

# A stronger Europe is built locally

CEMR response to the European Commission proposal:  
An ambitious budget for a stronger Europe 2028-2034

## CEMR key messages

CEMR urges the EU institutions and Member States to ensure that the next Multiannual Financial Framework (MFF) 2028–2034 empowers local and regional governments (LRGs) as key partners in delivering cohesion, competitiveness, democracy, and resilience. The next EU budget must be shaped and implemented in genuine partnership with territories to ensure that EU policies and investments deliver tangible benefits for citizens. CEMR calls for:

**1. Ensuring effective multilevel governance and meaningful partnership by:**

- Introducing a permanent multilevel governance platform in the National and Regional Partnership Plans (NRPPs).
- Reforming the European Semester to integrate multilevel governance
- Ensuring LRGs are included in the European Competitiveness Fund (ECF) Stakeholder Board
- Aligning priorities and funding across EU funds and instruments
- Strengthening LRGs' role in the implementation and governance of the Global Gateway and improve EU Delegations' engagement with them.

**2. Putting Cohesion and Territorial balance at the core of the next MFF by:**

- Making regional and territorial chapters of the NRPPs mandatory.
- Increasing the budget allocation for "The Fund"
- Creating a dedicated 30% earmarking for sustainable territorial development, of which 15% dedicated to urban development.
- Establishing a safeguarding mechanism for LRGs in the NRPPs
- Strengthening ESF+ (European Social Fund) for cohesion, youth and inclusion.

**3. Strengthening territorial impact in the competitiveness and connectivity programmes by:**

- Including biodiversity conservation and nature restoration as ECF priorities
- Better access to EU direct funds for cities and municipalities
- Including urban mobility as strategic priority of the Connecting Europe Facility (CEF) programme

**4. Reinforcing local democracy**

By empowering citizens, protecting officials, building subnational capacities, and integrating Global Citizenship Education for inclusive, resilient governance.

**5. Enhancing support for LRGs in EU enlargement process and accession of candidate Countries**

The EU should involve LRGs in the co-design and implementation of the enlargement process, backed by stronger capacity-building and trainings for local administrations.

## Europe's strength lies in its cities, towns and regions

Europe's identity, prosperity, and resilience are rooted in its cities, towns and regions, the places where citizens experience the European project in their daily lives. Cohesion, enshrined in the EU Treaties, is not merely a policy but a foundational principle of the Union, ensuring that no territory or citizen is left behind in the pursuit of shared goals.

The Commission's proposal for the next Multiannual Financial Framework (MFF) represents a major shift in the EU's approach to its long-term budget and governance. While overall resources are set to slightly increase, investment priorities are being substantially reoriented, with greater emphasis on defence, security, and competitiveness to support European industries and businesses. This comes often at the expense of cohesion and agricultural policies, which have historically underpinned territorial investment and local development.

The new MFF also marks a critical turning point for the role of cities and regions in delivering economic, social, and territorial cohesion. Although Member States may still involve local and regional authorities as Managing Authorities, the framework grants them wider discretion in defining priorities, creating a significant risk of centralisation at both European and national levels. This risk is particularly pronounced in countries where power is highly centralised and multilevel governance structures are weak. In such contexts, decision-making may be concentrated at the national level, marginalising the authorities best placed to respond to local realities and undermining the place-based approach central to EU cohesion policy<sup>1</sup>.

Beyond National and Regional Partnership Plans, Local and Regional Governments (LRGs) are increasingly sidelined across other key programmes, including the European Competitiveness Fund and Global Europe, where their role and territorial needs are scarcely recognised. This lack of a local perspective risks producing policies detached from the realities on the ground, weakening democratic legitimacy and the EU's ability to deliver effective, place-based solutions.

A genuinely forward-looking MFF must therefore reaffirm cohesion and multilevel governance as central pillars, ensuring that Europe's green, digital, and social transitions are designed and implemented in partnership with its cities, towns and regions, the places where Europe's transformation is realised.

## Ensuring effective multilevel governance and meaningful partnership in the next MFF

Multilevel governance and the partnership principle are essential to ensure that EU reforms and investments deliver tangible results for citizens. Multilevel governance is a cornerstone of effective policymaking, ensuring that decisions are shaped collaboratively by all levels of governments being those local, regional, national, and European. Without permanent multilevel governance

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<sup>1</sup> CEMR position paper: [A reformed EU budget in partnership with Local and Regional Government](#)

mechanisms, decision-making risks becoming overly centralised, reducing the ability of cities, towns and regions to influence priorities, coordinate investments, and adapt programmes to local realities.

The partnership principle ensures that all relevant actors, including smaller municipalities, civil society, and social partners, are meaningfully involved throughout the policy cycle, from design and programming to delivery, monitoring, and evaluation. The National and Regional Partnership Plans (NRPPs), the European Competitiveness Fund, and other major MFF instruments both for EU internal and external action must adhere to a consistent, binding framework that ensures high-quality partnership. Adequate capacity-building support should be provided so that all actors, including smaller municipalities, civil society organisations, and social partners, have the resources and expertise needed for meaningful participation.

In the context of the EU budget, strong and institutionalised mechanisms for multilevel governance and partnership are indispensable to translate funding into effective action. Therefore, we call for reinforcing permanent multilevel governance mechanisms and high-quality partnership frameworks across all programmes of the next MFF, ensuring coherence, accountability, and democratic legitimacy.

More specifically:

- For the NRPPs: introduce, in addition to the Monitoring Committees, permanent multilevel governance platforms that are adequately resourced, institutionalised on a permanent basis, and empowered to bring together all levels of government to jointly shape priorities, align reforms and coordinate investments. This is particularly valid in the context of the Social Climate Fund.
- For the European Semester: systematically integrate the multilevel governance principle, by anchoring it in permanent platforms that give local and regional authorities a formal say on the Country-Specific Recommendations and National Reform Programmes, making reforms more effective, feasible and democratically legitimate<sup>2</sup>.
- For the European Competitiveness Fund (ECF): Allow public companies and public authorities to access ECF and include LRGs as part of the ECF Stakeholders Board. Competitiveness in Europe is inherently territorial - firms thrive when LRGs create the right conditions for infrastructure, skills, productivity and innovation. Successful tools like Smart Specialisation Strategies and Regional Innovation Valleys demonstrate the power of place-based approaches. Yet, current proposals for the European Competitiveness Fund (ECF) and Horizon Europe overlook this territorial dimension, despite LRGs' core role in regional economic development.
- For synergies across EU funds and instruments: create one engagement platform for LRGs that align priorities and funding streams between the ECF, NRPPs and other MFF programmes, to avoid duplication, bridge gaps and deliver integrated strategies for competitiveness, climate neutrality and social inclusion. At the same time, it is important that the ECF does not restrict cohesion policy in its areas of action.
- For the Global Europe programme: strengthen the role of LRGs as key partners in implementing and governing the Global Gateway strategy, while enhancing EU Delegations' capacity to engage with them through dedicated focal points. Recognising and involving LRGs in EU external action is vital to achieving sustainable development outcomes, advancing the SDGs, and promoting the EU's value-based and human-rights based approach, including in

<sup>2</sup> CEMR publication: [Top level decision – local consequences: the European Semester explained](#)

fragile contexts. To ensure systematic engagement, clear mechanisms should formalise LRG participation in the design, implementation, and monitoring of EU external action through a dedicated funding instrument. This would foster policy coherence, accountability, and local ownership of EU actions abroad. Promoting decentralised cooperation as a core modality within the Global Europe framework - through peer-to-peer partnerships between European and partner-country local authorities - can further deliver effective, sustainable, and locally driven results.

## **Putting Cohesion and territorial balance at the core of the next MFF**

Cohesion and territorial balance are not just long-standing EU objectives, they are the foundation of Europe's unity, competitiveness, and democratic legitimacy. They ensure that all territories, from metropolitan hubs to rural and peripheral regions, can contribute to and benefit from Europe's transitions. As the EU faces mounting challenges, from climate adaptation and digitalisation to demographic shifts and social divides, a strong place-based approach is essential to maintain trust in the European project and deliver results that improve people's daily lives.

The Commission's proposal merge together Cohesion Policy, Agricultural and Fisheries Policies, Internal Security and Border Management. Such an approach risks diluting the core mission of Cohesion Policy by forcing Ministries responsible for regional development to negotiate and compete with other Ministries that have little or no direct engagement with local and regional governments. In this context of national bargaining, the interests of regional development and territorial cohesion are likely to be sidelined.

The next MFF must therefore reaffirm cohesion as a guiding principle across all policies and funding instruments, ensuring that no territory or citizen is left behind in the green, digital, and social transformations.

This concretely mean:

- Make regional and territorial chapters in NRPPs mandatory and co-designed through multilevel governance. The Commission's proposal leaves these chapters optional, risking that only a few regions or cities benefit and that local authorities become vulnerable to national political shifts. Making regional chapters mandatory would guarantee balanced territorial coverage, meaningful participation of local and regional governments, and a fair distribution of resources, particularly for territories facing structural challenges. Cohesion is a Treaty-based principle essential to Europe's competitiveness and transitions; weakening territorial guarantees would undermine both cohesion and citizens' trust in the EU.
- Increase funding for cohesion and territorial investment. Boost the budget allocation for 'The Fund' and, in particular, for economic, social, and territorial cohesion, to ensure a robust Cohesion Policy capable of meeting citizens' expectations for quality of life and opportunity, wherever they live. Cohesion funding remains the EU's most visible expression of solidarity, enabling investment in essential infrastructure, innovation, skills, and public services that make regions more competitive and communities more resilient. In a context of widening territorial disparities and multiple transitions, a stronger Cohesion Policy is vital to prevent fragmentation, sustain convergence, and ensure that every region - from major urban centres to rural and peripheral areas - can contribute to and benefit from Europe's collective progress.



- Establish a 30% earmark for sustainable territorial development of which 15% dedicated to urban development. Achieving the EU's climate, digital, and social targets requires investments tailored to the specific needs of territories. Challenges such as climate adaptation, biodiversity protection, sustainable mobility, and transport decarbonisation differ across regions and require locally driven solutions. To support this, the next MFF should include a mandatory 30% earmark for sustainable territorial development and using proven place-based tools such as *Integrated Territorial Investments (ITI)* and *Community-Led Local Development (CLLD)*. Dedicated resources for territorial strategies - spanning environment, mobility, and innovation - would strengthen cohesion, resilience, and the visibility of EU action, ensuring investments deliver real and lasting benefits for citizens. As part of this 30%, a 15% earmarking should be specifically dedicated to urban development, for cities to address their specific challenges.
- Establish a safeguarding mechanism for local and regional authorities in the NRPPs. The current "decommitment" clause in National and Regional Partnership Plans (Article 15(4)) does not sufficiently protect local and regional governments' access to EU funds when Member States fail to meet horizontal conditionalities, including rule-of-law obligations. A strong safeguarding mechanism should ensure that, in such cases, resources are redirected to subnational authorities within their legal competences. This would uphold their democratic mandate, maintain continuity in delivering EU priorities - such as cohesion, competitiveness, and the green and digital transitions - and strengthen trust and cooperation across all levels of government. Regular assessments of democratic governance at subnational level should guide the allocation and implementation of funds, ensuring accountability and effective policy delivery.
- CEMR welcomes the fact that the European Social Fund (ESF+) will be maintained. However, the proposals expand the scope of ESF+ programmes compared with previous periods without providing sufficient funding. These extensions should be reviewed in terms of their added value, while strengthening ESF+ for inclusion, youth, and cohesion, which is essential. Social inclusion and youth participation are essential to building resilient, cohesive societies. Strengthening ESF+ support for integration - including access to education, housing, healthcare, employment, and civic engagement - would foster equal opportunities and social trust while reducing inequalities. Underinvestment in these areas risks exclusion, tension, and lost potential. Ensuring that youth employment, inclusion, and participation remain explicit priorities in ESF+ and the NRPPs will empower the next generation and reinforce solidarity across Member States. By combining short-term management measures with long-term investments in inclusion, the EU can build a social policy that reflects its values and delivers on its promise of unity in diversity.

## Strengthening territorial impact in the competitiveness and connectivity programmes

Europe's competitiveness and connectivity are built on the strength and diversity of its territories. LRGs play a decisive role in driving innovation, delivering the green transition, and connecting people and businesses across the continent. Yet the current 2028–2034 MFF proposals for the European Competitiveness Fund (ECF) and the Connecting Europe Facility (CEF) risk overlooking this

territorial dimension. Key priorities such as biodiversity restoration, sustainable urban mobility, and the participation of local actors are insufficiently addressed, while complex access rules continue to hinder smaller municipalities. To unlock Europe's full potential, the next MFF must ensure that competitiveness and connectivity policies work *with* territories, not *around* them - empowering LRGs through clear priorities, simplified access to funding, and a genuine role in governance and implementation. Therefore, CEMR calls for:

- Include biodiversity conservation and nature restoration among ECF priorities. While 43% of the 2028–2034 ECF is earmarked for the green transition, it lacks dedicated support for biodiversity and nature restoration like it is the case in the current LIFE programme. LRGs are expected to deliver ambitious EU biodiversity targets without adequate financial means. Including biodiversity as an ECF priority is key to enable integrated, locally driven ecological projects and strengthen long-term environmental resilience.
- Creating the conditions for simpler and better access for municipalities to ECF, Horizon and CEF funds. Delivering the EU's priorities - from competitiveness to climate neutrality - requires empowering LRGs. Yet many municipalities, especially smaller ones, face barriers to EU funding due to complex rules, heavy reporting, and schemes designed for large-scale projects. Simplified procedures, lighter reporting, and small-scale grants are essential to ensure all territories can meaningfully contribute to Europe's transformation.
- Including urban mobility as a priority of the CEF programme. CEF has long been a cornerstone of EU efforts to enhance connectivity and accelerate transport decarbonisation. However, the new CEF proposal presents a critical territorial gap. Its focus remains largely on large-scale, cross-border infrastructure, overlooking urban and regional mobility systems, including the urban nodes, that are essential to delivering the EU Green Deal and the Sustainable and Smart Mobility Strategy. This narrow focus sidelines local and regional governments - the authorities responsible for public transport, active mobility, and last-mile logistics - despite their central role in decarbonising transport and ensuring sustainable daily mobility.

## Reinforcing local democracy in the next MFF

Across Europe, democracies face growing pressure. Rising polarisation, declining trust in institutions, shrinking civic space, and the spread of misinformation and disinformation are eroding citizens' confidence in public decision-making and weakening democratic resilience.

These pressures are especially visible at the local level, where elected representatives increasingly face online disinformation, intimidation, and harassment. Women and young politicians are particularly affected, and verbal or physical attacks against officials are becoming more frequent, undermining participatory democracy<sup>3</sup>. Strengthening local democracy is therefore essential to maintain the credibility and legitimacy of the European democratic model.

To build trust, cohesion, and citizen ownership, the EU should reinforce democratic participation and civic engagement at all levels. Youth Councils, citizens' assemblies, participatory budgeting, and

<sup>3</sup> CEMR publication [Local truth, shared trust: tackling mis/disinformation from the local level](#)

local deliberative forums have proven effective, and a dedicated EU programme could support the exchange and scaling of such practices. Global Citizenship Education (GCE) should also be integrated as a cross-cutting priority, fostering awareness, solidarity, and shared responsibility for sustainable development, democracy, and human rights, both within Europe and globally, linking local democratic renewal to broader global engagement.

The European Commission proposal allocate around €8.6 billion for the new AgoraEU programme. CEMR welcomes the increase in the budget for cultural promotion under the umbrella of the new AgoraEU fund. However, European funds should continue to promote a diverse cultural and creative economy, and particularly in local communities, in order to enable broad access to cultural offerings at the local level. EU programmes should further strengthen the capacity of subnational governments and their associations as representative bodies for multi-level governance. Funding should be tied to respect for democratic values, including media pluralism, freedom of expression, minority rights, and inclusivity, even in countries under democratic stress. Support for local media, civic education, and independent journalism should be embedded to sustain informed debate and inclusive participation.

CEMR regrets that the new Asylum, Migration and Integration Fund (AMIF) are to be used by Member States primarily for the implementation of the new migration and asylum package and for investments in security policy. CEMR demands **securing long-term EU funding for inclusion and** emphasises the need to preserve and strengthen EU funding in the next Multiannual Financial Framework (MFF) particularly through AMIF and ESF+, to enable municipalities and regions to continue implementing effective and innovative integration programmes.

## Enhancing support for LRGs in EU enlargement process and accession of candidate Countries

EU enlargement is both a geopolitical priority and a cohesion challenge<sup>4</sup>. The success of EU enlargement depends on preparing candidate countries for the single market, democratic governance, and the green and digital transitions. National governments cannot achieve this alone—cities and regions are essential, as they deliver public services, manage infrastructure and innovation, green and digital transitions, and provide the democratic legitimacy needed to make reforms sustainable. For the enlargement process to be successfully sustainable and robust, the EU should involve local and regional governments from the outset—not just in consultation, but in co-design and implementation. This ensures reforms and investments reflect territorial realities and deliver tangible benefits for citizens. At the same time, stronger capacity-building for local administrations is vital to improve service delivery, rule of law, anti-corruption, and human rights. Scaling up programmes like Erasmus+ for municipal training would further strengthen local actors. Embedding cities and regions into the accession process will reinforce democracy, boost the effectiveness of EU funding, and ensure enlargement supports long-term cohesion, competitiveness, and stability.

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<sup>4</sup> CEMR key messages on enlargement: <https://platforma-dev.eu/eu-enlargement-is-not-sustainable-without-local-ownership-8-takeaways-from-cemr-webinar/>

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## About CEMR:

The Council of European Municipalities and Regions (CEMR) is Europe's first and broadest association of local and regional governments. We are the only organisation that brings together 60 national associations of local and regional governments from 41 countries.

We empower cities, towns, and regions to build peaceful, inclusive, just, and resilient communities by amplifying their voices at European and international levels. Our aim is to ensure that local leaders are fully equipped to drive the sustainable transition of their territories to effectively respond to global challenges.

CEMR also serves as the European section of the global organisation United Cities and Local Governments (UCLG).



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