

Strengthening Global Health in the next MFF: A Call to reinforce the Global Europe Instrument

EU investment in Global Health safeguards lives abroad while protecting European citizens and reinforcing Europe's leadership

Through global health investments, the EU both fulfills its commitment to reducing health inequalities internationally and makes a forward-looking strategic investment in its own protection against future pandemics and health crises. To ensure these benefits are realised, the proposed Multiannual Financial Framework should be revised to secure dedicated, predictable funding for global health, including pandemic preparedness, resilient health systems, and disease surveillance.

In 2022, the European Union adopted a <u>Global Health Strategy extending to 2030</u>. According to the <u>EU Global Health Strategy Implementation Report</u>, "the Commission will continue to work with a broad range of stakeholders to implement the strategy effectively." This statement underscores an important point: the EU's commitment to global health is not just political rhetoric, but a practical endeavour that requires sustained and predictable support.

The Global Health Strategy aims to guide EU action until 2030 covering critical areas such as pandemic preparedness, strengthening health systems, disease surveillance, and equitable access to healthcare. To translate these strategic objectives into real-world impact, the next Multiannual Financial Framework (MFF) and the Global Europe Instrument must therefore provide dedicated, multi-year funding. Without predictable financial resources, the Strategy risks remaining a declaration of intent rather than a roadmap for action, limiting Europe's capacity to protect its citizens, support partner countries, and maintain its global leadership in health.

Key Messages

- Diluting the reference to poverty eradication is problematic for global health, as poverty is one of the most powerful determinants of poor health and a major driver of global health inequalities.
- The lack of targets risks a diversion of funding to other undefined short-term political priorities, reduces predictability and traceability of funding, and weakens accountability.
- Sustained European health aid strengthens global resilience, protecting both partner communities and European citizens from health threats in our interconnected world.
- This radical increase in flexibility given to the European Commission comes at the
 cost of predictability. Yet predictability is essential for a budget to deliver real
 impact.

1. The EU MFF proposal in the context of shrinking international financing for health

On July 16th, 2025, the European Commission presented its proposal for the <u>EU's next budget for the period 2028-2034</u>, also known as the MFF (Multiannual Financial Framework) through a package of legislative proposals. <u>The Global Europe Instrument</u> (GEI) is the external facing part of the MFF package. It aims to organise all the EU's external action financing under a single piece of legislation, including health-related Official Development Assistance (ODA).

The debate on the EU's contribution occurs during a grim moment for global health financing. According to <u>calculations published in "The Lancet" in July 2025</u>, global health ODA has been in freefall since the end of the COVID-19 pandemic. From 80,3b€ globally in 2021, it is estimated to stand at no more than 38,4b€ in 2025. Although the cuts decided by the Trump administration are a decisive factor, health ODA by the EU institutions is also shrinking: after peaking in 2021 due to the COVID-19 pandemic, in 2023 it fell to a level lower than 2020, both in absolute terms and as a share of total ODA.

In summary, we are witnessing an era of global health austerity with tragic consequences: <u>around 14 million additional predicted deaths between 2025 to 2030</u>, including 4,5 million young children below the age of 5.

2. The EU MFF Global Europe Instrument

As mentioned above, the Global Europe Instrument (GEI) is the external facing part of the MFF package. It aims not only to replace the existing neighborhood and development legislation (the NDICI regulation) under the 2021-2027 MFF, but also to merge all existing external policy budgets and instruments, such as humanitarian assistance and support for third country accession.

The total budget of 200 bn EUR proposed for Global Europe is its first most striking feature, compared to the 80bn EUR of its predecessor, the NDICI regulation. It represents a positive response to the advocacy of European civil society, including GHA, which had asked for at least such an amount based on the 0,7% of GNI for ODA commitment.

However, this significant increase needs to be nuanced by numerous considerations, such as inflation, the fact that only 90% of the GEI is earmarked for ODA (see below) and the merger of the NDICI with other budgets and instruments (<u>including humanitarian assistance indicatively set at 25bn</u> and pre-accession support for EU candidate countries, equivalent to more than 14bn under <u>the current MFF</u>).

Poverty eradication must be the primary objective of GEI

There is ongoing debate on the purpose and objective of EU development policy and assistance. The EU's founding Treaties (See TFEU art 208 and TEU articles 3 and 21) state unequivocally that its primary objective must be the eradication of poverty, whilst in practice the EU is increasingly pursuing other goals such as geopolitical influence, migration control, supply of critical raw materials, and support to European companies. Thusly, Global Gateway (see below), a prominent strategy funded by EU development policy, is mentioned in the political guidelines of the current European Commission as an instrument of economic foreign policy, whilst the current Commissioner for International Partnerships Jozef Sikela tweeted about "strengthening the EU's economic security, diversifying our suppliers of critical raw materials and opening new markets for European companies".

The current NDICI mentions explicitly under its Article 3 "Objectives of the instrument" the "reduction, and in the long term, the eradication of poverty", however the GEI's equivalent Article 4 does not mention poverty at all. Surviving references in GEI to the poverty alleviation objective are indirect (by referring to the relevant Treaty articles) or less legally binding (in recitals instead of articles).

The watering down of the reference to poverty eradication is problematic for global health, because poverty is a major health issue, "the WHO estimates that diseases associated with poverty account for 45 per cent of the disease burden in the poorest countries. Consequences of poverty, like environmental health issues, nutritional issues, lack of hygiene or health education make the burden of these diseases even greater".

In that sense, strengthening the explicit reference in this legislation to poverty eradication as a primary objective would be a positive outcome for health. Whilst language relative not only to poverty but also to needs and priorities of partner countries has been substantially watered down, the GEI proposal extensively mentions the concept and the objective of "mutually beneficial partnerships".

Health investments in partner countries are <u>amongst the most mutually beneficial</u>, and provide a proven return on investment. Immunisation for instance, <u>provides an estimated \$54 of ROI for every 1\$ spent</u>. Indeed, research indicates that strengthening global health systems could be a major engine for economic growth at global level (add US\$12 trillion, an 8% increase, to <u>global GDP by 2040</u>), whilst the return of major pandemics such as COVID-19 would be an international economic disaster.

We cannot say exactly when, but every indicator shows that the likelihood of a major pandemic in the coming decade is significant. COVID-19 has taught us all that viruses do not respect borders: strengthening global health resilience is therefore essential for everyone. Cooperation in the face of global health threats is an imperative: greater inequalities generate greater insecurity for all.

Geographic envelopes

Comparison: GEI vs NDICI	GEI	NDICI
Total Budget	200 309 million EUR	79 462 million EUR
Europe	43 174 million EUR	1
Neighbourhood	1	19 323 million EUR
MENA and Gulf	42 934 million EUR	1
Sub-Saharan Africa	60 531 million EUR	29 181 million EUR
Asia and Pacific	17 050 million EUR	8 489 million EUR
Americas and Caribbean	9144 million EUR	3 395 million EUR

The amounts indicated in GEI are qualified as "**indicative**", a word not used in the NDICI, which instead reinforced two of its four envelopes (Neighborhood and Sub-Saharan Africa) with the words "at least". **This clearly shows the intent to strongly increase the flexibility of the envelopes** (see below on flexibility). In terms of resources earmarked for Sub-Saharan Africa, which concentrates most LDCs (out of the 44 countries listed as LDCs by the UN, <u>32 are in Africa</u>), the proposed evolution (a doubling) is positive.

The Global Pillar

In addition to geographic envelopes, the NDICI created four global thematic programs (Article 6, Human Rights and Democracy; Civil Society Organisations; Peace, Stability and Conflict Prevention; Global Challenges) with a total budget of 6,35 bn EUR. Article 6 of the GEI proposal merges these programs into a single "Global pillar" of 12,6 bn EUR and explicitly states that it shall "support global initiatives". Annex II.F mentions the goal of "preventing and combatting health threats, such as pandemics and anti-microbial resistance, strengthening health systems and health equity, promoting universal health coverage, and sexual and reproductive health and rights" as one of its 16 specific objectives.

The Global pillar should provide sufficient funding is available to allow the EU's continued and sustained support to Global Health Initiatives. However, it is regrettable that the language of the specific health-related objective does not explicitly refers to global initiatives, in contrast to the language used for the education and skill specific objective ("Supporting inclusive, equitable and quality education and skills, including via global initiatives and research").

Additionally (see below), the specific objective included in the annex does not appear to be sufficiently legally secure.

Disappearing targets

Whilst the NDICI regulation contains numerous horizontal spending targets (i.a. on gender equality, climate change, migration and forced displacement), to ensure that cross-cutting priorities are properly served, the GEI proposal reduces, waters down or downright eliminates most of these targets.

The mainstreaming and/or disappearance of quantitative thematic targets - first and foremost the human development target - represents a huge risk as these targets safeguard critical priorities. The lack of targets risks a diversion of funding to other undefined short-term political priorities, reduces predictability and traceability of funding, and weakens accountability. Furthermore, these targets operationalise the EU's legal duty to promote poverty eradication, human rights, and sustainable development (Articles 3(5), 21 TEU; 208–210 TFEU). Without them, these objectives risk being sidelined in practice.

The ODA target has been lowered from 93% in NDICI to 90% in GEI. The list of ODA <u>eligible countries</u> includes Ukraine and all EU candidate countries in the Balkans. Furthermore, the OECD DAC <u>now allows</u> the counting of finance to <u>leverage private investment as ODA</u> under the so-called "private sector instrument", thereby facilitating the counting of Global Gateway (see below) investments as ODA. This reduction of the ODA target appears therefore to lack justification and raises concern. Similarly, the inclusion of this target in the list of provisions that can be amended by simple delegated acts is worrying (see below on flexibility).

By lowering the ODA target, broadening the list of eligible countries to include middle-income and candidate countries, and by allowing private-sector investments to count as ODA, resources intended for critical health programs could be significantly overextended, diluting their efficacy. This may undermine efforts to strengthen healthcare systems, fight infectious diseases, and ensure access to essential services in the regions that need them most. Additionally, the increased flexibility to amend these targets through delegated acts could further weaken the long-term predictability and stability of health funding.

The <u>principal health related spending target in NDICI</u> is the target of 20% of the ODA spending for "social inclusion and human development, including basic social services, such as health, education, nutrition, water, sanitation and hygiene, and social protection, particularly to the most marginalised". The GEI proposal completely deletes this target, thereby eliminating any binding guarantee for a minimum level of health related spending and investments.

These investments are strong development drivers, creating an enabling environment for sustainable economic development and greater shared prosperity. This commitment has been a cornerstone of EU development policy, consistently endorsed by Member States and the European Parliament, and should be maintained.

All other targets have disappeared from GEI or have been "mainstreamed", including the gender equality and the migration targets, except for the climate and environment target of 30% which is reintroduced in the proposed "performance" regulation.

The "I-marker", which is a recent interesting tool developed and applied by the EC to assess the distributional impact of development cooperation interventions, with the goal of reducing inequalities, is not mentioned.

Too much flexibility

The proposal provides the highest level of flexibility, with few safeguards: budget amounts for different pillars are indicative and can be moved more easily; the EC is empowered to amend several provisions of the regulation via delegated acts (without the need for European Parliament or Member States' prior approval). These include ODA targets, and specific objectives of the geographic and global pillars as set out in Annex II (see below). These provisions are concerning.

This radical increase in flexibility given to the European Commission creates an equivalent decrease in predictability. However, predictability is essential for a budget to deliver real impact. It is the only way to support the long-term systemic reforms needed to address the root causes of poverty, violence, and instability. Furthermore, the centralisation within the European Commission of this budgetary decision-making power largely deprives the European Parliament and the Council of their capacity to effectively shape ex-ante the priorities of EU development policy and budget. It is also worth pointing out that the GEI already provides for an "emerging challenges and priorities cushion" of nearly 15 bn EUR as a flexible tool available for the EC to not only respond to "unforeseen circumstances", but also "address new needs or emerging challenges" and "promote new Union led or international initiatives or priorities" (GEI art 6 and 7).

GEI and Global Gateway: excessive reliance on the private sector

The Global Gateway (GG) is a complex and ambitious investment package that aims to mobilise a total of 300bn EUR between 2021 and 2027 in five priority areas: the digital sector, climate and energy, transport, health, and education and research. Initial funding for the GG, in the form of grants, loans or guarantees, can come from the EU budget but also from its Member States and other EU development finance institutions (such as the EIB), whilst the total level of investment is supposed to be reached through leveraging additional public and especially private investments.

GG is explicitly mentioned (Recital 24) in GEI (which indicates the appetite of the EC to pursue GG well beyond 2027). Whilst under the NDICI, financial modalities aimed at supporting private investments such as blending (mixing ODA grants in private financial investments) and guarantees (public money guaranteeing private investors against the risk of failure of investments) are concentrated in the heavily regulated EFSD+ fund and External Action Guarantee, the GEI proposes to expand the use of these modalities to the entire instrument and eliminates most of the rules and objectives that govern their use under the NDICI. The GEI also introduces the possibility of awarding grants to the EU private sector without calls for proposals.

This raises several concerns. First, as mentioned above, **GG** appears as the tip of the spear of the ongoing transformation of EU development policy from an instrument serving primarily poverty reduction worldwide into a tool serving the EU's economic interests. Secondly the expansion of private investment support risks diminishing the availability of grants to fund non-immediately profitable basic health and social services. Finally, the increased support for private sector investments should come with more transparency and accountability to properly ensure its added value for development. In the health sector, considering that private-sector delivery can increase user fees, distort national health priorities, and shift funding toward profitable rather than public health needs, a high level of public intervention and/or regulation is **necessary to ensure affordability and universality**.

Other explicit mentions of health: generous language but non-binding

Article 9.6 of the GEI contains the only true binding mention of health, where the proposal highlights the commitment to Sexual Reproductive Health and Rights (SRHR). The recital on Global Gateway and the recital on SRHR also mentions health. Health is then repeatedly mentioned in Annex II, which lists the "specific objectives" of the five geographic areas and of the global pillar, with generous wordings such as "health security", "Enhancing quality and relevance of (...) health and access to health products and social protection systems; fostering universal health coverage", "Supporting greater access to and improved quality of (...) healthcare services and health products and supporting food and nutrition security".

Preventing and combatting health threats, such as pandemics and anti-microbial resistance, strengthening health systems and health equity, promoting universal health coverage, and sexual and reproductive health and rights".

These generous mention of health as specific objectives are positive in the sense that they certainly allow the EC in general and DG INTPA to develop and implement such interventions. On the other hand, **the language used and the location of these objectives** (and dozens of other objectives) in Annex II instead **of in the articles raises the concern that they do not legally oblige the EC to pursue said objectives**. Furthermore, the specific objectives contained in Annex II are explicitly listed in the provisions that can be amended by the EC with simple delegated acts (see above). In that sense, the specific objectives appear more as items on a menu "à la carte" rather than legally binding obligations.

Conclusion and recommendations

In her latest State of the Union address, EC President von der Leyen declared that "The second imperative is – for Europe to step up where others have stepped away. (...) And Europe must also take the lead on global health. We are on the brink – or even at the start – of another global health crisis.(...) the world is looking to Europe – and Europe is ready to lead".

GHA welcomes this political commitment to European leadership in global health. To "walk the talk", this ambition must provide the EU Global Health Strategy (see above) with explicit, multi-year financial commitments within the next MFF. Without clear targets, the Strategy risks remaining declaratory, undermining EU credibility, internal coherence, and the long-term investments required to strengthen global health security and resilient health systems.

GHA urges therefore EU lawmakers, in the Council and in the European Parliament, to improve and defend the Global Europe Instrument.

To defend the quantity of EU external budget dedicated to health, GHA recommends:

- 1 Maintaining the overall budget of 200 bn.
- **Reintroducing the binding spending target for human development**, and set it at 50%.
- 3 Increasing the target of ODA spending to 93%.
- 4 Protecting the budgets dedicated to the global pillar and to geographic envelopes earmarked for areas concentrating most health and poverty needs (including Sub-Saharan Africa) from excessive flexibility and unpredictability.
- **Elevating health related specific objectives of programmes** from facultative goals to legally binding obligations, by explicit mention in the articles and by limiting the capacity of the EC to unilaterally modify the annexes.

To improve the quality and effectiveness of EU ODA dedicated to health, GHA recommends:

- **Explicitly reaffirming the primary objective of poverty eradication**, which is also a key for solving global health challenges.
- **Protecting the capacity of the global pillar** to contribute to effective international health cooperation, including Global Health Initiatives.
- **Protecting the GEI** from an excessive reliance on private investment, by keeping public funding and grants central to the EU's external action, particularly in low-income and fragile contexts and reinstate EFSD+ objectives, criteria, safeguards and principles for projects and actors eligibility. Blended finance adds complexity, reduces transparency, and can create long-term fiscal risks for partner countries, safeguards are therefore essential to ensure ODA supports equity, inclusion, and protects vulnerable populations.