UNHCR recommendations to the European Union on the Multiannual Financial Framework 2028-2034

In a world marked by growing geopolitical volatility and a shifting paradigm in humanitarian and development aid, the European Union (EU) is uniquely positioned, through its upcoming Multiannual Financial Framework (MFF) for 2028-2034, to prioritize the necessary means to safeguard progress made to date. In doing so, the EU will reaffirm its leadership as a critical global multilateral actor, especially in addressing the root causes of forced displacement and supporting solutions for refugees, internally displaced (IDPs) and stateless persons. The strategic direction of the EU's internal and external resource allocation will shape its global standing, economic strength, stability and security for the years to come. A crucial element of these discussions lies in the EU's response to forced displacement and mixed movements, which remain high on both the domestic agenda of EU Member States (MS) and on the Union's strategic partnerships with third countries. This paper does not revisit the case for sustained Official Development Assistance; instead, it highlights the strategic importance of addressing forced displacement for the EU and offers recommendations on how best to anchor this priority within the next budgetary cycle.

Since the adoption of the current MFF in 2020, global forced displacement has surged by 50%, rising from 82 to over 120 million people, driven by new crises in Ukraine, Sudan and the Sahel along with protracted ones in Syria, Afghanistan, the Democratic Republic of Congo, Venezuela and Myanmar, among others. Today, more than 60% of forcibly displaced people reside in fragile contexts, including the majority of the world's IDPs and half of the refugee population. These situations not only fuel growing humanitarian needs, but they also have a profound impact on migratory flows towards the EU, with up to 70% of asylum-seekers and 56% of irregular migrants arriving at its borders originating from fragile contexts. The next MFF will determine the means available for the EU to respond strategically to these challenges and seize opportunities to provide solutions, both en route under the Commission's whole-of-route approach and within the Union under the EU Pact on Migration and Asylum. Through adequate financing, the EU can strengthen its MS' asylum systems, making them more efficient, thus improving its ability to manage new arrivals. It can also ensure it delivers humanitarian life-saving aid in third countries while strategically deploying its international partnership tools to address the root causes of forced displacement and mixed movements, provide alternatives to dangerous journeys, advance its economic interests and mitigate fragility – with a view to closing the gap between humanitarian and development interventions, reducing long-term costs, promoting sustainable responses and safeguarding the values that define the EU[1].

The summary below highlights UNHCR's key recommendations, drawn from the detailed proposals outlined in this paper, to ensure a strategic, well-resourced and effective EU response to forced displacement under the next MFF.

I. **Prioritize resources for the implementation of the Pact on Migration and Asylum within the EU's domestic budget.** Ensuring the next MFF includes a dedicated instrument for MS to implement asylum, migration, and integration priorities. Guaranteeing adequate resources to strengthen asylum systems, scale up reception capacities and conditions, and to support dignified, effective and sustainable return procedures upholding fundamental rights for individuals found not to be in need of international protection.

[1] These recommendations build on and align with those put forward by the United Nations Brussels Office, reflecting a UN-wide position on cross-cutting issues shared across agency mandates.

II. **Guarantee adequate and targeted resources to address rising humanitarian needs and forced displacement through integrated interventions, helping tackle drivers and consequences of fragility.** Preserving a clear distinction between funding for needs-based humanitarian action based on humanitarian principles and resources allocated to long-term international partnerships. Setting aside a minimum of EUR 2.3 billion annually for humanitarian assistance while strengthening the Solidarity Emergency Aid Reserve, and scaling up the current 10% ring-fenced allocation for migration and forced displacement under the EU's next international partnerships instrument to match the leadership role the Union wants to play on this file.

III. **Embed addressing the root causes of forced displacement and the provision of protection and solutions for people on the move as a central pillar of the EU's external engagement, in line with its whole-of-route approach.** The EU can do so by considering a dedicated multi-year funding stream to address migration and forced displacement under a whole-of-route approach that balances: (a) resources across countries of origin, transit and destination to support a comprehensive approach to forced displacement and migration in line with IOM/UNHCR's route-based approach, (b) allocates dedicated investments to strenghten resilience in fragile and displacement-affected context, and (c) prioritizes sustainable reintegration as a central element of all return processes.

IV. **Leverage the Global Gateway (GG) Strategy to advance sustainable responses to forced displacement, positioning it not only as a tool to foster economic partnerships but also as a driver of stability and long-term development in fragile and displacement-affected contexts.** Prioritizing the inclusion of forcibly displaced populations and host communities in GG initiatives, encouraging investments in regions with a high density of refugees and IDPs, and remaining engaged through robust and well-resourced development aid instruments in countries where the GG is not considered as an option.

Within the EU's domestic budget framework

I. Prioritize resources for the implementation of the Pact on Migration and Asylum

Between 2022-2024, EU MS received a combined total of close to three million first-time asylum applications, averaging around one million annually, driven by new and protracted conflicts, political instability in fragile regions, and climate-induced displacement. By the end of 2024, 1.2 million applications remained under consideration by national authorities, reflecting a growing backlog that strains the EU's capacity to manage new arrivals, including in terms of reception/accommodation capacities and integration programs. The Pact on Migration and Asylum is not only a cornerstone of the EU's commitment to fair, humane, and effective migration and border management, but also a framework to strengthen processing capacity, enabling the swift identification of those in need of international protection and those who are not, thereby improving the management of irregular arrivals and returns while upholding the EU's international protection obligations. However, without sufficient resources, MS may struggle to deliver on the Pact's promise, risking political backlash, increased irregular migration, and further polarization of the migration debate within the EU public opinion. For it to succeed, the next MFF must guarantee adequate resources for MS to advance it, including by:

1. Ensuring that the next MFF includes a dedicated instrument for MS to implement asylum, migration, and integration priorities, which is better resourced than the EUR 10 billion currently available under AMIF. The current allocation falls short of the operational demands introduced by the Pact – a gap flagged in the Commission's Pact Needs Assessment, which found that core reforms – including border procedures, reception and staffing – outpace current AMIF resources. The European Parliament has similarly warned that chronic underfunding undermines Pact implementation.
2. Prioritizing resources to strengthen asylum systems, enabling the expansion of border screening procedures, accelerated asylum tracks, fair and efficient processing of claims, support for quality decision-making, robust procedural safeguards and independent monitoring.

3. Dedicating adequate means to scale up reception capacities and conditions within the EU, including support for alternatives to detention and legal aid, ensuring compliance with EU and international refugee law, along with specialized and sufficient staff – interpreters, medical, psychosocial, and child protection experts – a major gap identified in the Commission's Pact Needs Assessment, which assessed the capacity of MS to implement core asylum and reception measures under the internal dimension of the Pact.

4. Allocating targeted resources to support dignified, effective and sustainable return procedures upholding fundamental rights for individuals found not to be in need of international protection, including pre-return counselling, reintegration support, and coordinated readmission frameworks. Strengthening these systems would contribute to the Pact implementation and reduce the burden of unresolved cases on national systems.

Within the EU's external action framework

II. Prioritize adequate and targeted resources to address rising humanitarian needs and forced displacement through integrated interventions, helping tackle drivers and consequences of fragility.

Unaddressed humanitarian crises not only fuel instability, trigger forced displacement and mixed movements, but also weaken state institutions, disrupt economies, and create, beyond their immediate human toll, geopolitical vacuums often filled by non-state actors. A proactive EU response is essential to counter these risks and protect its strategic interests, both in the Union and in third countries. When the current MFF was adopted in 2020, 168 million people were in need of humanitarian assistance according to OCHA's Global Humanitarian Overview. By 2025, that figure has nearly doubled to close to 300 million.

The European Parliament has underscored the need for more flexible crisis-response mechanisms and ring-fenced humanitarian aid to meet rising global needs. This should translate into dedicated, well-resourced, predictable, and flexible humanitarian budgets, reducing the EU's recurrent reliance on *ad hoc* top-ups and internal reallocations which often delay response times and generate uncertainty, ultimately hindering the EU's own strategic interests. Securing an adequate level of humanitarian funding in the next MFF will be critical to ensure that the most vulnerable, such as forcibly displaced, in the most difficult crises, both at the onset of emergencies and in protracted situations, receive the necessary attention and support, regardless of political considerations. To achieve this, the EU should consider:

1. Preserving a clear distinction between funding for needs-based humanitarian action based on humanitarian principles and resources allocated to long-term international partnerships. Humanitarian assistance should remain independent of political, economic or other objectives to ensure its credibility and effectiveness and preserve the longstanding leadership of the EU in humanitarian settings.

2. Setting aside a minimum of EUR 2.3 billion annually for humanitarian assistance. The EU needs to adjust its current EUR 1.6 billion budget to reflect the increase, the scale and urgency of today's number of people in need identified by OCHA. This core allocation must be supported by lighter administrative, management and financial processes in the Commission to accelerate disbursement and offer more predictable support for partners responding to both protracted and emerging crises – especially at a time, partners are faced with drastic staffing decisions due to lower level of funding reducing their capacity to manage funding proposals and in line with the objective to dedicate resources to people we serve first and foremost. It should also continue to be complemented by a flexible and fast-disbursing instrument such as the Solidarity and Emergency Aid Reserve (SEAR). This instrument should have a budget of at least €1.2 billion per year in line with the current MFF.

3. Scaling up the current 10% ring-fenced allocation for migration and forced displacement under the EU's next international partnerships instrument to match the leadership role that the Union wants to play on this file. UNHCR welcomes the 10% ring-fencing of the EUR 80 billion NDICI–Global Europe envelope for migration and forced displacement, a key step toward predictable, structured engagement, and encourages its continuation with a proportionate increase and continued transparency. Since the adoption of the current MFF in 2020, the number of forcibly displaced people worldwide has risen by over 50% — from 82 million to 123 million — while global UNHCR funding needs have grown by 30%, from $8.6 to $11 billion. In light of these escalating needs and the EU's strategic interest in managing displacement effectively, a proportionate increase in the allocation under the next MFF is essential.

III. Embed addressing the root causes of forced displacement and the provision of protection and solutions for people on the move as a central pillar of the EU's external engagement, in line with its whole-of-route approach.

The need to prioritize asylum and migration in EU external action, as fully recognized by the Commission, has never been more urgent. As global aid declines and multilateralism is put in jeopardy, the international system is struggling to respond to the scale and complexity of forced displacement. In this context, the EU must step up, not only to uphold its values, but to safeguard its long-term strategic interests, especially in its neighborhood. Targeted funding for solutions, resilience, and inclusion can address displacement and fragility at their root while advancing stability in regions from Africa and the Middle East to Eastern Europe and the Western Balkans - strengthening EU partnerships and positioning where they matter most. Investments in communities, conflict prevention, livelihoods, and basic development are as important for Europe's security and prosperity as defense spending – and significantly less costly. **The EU can do so by considering a dedicated multi-year funding stream to address migration and forced displacement under a whole-of-route approach that:**

1. Balances resources across countries of origin, transit and destination to support a comprehensive approach to forced displacement and migration in line with IOM/UNHCR's route-based approach. This includes addressing the root causes of displacement, strengthening national response systems (asylum/residency, access to basic public services) along with delivery of protection and sustainable solutions in countries of origin and transit (including in terms of access to livelihood opportunities). At the same time, it requires support for reception and integration capacities, the expansion of safe and regular pathways, and the provision of alternatives to dangerous journeys along key mixed movement routes.

2. Allocates dedicated investments to strengthen resilience in fragile and displacement-affected context, increasing funding to strengthen national basic services and infrastructure, related and required policy reforms, conflict prevention, and economic development and inclusion, all key factors to address the root causes and drivers of displacement and instability.

3. Prioritizes sustainable reintegration as a central element of all return processes. Returns must be dignified, rights-based, and supported by reintegration efforts that ensure long-term stability and prevent cyclical displacement. This requires a holistic, community-based approach that ensures returnees are meaningfully included in local development processes and have sustainable access to adequate housing, livelihoods, and essential services such as education, healthcare, and water and sanitation.

IV. Recognizing the private sector's critical role in supporting solutions for forcibly displaced and the potential of the Global Gateway, the EU must leverage this strategy to advance sustainable responses to forced displacement, positioning it not only as a tool to foster economic partnerships but also as a driver of stability and long-term development in fragile and displacement-affected contexts.

Regions hosting refugee and internally displaced populations must be recognized as critical in advancing stability, resilience, and inclusive growth. While the Global Gateway (GG) primarily focuses on trade, investment, and infrastructure, it presents a strategic opportunity to channel development finance into displacement-affected regions, helping reduce fragility, supporting host communities, and addressing the drivers of onward movement.

Ensuring this requires deliberate policy alignment, targeted incentives, and inclusive design. To move in this direction, the EU must consider:

1. Prioritizing the inclusion of forcibly displaced populations and host communities in Global Gateway initiatives, ensuring that the benefits of these projects are equitably and inclusively shared. This can be achieved by using targeted indicators, policy incentives, and concessional financing – building on models like the World Bank International Development Association (IDA) Window for Host Communities and Refugees (WHR) in collaboration with UNHCR.
2. Encourage Global Gateway investments in regions with a high density of forcibly displaced populations, ensuring targeted investments that foster inclusion, resilience and economic opportunities for both host and displaced populations – building on partnerships such as the UNHCR-International Finance Corporation joint initiative, which aims at improving access to jobs, financial services and opportunities for refugees and IDPs.
3. In countries where the Global Gateway is not considered as an option, it is essential that the EU remains engaged through robust and well-resourced development aid instruments. This support remains critical to bridging the gap between humanitarian relief and long-term development, particularly in fragile context, some of which often face high displacement needs but attract limited investment. Failing to do so risks reversing gains made through humanitarian-development-peace (HDP) nexus efforts, weakening national systems, resulting in parallel structures, and prolonging displacement crises with broader implications for regional and EU stability.