H/ADVISORS



Brussels Info Flash

27 November 2026

H/Advisors' Analysis

EU leaders fail to reach agreement on long-term budget and Ukraine financing

The Special European Council highlights divisions over spending priorities and financial contributions as Brussels seeks to fund its strategic ambitions

EU leaders met in Brussels on **26–27 November** for a **Special European Council** focused on the **2028–2034 Multiannual Financial Framework (MFF)** and Ukraine's financing needs for 2027. Despite intensive negotiations, Member States failed to reach an agreement on either issue, highlighting persistent divisions over the EU's future financial commitments and the balance between national budgets and European priorities.

Discussions on the next MFF centred on its overall size, the allocation of resources across **competitiveness, defence, agriculture and cohesion**, and potential new **EU own resources**. Leaders also considered the Commission's proposal for an additional **€45 billion loan to Ukraine** in 2027. While 24 Member States expressed support, disagreements over financial contributions and participation prevented a final agreement.

Politically, the summit underscores the challenge of translating the EU's growing **strategic ambitions** into concrete financial commitments. With pressure mounting to strengthen European competitiveness, security and support for Ukraine, leaders will resume negotiations at the **December European Council**, seeking to reconcile competing national priorities and secure a common financial framework for the years ahead.

Highlights of the week

- **EU budget and investment.** EU leaders failed to agree on the 2028–2034 budget, while Parliament approved the €199.7 billion EU budget for 2027.
- **Technological sovereignty and trade.** The Commission proposed the Quantum Act and Sovereign Tech Equity Fund, alongside new import quotas on hybrid vehicles.
- **Defence and security.** EU leaders postponed an agreement on Ukraine's 2027 financing, while the Commission proposed its 22nd sanctions package against Russia.
- **Energy, environment and climate.** Parliament approved changes to the ETS Market Stability Reserve and delayed certain methane requirements, while the Commission extended crisis-related State aid.

Main Issues in the EU

The Council

27 November 2026

- **Special European Council:** EU leaders discussed the 2028–2034 Multiannual Financial Framework, focusing on its overall size, spending priorities and new EU revenue sources, without reaching an agreement. They also addressed Ukraine's financing needs for 2027, with 24 Member States supporting the proposal and further discussions expected in December. Leaders additionally nominated Pablo Hernández de Cos as the next ECB President, alongside Laurence Boone and Markus Brunnermeier as Executive Board members, subject to institutional consultations.

26 November 2026

- **Special European Council**

- **Euro Summit.** EU leaders discussed the resilience of the euro area economy, emphasising the need to maintain sustainable public finances and strengthen competitiveness in the face of inflation and global economic uncertainty. They reaffirmed their commitment to advancing the Savings and Investments Union and called for an agreement on the digital euro by the end of 2026, while highlighting the importance of addressing global macroeconomic imbalances.

25 November 2026

- **EU–Western Balkans summit.** EU and Western Balkans leaders met in Brussels to reaffirm their commitment to enlargement, calling for accelerated reforms and closer integration into the EU Single Market through the €6 billion Growth Plan. Leaders also discussed strengthening cooperation on security, defence, energy and transport connectivity, while emphasising the importance of alignment with EU foreign policy and sanctions against Russia.

- **Informal meeting of Housing Ministers.** EU ministers responsible for housing met in Dublin on 25–26 November to discuss housing affordability and advance the European Affordable Housing Plan. Discussions focused on shared housing challenges and a proposed Council recommendation on tackling housing exclusion, aimed at strengthening measures to prevent and address homelessness across the EU.

23 November 2026

- **Informal meeting of Equality Ministers (EPSCO Equality).** EU ministers responsible for equality met in Kerry, Ireland, on 22–23 November to discuss gender equality as a driver of economic prosperity and competitiveness, in the context of the Commission's new Gender Equality Strategy. Discussions also focused on empowering women and girls, engaging men and boys in promoting gender equality, and removing barriers to the full participation of persons with disabilities in society.

- **Agriculture and Fisheries Council.** EU ministers discussed the Commission's Vision 2040 for fisheries and aquaculture, focusing on sector competitiveness, fleet modernisation, decarbonisation and the energy transition, while reviewing proposed fishing opportunities for 2027 ahead of December negotiations. On agriculture, ministers examined rising production costs, climate-related challenges and food security, stressing the need to strengthen agricultural resilience, crisis preparedness and risk management.

- **General Affairs Council (Cohesion).** EU ministers discussed measures to simplify access to cohesion funding, particularly for SMEs, local authorities and smaller organisations, while considering improvements for the 2028–2034 financial framework. The Council also adopted conclusions on the EU's new strategic vision for its outermost regions, emphasising their strategic importance and the need to address challenges linked to their geographical remoteness.

The Commission

27 November 2026

- **Financial market consolidation.** The Commission unconditionally approved Deutsche Börse's acquisition of Allfunds, concluding that the transaction would not raise competition concerns in the European Economic Area. The merger is expected to strengthen cross-border financial market infrastructure, supporting the EU's broader ambitions under the Savings and Investments Union.

- **Merger approvals.** The Commission approved two acquisitions by CVC Capital Partners: Italian industrial automation company Clevertech and Dutch investment management firm DIF Management Holding. Both transactions were cleared under the simplified merger review procedure, as the Commission found no significant competition concerns.

- **Special European Council.** EU leaders failed to reach an agreement on the 2028–2034 Multiannual Financial Framework, with disagreements persisting over the budget's overall size, spending priorities and new EU revenue sources. Leaders also discussed the proposed €45 billion loan for Ukraine, supported by 24 Member States, with negotiations set to resume in December.

- **European Central Bank leadership.** The European Council nominated Pablo Hernández de Cos as the next President of the European Central Bank, alongside Laurence Boone and Markus Brunnermeier as Executive Board members. The appointments remain subject to consultations with the European Parliament and the ECB Governing Council, ahead of a final decision expected in December.

26 November 2026

- **EU–CPTPP trade cooperation.** The EU and members of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) launched a Supply Chain Early Warning Network to strengthen economic security and resilience. The initiative will facilitate information-sharing on supply chain risks and coordinate responses to disruptions, alongside deeper cooperation on digital trade and environmental measures.
- **Consumer protection.** Following coordinated action by the Commission and national consumer protection authorities, Temu committed to aligning its commercial practices with EU consumer protection rules. The commitments address misleading discounts, fake reviews, pressure selling, forced gamification and insufficient consumer information, with the aim of improving transparency and fairness in online shopping.

- **Relations with national parliaments.** The Commission published its 2025 Annual Report on relations with national parliaments, highlighting increased engagement in EU policymaking. National parliaments submitted 453 opinions, particularly concerning the 2028–2034 EU budget and legislative simplification, while Commissioners held 171 meetings with national parliamentary representatives.

- **EU Taxonomy.** The Commission adopted revised technical screening criteria under the EU Taxonomy to simplify sustainability reporting and facilitate investment in environmentally sustainable activities. The amendments remove unnecessary requirements, clarify compliance conditions and align criteria with updated legislation, while maintaining environmental standards. The revised delegated acts will now undergo scrutiny by Parliament and Council.

25 November 2026

- **Research and innovation.** The Commission announced that the 2026 Marie Skłodowska-Curie Actions Doctoral Networks call received 1,939 proposals, a 20% increase compared with 2025. With an increased budget of €628 million under the Choose Europe initiative, the programme is expected to fund over 150 doctoral programmes and support more than 2,000 researchers.

- **EU–Yemen cooperation.** The EU launched a €10 million programme in partnership with UNESCO to strengthen climate resilience, protect cultural heritage and support livelihoods in Yemen. The initiative will focus on restoring traditional water-management systems, improving flood preparedness and supporting cultural industries, contributing to local economic recovery and climate adaptation.

- **Fisheries and aquaculture State aid.** The Commission approved a €10.5 million Greek State aid scheme to support fisheries and aquaculture businesses affected by rising fuel prices linked to the Middle East crisis. The measure, approved under the Middle East Crisis Temporary State Aid Framework, will provide direct grants of up to €50,000 per beneficiary until December 2026.

- **Quantum Act and technological sovereignty.** The Commission proposed the Quantum Act to strengthen Europe's quantum research, industrial capacity and supply chain resilience, while supporting the transition to post-quantum cryptography. The proposal also lays the groundwork for a Sovereign Tech Equity Fund to finance strategic technologies essential to the EU's technological sovereignty and economic security.
- **State aid and energy crisis.** The Commission extended the Middle East Crisis Temporary State Aid Framework until 30 June 2027, allowing Member States to continue supporting businesses affected by rising energy and fertiliser costs. The framework maintains targeted assistance for agriculture, fisheries, transport and energy-intensive industries, including compensation of up to 70% of eligible additional costs.

- **Agricultural competition rules.** The Commission issued a positive opinion on a proposed sustainability agreement between organic and environmentally certified wine producers in Bordeaux, allowing indicative prices and collective negotiations with buyers. The agreement aims to ensure the economic viability of sustainable production while complying with EU agricultural competition rules.

- **Antitrust enforcement.** The Commission fined fragrance producers Firmenich, Givaudan and International Flavors & Fragrances a combined €471.9 million for participating in an international cartel between 2019 and 2023. The companies exchanged commercially sensitive information, including pricing and customer negotiations, in breach of EU competition rules across the European Economic Area.

24 November 2026

- **European Semester Autumn Package.** The Commission adopted its 2027 European Semester Autumn Package, setting out priorities for fiscal sustainability, competitiveness, investment and employment. Its assessment identified risks of material non-compliance with EU fiscal rules in seven Member States, including Spain, while recommending further steps in the excessive deficit procedures against Bulgaria and Hungary.

- **Trade safeguard measures.** The Commission introduced provisional import quotas on hybrid passenger vehicles following an investigation identifying a significant increase in imports and an imminent threat of serious injury to EU manufacturers. The country-specific and residual quotas will apply to imports from all origins from 1 December 2026 for a maximum of 200 days, with imports exceeding the quotas prohibited.

- **Tax compliance and public finances.** The Commission published its *Mind the Gap 2026* Communication, highlighting annual tax compliance losses exceeding €200 billion across the EU, including approximately €125 billion in VAT and €50 billion in corporate income tax. It proposed measures to improve tax collection, strengthen administrative cooperation, modernise digital tax systems and review tax exemptions and incentives.

- **Health and safety at work.** The Commission, Parliament and Council signed a joint declaration establishing 8 August as the European Day of Remembrance for Victims of Accidents at Work, to be observed annually from 2027. The initiative commemorates the 1956 Bois du Cazier mining disaster in Belgium and aims to strengthen awareness of occupational safety, prevention and workers' rights.

23 November 2026

- **Democratic resilience.** The Commission welcomed 23 recommendations from the European Citizens' Panel on Democratic Resilience, bringing together 150 citizens from all 27 Member States. The proposals focus on political transparency, citizen participation, media literacy, artificial intelligence and information integrity, and will inform the Commission's ongoing work under the European Democracy Shield.

- **Coal phase-out and State aid.** The Commission approved €1 billion in Slovenian State aid to support the closure of the Premogovnik Velenje coal mine by 2033. The funding will cover worker support, site remediation and environmental restoration, contributing to Slovenia's coal phase-out commitments and the EU's broader industrial decarbonisation objectives.

- **COP31 climate negotiations.** The EU expressed disappointment with the outcome of COP31 in Antalya, arguing that the final agreement fell short of the Paris Agreement's ambitions and failed to adequately address the transition away from fossil fuels. Nevertheless, the EU endorsed several international initiatives on electrification, energy efficiency and methane emissions, while reaffirming its commitment to climate finance and multilateral cooperation.

- **EU competition enforcement.** The Commission opened a formal antitrust investigation into Coca-Cola Europacific Partners over suspected restrictions on cross-border trade and multinational procurement of soft drinks. The investigation will assess whether the company abused its dominant position by imposing territorial supply constraints, potentially violating EU competition rules and undermining the Single Market.

- **Sanctions against Russia.** The Commission proposed its 22nd sanctions package against Russia, alongside revised guidelines strengthening visa restrictions on current and former combatants involved in the war against Ukraine. The measures include stricter checks on Russian tourist visas and proposed restrictions on Russian athletes competing under national symbols at sporting events in the EU, reinforcing pressure on Moscow.

The European Parliament

26 November 2026

- **EU Methane Regulation.** Parliament approved the provisional agreement with the Council to postpone certain requirements under the EU Methane Regulation by two years, with 341 votes in favour, 224 against and 31 abstentions. The amendment aims to address energy security concerns while maintaining the regulation's overall objective of reducing methane emissions from fossil fuels.

- **COP31 climate negotiations.** MEPs debated the outcome of the UN Climate Change Conference in Antalya, assessing progress on international climate commitments and the transition away from fossil fuels. Discussions focused on the need for stronger implementation of climate commitments, increased climate finance and greater support for vulnerable countries.

- **Human rights and democracy.** Parliament adopted resolutions addressing the detention of Eritrean-Swedish journalist Dawit Isaak in Eritrea, the case of pro-democracy activist Au Kam San in Macao, and political prisoners in Georgia. The resolutions focused on protecting fundamental freedoms, democratic rights and political opposition against repression.

25 November 2026

- **EU budget for 2027.** Parliament approved the EU's 2027 annual budget, with €199.7 billion in commitments and €211.5 billion in payments, following an agreement with the Council. The budget includes over €300 million in additional funding secured by MEPs for priorities including research, energy and transport infrastructure, humanitarian assistance and civil protection.

- **EU long-term budget.** MEPs debated the latest compromise proposal for the 2028–2034 Multiannual Financial Framework and voted to uphold negotiating mandates on major EU funding programmes, including Horizon Europe, the Connecting Europe Facility and the European Competitiveness Fund. Discussions focused on ensuring sufficient resources for EU priorities, competitiveness and investment while addressing pressure on national contributions.

- **Critical Medicines Act.** Parliament backed the Critical Medicines Act, aimed at reducing medicine shortages, strengthening EU pharmaceutical manufacturing and improving the security of supply of essential medicines. The legislation seeks to reduce strategic dependencies, facilitate joint procurement and improve coordination between Member States, alongside the broader reform of EU pharmaceutical legislation.

- **EU–Switzerland relations.** Parliament approved a package of agreements aimed at deepening bilateral relations with Switzerland and updating cooperation in key Single Market sectors. The agreements cover areas including transport, free movement of persons, agricultural trade and participation in EU programmes, strengthening economic integration and regulatory cooperation.

- **EU–Syria relations.** MEPs adopted a report calling for a dedicated EU strategy towards Syria, focusing on political stability, territorial integrity and an inclusive democratic transition. The report also addresses humanitarian assistance, economic recovery, security cooperation and the conditions necessary for the voluntary and safe return of Syrian refugees.

- **Environmental assessments and permitting.** Parliament referred the proposal to accelerate environmental impact assessments back to the responsible committee following discussions on introducing a 300-day deadline for completing assessments. The reform aims to make project permitting faster and more predictable while maintaining environmental safeguards and public participation.

- **Proxy voting for MEPs.** Parliament approved amendments to its Rules of Procedure allowing pregnant MEPs and those who have recently given birth to delegate their plenary votes to another member of their political group. The changes aim to facilitate parliamentary participation during pregnancy and maternity while maintaining voting rights and parliamentary representation.

- **Rule of law and media freedom.** Parliament adopted a resolution addressing concerns over media freedom and judicial independence in Czechia, particularly proposed changes to the financing of public broadcasters. MEPs also adopted recommendations to strengthen international justice institutions, including measures to protect the International Criminal Court from external political and economic pressure.

- **Ukraine and European security.** MEPs debated the EU's role in securing a just and lasting peace in Ukraine, focusing on European security guarantees, diplomatic negotiations and the protection of the international rules-based order. Discussions also addressed the EU's capacity to respond to evolving geopolitical challenges and maintain support for Ukraine.

- **Online violence and fundamental rights.** Parliament discussed measures to combat technology-facilitated gender-based violence, including cyberstalking, online harassment and AI-generated sexual deepfakes. MEPs examined the implementation of existing EU legislation and the responsibilities of digital platforms in protecting victims and preventing online abuse.

24 November 2026

- **EU Emissions Trading System.** Parliament approved changes to the EU ETS Market Stability Reserve, increasing the threshold for the invalidation of surplus emission allowances from 400 million to 700 million. The amendment aims to strengthen carbon market stability by providing a larger reserve to address supply and demand imbalances while preserving the invalidation mechanism.

- **Organic production and trade.** Parliament approved new rules on organic production, labelling and certification to strengthen consumer confidence and ensure fair competition between EU and non-EU producers. The legislation introduces stricter conditions for imported products using the EU organic logo while simplifying certification requirements for certain small businesses.

- **Omnibus IV simplification package.** Parliament approved legislative amendments extending certain regulatory simplification measures available to SMEs to small mid-cap enterprises. The package also introduces measures to facilitate digitalisation and the use of common specifications, aiming to reduce administrative burdens and strengthen the competitiveness of European businesses.

- **Rule of law in Hungary.** MEPs debated developments in Hungary following the April 2026 parliamentary elections, assessing progress on judicial independence, media freedom, anti-corruption measures and fundamental rights. The discussion focused on reforms undertaken by the new government and outstanding challenges, ahead of a resolution scheduled for Parliament's December plenary session.

- **Economic governance and affordability.** Parliament discussed the Commission's 2027 European Semester Autumn Package, focusing on fiscal sustainability, competitiveness and employment. MEPs also debated the impact of persistent inflation, high energy prices and rising housing costs, calling for stronger action to address affordability challenges across the EU.

- **Humanitarian situation in Gaza.** MEPs debated the deteriorating humanitarian situation in Gaza, particularly the impact of severe flooding, winter conditions and restrictions on humanitarian assistance. Discussions focused on ensuring the delivery of essential aid and addressing the growing needs of affected communities.

23 November 2026

- **Audiovisual media regulation.** Parliament debated the revision of the Audiovisual Media Services Directive, focusing on the role of audiovisual media regulation in strengthening European democracy. The discussion addressed the need to protect media pluralism, democratic values and the integrity of the European information environment.

H/Advisors, strategic communications experts dedicated to enhancing reputation and building trust to fulfil ambitions. Founded in 2001, H/Advisors employ 1,500+ multi-disciplinary experts in 40+ offices across Europe, America, APAC and the Middle East. Driven by deep industry expertise and a problem-solving ethos, core specialisms include Crisis & Reputation Management, Corporate Communications, Digital, Data & Creative, Investor Relations & Financial Communications, Litigation, Capital Markets, Public Affairs & Policy Advisory, Sustainability & ESG, and Transformation & Change. H/Advisors is part of Havas, one of the world's largest creative, media and entertainment groups. For further information, please visit www.h-advisors.global or contact brusselsPA@h-advisors.global

General enquiries

info@h-advisors.global

H-advisors.global