

Draft article on MFF:

“Regions and cities call for enhanced partnership as crucial for a successful MFF”

On the 16th of July the European Commission will present its long-awaited proposal of the post-2027 MFF-package, including ‘national and regional partnerships for investments and reforms’. What exactly can be expected from this proposal remains largely unknown. Will the local and regional authorities in Europe have real standing in the allocation of funds, or will they depend on the willingness of their national governments to keep them involved? “The devil is in the detail”, so we hear. While many details remain uncertain, what is already clear is the need for a strong voice from Europe’s regions and cities. After all, the success of the EU budget is not only about numbers — it is about implementation on the ground. And that requires robust, structured partnerships across all levels of governance.

As the geopolitical context and the covid pandemic have forced the EU to design a more flexible and re-oriented budget, it is more important than ever to safeguard the principles that can make Europe strong, competitive and resilient. However, there cannot be a strong Europe without strong regions. The European regions and cities do not only depend on the availability of European funding to tackle regional challenges and contribute to EU objectives, but are also the key to making EU investments successful and efficient. Or, as President von der Leyen stated in her speech at the Annual EU Budget Conference: *“Every territory has a unique set of circumstances and knows best how to address them. So, we need to listen to our regions – instead of having a single recipe for all.”*

Firstly, regions, cities and municipalities across Europe are not passive recipients of EU funds—they are active partners that drive innovation, deliver tailored solutions, and maximize the impact of EU investment. That’s why we fully support the European Commission’s position calling for:

- **A strengthened cohesion and growth policy** with regions at the centre;
- **Strong partnerships** with national, regional, and local authorities respecting the subsidiarity principle and institutional and constitutional contexts of member states;
- **More flexibility** within the responsibilities and obligations of the treaties.

These principles must be embedded in the new partnership framework. They are essential for a modern, place-based EU budget that reflects the diversity of regional priorities, leverages local knowledge and ensures every euro spent delivers impact where it matters most. Local and regional governments have the best understanding of regional needs and deliver tailored solutions. The partnership principle must be upheld across all levels of governance. In this respect, a direct partnership between the regions and the European Commission needs to be maintained. This is the only way we can guarantee that every European region and city has a chance to stay on board while Europe is reforming.

Secondly, EU funds such as the European Regional Development Fund (ERDF) and Interreg are vital tools for unlocking regional potential, addressing cross-border challenges, and fostering economic cooperation. For these tools to work effectively, they must be built on genuine partnership with regions and cities—not merely consultation.

We call for:

- Integrated programming and implementation of EU funds with full regional participation;
- Enhanced synergies between local, regional, national and European levels;
- Stronger links between ERDF, the I3 Instrument, RIS3 strategies, and climate and innovation goals;
- Continued support for LEADER and a stronger link between CAP Pillar I (income support) and Pillar II (rural development).

Additionally, regional actors play a vital role in delivering thematic programmes by connecting businesses, knowledge institutions, and governments. This helps align EU funds with strategic goals, such as enhancing Europe's competitiveness and autonomy.

Thirdly, if the performance-based model is to be successful, a strengthened link between EU funding and the European Semester requires a clear regional dimension. Regarding the link between reforms and investments, these should apply on the appropriate institutional level, avoiding a negative impact on regional and local EU funding due to insufficient or lagging national reforms. We therefore propose:

- Applying the partnership principle to the European Semester;
- Ensuring regional involvement in the preparation of National Reform Programmes, including regional chapters;
- Avoiding the centralisation of EU funds that undermines regional governance and effectiveness;
- Guaranteeing regional access to strategic initiatives like the European Competitiveness Fund.

Lastly, the ambitious and drastic changes in the structure of the MFF require a strong democratic scrutiny. It is essential that the European Parliament as a co-legislator can play its role as budgetary authority and that the European Committee of the Regions must have a seat at the table to ensure that regional voices are heard and must be thoroughly recognized in the legislative process.

Our regions, cities and municipalities eagerly await next month's proposals. We are ready to co-design a budget that delivers for all Europeans and take on a central place in both its negotiation and implementation.