

Defending the role of citizens in the Union's Long-term Budget: a Liberal blueprint

The Congress of the Alliance of Liberals and Democrats for Europe (ALDE) Party convening in Brussels on 24-25 October 2025:

Notes that:

- As stated by the ALDE Party at its Warsaw Congress on the 4th of December 2016, the Union's Cohesion Policy is one of the most liberal policies because it empowers citizens to shape their local communities and to achieve EU policy objectives in a manner that is tailored to their local needs;
- Cities and regions have been the key actors implementing cohesion policy on the ground, with many liberal mayors successfully transforming their local communities thanks to the stability and long-term 7-year planning offered by the EU Budget, which no national government can match;
- Subnational government is responsible for 50% of all public investment carried out in the European Union, all types of funding (European, national, regional, local, public, and private) combined. And it is responsible for implementing two-thirds of EU laws. The Union can therefore only successfully achieve its policy objectives via a strong and effective partnership with municipal and regional authorities;
- The European Commission's MFF 2028–2034 proposal merges cohesion, agriculture, and social funds into national strategic plans, removing the direct link between subnational authorities and the Commission;
- The proposal eliminates enforceable partnership obligations, allowing national governments to bypass regional and local actors in planning and implementation.
- This renationalisation of EU funding undermines the principles of subsidiarity and multilevel governance, and weakens territorial cohesion across the Union;
- The Commission's "Monster National Plans" disconnect funding objectives from allocation criteria and governance arrangements, complicating access for beneficiaries while abandoning its oversight duties and turning a blind eye to how national governments use the funds;
- The functioning of Cohesion Policy has not been perfect, and absorption of funds has been patchy in different member states, and it is time to introduce innovations in the policy to strengthen the connection between the Union and its citizens and to improve the effectiveness of the budget;
- The European Liberal Forum (ELF) has proposed a bold reform vision for cohesion policy, which includes a single fund with thematic windows, mandatory multilevel governance, an EU-wide territorial strategy, and performance-based funding tied to modern indicators and EU values.

Believes that:

- Long-term, predictable EU funding—designed and delivered in partnership with citizens and their local communities—delivers concrete, transformative change across Europe;
- Cohesion and competitiveness go hand in hand, and should not be played against each other in a misguided interpretation of how to achieve simplification;
- As liberal mayors have demonstrated all across the Union, cohesion policy successfully designed and implemented directly boosts competitiveness. Effective use of cohesion policy brings about tangible

results and changes lives, while unused funds, or ineffective use deprives individuals of opportunities to thrive. Public funds must be spent efficiently. Every effort must be made to minimise errors and wasteful spending and there is scope to achieve this without killing one of the Union's most successful policies;

- Cohesion policy empowers citizens and communities, reduces disparities, and strengthens the Union's democratic legitimacy;
- Destroying the existing role of subnational authorities in the funding governance of the EU budget will severely weaken the Union: by excluding the 1.2 million local and regional leaders from the process they will inevitably lose interest in helping to achieve the Union's goals; and for citizens the relevance, importance and added value of the Union will greatly diminish;
- A liberal cohesion policy must be strategic, inclusive, and future-oriented—supporting sustainable infrastructure, skills, innovation, resilience, and the green transition across all regions.

Calls for:

- The European Parliament and Member States to revise the MFF governance model to restore the direct role of subnational authorities and enforce genuine partnership principles;
- The adoption of a single cohesion fund with thematic windows, as proposed by ELF to streamline access and align investments with strategic priorities, with a focus on projects providing a clear European added value, particularly European Public Goods;
- The use of cohesion spending to strengthen European defence, in particular with regards to financing dual-use infrastructure, as planned in the Mid-Term Review;
- The institutionalisation of multilevel governance throughout the funding cycle, ensuring meaningful participation of regional and local actors;
- The development of an EU-wide territorial strategy to guide investments and promote balanced development across all regions;
- The use of modern indicators beyond GDP, performance-based funding, and “smart conditionality” tied to democratic values and rule of law, and demands that the rule-of-law provisions in the Mid-Term Review are enforced strictly;
- Enhanced visibility and public ownership of EU investments through clear, multi-channel communication campaigns;
- ALDE Party to forward this resolution to all liberal prime ministers and national ministers and ALDE MEPs.