



BACKING ENLARGEMENT:

How the Next EU Budget Aims to Transform Europe

October 2025

Summary:

The European Commission's proposed 2028-2034 Multiannual Financial Framework (MFF) signals a decisive shift in EU policy, making enlargement a central pillar of its geopolitical strategy, underpinned by record funding, stricter conditionality and a streamlined external action framework.

- Enlargement as a core strategy: the European Commission now treats enlargement as a top geopolitical priority, viewing new members as an investment in Europe's peace, security, stability and prosperity.
- Enlargement is framed as a direct response to global instability, not just a slow, technical process.
- Built in flexibility for new members: Article 11 requires the EU budget to be revised whenever a new country joins, so the finances match the needs of an expanded Union.
- The Global Europe budget doubles to €200 billion, combining several external funding streams into one powerful tool. Funding for the Western Balkans and Eastern Neighbourhood rises from €31 billion to €42.6 billion. A dedicated €100 billion fund will help Ukraine rebuild, reform and prepare for membership.
- Rule of Law front and center: All enlargement and external funding is tied to democratic standards like judicial independence, anti-corruption efforts, media freedom and good governance.

The EU's Bold Shift: Enlargement First

The European Commission's bold proposal for the 2028-2034 Multiannual Financial Framework (MFF) represents the first step in reshaping the European Union's long-term financial planning to meet its evolving geopolitical and strategic challenges, especially enlargement and the defence of democratic values. However this ambitious blueprint is just the beginning of a complex and often contentious journey.

Over the next two years, intense negotiations will unfold between the European Commission, European Parliament and Member States, each bringing their own priorities, interest and political pressures to the table. While the Commission frames enlargement as central to the EU's future stability and global role, individual Member States will weigh the proposal against their national interest, budgetary concerns, and varying degrees of enthusiasm for further expansion.

The delicate balancing act means the initial proposal will almost certainly undergo significant adjustments before final adoption. Political will, strategic compromises, and institutional reforms will be essential to transform the Commission's vision into a workable, effective financial framework that can support enlargement while maintaining the EU's unity and effectiveness.

However, it is important to emphasise that enlargement is no longer viewed as a secondary or distant aspiration. Instead, it has been elevated to the very centre of the EU's geopolitical strategy. The European Commission frames enlargement not simply as a procedural or technical step, but as a vital strategic investment in the continent's long-term stability, security, and global resilience. This shift reflects the growing recognition that expanding the Union strengthens Europe's capacity to face global challenges collectively. As highlighted in the proposal:

"Enlargement of the Union is a strategic investment in peace, security, stability, and prosperity in Europe and allows the Union to be better positioned to address global challenges. It is necessary to provide for a revision of the MFF in the event of accession of new Member States to the Union."

COM(2025) 571 final - Paragraph 15

The draft regulation explicitly anticipates and plans for new accessions. Article 11 mandates a formal revision of the proposed budget in the event of future enlargements, providing legal and financial flexibility necessary to effectively integrate new Member States:

"In the event of a new Member State acceding to the Union, the MFF shall be revised accordingly pursuant to the relevant Accession Treaties, to take account of the expenditure requirements resulting from such accession to the union."

COM(2025) 571 final - Article 11

This proactive stance signals that the EU is not only politically committed to enlargement, but is also preparing financial and legal groundwork to welcome candidate countries. Many of these, including those in the Western Balkans, Moldova and Ukraine, are progressing rapidly in their accession talks and this political momentum was also underscored by European Commissioner for Enlargement Marta Kos, who stated:

"Accession talks with Montenegro, Albania, Moldova and Ukraine have never progressed faster, and many of our candidate countries have the ambition to conclude negotiations in the coming years. They are our most reliable partners, we are supporting them as much as we can, and the new MFF is reflecting this reality."

Remarks of Commissioner Kos, 17 July 2025

By positioning enlargement as a strategic response to global instability and security challenges, rather than a routine policy file, the MFF frames the EU as a geopolitical actor proactively shaping its future. Yet, for this vision to be realised, the substantial financial commitment must be matched by political will, EU institutional and policy reforms, and credible enforcement of rule of law conditionality both within the Union and in candidate countries.

Realistically, enlargement before 2034 is achievable but hinges on these factors aligning. The increased financial support aims to better prepare candidate countries for membership, working in tandem with ongoing policy reviews and reforms to ensure the EU is equipped to function effectively as an enlarged Union.

The Price of Europe's Political Ambitions

One of the most important features of the proposed 2028-2034 MFF is the substantial increase in funding for external action and pre-accession EU enlargement support, signalling a real shift from political rhetoric to concrete investment. The **Global Europe instrument**, the EU's main external funding tool, will see its budget doubled to €200 billion, compared to €98 billion in the 2021-2027 cycle.

Moreover, Global Europe will serve as the primary funding channel for external action, uniting multiple policy areas, including enlargement, neighbourhood relations, international partnerships and humanitarian aid under a single, cohesive framework. It will consolidate existing instruments such as NDICI-Global Europe, IPA III, the Ukraine Facility, and the Reform and Growth Facility for the Western Balkans and Moldova, among others. The consolidation aims to improve coherence, increase efficiency and maximise impact, allowing the EU to deliver more targeted support while simplifying administrative processes.

Within Global Europe, funding for candidate countries and the Eastern Neighbourhood will increase from €31 billion to €42.6 billion, underscoring that enlargement is not merely a future ambition but an immediate and concrete priority.

"Enlargement candidates will be able to benefit from the entire toolbox of Global Europe, in particular technical pre-accession assistance and policy-based assistance to help them progress on their respective reform agendas. This will strengthen the coherence of EU support to enlargement candidates, substantiate the EU's commitment to welcome new members, and leverage EU financial firepower to foster reforms in the region."
SWD(2025) 570 final

A particularly significant innovation is the establishment of a dedicated €100 billion envelope for Ukraine, designed to support reforms, democratic institution-building, post-war reconstruction, and its path toward EU membership. The regulation permits the rollover of up to €13.5 billion annually, offering essential flexibility and demonstrating the urgency and commitment of the EU's engagement.

In short, these figures send a clear political signal: enlargement is not just a rhetorical priority, but one backed by substantial financial commitment. Global Europe will serve as both the symbol and the engine of the EU enlargement agenda.

Tougher Rule of Law Conditionality for a Stronger Union

The proposal also strengthens and broadens the European Union's commitment to **rule of law conditionality** as a central element of its budgetary governance. Unlike the current MFF, which applies conditionality mainly on cohesion and structural funds, the 2028-2034 framework explicitly extends these requirements to enlargement, neighbourhood policy, and all external action instruments.

Under the new rules, candidate countries - including Ukraine and those in the Western Balkans - **must demonstrate clear and sustained progress** on judicial independence, anti-corruption measures, media freedom and democratic governance to access and retain EU funding. This dual-layer conditionality, tied to both financial support and accession progress is a welcome step toward restoring the credibility of EU conditionality.

However, the effectiveness of this mechanism depends entirely on the **Commission's willingness to enforce these standards impartially and consistently**. The EU cannot credibly demand strict adherence to democratic norms from candidate countries while tolerating backsliding in its own Member States. Failure to address internal rule of law crises, such as those in Hungary, previously Poland, and increasingly in Slovakia, risks eroding the EU's normative authority and undermining the credibility of its enlargement agenda. Without consistent enforcement of democratic standards within its own borders, the Union weakens its moral standing when demanding reforms from candidate countries.

The framework clearly signals that EU funding is conditional upon adherence to **shared values and principles**. If enforced rigorously, rule of law conditionality can be a powerful tool to foster genuine reforms and protect the integrity of the EU budget. Conversely, selective or hesitant application risks damaging the EU's credibility and undermining the transformative potential of its financial support and the enlargement process.

Making Room at the Table: How the EU Must Adapt to Enlargement

While the proposal provides robust financial resources for enlargement, it lacks a corresponding plan for institutional adaptation, an essential factor for making enlargement politically and administratively feasible before 2034. Adding countries like Ukraine, Moldova and several Western Balkans states will fundamentally **change the EU's decision-making processes**. This will require adjusting voting weights in the Council, revisiting qualified majority thresholds, unanimity rules, and veto rights, as well as modifying the size and composition of the European Parliament, and the number of Commissioners. These reforms are not optional but essential to keep the Union effective, legitimate and governable.

Institutional preparedness is about more than just making room for new member voices, it is also about preventing existing institutions from becoming overstretched or politically paralyzed. Without such reforms, enlargement risks burdening an already complex decision-making framework, undermining public confidence, and fueling perceptions that the EU cannot deliver on its promises.

Financial contributions and fund distribution will also require adjustment. Because these new Members will initially receive more funding than they contribute, this will **increase pressure on budgets for cohesion and the Common Agricultural Policy (CAP)**. Under existing budget rules, enlargement, particularly if it includes Ukraine, would lead to a major reshuffling of funds. Some current beneficiaries of cohesion funds, such as Central and Eastern European countries, or CAP-reliant countries such as

France and Spain, may see their allocations decrease. Such changes could potentially heighten scepticism about enlargement in Member States, so a politically sensitive conversation on redistribution, long overdue, is essential.

Financial readiness, while necessary, cannot alone guarantee success. The Commission, Parliament and Council, must accelerate institutional reforms in line with the roadmap set out in the [June 2024 European Council conclusions](#). These emphasise that the EU must be fully prepared to integrate new Members upon accession, **synchronizing enlargement with internal reform** to avoid decision-making gridlock and maintain public trust.

Failing to advance institutional and policy reforms alongside enlargement risks jeopardizing the entire process. This could spark backlash within Member States, fuel skepticism among candidate countries, erode public trust, weaken cohesion and undermine the EU's credibility as a champion of democracy and stability.

Lastly, the financial costs of these necessary institutional reforms are not accounted for in the current MFF proposal, highlighting an urgent need for further planning. Adapting the EU's structures to a larger membership will inevitably require additional resources beyond those earmarked for enlargement support.

From Vision to Reality: Expanding the Union, Upholding the Values

The Commission's 2028-2034 MFF proposal represents a bold and necessary response to the rapidly evolving geopolitical challenges facing Europe. It strengthens the financial foundation for enlargement, embeds rule of law conditionality more deeply, and unifies external action instruments under a streamlined framework.

However, ambition is insufficient without the political will to bring it to life. The European Commission holds a critical responsibility, beyond administering EU funds and enforcing conditionality, to act as a steadfast **guardian of the Union's core values**: rule of law, democracy and fundamental rights. This means not only financial oversight but also a **clear, consistent, and public defence of these values** whenever they are threatened, whether in candidate countries like Ukraine or Serbia, or within the EU itself.

When democratic standards erode, through political interference in the judiciary, restrictions on media freedom, or attacks on civil society, the **Commission must respond decisively, transparently and publicly**. Failure to act undermines the credibility of the EU's enlargement policy and weakens its normative authority. The Union cannot credibly demand democratic reforms from candidates if it tolerates backsliding among its own members. Ignoring internal challenges while imposing strict condi-

tions on candidate countries is not only hypocritical but also risks damaging EU coherence, legitimacy and long-term strategic interests.

Ultimately, the draft 2028–2034 MFF reflects the new geopolitical realities confronting the Union. It equips the EU with stronger financial and institutional tools for enlargement and reinforces its value-driven identity through robust rule of law conditionality. But its success depends less on budget design than on the political resolve of the Commission and Member States to uphold these commitments, both to candidate countries and to the principles those countries are expected to adopt. Without such resolve, even the most carefully crafted financial framework risks falling short of its transformative power.

About EUCRTA

The European Center for Research, Transparency, and Accountability (EUCRTA) is an independent, non-partisan civil society organization based in Brussels, founded by the leaders of CRTA, a prominent democracy watchdog from Belgrade, Serbia. As EUCRTA, we focus on bridging the gap between European institutions and the Western Balkans to strengthen democracy, accountability and civic engagement across the region. Building on CRTA's two decades of experience in fostering transparency and citizen participation in Serbia, we promote inclusive dialogue, evidence-based research and strategic partnerships that shape EU-level discussions. Through strategic support, knowledge-sharing, and capacity-building programs, EUCRTA connects local activists and organizations with European institutions, ensuring their voices shape policy debates at the highest level. At the same time, we provide EU decision-makers with critical insights and regional expertise, helping them better understand the realities on the ground and craft more effective policies. By serving as a bridge between grassroots defenders and EU institutions, we contribute to a stronger, more transparent, and accountable Europe—where every vote counts and every voice is heard.

