

Statement by the office of the German Association for Public and Private Welfare on the European Commission's proposal for the next Multiannual Financial Framework of the European Union 2028–2034

Statement by the office of the German Association (DV 26/25) dated 16 December 2025.

**Deutscher Verein für öffentliche und private Fürsorge e.V.
(German Association for Public and Private Welfare) – the forum for the social sector since 1880.**

The German Association for Public and Private Welfare (Deutscher Verein für öffentliche und private Fürsorge e.V.) is the joint forum of municipalities and non-statutory social welfare organisations and their social services in Germany, the Länder (federal states) and academia in all fields of social work and social policy. Through its experience and expertise, it monitors and shapes policy and legislation in relation to children, young people and families, the social insurance system, social assistance, assistance for the elderly, care and rehabilitation, social volunteering, the planning and management of social work and social services as well as international and European social policy and social legislation.

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Preliminary remark

On 16 July 2025, the European Commission presented its proposal for the next Multiannual Financial Framework (MFF) for the period 2028–2034. The following statement was prepared by the German Association’s office. The comments respond to selected proposals made by the European Commission. The recommendations in this statement are based on the “Recommendations on Cohesion and Structural Policy in the EU’s Next Multiannual Financial Framework” (DV 22/24), which were adopted by the Presidium of the German Association in December 2024.¹ The principles of subsidiarity, partnership, regional policy, bureaucracy reduction and cross-border cooperation recommended therein form the basis of the current position.

Changes to the EU’s structural and cohesion policy from 2028 onwards

Under the motto “simpler, more flexible and more strategic”, the European Commission is planning a comprehensive reform of the EU budget from 2028 onwards. This affects both the structure of revenue and expenditure and the management of funds. The plans include a streamlined funding structure with fewer programmes, a larger proportion of freely available funds and firmly established reserves. This should make EU finances more flexible and enable them to be used more efficiently. The newly bundled structure of funding instruments envisages combining existing funding instruments such as the European Regional Development Fund (ERDF) and the European Social Fund (ESF+) with other programmes, including measures under the Common Agricultural Policy (CAP), in a uniform “national and regional partnership plan” (NRPP) at Member State level. This is to be implemented in a centralised plan for each Member State. The EU budget is also to be strongly influenced by new priorities in the areas of security, defence and competitiveness.² The current drafts now serve as a basis for discussions between the Member States and the European Parliament. The following comments are made on individual European Commission plans relevant to the German Association. The comments are addressed to the European Commission, the European Parliament and the Federal Government for their actions in the Council of the EU.

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¹ Recommendations of the German Association for Public and Private Welfare (Deutscher Verein für öffentliche und private Fürsorge e.V.) on cohesion and structural policy in the EU’s next multiannual financial framework (DV 22/24) dated 4 December 2024, <https://www.deutscher-verein.de/empfehlungen-stellungnahmen/detail/empfehlungen-des-deutschen-vereins-fuer-oeffentliche-und-private-fuersorge-ev-zur-ko-haestions-und-strukturpolitik-im-naechsten-mehrjaehrigen-finanzrahmen-der-eu/> (last accessed: 16 December 2025).

² European Commission: An ambitious budget for a stronger Europe: MFF 2028–2034, https://germany.representation.ec.europa.eu/ein-ambitionierter-haushalt-fur-ein-starkeres-europa-mfr-2028-2034_de (last accessed: 16 December 2025).

Recommendations of the German Association for the EU funding period from 2028 onwards

Maintenance of the principle of subsidiarity

The German Association recommends that, in accordance with the principle of subsidiarity, the planning of how to implement the funding should continue to be left to the regions (in Germany, the federal states).³ However, the European Commission's proposal stipulates that EU funding policy should in future be managed primarily by the Member States within the framework of a National and Regional Partnership Plan (NRPP). Whether and to what extent the regions are involved in the form of their own regional chapters is to be decided by the respective Member States. This would mean that the regions would no longer be guaranteed a binding, independent role. The German Association's office is critical of this proposal, not only because it contradicts the principle of subsidiarity, but also because the federal states in Germany have established administrative structures from previous ERDF and ESF funding and the necessary regional expertise and knowledge of local needs for the sensible use of funding.⁴ In addition, strong centralisation would neither simplify administration nor strengthen regional balance, but would rather create additional bureaucracy and the risk of growing disparities.⁵ The German Association's office therefore recommends that the federal states continue to participate in cohesion policy on a legally and financially independent basis and that they continue to be allowed to draw up and implement regional programmes on their own responsibility. In this context, it is welcomed that the Danish Presidency of the Council is currently advocating precisely this preservation of the influence of the regions.⁶

Maintaining an adequate cohesion and structural policy

The German Association recommends maintaining a committed, comprehensive and adequately funded cohesion and structural policy, thereby continuing to contribute to economic, social and ecological development in European regions.⁷

Separate budget line for the European Social Fund

The European Social Fund (ESF+) is considered a key instrument for promoting employment, education and social participation and for implementing the Euro-

3 Recommendations of the German Association for Public and Private Welfare (Deutscher Verein für öffentliche und private Fürsorge e.V.) on cohesion and structural policy in the EU's next multiannual financial framework (DV 22/24) of 4 December 2024 (footnote 1), p. 6 ff.

4 Statement by the German County Association on the next EU multiannual financial framework dated 9 September 2025, <https://www.bundestag.de/resource/blob/1107780/a-drs-21-21-10.pdf> (last accessed: 16 December 2025).

5 Statement by the ERDF and ESF managing authorities of the federal states on the European Commission's proposal for national and regional partnership plans, 15 October 2025, p. 2, https://www.esf-bw.de/file-admin/user_upload/Foerderperiode_2021-2027/Pressemitteilungen/Positionspapier_ESF-EFRE_Vorschlag_EU-MFR_10-2025.pdf (last accessed: 16 December 2025).

6 Table.Europa: MFF: Denmark presents its first negotiating box. <https://table.media/europe/news/mfr-daenemark-legt-erste-verhandlungsbox-vor> (last accessed: 16 December 2025).

7 Recommendations of the German Association for Public and Private Welfare (Deutscher Verein für öffentliche und private Fürsorge e.V.) on cohesion and structural policy in the EU's next multiannual financial framework (DV 22/24) of 4 December 2024 (footnote 1), p. 5.

pean Pillar of Social Rights. The German Association's office welcomes the fact that an ESF regulation⁸ maintains the fund, but is critical of the fact that no separate budget line is planned for the ESF. The ESF is to become part of the National and Regional Partnership Plan (NRPP), for which a total of 14 per cent of funds are earmarked for social investment – without binding requirements for the distribution of funds. This creates the risk that social spending will be subordinated to national priorities in future and that social objectives will lose importance.⁹ The German Association's office therefore recommends that the European Social Fund (ESF+) continues to be secured with its own budget line in future, thereby maintaining it as a central employment and structural policy instrument for the regions and as an opportunity for welfare organisations to implement social measures. The funds should continue to be earmarked for projects such as social inclusion, combating poverty and implementing the European Child and Youth Guarantees, and should contribute to the implementation of the European Pillar of Social Rights.

Independent funding instrument for the European Regional Development Fund

The German Association recommends continuing to promote a social and sustainable Europe through a strong regional policy, with a particular focus on supporting rural areas.¹⁰ The European Regional Development Fund (ERDF) is the central instrument used by the Member States to promote regional and rural development and to balance out regional disparities. As with the ESF+, the ERDF will have its own regulation¹¹ but no longer its own budget line. Instead, it will be bundled with other programmes integrated into the NRPP. In view of growing regional challenges and in order to provide targeted economic and structural support to the federal states and regional innovation, the Federal Council of Germany urges to keep the ERDF as a separate permanent funding instrument.¹² The German Association's office concurs with this and adds the importance of independent funding

8 European Commission: Proposal for a Regulation of the European Parliament and of the Council establishing the European Social Fund as part of the national-regional partnership plan set out in Regulation (EU) [NRP Plan] and laying down rules for the provision of Union support for quality employment, skills and social inclusion for the period from 2028 to 2034 from 16. July 2025, <https://eur-lex.europa.eu/legal-content/DE/TXT/HTML/?uri=CELEX:52025PC0558> (last accessed: 16 December 2025).

9 Statement by the Federal Association of Independent Welfare Services (Bundesarbeitsgemeinschaft der Freien Wohlfahrtspflege e. V.): "The European Social Fund 2028–2034: Red lines for independent welfare services in negotiations at EU level" dated 18 November 2025, <https://www.bagfw.de/veroeffentlichungen/stellungnahmen/positionen/detail/der-eu-ropaeische-sozialfonds-2028-2034-rote-linien-der-freien-wohlfahrtspflege-fuer-die-verhandlungen-auf-eu-ebene> (last accessed: 16 December 2025).

10 Recommendations of the German Association for Public and Private Welfare (Deutscher Verein für öffentliche und private Fürsorge e.V.) on cohesion and structural policy in the EU's next multiannual financial framework (DV 22/24) dated 4 December 2024 (footnote 1), p. 8 f.

11 European Commission: Proposal for a Regulation of the European Parliament and of the Council establishing the European Regional Development Fund, including European territorial cooperation (Interreg), and the Cohesion Fund as part of the fund established in Regulation (EU) [...] [NRP] and laying down rules for the implementation of Union support for regional development for the period 2028 to 2034, dated 16 July 2025, <https://eur-lex.europa.eu/legal-content/DE/TXT/HTML/?uri=CELEX%3A52025PC0552> (last accessed: 16 December 2025).

12 Federal Council of Germany: Resolution of the Bundesrat (printed paper 455/25 [Decision] [2]) of 21 November 2025: Proposal for a Regulation of the European Parliament and of the Council establishing the European Regional Development Fund, including for European territorial cooperation (Interreg), and the Cohesion Fund as part of the fund established in Regulation (EU) [...] [NRP] and laying down rules for the implementation of Union support for regional development for the period 2028 to 2034 COM(2025) 552 final; Council doc. 11768/25, [https://www.bundesrat.de/SharedDocs/drucksachen/2025/0401-0500/455-25\(B\)\(2\).pdf?__blob=publicationFile&v=1](https://www.bundesrat.de/SharedDocs/drucksachen/2025/0401-0500/455-25(B)(2).pdf?__blob=publicationFile&v=1) (last accessed: 16 December 2025).

for rural areas in accordance with Article 174 TFEU.¹³ In view of new funding priorities and the pooling of resources, the development of rural areas, which is often supported by volunteers, is at risk of falling behind. By allocating separate funds with independent objectives, it can be ensured that territorial funding is distributed equally and that rural areas continue to receive support.¹⁴ If a separate funding instrument is not possible, a binding minimum quota for the promotion of rural development should at least be introduced.¹⁵

No performance-based approach

A new initiative by the European Commission is the introduction of a performance-based payment approach to funding. The German Association's office is critical of this, as social and innovative projects often cannot demonstrate their impact in the short term or in a clearly measurable way, but rather achieve medium and long-term effects that benefit the people receiving support and society as a whole. There is a risk that, out of financial caution, funding bodies will primarily support easily accessible target groups, while particularly disadvantaged people and innovative approaches are neglected. In addition, repayment risks could place an excessive financial burden on non-profit organisations.¹⁶ Member States also face additional budgetary risks if EU funds are not forthcoming when targets are missed and have to be replaced by national funds. As framework conditions can change at short notice, targets must remain flexible and adaptable. In addition to the performance-based approach, it should therefore still be possible to settle accounts on the basis of actual expenditure incurred, so as not to exclude higher-risk projects.¹⁷

Increase in co-financing rates

The German Association's office considers the EU's current plan to maintain co-financing rates (60% and 40%) to be problematic for the implementation of social and municipal projects. In view of the tight budgetary situation, it is becoming increasingly difficult for public funding bodies to provide the necessary own resources. If the co-financing shares are also shifted to the project promoters, social institutions in particular will come under financial pressure, which will make it considerably more difficult to draw on EU funds. In order to ensure eligibility for funding, significantly higher EU contributions are considered necessary, especially for projects targeting disadvantaged groups and for socially innovative pro-

13 Article 174 TFEU establishes the special importance of rural areas within cohesion policy.

14 Position paper of the German Association of Towns and Municipalities (DStGB): Multi-annual financial framework and cohesion policy of the EU: Keeping rural areas and municipalities in mind, dated 29 July 2025, <https://www.dstgb.de/publikationen/positionspapiere/mehrjaehriger-finanzrahmen-und-kohasionspolitik-der-eu-laendliche-raeume-und-kommunen-im-blick-behalten/20250729-dstgb-pp-mfr-ko-hasionspolitik.pdf?cid=1cum> (last accessed: 16 December 2025).

15 Statement by the German County Council on the EU's next multiannual financial framework of 9 September 2025 (footnote 4).

16 Statement by the Federal Association of Independent Welfare Services (Bundesarbeitsgemeinschaft der Freien Wohlfahrtspflege e. V.): 'The European Social Fund 2028–2034: Red lines for independent welfare services in negotiations at EU level' dated 18 November 2025 (footnote 9).

17 Statement by the ERDF and ESF managing authorities of the federal states on the European Commission's proposal for national and regional partnership plans dated 15 October 2025, p. 4 f. (footnote 5).

jects.¹⁸ The same applies to the implementation of municipal projects. In view of the tight budgetary situation of many cities, municipalities and districts, EU funding rates must be increased significantly.¹⁹

18 Statement by the Federal Association of Independent Welfare Services (Bundesarbeitsgemeinschaft der Freien Wohlfahrtspflege e. V.): “The European Social Fund 2028–2034: Red lines for independent welfare services in negotiations at EU level” dated 18 November 2025 (footnote 9).

19 Statement by the German County Association on the EU’s next multiannual financial framework, 9 September 2025 (footnote 4).

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