as continued tensions on the global scene – including a new crisis in the Middle East – which are poised to have a renewed dramatic impact on a wide range of sectors, especially through the channel of increasing energy prices.

A mid-term revision has made it possible to adequately address Ukraine's additional needs, migration and its root causes, and also to respond to crises in the Middle East, strengthen the capacity to respond to natural disasters and boost investments in critical technologies and defence.

The challenges facing the EU have not abated. In this context, the draft budget 2027 will continue to provide the **necessary funding for the agreed priorities of the Union**, including the financing of the debt service costs related to the newly created Ukraine Support Loan, but the limited remaining availabilities leave hardly any room for further unforeseen events or new initiatives.

2027 DRAFT BUDGET

Total commitment appropriations in the 2027 draft budget (including special instruments) are set at **EUR 199 905.1 million**, corresponding to 0.99 % of GNI. Total commitment appropriations increase by 3.46 % compared to commitment appropriations in the 2026 budget. The resulting total margin under the 2027 ceiling for commitments in the MFF stands at EUR 476.9 million.

It is proposed to use **special instruments** for three purposes:

- **Heading 7 (European public administration)**: in order to meet legal obligations in heading 7, it remains necessary to use the Single Margin Instrument of the MFF Regulation for an amount of EUR 700.3 million;

- **NextGenerationEU** - in order to cover the additional needs for the funding costs for NGEU that exceed the financial programming in sub-heading 2b (resilience and values), beyond the use of the sub-heading’s reinforced margin of EUR 519.9 million, the Commission proposes to mobilise the Flexibility Instrument for an amount of EUR 1 940.0 million and to reuse decommitments by recourse to the EURI instrument for an amount of EUR 2 459.8 million;

- **Ukraine Support Loan**: finally, in order to cover the debt service costs of the Ukraine Support Loan, which is financed in enhanced cooperation, it is planned to use the remaining amount of the Single Margin Instrument (EUR 335.1 million), the remaining amount of the Flexibility Instrument (EUR 50.2 million), as well as the Single Margin Instrument as a last resort - for an amount of EUR 764.7 million, which reflects savings made for the provisioning of the European Fund for Sustainable Development Plus (EFSD+) in 2027. Therefore, there is no need to mobilise the Ukraine Support Loan Instrument.

Payment appropriations amount to **EUR 211 974.7 million**, corresponding to 1.05 % of GNI. This represents a 7.01 % increase compared to payment appropriations in the 2026 budget. The margin left under the payment ceiling of the MFF for 2027 amounts to EUR 500.8 million.

COMMITMENTS BY HEADINGS OF THE 2021-2027 CFP

The 2027 annual budget will be allocated in particular to the following areas:

Heading 1 - Single Market, Innovation and Digital: EUR 21 901.5 million

- EUR 13.8 billion for **research and innovation**, of which mainly EUR 12.8 billion for Horizon Europe, the Union's flagship research programme. The Draft Budget also continues to include the financing of the European Chips Act under Horizon Europe and through the redeployment of other programmes;

- EUR 4.7 billion for **European strategic investments**, of which, for instance, EUR 3.1 billion for the Connecting Europe Facility to improve cross-border infrastructure, EUR 1.1 billion for the Digital Europe Programme to shape the Union's digital future, and EUR 278 million for InvestEU;

- EUR 1 billion to ensure the functioning of the **Single Market**, including EUR 622 million for the Single Market Programme, and EUR 212 million to strengthen anti-fraud, and support taxation and customs;

- EUR 2.3 billion for **space**, mainly for the European Space Programme, which will bring together the Union's action in this strategic field.

Heading 2 - Cohesion, resilience and values: EUR 75 761.2 million

- EUR 44 billion for **regional development and cohesion** to support economic, social and territorial cohesion, as well as infrastructure supporting the green transition and the Union's priority projects;

- EUR 14.5 billion to **invest in people**, and reinforce social cohesion through the European Social Fund Plus (ESF+);

- ERU 17.3 billion for **resilience and values**, including EUR 4.5 billion for Erasmus+ to create education and mobility opportunities, EUR 417 million to support artists and creators across Europe, and EUR 315 million to promote justice, rights, and values.

Heading 3 - Natural Resources and Environment: EUR 57 235.5 million

- EUR 54 billion for the **common agricultural policy**, and EUR 0.8 billion for the European Maritime, Fisheries and Aquaculture Fund, to support Europe's farmers and fishers, but also to strengthen the resilience of the agri-food and fisheries sectors, providing the necessary scope for crisis management;

- EUR 2.3 billion for **environment and climate action**, including €846 million for the LIFE programme to support climate change mitigation and adaptation, and EUR 1.3 billion for the Just Transition Fund to make sure no one is left behind in the green transition.

Heading 4 - Migration and border management: EUR 5 789.3 million

- EUR 3.4 billion for **border protection**, including EUR 2 billion for the Integrated Border Management Fund (IBMF), and EUR 1.1 billion (total EU contribution) for the European Border and Coast Guard Agency (Frontex);

- EUR 2.4 billion for **migration**-related spending, of which EUR 2.1 billion to support migrants and asylum-seekers in line with our values and priorities.

Heading 5 - Security and defence: EUR 3 066.4 million

- EUR 2.3 billion to address defence challenges, including EUR 1 billion to support capability development and research under the European Defence Fund (EDF), EUR 844 million for the European Defence Industry Programme (EDIP), EUR 115 million to stimulate defence innovation under the proposed AGILE programme and EUR 256 million to support Military Mobility.

Heading 6 - Neighbourhood and the world: EUR 15 467.7 million

- EUR 15.5 billion to support the EU's partners and interests around the world. This includes EUR 10.1 billion under **the Neighbourhood, Development and International Cooperation Instrument - Global Europe**, EUR 2.1 billion for the Instrument for Pre-Accession Assistance (IPA III) and EUR 0.5 billion for the Growth Facility for the Western Balkans, as well as EUR 2 billion for Humanitarian Aid (HUMA).

Heading 7 - European public administration: €13 659.3 million

Special thematic instruments: EUR 5 874.1 million

An additional EUR 4 billion will be made available in the form of grants under the Ukraine Facility and complemented by an envelope of EUR 2.2 billion in the form of loans.

A further EUR 4 billion will be available in grants under the Ukraine Facility, complemented by EUR 2.2 billion in loans.

Moreover, EUR 90 billion in loans will be made available to Ukraine over the period 2026–2027 through the new Ukraine Support Loan instrument. The Draft Budget for 2027 includes **EUR 1.15 billion** to cover the related debt service costs.