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Topic: Euroregion Baltic

Decision: General Assembly of Euroregion Baltic, EGTC with limited liability by written procedure



On 16 July 2025, the European Commission submitted proposals to the European Parliament and the Council for the regulations: establishing the European Fund for economic, social and territorial cohesion, agriculture and rural, fisheries and maritime, prosperity and security, on the conditions for the implementation of the Union support to the Common Agriculture Policy, on amending Regulation (EU) No 1370/2013 as regards the aid scheme for the supply of fruit and vegetables, bananas and milk in educational establishments ('EU school scheme'), on amending Regulation (EU) No 1308/2013 as regards sectoral interventions, the creation of a protein sector, requirements for hemp, the possibility for marketing standards for cheese, protein crops and meat, application of additional import duties, rules on the availability of supplies in time of emergencies and severe crisis and securities, on the conditions for the implementation of the Union support to the Common Fisheries Policy, to the European Ocean Pact and of the Union's maritime and aquaculture policy, establishing the European Fund for Regional Development including for European Territorial Cooperation (Interreg) and the Cohesion Fund, on the conditions for the implementation of the Union support to quality employment, skills and social inclusion, establishing the Union support for asylum, migration and integration, Union support for internal security, Union support for the Schengen area, for European integrated border management and for the common policy on visas (COM(2025) 540, 541, 542, 552, 553, 554, 558, 559, 560, 565).

Euroregion Baltic has reviewed the EU Commission's proposals and chosen to respond to the following three regulations:

- Proposal for a Regulation of the European Parliament and of the Council establishing the European Fund for economic, social and territorial cohesion, agriculture and rural, fisheries and maritime, prosperity and security for the period 2028-2034 and amending Regulation (EU) 2023/955 and Regulation (EU, Euratom) 2024/2509
- Proposal for a Regulation of the European Parliament and of the Council establishing the European Fund for Regional Development including for European Territorial Cooperation (Interreg) and the Cohesion Fund as part of the Fund set out in Regulation (EU) [...] [NRP] and establishing conditions for the implementation of the Union support to regional development from 2028 to 2034
- Proposal to the Regulation of the European Parliament and of the Council establishing the European Social Fund as part of the National and Regional Partnership Plan set out in Regulation (EU) [...] [NRPPlan] establishing conditions for the implementation of the Union support to quality employment, skills and social inclusion for the period from 2028 to 2034.

With regard to the European Fund for economic, social and territorial cohesion, agriculture and rural, fisheries and maritime, prosperity and security (the Fund):

1. **Euroregion Baltic welcomes the European Commission's proposal for shared management of the Fund.** This proposal promotes multi-level governance, strengthening ownership by the EU, the Member States and the regions. In this context, Euroregion Baltic would like to underline the need for the EU Cohesion Policy to be developed together with the regions and implemented by the regions for the regions in the regions. A successful implementation of the Fund will therefore require a management with strong commitment from regional actors who provide the necessary territorial perspective.
2. **Euroregion Baltic welcomes European Commission's ambition to strengthen coordination between different funds by introducing a common regulatory framework.** This can reduce the administrative burden for beneficiaries who apply for funding. We do see risks, however, that bringing together such a diversity of priorities within one and the same plan may weaken the core purpose of the Cohesion Policy which has been designed to strengthen economic, territorial and social cohesion in all the European regions. It is crucial to ensure adequate and higher than proposed allocation for Cohesion Policy in next multiannual framework. The Cohesion Policy must continue its core objectives in the next programming period, ensuring that the funds are not redirected to priorities that have no direct link to its objectives, and making it clear that Europe's cohesion and prosperity depend on long-term regional development rather than centralised governance.
3. **The regulation proposes that a quarter of the national envelopes be reserved as a flexibility amount to give Member States room to react to crises, which further reduces funds available to regional investments.**

Euroregion Baltic is of the view that the flexibility amount should be significantly less than 25%. Euroregion Baltic proposes furthermore that unused amounts for year 1, year 2, etc. be automatically transferred to the Cohesion Policy priorities with decisions on how to spend them taken with clear territorial commitment from regional actors who have the knowledge of the realities on the ground. The Fund should earmark financial resources for other categories of regions and clearly allocate them at NUTS 2 level, in addition to the provisions that already ensure earmarking for less developed regions within the European Union.
4. **Euroregion Baltic is critical to the fact that the Commission's proposal lacks indicators measuring Cohesion Policy impact at the regional level.** In order to ensure that the real impact of Cohesion Policy measures can be effectively monitored, the regulation must be complemented with indicators at regional level. In the absence of such indicators, the focus of the Policy interventions will shift from the regional to the national level, undermining the original purpose of the Policy. The regulation should also include indicators that allow for a clear distinction between impacts in urban and rural areas.
5. **Euroregion Baltic is critical to the proposal to shorten the period for automatic de-commitment to just less than one year.** From the perspective of the experienced project practitioner this proposal is hardly realistic. In our experience, cooperation projects dealing with complex issues require sufficient time for start-up and implementation. The proposal creates a major risk that the member states will have to return unspent funds to the European Commission. Therefore, Euroregion Baltic recommends keeping the current N+3 rule for programmes within the structural funds' framework.

6. **The proposed performance-based model links payments to pre-set milestones and conditions.** This represents a fundamental change in the logic of how the EU funds are managed compared to the current programming period. And it raises several questions. First of all, the proposal does not clarify who will bear the risk if milestones are not reached. If that responsibility is placed on project owners at regional and local level, many — especially smaller actors — will refrain from implementing projects, as they will not be able to meet adverse financial consequences. This will lead to a smaller number of actors who implement development projects.
Secondly, the model also entails a risk that projects with “safe results” are prioritized over more innovative and daring initiatives. The Fund may thus generate short-term predictable outcomes, rather than encourage ingenuity and long-term results.
Finally, the performance-based model may pose additional difficulty to projects which are to co-financed with project owners’ own resources och with national funding where, in most cases, a cost-based model is used.
Euroregion Baltic is convinced that a functioning performance-based model must combine the territorial dimension of the Cohesion Policy with local and regional commitment and ownership. The implementation based solely on pre-set milestones does not guarantee improved coordination, cost-effectiveness or accountability.
7. **Euroregion Baltic is critical to the redefinition of the LEADER method that mainly focuses on agriculture and forestry, with no reference to broader territorial development, local service provision, social innovation, youth engagement, cultural life, or inclusion.** The Commission’s proposal fails to mention the multi-sectoral and participatory approach that defines LEADER as a method rather than a funding tool. Euroregion Baltic is of the opinion that the ringfencing of funding to LEADER at minimum 5% of the EU rural development budget should be maintained.

With regard to the National and Regional Partnership Plans (NRPPs):

1. **The Commission proposes the implementation of the EU Cohesion Policy through the National and Regional Partnership Plans, largely modelled after the Recovery and Resilience Facility (RFF).** Euroregion Baltic is of the opinion that basing the implementation of the EU Cohesion Policy solely on the RFF model will substantially weaken the Cohesion Policy’s role as a long-term investment instrument. Euroregion Baltic strongly believes that the implementation of EU Cohesion Policy requires predictable, multi-year planning and structural investments. Long-term investments in innovation, skills, and infrastructure reduce vulnerability to future crises. If EU Cohesion Policy’s aim shifts to manage crises, this preventive role would be lost.
2. **The proposal to establish one national plan per member state entails a significant risk of weakening the role that the regions have today in the planning and implementation of EU Cohesion Policy measures.** The lack of insight into important local conditions could easily lead to reduced accuracy and efficiency of EU Cohesion Policy interventions.
Euroregion Baltic is of the view that during the next programming period EU Cohesion Policy should continue to observe the principles of partnership and multi-level governance, where regional actors are given genuine influence in planning and implementation processes. In its efforts to promote democracy and self-government the European Commission should therefore compliment the legislation with relevant obligations for Member States to actively involve regions in the planning and implementation of European policies.

3. The lack of clear and binding requirements for regional and/or territorial chapters in the NRPPs undermines the core principles of cohesion policy: the partnership principle, place-based approach and multi-level governance.

Euroregion Baltic believes that regional and territorial chapters in the NRPPs should be mandatory. In order for the interventions to effectively meet local and regional challenges, a true tripartite format is required, where the regional level is included as an equal partner together with the national and EU levels. The approach where the national level has two separate dialogues, one with the regions, and the other with the EU will fragment the coordination and weaken the territorial relevance of the Cohesion Policy. Euroregion Baltic is strongly convinced that a successful implementation of the NRPPs requires that regions are entrusted with a meaningful role reflecting their tasks in regional development processes, including but not limited to full management responsibility for future programmes.

4. The Commission's proposal does not include smart specialisation as an enabling condition for the implementation of Cohesion Policy interventions. Euroregion Baltic is of the opinion that NRPPs shall be designed in close interaction with the regional development strategies and in line with the thematic areas identified in the smart specialisation strategies. During the current and previous programming periods, smart specialisation has been a successful way of promoting collaboration between business, academia, the public sector and civil society. Smart specialisation has also been effective in ensuring that resources are put to a more strategic and efficient use.

With regard to the European Regional Development Fund including European territorial cooperation (Interreg) and the Cohesion Fund:

- 1. Euroregion Baltic welcomes the Commission's proposal that the implementation of the Regional Fund, the Cohesion Fund and Interreg continues to take place through shared management between the Member States and indirect management by the Commission.**
- 2. Euroregion Baltic believes it is positive that Interreg will be implemented outside the National and Regional Partnership Plans in the form of a separate Interreg plan, with chapters corresponding to cooperation in a given geographical area.**
- 3. Euroregion Baltic finds it positive that the Regional Development Fund and the Cohesion Fund are proposed to strengthen economic, social and territorial cohesion.** The funds shall aim at reducing disparities between the development levels of various regions and help the regions that are lagging behind. The proposal in the regulation to promote European territorial cooperation is particularly welcomed, as it contributes to deepening cooperation across borders and creates better conditions for regional development, knowledge exchange and joint solutions to cross-border challenges.
- 4. Euroregion Baltic welcomes the continued inclusion of cross-border, transnational and interregional cooperation within Interreg.** Actors in our cooperation area have a strong and sustained interest in participating in all three strands of European Territorial Cooperation. Euroregion Baltic wishes to place particular emphasis on the need for Interreg programmes to continue to cover both land and maritime borders.
- 5. Euroregion Baltic welcomes the inclusion of Interreg-specific objectives, such as "better cooperation governance", "a safer and more secure Europe" and "more resilient regions bordering Russia, Belarus and Ukraine".** We believe these will contribute to strengthened institutional capacity and improved democratic processes and trust between the collaborating parties. In this context Euroregion Baltic wishes to stress the importance for the Interreg-specific objectives to apply to both land and maritime borders.

6. **We are convinced that the inclusion of the new objective, “more resilient regions bordering Russia, Belarus and Ukraine,” reflects the spirit of solidarity and responds directly to the specific needs of the EU’s eastern border regions, which face distinct development and security challenges.** While welcoming the introduction of this new specific objective, Euroregion Baltic notes that its effective implementation will require adequate tools and resources. Given the scale of the development obstacles and security-related pressures affecting these areas, we encourage the Commission to bring forward concrete proposals that would strengthen the objective and provide meaningful support to address the challenges, including a balanced mix of infrastructure and soft measures, which is essential in order to strengthen resilience and support sustainable development.
7. **Euroregion Baltic would like to emphasise that the principles of subsidiarity and proportionality continue to be respected in the implementation of the Regional Development Fund, the Cohesion Fund and Interreg in order to uphold clear added value for EU citizens, not least at local and regional level.**
8. **Euroregion Baltic wishes to stress that the local and regional levels are involved in the programming and implementation of the Regional Fund, the Cohesion Fund and Interreg to ensure that the subsidiarity principle is complied with.**

With regard to the European Social Fund as part of the national and regional partnership plan:

1. **European Social Fund (ESF) is proposed to operate within the framework of the National and Regional Partnership Plans and their common regulatory framework, together with the European Fund for economic, social and territorial cohesion, agriculture and rural, fisheries and maritime, prosperity and security.** Euroregion Baltic believes this creates good conditions for the funds to complement each other in achieving the EU's objectives of economic, social and territorial cohesion.
2. **Euroregion Baltic welcomes the fact the ESF will continue to support employment, equal access for all to the labour market, fair and quality working conditions and labour mobility, with particular attention to people in vulnerable situations and people negatively affected by the green and digital transitions or labour market shocks, as well as those furthest away from the labour market.**
3. **Furthermore, it is important that the investments also include the modernisation, digitalisation and resilience of healthcare, efforts to combat discrimination, improved conditions for people with disabilities, increased social inclusion and measures to combat poverty.** Euroregion Baltic also welcomes ESF’s continued support to young people. The current programming period has shown substantial demand for such interventions.
4. **At the same time, Euroregion Baltic would like to highlight that, given this broad scope of priorities, each National and Regional Partnership Plan should need to be encouraged to focus on the most critical challenges at regional and local level.** Clear prioritisation of the most pressing challenges in each region will make enable more targeted interventions and greater impact.
5. **Euroregion Baltic wishes to stress that the effective and efficient implementation of the European Social Fund requires good governance and a partnership that involves organisations at all relevant territorial levels as well as socio-economic actors, in particular social partners and civil society organisations.** Multi-level cooperation is central to the successful implementation of the ESF as the regional and local levels have oftenest a direct responsibility for the relevant activities.

6. **The principles of subsidiarity and proportionality must continue to be respected in the implementation of the European Social Fund in a similar way to the European Regional Development Fund, the Cohesion Fund and Interreg.**

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