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MEETING DOCUMENT

From:	General Secretariat of the Council
To:	Ad hoc Working Party on the Multiannual Financial Framework (AHWP MFF) - National and Regional Partnerships
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Subject:	NRPP proposal : Presidency compromise proposal - PRES PPT presentation

Delegations will find attached the slides that were used by the Presidency for presenting its compromise proposal on the NRPP proposal at the meeting of the Ad hoc Working Party on the Multiannual Financial Framework (AHWP MFF) - National and Regional Partnerships on 27 May 2026.

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Regulation 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

Presentation of Presidency Compromise Proposal

AHWP MFF - National and Regional Partnerships
27th May 2026

AHWP MFF-NRP

Recitals

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Recitals	Amendment	Rationale
27a	**The Commission will not reimburse the measures or parts of the measures affected by the non-fulfilment. The Member State responsible for non-fulfilment has an obligation under Article 58(2)(a) of this Regulation to continue payments to beneficiaries, recipients, final recipients, contractors and participants.**	Additional clarification on the application of INTERREG in cases of non-fulfilment of the Charter and RoL horizontal conditions. Ensures continuity of operations
30b	**The estimated costs of each investment should amount to the sum of the national contribution and the Union contribution. For investments, pay-out values should be derived from the Union contribution, after deducting the amounts set aside for reforms. To reflect that reforms may not necessarily entail specific implementation costs, reforms' pay-out values are financed by setting aside part of the Union contribution to investments. Reforms' pay-out values should reflect their relative importance, determined inter alia by their scope, expected impact, geographical coverage, or the extent to which they contribute to the Fund's objectives or address the challenges identified in the reference framework. The breakdown of the total Union contribution for a given measure should be commensurate to the significance of the various implementation steps captured in milestones and targets.**	Guidance on the methodology for setting-up pay-out values.
31	**The intervention fields set out in Annex I of Regulation (EU) 202X/XXXX [Performance Regulation] and assigned to each measure of the Plan should be used only for the purposes of tracking expenditure and monitoring; without affecting the objectives set out in the description of the milestones and targets.**	Clarifies that tracking expenditure and monitoring under Performance Framework Regulation will not be linked with the assessment of the milestones and targets and thus payments.

AHWP MFF-NRP

Recitals

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Recitals	Amendment	Rationale
37	**…For output-based interventions, flexibility is already given within the minimum and maximum set by Member States for the outputs' unit amount, which correspond respectively to the lowest/highest unit output value to be paid to a beneficiary for a particular intervention/targeted group.**	Addresses concerns of Member States that the threshold for minor amendments is low, in particular for CAP interventions. Proposed text clarifies that for the output-based interventions the flexibility is already given.
54a	**In order to ensure continuation of the current governance structures, Member States may keep the existing CAP paying agencies in place. The CAP paying agencies should be accredited on the basis of national rules. Member States are encouraged to continue the current accreditation rules and practices with a view of ensuring that CAP paying agencies have an administrative organisation and a system of internal control that complies with internationally recognised standards of internal control and that provides sufficient guarantees that payments are legal, regular and properly accounted for.**	Addresses concerns of Member States with regards to the accreditation of Paying Agencies. Proposed text clarifies that Paying Agencies will be accredited on the basis of national rules, while also encouraging for the continuation of existing rules and practices.
56	For the same reasons of sound financial management, the Commission should be allowed to recover amounts previously paid for interim steps of a measure if the final milestone or target of the given measure is not fulfilled **in a proportional and justified manner in line with the progress of implementation of the measure** and to take action in case of a reversal of a milestone or a target occurring up to five years after the date of the corresponding Commission payment.	Text proposed provides additional explanation on how Article 68 will be applied where a final milestone or target of a given measure was not fulfilled.

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Recitals

Recitals	Amendment	Rationale
56b	**The durability requirement should apply to milestones and targets, but not to output-based interventions which – by nature - cannot be reversed. In that context, it should not apply for instance to CAP output-based interventions, nor resettlement measures in the area of home affairs. For measures implemented through milestones and targets, the assessment of reversal should only be conducted based on the objectives set out at the level of the milestone or target.**	Durability doesn't apply to output-based interventions and clarifies that the assessment of reversal should only be conducted based on the objectives set out at the level of the milestone or target to address and not at the level of the beneficiary (e.g. SMEs).

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Article 2 General objectives of the Fund

Article	Amendment	Rationale
2.1 (e)	to protect and strengthen **fundamental rights,** democracy **and the rule of law**~~in the Union~~ and **to** uphold Union values in accordance with Article 2 TEU.	Raises visibility on fundamental rights and rule of law in accordance with Article 2 TEU.
2.1(f)	**to support the implementation of the relevant policies under Title V set out in Regulation (EU) […] establishing the Union support for asylum migration and integration for the period from 2028 to 2034 [AMI], Regulation (EU) […] establishing the Union support for the Schengen area, for European integrated border management and for the common policy on visas for the period from 2028 to 2034 [BMV] and Regulation (EU) […] establishing the Union support for internal security for the period from 2028 to 2034 [IS].**	Ensures that the implementation of the relevant policies of Home Affairs Fund are one of the general objectives of the NRP Regulation.
2.2 and 2.3	**Articles 10(3), 11(2), 11(3), 13(3) to 13(5), 14(2), 16(3), 16(6), 17(1), 18, 19, 20(1), 20(2), 20(4), 21 to 48, 49(3), 49(4), 49(7), 49(10), 50, 52, 54 to 56, 57, 62, 70, 77, 80 to 83 shall not apply to the Interreg Plan.** **3. For the purpose of this Regulation, 'the Plan' shall be understood as referring to both the National and Regional Partnership Plan and the Interreg Plan chapters, except for provisions in Articles 1(1)(b), Art. 4(8)(b)&(9), 5(1), 10(2)(c), where it shall refer to the Interreg Plan.** **In relation to the Interreg Plan and Interreg Plan chapters under this Regulation, the term 'Member State' shall be understood as referring to 'the Member State hosting the managing authority'.**	Added 14 (2) and deleted 49 (8). Intention is to create a new Article for the provisions guiding the relationship between the NRPP Regulation with the ERDF/INTERREG proposal.

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Article 3 Specific objectives of the Fund

Article	Amendment	Rationale
3.(a)(iii)	(iii)supporting a just transition towards the Union's 2030, 2040 and 2050 targets for energy and climate, in particular by prioritising support for clean energy generation and infrastructure, promoting energy efficiency and decarbonisation, storage and technology, developing smart energy systems and domestic transmission and distribution grids ~~also~~**as well as** ~~taking into account~~ the Trans-European Network (TEN-E) and technology**,** and promoting **resource efficiency and** a circular economy, ensuring that all territories and everyone can contribute and benefit from the clean **and just** transition;	Ensures that measures to support TEN-E and technology are part of the specific objectives.
3.(d)	to sustain the quality of life in the Union **including competitive, sustainable, attractive and resilient agriculture, forestry and fisheries** by:	Raises visibility on agriculture, forestry and fisheries.
3.(e)(iii)	enhancing the efficiency of public administration and the institutional capacity of public authorities and stakeholders at national, regional and local level **and contributing to the efficient implementation of the NRP Plan**	Ensures that Member States may programme, within the NRP Plans, dedicated measures contributing to the efficient implementation of the NRP Plan.

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Article 3 Definitions

Article	Amendment	Rationale
4(1a)	**'assurance reference period' means the period from 1 October to 30 September, except for the first year of implementation of the programming period, in respect of which it means the period from the start of implementation of measures under the Plan until 30 September 2028; for the final year of implementation, it means the period from 1 October 2035 to 31 December 2035;**	In line with the new approach suggested on the assurance procedure. The proposed timeline takes into consideration the first and final year of implementation. The assurance period caters for the specific approach on CAP assurance timeline.
4(3)	'chapter of the NRP Plan' means a part of the NRP Plan focusing on a specific challenge, sector, policy or geographic area, **or a combination thereof;**	Flexibility provided in the formulation of the chapters.
4(9)	'measure' means a reform, an investment or **output-based** ~~another~~ intervention at national or sub-national level supported under the NRP Plan or the Interreg Plan**, which may consist of one or more activities**;	'Another intervention is replaced by 'Output-based intervention' in alignment with the rest of the text.

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Article 3 Definitions

Article	Amendment	Rationale
23a	**'national contribution' means national private contribution and national public contribution other than the contribution from the Union budget made available to the Fund, except however for the purposes of Article 35(1) and 35b, where 'national contribution' shall only include national public contribution;**	Addition of 35b to cover for CFP measures.
4(34a)	**'serious non-compliance' means a deficiency in the effective functioning of the management and control system for which significant improvements are required and where any of the key requirements referred to in Annex IV Table 1 are assessed as non-compliant into categories 3 and 4 of Annex IV Table 2– Classification of management and control systems or a non-compliance with any of the obligations set out in Article 58 that seriously harm the financial interests of the Union. The nature, duration, gravity and scope of the non-compliance shall be duly taken into account;**	Reference to Article 58 is added to further emphasize the need to use the EU funds in line with the protection of the financial interests of the Union. Proposed definition aims to capture cases beyond the systemic requirements as part of Annex IV that **seriously harm** the financial interests of the Union (i.e. the serious individual cases of non-compliance).

Article 6 Partnership and multi-level governance

PUBLIC

Article	Amendment	Rationale
6.5	Member States may derogate from the requirements on partnership and multi-level governance for the purposes of the Union support established by Regulation (EU) 202X/XX [border management] and Regulation (EU) 202X/XX [internal security] **and for measures contributing to the specific objective set out in Article 3(1)(b)(i)** if duly reasoned and substantiated by the Member State in its Plan.	Measures linked with reinforcing the Union's defence industrial base and military mobility may derogate from the requirements on partnership and multi-level governance.

Article 13 Technical assistance at the initiative of the Member State

PUBLIC

Article	Amendment	Rationale
13.2	Technical assistance to each NRP Plan ~~and each Interreg Plan chapter~~ shall be established as a flat rate of up to ~~3% and 8% respectively~~**3,5 % for the NRP Plan as a whole, without prejudice to Member States' prerogative to allocate different amounts to individual chapters of the NRP Plan, and up to 8% for each Interreg Plan chapter. Technical assistance shall apply** ~~applied~~ to the amount included in each payment application pursuant to Article 65 [payment applications].	Improved legal text to ensure that different flat rate percentages may apply to individual chapters of the NRP Plan, as long as the NRP Plan, as a whole, is not higher than 3,5%.

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Article 20 National contribution to estimated costs

Article	Amendment	Rationale
20.5	**[For interventions in the area of Home Affairs related to resettlement and humanitarian admission, transfer of applicants for international protection and special transit scheme, and ETIAS operational costs, as well as financial contributions from the Annual Solidarity Pool, no national contribution shall be required. For other interventions in the area of Home Affairs, the baseline for Union co-financing will not be higher than [X]%.]**	As this is a paragraph included in the NegoBox, this is now bracketed.

Article 21 Preparation and submission of the NRP Plan

PUBLIC

Article	Amendment	Rationale
21.1	[Each Member State shall prepare and submit to the Commission the NRP Plan setting out their agenda of reforms, investments and other interventions. Each **NRP** Plan shall comprise measures which form a comprehensive and coherent package.] ~~The Member State shall make the **NRP** Plan submitted to the Commission publicly available on the website referred to in Article 64 [Transparency].~~	Removal of the obligation of Member States' to make publicly available the NRP Plan before approval. An obligation was added in Art.23 (6) to make the approved NRP Plan publicly available.
21.2	…. **Regional and local authorities shall be involved, in accordance with the Member State's institutional, legal and financial framework, in the preparation, implementation and evaluation of the NRP Plan, including, where appropriate, of the respective regional chapters.**	Redrafting of the legal text to ensure that regional and local authorities will be involved in the preparation, implementation and evaluation of the NRP Plan in accordance with the Member State's institutional, legal and financial framework.

Article 22 Requirements for the NRP Plan

PUBLIC

Article	Amendment	Rationale
22.2b.(c)	The indicators proposed for the **final milestones or** targets shall be based on the output indicators listed in Annex I to Regulation (EU) 202X/XXXX [Performance Regulation] ~~except where duly justified;~~**, unless none of those indicators are adequate, in accordance with Article 14 (2) of Regulation (EU) 202X/XXXX [Performance Regulation].**	Reference to 'final milestones and targets' in line with the Performance Regulation
22.2b.(d)	**For the purposes of plausibility and reasonability, recoverable VAT shall not be included in the total estimated costs of the measure**;	Clarification provided with regards to the recoverable VAT with regards to the purposes of plausibility and reasonability of costs.
22.2b(g)(iii)	supporting **the implementation of the CFP,** fisheries~~,~~ **and** aquaculture ~~and maritime~~ activities, including small scale fishing~~, the implementation of the CFP as~~ set out in Regulation EU XX [CFP]**,** as well as **supporting the implementation of the Union control system and the collection, management and use of fisheries and aquaculture** ~~scientific~~ **data necessary for the implementation of the CFP**~~the European Ocean Pact~~ in accordance with Annex V**, point 1.8 [NRP** ~~[~~Plan's template]~~.~~**;**	In line with the proposed text on the CY PCY proposal of the CFP sectoral regulation (ST 5495/3/26 REV 3).

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Article 23 Commission proposal and Council implementing decision

Article	Amendment	Rationale
23.2	…In duly justified cases, **in order to comply with the requirements in Article 22,** the Commission may ~~request~~ **suggest** ~~the inclusion of additional measures or~~ the modification of measures proposed by the Member State.	COM may only suggest the modification of measures proposed by the Member State and not the inclusion of additional measures.
23.5	In duly justified cases, where the Commission concludes that one or more measures of the **NRP** Plan do not comply with the requirements referred to in paragraph 1, ~~and that a corresponding request made in accordance with paragraph 2, second subparagraph, has not been satisfactorily addressed by the Member States,~~ it may include in the Commission proposal referred to in paragraph 4 an identification of the deficiencies affecting those measures.	Considering that according to Article 23 (2), the COM is suggesting - and not requesting - modifications in the proposed measures, the paragraph needs to be adjusted accordingly.
23.7.(b)	(b) the **total** Union contribution per year, based on the percentages set out in Article 14(1) [commitments]**, as set out in Annex I [allocation method].**	As the flexibility amount is considered to be legally committed, an alignment of the text regarding the Union contribution is needed between the content of the Council Implementing decision in Art.23 (4) (a) and the one of the Commission financing decision in Art.23 (7) (b), as well as to the Annex I as in the case of art 14 (2) when referring to the flexibility amount.

Article 24 Amendment of the NRP Plan

PUBLIC

Article	Amendment	Rationale
24.1	A Member State may submit to the Commission a reasoned request for an amendment of its NRP Plan, together with the amended NRP Plan, setting out the expected impact of that amendment on the achievement of the **concerned specific** objectives laid down in Articles 2 and 3. **The amendment may concern one or more chapters of the NRP Plan.**	Ensures that the amendment process will focus only on the concerned objectives under Art.2 and 3. 'specific' was added by mistake and will be corrected in the next revision.
24.9(b)	addressing significant changes in the priorities of the Union, within the limit of ~~30~~ **20**% of the amounts associated with the specific measures concerned.	Addresses concerns of Member States that seek to remove the flexibility provided through this provision.

Article 25 Mid-term review

PUBLIC

Article	Amendment	Rationale
25.2	2. The Member State shall submit an amended NRP Plan presenting the outcome of the mid-term review, including ~~a review of the estimated total costs of the measures covered by the **NRP** Plan and~~ a proposal for additional **or revised** measures to be supported by the flexibility amount referred to in Article 14(2) by ~~31 March~~**30 June** 2031. **Depending on the outcome of the mid-term review, the amendment may concern one or more chapters of the NRP Plan.**	Removal of the obligation to review estimated total costs of all measures, focussing only to the new and revised measures as presented in Art.25 (3) (b).

Article 31 Union Actions

PUBLIC

Article	Amendment	Rationale
31.1	…**The Commission shall adopt the financing decision referred to in the first subparagraph in accordance with the examination procedure referred to in Article 88(3) of this Regulation for the Union actions set out in Annex XV paragraph 1, points (e) to (h), (l), and (n) to this Regulation [Union actions]. On duly justified imperative grounds of urgency, such as crises, the Commission may adopt the financing decisions referred to in this paragraph by means of immediately applicable implementing acts, as referred to in Article 88(4) of this Regulation.**	Text proposed distinguishes more clearly between those Union actions that require the examination procedure and those that require the advisory procedure, in line with the current practice and aiming to avoid burdening all concerned parties.
31.8	Where a NRP Plan is amended in order to provide a response to Union actions as referred to in paragraph 1, point (i) of Annex XV (Union actions, natural disasters **and major public health emergencies**), the measures requested by the Member State and related to such amendments shall be eligible from the date when the ~~crisis~~**natural disaster or major public health emergency** occurred and shall be programmed for the objective "Supporting measures for addressing crisis via reconstruction, repair and enhancing resilience". That objective shall be additional to those laid down in Article 2 and 3 (objectives of the Plan) and shall only be used for measures programmed as a response to ~~crisis situations~~**natural disasters or major public health emergencies**, including where ~~resources are reprogrammed under~~ the NRP Plan **is amended** in accordance with Article 34 [amendment of the Plan in ~~crisis situations~~**case of crises**].	Addition of 'major public health emergencies' under Annex XV (1) (i).

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Article 33 Emerging challenges and priorities cushion

Article	Amendment	Rationale
33.1a	**The new initiatives or priorities referred to in paragraph 1, point (b), shall relate to those that may arise in response to emerging developments which, while not constituting an immediate challenge or a crisis, demand a strategic and timely response by the Union. Such circumstances may encompass, amongst others, transformative technological changes or socio-economic developments.**	The proposed text clarifies the scope of the new Union-led initiatives or priorities.
33.2	**The Commission shall regularly and timely exchange views with the Council on the mobilisation of paragraph 1 (a) and (b) and shall take into account the views expressed by the Council.**	To ensure that a swift approach is ensured for the cases of 'unforeseen circumstances', while also the Council is involved in the process the proposed text is added.

Article 35b Types of CFP, aquaculture, maritime and ocean-based interventions

PUBLIC

Article	Amendment	Rationale
35b	***Article 35b*** **Types of CFP, aquaculture, maritime and ocean-based interventions**	Redrafting of the Article to clarify the programming and funding of CFP, aquaculture, maritime and ocean-based interventions. Only categories of interventions under (a**)**, (b), (c) and (d) shall be financed by the CFP ringfenced amounts. The rest of the interventions will be financed by the non-allocated amounts. In particular, the measures included in Art.22 (2b) (g) (i), (iii) and (iiia), including generational renewal and fisheries and aquaculture data collection remain obligatory to be financed under the non-allocated amounts.
35b.1(b)	**(b) support for the innovation for more selective sustainable fishing and aquacultural activities, as well as ~~and~~ for the conservation, protection and restoration of aquatic biodiversity and ecosystems in line with the objectives of the CFP;**	Further expansion of interventions provided to aquaculture.

Article 35b Rural areas

PUBLIC

Article	Amendment	Rationale
35d.2	**By way of derogation from the first subparagraph, and in order to reflect their specific national, regional or territorial circumstances, Member States may, in their NRP Plans, further determine rural areas and include additional territories, where this is justified on the basis of objective criteria, such as high population density or insularity. Member States shall identify the areas concerned in the NRP Plan and justify their inclusion on the basis of those criteria.**	Removal of 'such as local administrative units classified as "towns and suburbs" under the degree of urbanisation territorial typology' to avoid that the text pre-determines the additional rural areas that may be included.

Article 51 Functions of the managing authority

PUBLIC

Article	Amendment	Rationale
51.1	The managing authority shall be responsible for managing the **NRP** Plan or ~~a part~~**one or more chapters** of the **NRP Plan or one or more Interreg Plan Chapters , or parts of a chapter of the NRP Plan, including for the fulfilment of milestones and targets of the concerned parts**~~Plan with a view to delivering its objectives~~. It shall have the following functions:	Ensures that the Managing Authority may be responsible for one or more Interreg Plan Chapters.
51.1(f)	**if relevant,** strengthening the administrative capacity of intermediate bodies ~~(if relevant)~~, **stakeholders, partners** and beneficiaries, and promoting policy learning ~~and experimentation~~;	Provides Managing Authorities with flexibility to determine the recipients of support for strengthening administrative capacity and fostering policy learning.

PUBLIC

Article 53 Functions of the audit authority

Article	Amendment	Rationale
53.2	The audit authority shall draw up **and provide to the authority assuming the coordinating function or to the managing authority of the Interreg Plan chapter**:	Considering that the Coordinating Function tasks do not apply for the Interreg Plan Chapters, the addition was necessary to ensure the involvement of the Managing Authority of the Interreg Plan chapter.
53.4	**Without prejudice to the requirements set out in Article 58, t**~~T~~he audit authority ~~is not expected to~~**shall not** verify the underlying costs of the operations ~~for the purpose of its audit work~~**when verifying the fulfilment of milestones, targets and outputs.**	Amendment provides clarity on the role of the Audit Authorities to verify underlying costs of the operations when verifying the fulfilment of milestones, targets and outputs. Otherwise, it would be very challenging for the Audit Authorities to issue an audit opinion and that would have repercussions on the next steps of the process leading to difficulties in the annual budget discharge procedure.

Article 56 Functions of the monitoring committee

PUBLIC

Article	Amendment	Rationale
56.4a	**The second sub-paragraph shall not apply to CAP interventions, for which the monitoring committee shall provide an opinion.**	Expanded the derogation of monitoring committees to provide an opinion on all CAP interventions, not only IACS interventions. In line with current practice.

Article 58 Responsibilities of Member States

PUBLIC

Article	Amendment	Rationale
58.2b	ensure ~~and regularly check~~ that the support provided has been properly used to achieve the established milestones and targets or outputs and take all the appropriate actions to ensure that the use of funds in the implementation of the Plans complies with applicable law**. Member States shall not verify the underlying costs of the operations and the measures when assessing the fulfilment of milestones, targets and outputs**; Rationale: Member States role is to ensure, the obligation to 'regular check' lies on the relevant authorities.	Member States role is to ensure, the obligation to 'regular check' lies on the relevant authorities.

PUBLIC

Article 59 Submission of the annual assurance package

Article	Amendment	Rationale
59.1	For the purpose of Article 63 of Regulation (EU, Euratom) 2024/2509, Member States shall submit to the Commission by 15 February of each year ~~following 2028~~**, starting in 2029,** the following documents ('the annual assurance package')**, which shall cover the preceding assurance reference period**:	Amendment in line with the addition of a definition on the 'assurance reference period'. Clarifies the period which the annual assurance package needs to cover.
59.1(a)	(a) reporting on the implementation progress of the measures in the **NRP Plan or the Interreg Plan chapter**~~Plan~~ set out in Article ~~58(4)~~**58(3)** [Responsibilities of Member States], in accordance with **Part 2 of** the template set out in Annex IX [Reporting on progress in implementation of measures], **covering the preceding calendar year** ~~referencing~~**and listing** the payment applications submitted **in a given assurance reference period starting with those submitted in 2028 for the first assurance period in accordance with Part 1 of the template set out in Annex IX**;	Clarifies the period that the reporting on the implementation progress of the measures in the NRP Plan or the Interreg Plan chapter will cover.
59.1(c)(iv)	the information **reported in accordance with Part 2 of Annex IX covering the preceding calendar year** ~~referred to in point (a)~~ provides a true and fair view of the implementation progress;	Aligns the text with Article 59(1)(a). Although the report forms part of the annual assurance package and management declarations, it is not linked to the payment application or process.

Article 59 Submission of the annual assurance package

PUBLIC

Article	Amendment	Rationale
59.1(c)(iii)	the management and control systems put in place function properly and give ~~the necessary~~ **reasonable** assurance that the funds were managed in accordance with ~~all~~ applicable ~~laws~~**law**, including on the prevention, detection, reporting and correction of conflicts of interests, corruption, double funding, fraud and other irregularities, and in line with the principle of sound financial management;	Change to reasonable assurance, in line with typical audit language.
59.3	**To ensure the effective protection of the Union's financial interests, w**~~W~~hen submitting the final annual assurance package for the last financial year, the Member State shall confirm that the total payments from the Commission**, excluding technical assistance,** do not exceed the total amount paid by the Member State to the beneficiaries **for the operations [in the meaning of Article 63(1)(e)(vi)] at the level of**~~in implementing~~ the Plan, taking into account the national contribution.	The provision constitutes an important pillar of the assurance framework of the Plan. The addition of the "effective protection of the financial interests of the Union" clarifies the legal justification for applying this provision, at level of the Plan as part of the final assurance package

Article 61 Single audit approach

PUBLIC

Article	Amendment	Rationale
61.3	~~For Plans for which~~ **Where** the Commission concludes that the opinion of the audit authority is reliable, and the Member State concerned participates in the enhanced cooperation on the establishment of the EPPO, the Commission's own audits shall be limited to auditing the work of the audit authority.	Ensures that it covers both NRP Plans and Chapters, in line with the proposed possibility for multiple audit opinions.

Article 63 Data collection and recording

PUBLIC

Article	Amendment	Rationale
63.b.(iii)	for financial instruments concerning interventions supporting the Common Agricultural Policy implemented under shared management, gender **if applicable**, whether the final recipient is a farmer, a forest holder, a young farmer, a newly-set-up business~~, and the number of contracts signed between the final recipient and the bank~~;	Removal of the obligation to include the number of contracts signed between the final recipient and the bank for simplification purposes.

Article 65 Submission and assessment of payment applications

PUBLIC

Article	Amendment	Rationale
65.4	Payment applications shall be submitted by the Member States to the Commission in accordance with the template set out in Annex XI up to **ten** ~~six~~ times **per calendar** ~~a~~ year ~~by 31 October~~.	In line with the annual assurance period, the proposed text increases the payment applications to ten without a deadline for a given year.
	The previous subparagraph is without prejudice to the obligation of Member States to submit a management declaration in 2029 indicating that the information reported in accordance with Part 2 of Annex IX provides a true and fair view of the implementation progress in 2028.	Provides guidance on the application of the implementation progress in 2028.
65.7	The cumulative total amount of pre-financing and payments made shall not exceed 95 % of the contribution from the Funds to the **NRP Plan and to the Interreg Plan chapter respectively**~~Plan~~. When this ceiling is reached, the ~~coordinating~~ authority **assuming the coordination function or the managing authority for the Interreg Plan chapter** shall continue transmitting to the Commission payment applications. Not part of the PPT. already explained in a previous addition.	Considering that the Coordinating Function tasks do not apply for the Interreg Plan Chapters, the addition was necessary to ensure the involvement of the Managing Authority of the Interreg Plan chapter.

Article 67 Suspension of payments

PUBLIC

Article	Amendment	Rationale
67(1) (d)	(d) there is a reasoned opinion by the Commission in respect of an infringement procedure under Article 258 TFEU on a matter that puts at risk the effective implementation of the measures **concerned;**	Clarifies that possible suspension of payments following infringement procedure will only be linked with the measures concerned.

Article 67 Suspension of payments

PUBLIC

Article	Amendment	Rationale
67.3a	**The Commission may make a proposal to the Council to suspend all or part of the commitments or payments for the measures concerned under NRP Plans, except for pre-financing, or, in respect of loan support, take any measure available under the loan agreement, duly respecting the principle of proportionality where the Council has decided that a Member State:** **(a) has not taken effective action to correct its excessive deficit, unless the Council has adopted a recommendation under Article 25 of Regulation (EU) 2024/1263 of the European Parliament and of the Council in the event of a severe economic downturn in the euro zone or the Union as a whole;** **(b) has not taken corrective action to correct its excessive imbalances, unless the Council has adopted amendments to its recommendation under Article 9(4) of Regulation (EU) No 1176/2011 of the European Parliament and of the Council;** **(c) has decided that a Member State does not comply with the policy requirements contained in the macroeconomic adjustment programme referred to in Article 7 of Regulation (EU) No 472/2013 of the European Parliament and of the Council for reasons within the control of the Member State concerned.** **Priority shall be given to the suspension of commitments. The suspension of commitments shall apply to decommitment from the Fund for the Member States concerned from 1 January of the year following the adoption of the decision to suspend.** **The suspension of payments for the measures concerned under the NRP Plans shall apply to payment applications submitted after the date of the decision to suspend.** **The Council shall decide on that proposal by means of an implementing act. That implementing act shall only apply with respect to payment applications submitted after the date of the adoption of that implementing act.** **4. Paragraph 1 points (d) to (da) and Paragraph 3a shall not apply to the Interreg Plan chapters.**	Repositioned the text. Added commitments, in addition to the payments. In line with current practice, priority for suspension is given to commitments. Clarification that the reference to ‘decommitment’ is by mistake and will be replaced by ‘commitment’ in the next revision.

PUBLIC

Article 68 Financial corrections by the Commission

Article	Amendment	Rationale
68.1(a)	the Member State concerned has not taken the necessary measures referred to in Article 67~~(2)~~**(3)** [Suspension of payments] and where payments have been suspended for at least six months**. The timeline may be extended to 9 months at the request of the Member State concerned**;	The timeline is extended at the request of the Member State concerned.
68.3	Before taking a decision on a financial correction, the Commission shall inform the Member State of its conclusions and give the Member State the opportunity to present, within two months, its observations on the Commission's assessment. **Where the Member State intends to reuse the amounts concerned in accordance with paragraph 4, it shall notify the Commission in writing within that deadline.**	Addition of a provision that the Member States must inform the Commission when they intend to reuse amounts.
	. **Where the Member State does not accept the conclusions of the Commission, it may request a hearing when submitting its observations. The Commission shall organise the hearing within two months of the submission of the request, in order to ensure that all relevant information and observations are available for Commission conclusions on the application of the financial correction.** The Commission shall take into account all relevant information and observations provided by the Member State before taking a decision on the application of the financial correction.	Addition of a hearing process, in line of the current practice, including the process of requesting and the timeline.

PUBLIC

Article 68 Financial corrections by the Commission

Article	Amendment	Rationale
68.3a	**The Commission shall decide on a financial correction taking into account the elements referred to in paragraph 2, by means of an implementing act. Where the Member State has requested a hearing in accordance with paragraph 3, the implementing act shall be adopted within 10 months of the date of the hearing.**	Addition of a hearing process, in line of the current practice, including the process of requesting and the timeline.
68.4	**Member State may reuse the amounts concerned where Member State agrees to the financial correction for cases referred to in Article 68(1)(a) and (c) before the adoption of the decision referred to** in the ~~final accounting year~~**third paragraph. The amounts shall not be reused for the same operations or the same type of operations concerned by that intended financial correction.**	The case referred to in Article 68(1)(a) has been added to allow for the reuse of amounts. Furthermore, a rule has been introduced specifying that such amounts shall not be reused for the same operations or for the same type of operations affected by the financial correction in question.

Article 69 Durability and Reversals

PUBLIC

Article	Amendment	Rationale
69.4	Operations supporting relocation **as defined in point (61a) of Article 2 of Regulation (EU) No 651/2014** shall not be eligible.	Relocation is defined to provide more clarity to the text.

Article 71 Financial instruments

PUBLIC

Article	Amendment	Rationale
71.4	Management fees shall be performance based **including any one-off establishment fee for setting up the holding fund where relevant.**	Deletion of ex ante costing and addition of possibility of a one-off establishment fee for setting up the holding fund.

Article 72 Management verifications and audits of financial instruments

PUBLIC

Article	Amendment	Rationale
72.1	The managing authority shall carry out ~~on-the-spot~~ management verifications**, including on-the-spot-checks,** in accordance with Article 51 [functions of the managing authority] only at the level of bodies implementing the financial instrument.	Redrafting to give flexibility on how management verifications may be implemented.

Article 78 Use of simplified form of support towards the beneficiaries

PUBLIC

Article	Amendment	Rationale
78	1. Unless provided otherwise in this Regulation, where the total estimated cost of an operation does not exceed EUR ~~400 000~~**300 000**, the public support provided to the beneficiary by the Member State shall take the form of financing not linked to cost or, a unit costs, lump sums or, flat rate, **except where such form is not appropriate due to the nature of the operation and is duly justified by the Member State.** **This obligation shall not apply to** ~~for~~ operations for which the support constitutes state aid. 2.For operations supported under interventions referred to in Article ~~34(1)~~**35(1) and (11)** [Types of **interventions] and 35b [CFP** interventions], the requirements of the first sub-paragraph shall apply only to those operations of which the total cost does not exceed EUR 100 000**, except where this is not appropriate due to the nature of the intervention and is duly justified by the Member State**.	Provides for flexibility to Member States to decide on the application of SCOs.

Article 80 Social Climate Plan chapter

PUBLIC

Article	Amendment	Rationale
80	**[**The **NRP** Plan submitted to the Commission in accordance with Article 21 (preparation and submission of the **NRP** Plan) shall include the measures and investments contained in the Social Climate Plan submitted by the Member State under Regulation (EU) 2023/955 in a separate Social Climate Plan chapter.**]**	The integration of the SCPs into the NRPPs are dependent on the AHWP MFF discussions, therefore this is now bracketed.

PUBLIC

Annex IV

	Amendment	Rationale
Table 1 12	**For the purposes of the Plan, an** ~~Comprehensive national~~ anti-fraud strategy, based on a risk assessment.	There is no obligation for an anti-fraud strategy. To avoid adding an obligation for national wide strategy, the text proposed aims to narrow this obligation only for NRPP purposes.
Table 2	**Classification of management and control systems with regard to their effective functioning**	In line with the new definition of 'serious non-compliance'.
1.5	*** This table will be based on information already filled in by the Member State at the level of the measure in table 2.7 and table 5, except that for the column "List of supporting reforms (where appropriate)".** ~~A presentation of measures required by Article 46 [Outermost regions], including a description of the main actions envisaged, supported target groups, and corresponding financial resources.~~	Clarifies that some of the tables will be automatically filled from inputs in other tables
1.8	**1.8. Comprehensive overview of the NRP Plan's support to ~~thriving~~ the implementation of the CFP, fisheries and aquaculture activities, as well as to maritime activities and the European Ocean Pact~~production~~ [2000]**	The table included all categories of activities of CFP, fisheries and aquaculture and maritime activities and the European Ocean Pact, in line with the text proposed in Art.35b.
1.12	**[Rural target]**	Rural target' is now added in brackets, subject to the discussions in the AHWP MFF.

PUBLIC

Annex IV

	Amendment	Rationale
2.1	***Considering the multidimensional aspect of investments, reforms and other interventions financed by the NRP Plan, each measure may be assigned to two specific objectives:** **a 'primary' assignment to the specific objective predominantly related to the measure at stake;** **a 'secondary' assignment to capture a specific subset of the primary assignment, the possible spill-over effects on a second specific objective, or the nature of beneficiaries targeted by the measure.**	Explanation on the primary and secondary objectives is added.
2.8	**2.8 Social measures in accordance with Annex VI**	New table added on the social measures of Annex VI that will be automatically filled
4a	**4a (new) Do No Significant Harm assessment of the measure**	The assessment of the DNSH per measure was missing from Annex V and is now added to provide clarity on its application

Annex VI

PUBLIC

	Amendment	Rationale
ANNEX VI	**ANNEX VI** **~~Methodology for the c~~Contribution to concentration on certain social ~~objectives~~measures**	Change of the title to avoid ambiguity with regards to the application of Annex VI and align with Art. 22 (2b) (g) that refers to social measures and not objectives.
	For the purpose of Article 22(2**b**), point (**g~~i~~**), letter (ii), and taking into account the specific national and regional needs and challenges identified, inter alia, in the context of the European Semester**, in particular the country specific recommendations,** and in line with the European Pillar of Social Rights, Member States shall **also allocate** ~~concentrate~~ resources in their Plans on the following measures:	Text proposed clarifies that the four measures are only some of those referred to in Art. 3(1)(c)).

Annex VIII

PUBLIC

	Amendment	Rationale
	The ~~purpose and the~~ expected **achievement**~~result~~ of the milestone and target as planned and based on the **underlying purpose of the measure**~~outcome~~, taking into account the fulfilment of the individual requirements set out therein**, including the qualitative aspects and circumstances related to its fulfilment;**	To provide additional clarity and flexibility to MS in the assessment of the fulfilment of milestones and targets, the qualitative aspects and circumstances related to their fulfilment.
	~~The documents listed as reference framework for the preparation of the plan in Article 22(2) and documents submitted via SFC and any further explanation as regards the fulfilment including correspondence with national and regional authorities;~~	The Policy Reference Framework documents play a role in setting the milestones and targets and should not have a role in their assessment.
	Deviations from the established requirements of the milestone and target may be accepted in the following circumstances: **there is a minimal deviation from a formal requirement of the milestone and target related to the internal procedures of Member States, which does not affect the progress towards the achievement of the reform or investment that the milestone or target represents;** **There is limited and proportional delays between the publication of regulatory measures and their effective entry into force, provided that the certainty of their implementation and the beginning of legal effects are respected;** **There is a minimal deviation from a substance requirement of the milestone or target, which does not change the underlying purpose of the measure, and which does not affect the progress towards the achievement of the policy objective of the reform or investment that the milestone or target represents.**	The proposed text aims to bring clarity and flexibility to Member States in assessing the fulfilment of milestones and targets. The proposed text builds on the lessons learned from assessing milestones and targets and will be guiding all relevant partners when assessing, verifying the fulfilment of milestones and targets or auditing.

Annex IX

PUBLIC

	Amendment	Rationale
	ANNEX IX **Reporting templates~~on the implementation progress of the measures of the Plan (to be submitted as an Annex to the management declaratio n~~**	Considering the addition of new templates, the title is now changed.
	N.B. The information covered by Part 1 (fulfilled milestones, targets and outputs submitted with a payment application) will not need to be reported by MS – it will be automatically generated by SFC	Clarification on how the information will be filled.
	Part 3. Reporting on result indicators and sub-categories of output indicators	New table added, aligned with the Performance Regulation.
	Amounts recovered by Member States included in payment applications (Article 68(4))	New table added that includes information on recoveries as this information would be needed following the insertion of new provision on reusing amounts in Art. 68(4). The information to be included in this table does not need to be necessarily linked to the same M/T included in the payment application.

Annex XII

PUBLIC

	Amendment	Rationale
4	**the information on the implementation progress of the measures of the Plan reported in accordance with Part 2 of Annex IX [Annexed herein] provides a true and fair view of the implementation progress**	Repositioned to clarify that the information on the implementation progress of the measures of the Plan is not linked with the payment applications.

Annex XIII

PUBLIC

	Amendment	Rationale
1	the management declaration(s) [prepared and signed by the managing authorities] **for the [Chapter(s)] [measure(s)] [of the]National and Regional Partnership Plan of [country] or the Interreg Plan chapter** in accordance with paragraph (**c~~a~~)** of Article 59(1) [annual assurance package],	Additional options added in line with the flexible approach with regards to the preparation of management declarations depending on the Member States' institutional and legal structures.

Annex XIV

PUBLIC

Article	Amendment	Rationale
Annex XIV	Determination of the level of flat-rate financial corrections	Addition of Art.58 , in alignment with the proposed definition on ‘serious non-compliance’.

Annex XV

PUBLIC

	Amendment	Rationale
1.(i)	address urgent and specific needs as a response to a ~~crisis situation such as~~ major**, national** or regional natural disaster **or major public health emergency**, and foster repair and recovery in view of increasing resilience following ~~a crisis~~**natural disasters or major public health emergencies. In this context, a 'major public health emergency' means any life-threatening or otherwise serious hazard to health of biological origin seriously affecting human health and requiring decisive action to contain further spreading**;	In line with the overall proposal major public health emergencies are added together with a relevant definition in line with the EUSF Regulation.
1.(iv)	**iv. a major public health emergency in a Member State resulting in a public financial burden for emergency response measures estimated at over EUR 1.5 billion in current prices, or more than 0,3 % of its GNI.**	In line with the addition of 'major public health emergency', a threshold is introduced.



Thank you!

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