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Trade Union Demands for a Forward-Looking and Sustainable EU Multiannual Financial Framework (MFF) 2028-2034

Position Paper

The European Confederation of Independent Trade Unions (CESI) is a confederation of more than 40 national and European trade union organisations from over 20 European countries, with a total of more than 5 million individual members. Founded in 1990, CESI is a recognised European sectoral social partner and advocates improved employment conditions for workers in Europe and a strong social dimension in the EU. Most of CESI's affiliates are employed in the different fields of the European, national, regional and local public services, as well as in privatised services of general interest – but CESI also represent private sector workers across a range of industries.

PRELIMINARY REMARKS

The negotiations on the EU's next Multiannual Financial Framework (MFF) for 2028–2034 take place at a time of profound geopolitical, economic, social and environmental transformation. For more than a decade, Europe has found itself in a state of a perma- and polycrisis, with the fallout of the Covid pandemic and migratory pressures from third countries posing unforeseen challenges not only for national governments but also the EU as a central actor. In addition to this, Russia's ongoing war of aggression against Ukraine, increasing geopolitical instability, accelerating climate change, demographic developments, labour and skills shortages, and the rapid digital and technological transition all raise expectations towards the EU to find solutions to issues that are inherently European and cannot be solved by the Member States on their own. These expectations, taken together, must be matched by a strong, ambitious and future-oriented European budget that can deliver on them .

In this regard CESI acknowledges the European Commission's proposal for a renewed MFF architecture and welcomes the European Parliament's efforts to strengthen the social and democratic dimension of the next long-term EU budget. CESI underlines that the next MFF must constitute a genuine European investment framework for public services, social cohesion and sustainable economic development across the EU.

Specifically, the next MFF must reinforce Europe's resilience while ensuring that competitiveness, sustainability and security objectives are pursued together with strong social safeguards. Economic competitiveness and social justice are mutually reinforcing and cannot be treated as opposing priorities. Europe's future competitiveness depends not least on quality public services, well-trained workers, social stability, fair labour markets and high levels of social protection.

The next MFF must equip the EU with the financial means necessary to address today's challenges while preparing Europe for the future.

Only a balanced approach combining competitiveness, sustainability, security and social justice can ensure long-term prosperity, stability and public support for the European project.

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1. ENSURE A SUFFICIENT BUDGET THAT MATCHES EXPECTATATIONS TOWARDS THE EU

CESI considers that the overall level of the future MFF as proposed by the European Commission remains insufficient in light of the Union's growing responsibilities and investment needs. Europe cannot successfully address current and future challenges with a budget that merely maintains existing spending capacity in real terms.

On the revenue side, CESI supports efforts to modernise the EU's system of own resources in order to ensure a stable and sustainable financing of a higher Union budget. The burden of financing Europe's common priorities must be shared fairly and should not disproportionately fall on workers and households through higher Member State contributions.

On the expenditure side, CESI stresses that investments financed through the EU budget must deliver clear European added value and tangible benefits for citizens and workers across all regions.

In sum, the next MFF must provide the EU with the necessary means to further support sustainable economic growth and quality employment, strengthen strategic European industries and supply chains, invest adequately in public infrastructure and essential services, better support innovation and research, accelerate the green and digital transitions, enhance defence readiness and civil protection capacities, and reinforce economic, social and territorial cohesion.

2. ENSURE A STRONG SOCIAL DIMENSION IN THE MFF

The European Pillar of Social Rights must become a central guiding principle of the next MFF. Social objectives should not be treated as secondary elements within broader economic or competitiveness policies. Against this background, CESI underlines the importance of maintaining strong and identifiable funding for social policies, including dedicated instruments supporting employment, inclusion and skills development. The future MFF should better address demographic challenges, labour shortages and the attractiveness of essential professions – notably in the areas of health care, social services, education, public administration, transport and security services.

The next MFF must therefore seek to support in particular adequate and visible dedicated financing for social investment, further support for quality jobs and fair working conditions, adequate investments in education, training and lifelong learning, further measures combating poverty, social exclusion and inequalities, enhanced support for affordable housing and accessible health care, and a reinforcement of collective bargaining structures and social dialogue.

At the same time, social spending targets should be accompanied by clear safeguards, accountability mechanisms and dedicated financial allocations to ensure expenditures as effective investments that will come with clear social and economic returns in the future.

3. ENSURE SUPPORT FOR INVESTMENTS IN PUBLIC SERVICES

Recent crises have demonstrated the strategic importance of resilient public services and strong public administrations. Public services constitute the backbone of social stability, crisis preparedness and economic resilience. They generate long-term economic and social benefits and strengthen Europe's resilience against future crises.

Further support for investments in public services are necessary, and these should not be evaluated solely through short-term budgetary considerations. They pay off socially and also economically in the long-run. Costs of non-investing are disproportionate.

Investments fostered by the EU should pay particular attention to staffing shortages, working conditions, occupational safety and health, mental health at work, and workforce retention in essential public services – next to facilities, material resources and equipment that public services require to perform especially in times of crisis and when meeting unforeseen challenges.

Such investment are particularly important in the areas of public administrations, public health care systems, education and vocational training, social services and care infrastructure, public employment services, transportation and energy infrastructure, as well as civil protection capacities.

4. ENSURE INVESTMENTS IN A SOCIALLY JUST GREEN AND DIGITAL TRANSITION

CESI supports the EU's climate neutrality objectives and the digital transformation of the economy and society. These transitions must be socially fair, economically viable and industrially realistic in order to succeed.

Workers, companies, sectors and regions affected by industrial restructuring, digitalisation or decarbonisation policies must receive adequate support, investment certainty and long-term transition perspectives.

The next MFF should therefore ensure that green and digital investments are accompanied by quality job creation, effective upskilling and reskilling opportunities, strong worker protection, support for regions and sectors undergoing transformation, social protection measures, and the meaningful involvement of all relevant trade unions and social partners.

At the same time, EU funding should help remove structural bottlenecks that risk slowing down the transition, including insufficient infrastructure, skills shortages, high energy costs, fragmented regulation and barriers to the deployment of clean technologies. A successful transition requires both social safeguards and a competitive industrial base capable of investing, innovating and retaining production and employment in Europe.

To this end, stronger links should be established between EU funding and green, digital and social objectives. Public support to companies should contribute to sustainable industrial development, high-quality employment, respect for labour rights, collective bargaining, fair taxation practices and investment in workforce development, while also supporting innovation, technological neutrality, infrastructure deployment and the competitiveness of European industries.

5. ENSURE INVESTMENTS IN EUROPEAN COMPETITIVENESS AND STRATEGIC AUTONOMY

Europe must strengthen its competitiveness, industrial resilience and strategic autonomy in key sectors while preserving its social market economy model. Competitiveness, decarbonisation and high-quality employment should be pursued together and not treated as competing objectives.

For enhanced competitiveness and strategic autonomy, CESI supports increased investments in research and innovation, digital technologies and artificial intelligence, clean industrial production, critical raw materials and supply chains, energy independence, cybersecurity and critical infrastructure protection, strategic industrial capacities, and the infrastructure needed for climate-neutral technologies.

The next MFF should contribute to a coherent European industrial strategy that gives companies the confidence to invest in Europe, supports workers through transformation processes, strengthens supply chains and prevents deindustrialisation. Particular attention should be paid to sectors facing strong global competition, high transition costs or regulatory uncertainty.

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In this context, the proposed European Competitiveness Fund and other strategic investment instruments under the next MFF must combine technological openness, simplified and predictable governance, strong social safeguards and transparent monitoring involvement of social partners – to ensure that public investments support sustainable industrial development, quality employment, skills development and fair working conditions, while enabling European industries to remain globally competitive.

6. ENSURE INVESTMENTS IN SECURITY, DEFENCE AND CRISIS PREPAREDNESS

The changing geopolitical environment requires the EU to strengthen its defence readiness, civil protection and crisis response capacities, as mere prerequisites for social and economic security development. CESI acknowledges the growing importance of defence and security investments within the next MFF.

The next MFF should therefore reinforce Europe's defence industrial capacities, strengthen civil protection mechanisms, improve preparedness against hybrid threats and cyberattacks, support strategic resilience and crisis management, and ensure adequate protection for workers involved in security-related sectors.

However, additional investments in these areas must not come at the expense of social cohesion, public services or long-standing Union policies, but should above all be covered by additional own resources for the EU.

7. PRESERVING COHESION AND TERRITORIAL CONVERGENCE

Economic, social and territorial cohesion remains one of the core foundations of European integration. CESI strongly supports maintaining the currently robust cohesion policy financing framework and opposes any tendencies towards renationalisation to Member States or further centralisation to the European Commission within the future EU budget architecture.

The next MFF must continue supporting less-developed and transition regions, rural and remote areas, outermost and border regions, local infrastructure and regional labour market development, as well as social inclusion initiatives.

CESI also stresses the importance of maintaining meaningful involvement of regional and local authorities, social partners and civil society organisations in the planning, implementation and monitoring of EU-funded programmes.

8. ENSURE NON-DISCRIMINATORY AND SUFFICIENT SUPPORT FOR TRADE UNION ORGANISATIONS AND NGOs

The continued functioning of social dialogue, democracy participatory social-cultural life and environmental protection in Europe has been under pressure during the last years and depends more than before on a strong, diverse and independent civil society and trade union landscape.

European level trade unions and civil society organisations and representative European networks all contribute to the development, implementation and monitoring of constructive, forward-looking and sustainable European policies by bringing issue-specific perspectives of citizens, workers and stakeholders into the policymaking process.

CESI stresses the importance of maintaining adequate and predictable EU funding opportunities for European-level trade union organisations and civil society organisations – which in many cases cannot finance themselves on their own to compete with corporate interest representation. EU funding support should recognise the public value of activities that contribute to democratic participation, social dialogue, policy expertise and informed public debates at European level.

Recent discussions regarding the financing of certain categories of NGOs demonstrate the need for a coherent and transparent approach to EU funding under the next MFF. While accountability, transparency and sound financial

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management must be ensured for all beneficiaries, funding decisions should remain based on objective criteria and must not be influenced by political considerations or the policy positions of individual organisations.

In this context, the next MFF should preserve dedicated funding instruments supporting organised civil society and trade union organisations and safeguard their ability contribute independently and constructively to European policymaking and dialogue activities.

Importantly, EU funding should be open to all relevant organisations allocated on a proportionate and non-discriminatory basis. EU funding should not be deployed to foster structural competitive advantages of certain organisations over others. Full transparency should apply for the European Commission in the allocation procedures of financial resources of beneficiaries.

9. ENSURE INCLUSIVE SOCIAL DIALOGUE AND DEMOCRATIC ACCOUNTABILITY IN THE MFF GOVERNANCE

All relevant national and EU-level trade unions and social partners must be systematically involved in the implementation and roll-out of the next MFF, including sectoral social partners and independent trade unions. Meaningful and inclusive social dialogue improves the quality, effectiveness and legitimacy of EU investments and reforms.

To this end, CESI calls for a stronger application of partnership principles, inclusive and more systematic MFF-related consultations of trade unions at European, national and regional levels, a more structured involvement of social partners and trade unions in monitoring and evaluation processes, and stronger democratic oversight mechanisms as part of the next MFF including through the European Parliament.