

Follow-up to the European Parliament non-legislative resolution on possibilities for simplification of cohesion funds

- 1. Rapporteur:** Vladimir PREBILIČ (Greens/EFA, SI)
- 2. References:** 2024/2106(INI) / A10-0138/2025 / P10_TA(2025)0188
- 3. Date of adoption of the resolution:** 10 September 2025
- 4. Competent Parliamentary Committee:** Committee on Regional Development (REGI)
- 5. Brief analysis/ assessment of the resolution and requests made in it:**

The rapporteur acknowledges the efforts to introduce simplification measures in the 2021-2027 programming period. However, in his view, these efforts have not yielded the expected results in terms of reducing administrative burden for beneficiaries and managing authorities due to the subsequent regulatory changes and the practice of gold plating within Member States. The report stresses that the cohesion policy of the future should build on the fundamental principles of shared management, partnership, multi-level governance and place-based approach and, while it supports simplification measures and a strong involvement of local and regional authorities, the report strongly opposes the centralisation of cohesion policy.

- 6. Response to requests and overview of actions taken, or intended to be taken, by the Commission:**

Paragraph 7 - Timely adoption of the Commission's proposals

The Commission acknowledges the European Parliament's call for timely cohesion policy legislative proposals for the 2028-2034 period to ensure a swift programming and start of implementation. On 16 July and 3 September 2025, the Commission presented its legislative proposals for the 2028-2034 Multiannual Financial Framework (MFF), which are now under examination by both the European Parliament and the Council. These proposals reaffirm the key role of cohesion policy within a more streamlined, flexible, focused and impactful EU budget. A central innovation of the package is the introduction of National and Regional Partnership Plans (NRPPs) for each Member State. The NRPPs are conceived as a single programming document linking key reforms with strategic investments. They are designed to strengthen economic, social and territorial cohesion, while also supporting sustainable agriculture and food security, rural development, fisheries and maritime policies, as well as migration and border management, and to enhance synergies between all of these objectives

Cohesion will remain at the core of the NRPPs. As discussed with the European Parliament and the Council at Leader level on 10 November 2025, the Commission has suggested how to clarify and further strengthen the role of regions and predictability in support for transition

and more developed regions.

The NRPPs represent a major step forward in simplification: they drastically reduce the number of programming documents from around 540 programmes to 27 NRPPs and one Interreg Plan. This new framework is expected to, among other things, accelerate the launch of the next programming period, thereby facilitating a smoother and more timely start of investments on the ground.

With the proposal for a Regulation establishing the European Fund for economic, social and territorial cohesion, agriculture and rural, fisheries and maritime, prosperity and security for 2028-2034 (COM(2025) 565 final of 16.7.2025), the Commission proposed a common set of streamlined rules for shared management funds. The single rulebook, that covers all policy interventions under the plan, including cohesion policy interventions, includes fewer, more focused provisions compared to the 2021-2027 Common Provisions Regulation (CPR), while it provides for robust common rules on critical elements such as the governance and the protection of the Union's financial interests. Overall, the proposed streamlined legal framework aims to make the programming and implementation simpler.

Paragraphs 33, 46 - Complementarities between EU funds

The Commission welcomes the European Parliament's calls to enhance complementarities between EU funds and to further explore synergies between cohesion policy and other sectoral programmes. The legislative proposals for the 2028-2034 period reflect these priorities through the introduction of NRPPs. The proposal on the NRPPs brings together 14 separate funds and instruments - which are currently implemented by distinct national and regional programmes - under a single umbrella framework, covering cohesion, agricultural, fisheries, migration and rural development policies. This integrated approach provides Member States with a wider toolbox to address social, economic and territorial challenges, including tailored support for rural areas. The provisions on territorial and local cooperation initiatives, including community-led local development, were brought together in the proposed Regulation establishing the European Fund for economic, social and territorial cohesion, agriculture and rural, fisheries and maritime, prosperity and security for 2028-2034.

In addition, projects awarded a Seal of Excellence or a Sovereignty Seal in the 2021 to 2027 programming period and Seals granted under Union programmes implemented in direct management in the 2028-2034 period may be financed in Member States' NRPPs to encourage further synergies.

The Commission shares the European Parliament's objective of maximising the impact of EU funding and will continue to assess complementarities between cohesion policy and sectoral programmes. The integrated programming framework proposed for 2028-2034 represents a significant step forward in this regard, ensuring coherent and effective delivery across policies within a streamlined and flexible budgetary framework.

Paragraphs 3, 9, 31 - Multi-level governance and partnership principle

The Commission welcomes the European Parliament's calls to strengthen multi-level governance and the partnership principle in the next cohesion policy framework. The legislative proposals for the 2028-2034 period confirm that partnership, shared management and a place-based approach will remain key elements for the achievement of cohesion policy objectives.

The NRPPs provide a platform for enhanced policy coordination and effective governance arrangements within Member States. Regions will continue to be fully involved in the preparation, implementation and evaluation of the NRP Plans.

The preparation and implementation of the NRPPs require the active involvement of local and regional authorities, together with relevant partners and stakeholders such as civil society organisations, SMEs, research institutions and social partners. Thanks to their expertise and proximity, these actors play a crucial role in the design, management, implementation and monitoring of supported measures.

In their NRPPs, Member States have to provide a summary of all actions ensuring the involvement of partners, including the consultation and dialogue process conducted for the preparation of the Plan and each chapter, and an explanation on which stakeholders have been consulted, how these were selected, how their representation has been ensured and how their input is reflected in the Plan in line with the European Code of Conduct on Partnership. That will be assessed by the Commission before adoption. The Commission underlines that the Code of Conduct, in place since 2014, will continue to apply to the preparation and implementation of the NRPPs, including in all policy areas covered by the NRPPs. It sets out common standards for enhanced partnership in Member States and ensures a binding framework for the consultation and involvement of stakeholders. The Commission will strictly enforce the partnership principle in line with the Regulation, thereby guaranteeing effective multi-level governance and strengthening accountability in the use of EU funds.

Paragraph 18 - European Semester

The Commission acknowledges the European Parliament's call to explore the inclusion of a territorial and governance impact assessment in the European Semester. The considerations linked to economic, social and territorial cohesion are relevant for the European Semester and the Commission has enhanced the territorial dimension of the European Semester over the past years. The Commission plans to continue reinforcing the regional dimension of the European Semester to provide deeper insight into territorial disparities, challenges, and opportunities as well as investment and reform needs at subnational level.

The NRPPs are designed to become the main platform for translating EU priorities into concrete actions at national and regional levels. They are expected to address both the objectives set out in the Regulation and the specific national and regional challenges identified through the European Semester.

This differentiated approach allows for responses tailored to the needs of each Member State and region, ensuring that cohesion policy contributes

effectively to territorial development. In line with Article 22 of the proposed NRP Regulation, each NRP Plan needs to fulfil a set of requirements. The Plans have to effectively address all or a significant subset of challenges identified in the context of European Semester, CAP recommendations, Digital Decade recommendations, documents and strategies in the field of internal security, European integrated border management, visa policy and asylum and migration, and to also fulfil other requirements related to elements of the policy framework set out in the proposal, ensuring alignment between EU priorities and implementation at national and regional levels. The Commission will assess the NRPs as submitted by the Member States against these requirements.

Paragraphs 27 and 44 - Simplified reimbursement models - and 8 - national gold-plating

The Commission considers that shifting from a disbursement system based on expenditure to a objective-based approach under the MFF 2028-2034 could simplify the management of cohesion policy funds and substantially reduce administrative costs. Programme authorities would no longer be required to provide information on eligible expenditure to the Commission to trigger payments. The proposal provides alternative safeguards to ensure the respect of applicable law and the protection of the EU financial interests.

The Commission also welcomes the European Parliament's support for a broader use of simplified reimbursement methods to ease the administrative burden on beneficiaries. In the legislative proposals for 2028-2034, Member States will be required to use simplified reimbursement methods for a large number of beneficiaries. This will be mandatory for operations with a total cost below EUR 400 000, which represent currently around 87% of all projects supported under cohesion policy. This means that, in a large number of cases, the EU level regulatory framework would no longer require beneficiaries to collect and submit invoices. This, coupled with the NRPPs' milestones and target-based delivery model where the Commission would pay to Member States based on milestones and target achieved, could reduce administrative and reporting obligations significantly. The new system will maintain in parallel strong safeguards to guarantee the effective and regular use of funds.

The Commission will work hand in hand with Member States and regions to help identify and eliminate gold plating practices, ensuring that beneficiaries can fully benefit from the simplification efforts.

Under the current programming period, the Commission already strives to promote best practices and support Member States in eliminating gold-plating, most notably through the Transnational Network on Simplification, peer-learning platforms such as REGIO Peer2Peer+, and communities of practitioners.

The Commission auditors also contribute, through their audits, to the identification of gold-plating and make recommendations to simplify procedures when necessary.

The 2021-2027 CPR allows the use of alternative forms of reimbursement (i.e. simplified cost options (SCOs) and financing not linked to costs (FNLC)), which may be combined with real-cost-based funding. Almost EUR 110 billion (21%) of the cohesion policy budget, is expected to be reimbursed through SCOs and FNLC by the end of the programming period¹. For the European Regional Development Fund (ERDF) and Cohesion Fund, these amounts are expected to double² compared with the results achieved under the 2014-2020 period. For the ESF+, almost 50% of the budget is to be implemented through SCOs and FNLC. This represents a high increase compared to the 2014-2020 programming period, when one third of the ESF budget was implemented through SCOs.

Finally, the Commission promotes and facilitates the use of SCOs and FNLC through standardised tools. The 2021-2027 CPR sets out off-the-shelf simplified cost options that Member States may directly use to reimburse beneficiaries (e.g. flat rates to cover the indirect costs of an operation, flat rates or unit costs to cover the staff costs, among others).

Paragraph 32 - Sound financial management

The Commission acknowledges the importance of preventing double funding and ensuring the interoperability of data-mining tools. Controls against double funding shall be carried out at all levels, with Member States also deploying digital tools to review all funded projects and ensure transparency of EU funding.

The Commission continuously encourages Member States to systematically use integrated and interoperable IT systems. “ARACHNE” is the Commission’s single data-mining and risk-scoring tool, that enhances risk analysis by integrating operational project data from Member States with European Commission databases and external data sources. It is used on a voluntary basis by 23 Member States, to help managing authorities identify, and therefore mitigate, risks. Currently, the Commission is developing a modernised corporate tool “Arachne+”, which will be applicable to all management modes and to which it will be mandatory to feed relevant data categories by the Union institutions and bodies, Member States and entities implementing the Union budget for the 2028-2034 Multiannual Financial Framework (MFF). Its use by the Member States will remain voluntary, however, the Commission, the Council, and the European Parliament committed to examine and re-discuss mandatory use of the Arachne+ tool by Member States for the 2028-2034 MFF, based on an assessment of the tool’s readiness by the end of 2027. The key criteria of the assessment of the tool’s readiness will be improved risk indicators, interoperability with relevant IT systems and databases including those of the Member States, data protection compliance, and the use of artificial intelligence (AI) for improved fraud

¹ Study on the “Uptake of SCO and FNLC for the CPR Funds in the 2014-2020 and 2021-2027 programming periods” (2025), European Commission - DG for Regional and Urban Policy

² ERDF: EUR 37.4 bn (11,5% of the ERDF allocation and 7,1% of the total cohesion policy budget); Cohesion Fund: EUR 1.1 bn (2,3% of the Cohesion Fund allocation and 0,2% of the total cohesion policy budget); Just Transition Fund: EUR 2,8 bn (10,4 % of the Just Transition Fund allocation and 0,5% of the total cohesion policy budget)

detection. The Commission also promotes the use of AI and machine learning through pilot projects for audit authorities in several Member States.

The Early Detection and Exclusion System has been extended to shared management as from 2028 under the recast Financial Regulation, making its use compulsory to protect the EU budget from fraudulent and unreliable economic operators for the programmes financed post the 2021-2027 MFF.

The Commission's joint audit directorate (DAC) is upgrading its audit IT tool, MAPAR, to better exploit AI and data for financial corrections.

Finally, the Commission performs ex-post audits and cross-checks data with other EU-funded projects (e.g., RRF data provided by Member States against the Kohesio platform, which ensures public access to comprehensive information on all Cohesion Policy-funded projects) and has already implemented specific measures to address the accepted recommendations from the European Court of Auditors to further strengthen safeguards preventing double funding.

Paragraph 11 - Information about and for beneficiaries

In its proposal for a Regulation establishing a budget expenditure tracking and performance framework and other horizontal rules for the Union programmes and activities (COM(2025) 545 final of 16.7.2025) under the MFF 2028-2034, the Commission introduces a Single Gateway website for both performance information and available funding opportunities across the whole EU budget - such as on ongoing and upcoming calls for proposals and calls for tenders financed by MFF programmes. By bringing together more than 30 existing programme-specific portals and dashboards, this tool will enhance transparency on what the EU budget achieves, simplify access to information for beneficiaries and project promoters, and strengthen the visibility of EU funding. The portal will also centralise data in collaboration with Member States on operations supported by the EU budget and recipients of Union funding under all management modes in line with the transparency regime set out in the Financial Regulation, which will become compulsory for the programmes financed post the 2021-2027 MFF. The portal will also provide information on operations with high potential that have received special distinctions or an emblem of excellence and on advisory and business support services funded by the budget, while also providing a platform for promoters to present operations to potential investors.

Paragraphs 6 and 40 - Simplification of State aid rules

The Commission reminds that State aid rules aim at ensuring that public financial support to companies does not unduly affect the level playing field in the internal market. It acknowledges that, to remain efficient, State aid rules must remain as simple as possible. The Commission has adopted a number of initiatives to that end in recent years, for instance by covering more forms of aid under the General Block Exemption Regulation (approved without notification to the Commission), by adopting guidelines to explain its State aid policy in various fields, which support managing authorities' understanding, and by providing tools for reaching out to the Commission when implementing State aid rules.

The Commission also acknowledges the European Parliament's call for further simplification of State aid rules in cohesion policy. The Commission will continue its efforts to streamline State aid rules towards simplification, while allowing aid addressing market failures, so as not to harm the functioning of the internal market. The revision of the rules, in particular that of the General Block Exemption Regulation integrates as much as possible the experience of Member States and Managing authorities in the current programming period.

Paragraph 41 - Revision of the European Public Procurement Directive

The Commission shares the view that strategic public procurement should contribute to achieving social objectives, including compliance with labour law to protect workers' rights. At the same time, procurement procedures based on the principles of transparency and non-discrimination play an important role in preventing and combating corruption. The Commission is furthermore committed to simplifying the procurement rules so that they can be easily implemented by contracting authorities and entities throughout the Union.

Paragraph 34 - Rule of Law

The Commission acknowledges the European Parliament's call to explore additional ways to ensure that local and regional authorities, civil society and other beneficiaries can continue to access EU funding in cases of breaches of the Rule of Law by national governments, without weakening the application of the Conditionality Regulation.

The legislative proposal for the 2028-2034 period includes effective safeguards complementing the general regime of conditionality, which will continue to apply across the entire EU budget. These measures combine deterrent and supporting tools to protect the EU budget while promoting compliance with the principles of the Rule of Law and the Fundamental Rights enshrined in the Charter of Fundamental Rights of the European Union throughout the implementation of the NRPPs.

Timely and proportionate responses are central to the framework: in case the Commission concludes that the Charter or Rule of Law horizontal conditions are not fulfilled, it shall not make the corresponding payments until it considers these conditions fulfilled. If a decision determining the non-fulfilment of the Rule of Law or the Charter horizontal condition is not repealed within one year of its adoption, the Union financial contribution will be proportionally reduced. Moreover, the proposal prevents amendments of the specific measures identified in the implementing decisions until such decisions have been repealed, unless the amendment is intended to support measures that contribute to the fulfilment of the horizontal conditions or, for the Charter condition, if it contributes to addressing significant changes in the priorities of the Union, within the limit of 30% of the amounts associated with the specific measures concerned. At the same time, the proposal provides safeguards to protect beneficiaries. Member States are obliged to ensure appropriate arrangements for the continuation of payments, and decommitted amounts can be redirected to other Unions instruments or programmes under direct or indirect management, in particular those contributing to

supporting Europe's democracy, civil society, Union values or the fight against corruption.

Furthermore, the legislative proposal includes positive incentives aiming at strengthening Europe's democracy and supporting open, inclusive and rights-based societies through the financing of investments and reforms. Overall, the proposal strengthens the link between the EU financial support, the Rule of Law Report and the European Semester.

Paragraph 38 - Technical assistance

As set out in the proposal establishing the NRPPs for 2028-2034, technical assistance plays an important role in supporting the implementation of the NRPPs. This includes support for preparation, training, management, monitoring, evaluation, as well as information, visibility and communication. With a view to simplification, technical assistance will be provided throughout implementation via a flat-rate applicable to all payments.

In addition and building on the experience gained from the Technical Support Instrument (TSI), the EU Facility will provide technical support to help, in particular, Member States carry out the measures set out in their NRPPs, implement Union law, and further the policy objectives supported by the new Fund. This includes the provision of expertise, the carrying out of studies, data collection, the development of common methodologies, capacity-building actions to increase knowledge, and measures to improve systems, procedures, and organisational structures, including - where relevant - advisory support provided by the European Investment Bank in close cooperation with the Commission. As part of their NRPPs, Member States will be required to identify potential technical support needs, including for the preparation of reforms included in their NRPPs.

Enhancing the efficiency of public administration and the institutional capacity of public authorities and stakeholders at national, regional and local level is also one of the proposed specific objectives under which corresponding investments and reforms can be supported.

Paragraph 30 - Support to the EU eastern border regions

The Commission shares the European Parliament's stance for providing support to the EU Eastern border regions affected by Russia's war of aggression in Ukraine. In her mission letter to Executive Vice-President Fitto, the President of the Commission set the objective '*to work on providing support to [these regions] to address their specific challenges and support them in the reorientation of their local economy*'. The war has amplified existing vulnerabilities and created additional pressures, leaving these regions to both strengthen security and revitalise their economic and social fabric. After the war began, the Commission suspended cross-border cooperation programmes with Russia and Belarus, reallocating EUR 150 million from the ERDF to internal cooperation programmes and EUR 160 million from the Neighbourhood, Development and International Cooperation Instrument - originally intended for programmes with Russia and Belarus - to reinforce cross-border programmes along the borders with Ukraine and Moldova.

On 20 September, Regulations (EU) 2025/1914 and (EU) 2025/1913 ("the

mid-term review package”) entered into force. They place particular emphasis on addressing the challenges faced by Eastern border regions. Programmes substantially reallocating resources to new priorities and covering one or more NUTS level 2 regions bordering Russia, Belarus or Ukraine will benefit from a one-off +9.5% pre-financing and from a top-up of 10 percentage points to the maximum EU co-financing rates per category of regions, provided they do not cover the entire territory of the Member State concerned, unless those regions are included exclusively in that programme.

In its proposal for the 2028-2034 MFF, the Commission expects Member States to address under their NRPPs the specific needs and challenges faced by Eastern border regions, particularly in the areas of security, border management and economic development.

The Commission has adopted a Communication on Eastern border regions to increase their resilience. This sets out short-, medium- and long-term actions to address complex challenges such as restrictions on cross-border contacts, growing threats to physical security and cybersecurity, the weaponisation of migration and disinformation, and the economic underperformance. It outlines how EU programmes and instruments can be mobilised to support these regions to strengthen their cohesion, resilience, security, and economic development, including in view of the NRPPs 2028-2034. It also highlights support for measures aimed at boosting regional investment, such as de-risking mechanisms and improved access to finance, rebranding the regions to enhance their attractiveness and building the capacity of local businesses and civil society.