Turning the Tide: A Multiannual Financial Framework that puts Health at the Heart of Europe's Resilience

International Diabetes Federation Europe Position Paper

Executive Summary

- The 2028-2034 Multiannual Financial Framework (MFF) proposal absorbs the EU4Health and other health-related programmes into a broader European Competitiveness Fund (ECF), deprioritising health as a standalone objective.
- Non-communicable diseases (NCDs) impose significant human, social and economic costs. They are the leading cause of premature death in the European Union (EU) and result in over €437 billion losses in productivity alone, every year. Diabetes, affecting nearly 34 million people in the EU, cost EU healthcare systems €119 billion in 2024.
- Diabetes, a marker of healthcare system resilience, exemplifies the consequences of underinvestment: knowledge gaps, insufficient prevention and management, leading to high costs from potentially avoidable complications.
- Dedicated EU funding is essential to support research into the causes and trajectories of these conditions and foster the transformation of national healthcare systems. This is a precondition to improving the prevention and management of diabetes and other NCDs.
- Investment in health and NCDs represents a strategic opportunity for Europe to boost competitiveness, resilience and strategic autonomy: it improves public health, drives innovation, supports industrial leadership in biotech, and generates strong economic returns.
- **IDF Europe calls for the next MFF to**:
  1. **Keep dedicated funding for health**, or, if integrated into the ECF, establish a new "Health & Resilience" stream with a ring-fenced budget and a published multi-annual work programme, set and overseen by DG SANTE, with HaDEA implementing the programme under DG SANTE's steer.
  2. **Earmark a dedicated Research & Innovation budget for diabetes and other NCDs,** anchored in FP10 as Horizon Europe's successor, to close critical knowledge gaps and speed innovation in diseases that account for about 80% of the EU health burden. Make artificial intelligence a cross-cutting enabler across this portfolio. Structure the effort as a moonshot-style programme comprising: an EU Cardiovascular & Diabetes Research Mission backed by an EU Cardiovascular & Diabetes Health Observatory; strong implementation-research streams to scale proven care models in real settings; and EHDS-ready registries/real-world data to accelerate translation into patient benefit.
  3. **Directly fund integrated care**, healthcare workforce sustainability and digital interoperability, linking those with technical assistance for lower-capacity Member States (MS).
  4. **Adopt an equity-weighted access model** for MS, such that funds flow where gaps are largest and NCD/diabetes research and care scale evenly across the EU.

Background

The Multiannual Financial Framework (MFF) is the European Union (EU)'s long-term budget plan, guiding priorities and spending across a seven-year period. The Commission's proposal for the 2028–2034 MFF places a strong emphasis on competitiveness, innovation, resilience and strategic autonomy and combines funding for health, biotechnology and disease prevention under the broader EuropeanCompetitiveness Fund (ECF).

The ECF consolidates 14 individual funding instruments, including the EU4Health programme, with the aim of strengthening the EU's ability to support innovation, scale up strategic sectors, and address cross-border challenges effectively.[i] While these priorities are critical, this framework signals a worrying deprioritisation of health as a standalone political and budgetary objective. The proposed absorption of the EU4Health programme into the ECF would likely lower the visibility of vital public health issues and limit the EU's capacity to effectively address pressing health concerns, such as diabetes, its interconnected conditions (Cardiovascular Disease (CVD), Chronic Kidney Disease (CKD) and Obesity) and other non-communicable diseases (NCDs). Ultimately, the proposal risks undermining the very objectives it seeks to achieve.

Killing over two million people across the entire European region[ii] and causing the most challenging socio-economic crisis since the Second World War,[iii] the COVID-19 pandemic demonstrated that health crises have profound and immediate impacts on Europe's health, economy and security. The pandemic highlighted how EU health systems were ill equipped to handle a crisis of this magnitude, exposing insufficient funding for health, fragile primary care services, weak surveillance monitoring and reporting mechanisms, workforce shortages and governance challenges.[ivv] Rolling back dedicated EU health funding now would undermine the progress made in helping EU Member States bolster their health system resilience and ignore the lessons learnt – healthier populations and sustainable health systems are essential foundations for building a competitive and resilient Europe.

A strategic opportunity: why increased investment and action on health and NCDs is smart policy

Health is not only a fundamental right enshrined in the EU Treaties and a core pillar of the European Pillar of Social Rights, but it also represents a strategic investment in Europe's economic and social future.

Healthcare expenditure reached an average of €3,685 per person in the EU in 2022, almost 40% higher than in 2014, and will continue to rise as demand grows.[vi] At the same time, Europe is undergoing profound demographic change, with the share of people over the age of 65 increasing from 16% in 2000 to 21% in 2023 and projected to reach 29% by 2050. While people now live, on average, more than two decades beyond 65, many of these additional years are lived with chronic diseases and disability, increasing pressure on health systems.[vii]

NCDs are responsible for 80% of the disease burden and are the leading cause of premature death in the EU, with 1.8 million avoidable deaths occurring in the European region each year, 60% of which are preventable and 40% treatable.[viii]The World Health Organization (WHO) estimates that productivity losses due to NCDs amount to over €437 billion annually in the European Region. Studies also show that every 10% increase in NCD-related mortality results in a 0.5% loss in annual economic growth, while successful NCD interventions can generate GDP gains of similar magnitude.[ix] Investing in health is shown to have a high return on investment with every Euro spent yielding an average of 14 Euros in return.[x]

Against this backdrop, addressing the burden of NCDs is not only essential but also represents an opportunity to safeguard human well-being while reinforcing the resilience and long-term sustainability of the EU economy.

Europe's health and competitiveness challenge: the diabetes case study

Diabetes illustrates the risks of underinvestment in health and the opportunities that greater investment could provide. With nearly 34 million people living with the condition, diabetes is one of the EU's most pressing, yet under-prioritised, public health challenges. The condition itself, along with its complications, including cardiovascular and kidney disease, which one-third of people living with diabetes (PwD) develop, and stroke, which PwD are 1.5-2 times more likely to have, imposes significant human and economic costs.

Diabetes has an adverse impact on quality of life, placing a significant physical and mental toll on the individual, and can also result in serious socio-economic consequences such as decreased household income, increased expenditure and loss in savings, which amplify social and economic inequalities.[xi] On a societal level, diabetes reduces labour force participation, accelerates early retirement, increases sick leave, lowers tax revenues and undermines returns on human capital investment.[xii,xiii,xiv] In the EU alone, the total diabetes-related cost to healthcare systems was €119 billion in 2024.[xv] Three-quarters of this cost is attributed to often preventable diabetes-related complications.[xvi] Beyond the direct impact on PwD, families and carers, these costs, combined with productivity losses, strain health system resilience and sustainability and ultimately undermine the EU's economic competitiveness.

Despite advances in medicines and medical technologies to help with the management of diabetes, our siloed approaches to care and our knowledge of the causes and trajectories of the disease remain insufficient to adequately prevent, manage and ultimately cure the disease.

A few of the urgent research needs include:

- *Prevention*: strategies to delay or prevent both type 1 (T1D) and type 2 diabetes (T2D), beyond behavioural factors, remain limited. Lifestyle modifications are difficult to sustain, and further research into immunological and pharmacological prevention is needed.
- *Management*: advances in therapies and technologies have improved outcomes but most PwD still do not reach treatment targets and complications remain common. Innovative treatment routes, organ-protective agents and integrated care delivery across diabetes/CVD/CKD and obesity require further research and implementation.
- *Cure and remission*: a cure for all forms of diabetes remains the ultimate unmet need. For T1D, this would mean restoring natural insulin production. For T2D, addressing insulin resistance is key. Research into long-term and accessible remission strategies for T2D must also be accelerated.

Alongside research gaps, significant challenges remain in translating existing knowledge into practice, particularly in care delivery. The underuse of proven tools and approaches contributes to the development of preventable diabetes-related complications, reduces quality of life, and results in inefficiencies in health systems. Closing these implementation gaps is critical to improving outcomes and maximising the impact of the knowledge that we already know.

Investing in diabetes research (and the interplay with obesity, CVD and CKD) will also provide an opportunity for innovation and industrial leadership, strengthening the EU's position as a global leader in health innovation. With the EU prioritising the development of a world-leading biotechnological sector, investing in diabetes research can help foster the development of new treatments, diagnostics and technologies. As long as it is paired with equitable access, this would improve health outcomes for PwD and those at risk and simultaneously strengthen European research institutions and industry, boosting the EU's strategic autonomy and competitiveness.

This case illustrates a major challenge as well as opportunities that exist beyond the case of diabetes: insufficient knowledge of disease trajectories, uneven implementation of proven interventions and care models, biotechnological industrial leadership and most importantly, improved health for our citizens.

The next MFF is a window of opportunity to address diabetes and health

The EU's next MFF should not just spend; it should solve. Diabetes and other NCDs sit at the intersection of health, resilience and competitiveness: they shape people's lives, workforce participation and the capacity of public finances to invest sustainably. The COVID experience also taught us that when priorities are clear, delivery chains are simple and progress is public, Europe can move fast without building new bureaucracies.

To turn a compelling narrative into delivered change, the budget must spell out the instruments, identify the responsible owners, and set a clear sequence that moves from allocation, through implementation, to accountability. That means using what already works (DG SANTE/RTD/BUDG to steer, HaDEA to implement) while directing money to the actions that measurably improve outcomes and inequalities.

The following four recommendations set out how to do this within existing EU mechanisms and levers: they keep health visible, link science to service, and make results verifiable, so investments in diabetes and other NCDs translate into healthier people, stronger productivity and a more competitive Europe.

The International Diabetes Federation Europe (IDF Europe) calls on the European Commission and MS to recognise the central role of robust health policies and systems in a sustainable, resilient and competitive Union by making health a core pillar of the next MFF and, in particular, to:

1. **Keep health visible.** Europe needs a budget that can actually be found and used. That means maintaining a dedicated health budget. If, however, health is absorbed into the ECF, this would require creating a named Health & Resilience stream with a ring-fenced budget and a published multi-annual work programme (including NCD/diabetes sub-programmes). DG SANTE should set and oversee objectives, budgets and indicators; HaDEA should implement the programme (running calls, managing contracts, monitoring and making payments) under DG SANTE's steer. This preserves speed and accountability without adding new bureaucracy.
2. **Earmark NCD R&I, anchored in FP10.** To close knowledge gaps and deliver real-world health gains, establish dedicated research-and-innovation strands for diabetes and other NCDs in FP10. Those strands could be organised as a moonshot-style programme: an EU Cardiovascular & Diabetes Research Mission backed by a European Cardiovascular & Diabetes Health Observatory; a dedicated strand on the use of Artificial Intelligence (AI) in research and service delivery; robust implementation-research programmes to scale proven care models; and EHDS-ready registries/real-world data so research, evaluation and service improvement run through a single pipeline. Crucially, this architecture should also give the forthcoming EU Cardiovascular Health Plan the budget it needs for a whole-cycle of disease approach, covering cardiovascular diseases and its interconnected conditions, notably diabetes, CKD and obesity.
3. **Fund delivery where outcomes change.** The budget should fund the actions that have long-lasting impact: integrated care pathways, healthcare workforce sustainability (skills, retention, new roles), adoption and integration of AI within healthcare systems and digital interoperability so information flows across settings. Pairing investments with targeted technical assistance for lower-capacity MS (designing payment models, building primary-care teams, strengthening HTA/procurement, and standing up data infrastructure) is critical to ensure reforms are not only financed but also adopted and sustained.

4. **Guarantee fairness with equity-weighted access.** To reduce gaps rather than entrench them, the Commission and MS should apply an equity-weighted access model with differentiated co-financing rates and simplified calls for lower-capacity systems, backed by EU4Health and the Technical Support Instrument (TSI). This approach ensures that funds flow to where the burden is highest, accounting for deprivation, rurality and marginalisation. It also helps NCD/diabetes research and care scale evenly across the Union, thereby improving health outcomes and strengthening Europe's competitiveness.

Only through a dedicated and adequately resourced health budget in the MFF can the EU make the necessary progress in preventing and managing the burden of diabetes and other NCDs. By prioritising increased investment and action on health, particularly in NCD and diabetes research and health system transformation, the EU can turn this challenge into an opportunity, driving healthier populations, stronger economies and greater global competitiveness. Strategic action in the next MFF will be key to turning this potential into reality.

Going beyond the MFF as proposed today

Europe has learnt a great deal from the Recovery and Resilience Facility (RRF). When funding is tied to clear reforms, milestones and public reporting, progress accelerates across the EU. The RRF showed that a simple sequence (national plans, measurable milestones, disbursement) can turn long-standing priorities into delivered change. We should carry that discipline into health while keeping the MFF as the financial backbone.

In practice, this means treating health as a horizontal priority across the Union's economic governance. Each year, the European Semester could include a Health Chapter in every country package, with targeted Country-Specific Recommendations where performance lags. Monitoring would rely first on existing social and labour indicators (such as the Social Scoreboard of Eurostat), complemented, where helpful, by a small, transparent basket of health-system metrics such as undiagnosed rates, control coverage, structured education and care-plan uptake, and basic interoperability readiness, allowing monitoring of integrated care across the EU. The public dashboard would continue to make progress visible and help prevent widening inequalities by linking it to actionable, reform-oriented tools.

Financing then follows the signal. As a standalone programme or within the ECF, a named health strand with a published work programme would support investments and reforms that respond to each Member State's Health Chapter. In addition, National and Regional Partnership Plans (NRPPs) would specify the concrete changes on the ground, and why they matter for resilience and productivity, while equity-weighted eligibility criteria (e.g., burden of disease, deprivation, rurality, marginalised groups) would direct funding to where gaps are greatest. To protect delivery discipline without adding new bureaucracy, a light performance logic inspired by the RRF could be implemented: agreed milestones/targets inside each NRPP health strand and transparent annual reviews.

Capacity matters as much as funding. Existing EU4Health technical assistance and the TSI can help administrations design primary care models, strengthen health technology assessment (HTA) and procurement, and create EHDS-ready registries and data flows. This pairing of investment and implementation support makes the allocation credible and ensures reforms take root in lower-capacity settings.

Not all financing needs are operational in nature. When hospitals, major equipment, or core IT and interoperability require long-lived investment, the European Investment Bank (EIB) can complement MFF grants with loans, guarantees, equity and advisory support, including via InvestEU. While the EIB is not legally bound to the Semester, aligning projects with Country-specific Recommendations (CSRs), including our proposed mandatory Health Chapter, creates a coherent pipeline: what the Semester identifies, the MFF helps fund, and the EIB helps build.

By linking funding and reform in this way, the Union can level the healthcare playing field and bolster competitiveness at the same time. The mechanism is deliberately light: it uses institutions that already exist, data that already gets collected, and instruments that are trusted. The result is a budget that transforms, turning today's MFF 2028-2034 negotiation into tomorrow's measurable improvements in health, equity and growth.

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[iv] European Centre for Disease Prevention and Control. Lessons from the COVID-19 pandemic. Stockholm: ECDC; May 2023. https://www.ecdc.europa.eu/sites/default/files/documents/COVID-19-lessons-learned-may-2023.pdf (accessed September 30, 2025).

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[ix] O'Keefe P, Haldane V. Towards a Framework for Impact Pathways between NCDs, Human Capital and Healthy Longevity, Economic and Wellbeing Outcomes. World Bank. https://openknowledge.worldbank.org/server/api/core/bitstreams/9719340a-6fea-47c7-896d-6cc1efd1e892/content (accessed August 11, 2025).

[x] Health in EU's next Multiannual Financial Framework - EU4health

[xi] European Commission. Cost of Non-Communicable Diseases in the EU. Knowledge for Policy. https://knowledge4policy.ec.europa.eu/health-promotion-knowledge-gateway/cost-non-communicable-diseases-eu_en (accessed August 11, 2025).

[xii] O'Keefe P, Haldane V. Towards a Framework for Impact Pathways between NCDs, Human Capital and Healthy Longevity, Economic and Wellbeing Outcomes. World Bank. https://openknowledge.worldbank.org/server/api/core/bitstreams/9719340a-6fea-47c7-896d-6cc1efd1e892/content (accessed August 11, 2025).

[xiii] European Commission. Cost of Non-Communicable Diseases in the EU. Knowledge for Policy. https://knowledge4policy.ec.europa.eu/health-promotion-knowledge-gateway/cost-non-communicable-diseases-eu_en (accessed August 11, 2025).

[xiv] European Commission. Page on diabetes updated – New data on policy frameworks and economic costs available. https://health.ec.europa.eu/latest-updates/page-diabetes-updated-new-data-policy-frameworks-and-economic-costs-available-2012-04-11_en (accessed August 11, 2025).

[xv] IDF Atlas – 11th edition, 2025, https://diabetesatlas.org/

[xvi] IDF Europe. Position Paper on Unmet Medical Needs for People Living with Diabetes. 2023.