



2025/0240(COD)

18.3.2026

DRAFT OPINION

of the Committee on Industry, Research and Energy

for the Committee on Budgets, the Committee on Regional Development and
the Committee on Agriculture and Rural Development

on the 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
(COM(2025)0565 – C10-0179/2025 – 2025/0240(COD))

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SHORT JUSTIFICATION

ITRE advocates for:

- flexibility with visibility. MSs retain discretion over allocations while ITRE priorities are visible in objectives, plan requirements and indicators, to steer national choices and enable EP scrutiny.
- complementarity not duplication. ECF, with direct management, finances major transformative and high-risk projects, large-scale industrial investments, strategic cross-border infrastructure and breakthrough innovation, leveraging private finance not being only a grant scheme. NRPP, with shared management, concentrates on regional anchoring - distribution grids that reach factory gates, local enabling infrastructure, skills ecosystems for trained workers and support for supply chains and social cohesion in transition regions.
- establishing operational interfaces between NRPPs and MFF Heading 2 (ECF, CEF and HE) with industrial policy genuinely coordinated and reinforced not fragmented.
- recognizing NRPP as key funding vehicle for Net-Zero Acceleration Valleys, delineating between ECF (transformative projects) and NRPPs (implementation and regional capacity building).

Key Priorities

Energy Infrastructure and Security

The EU has high investment needs in grids, storage, and flexibility solutions. CEF and ECF target cross-border backbones. NRPPs are best placed to support distribution grids, regional storage, local renewable integration, and industrial energy connections, safeguarding technological neutrality where all low- and zero-carbon technologies remain eligible and competitive energy costs are an explicit objective. The regulation must accommodate long construction times typical for the capital-intensive energy infrastructure.

Industrial Ecosystems and Supply Chain Resilience

Industrial competitiveness should be treated as a strategic priority. NRPPs should support regional industrial parks, critical raw materials processing, recycling facilities and traditional regional industries, to operationalize CRMA and NZIA and keep production and jobs in the EU, with industrial clusters and SME representatives involved in drafting industrial chapters and Plans that include simplified SME access to finance and cluster participation.

Digital Transformation

The regulation lacks digital-specific content requirement. Plans should include digital chapters covering connectivity, SME digitalization, AI infrastructure and compute capacity, especially in lagging regions, and cybersecurity linked to EU frameworks, with investments clearly additional to national spending.

Research, Innovation and Skills Ecosystems

Horizon Europe must remain the EU programme for frontier research and excellence with adequate, autonomous budget. NRPPs should complement it by supporting regional innovation diffusion, technology transfer, testbeds, living labs and skills, with results reaching all EU.

MFJ Constraints and Performance Framework Weaknesses

EP cannot negotiate budgetary figures, which are the Council's prerogatives, and NRPPs are approved by Council implementing decisions without co-decision. Ex-ante provisions on objectives, milestones and indicators are therefore crucial to ensure that ITRE priorities are reflected. ITRE proposes robust, measurable indicators (for example grid capacity in MVA, SME digitalization rates, CRM processing volumes) and the involvement of specialized stakeholders like energy NRAs and industrial clusters.

Just Transition and Regional Economic Resilience

The just transition is essential for regional competitiveness and resilience but remains overlooked. Regions that still depend on carbon-intensive industries face structural challenges. NRPPs should support just transition as a competitiveness instrument that preserves economic viability while transforming the industrial base.

Traditional industries such as paper mills in forested regions, glass manufacturing in mountain areas with specific geological resources, ceramics clusters near clay deposits are geographically anchored but struggle to finance modernisation due to capital intensity and perceived obsolescence. They employ thousands and underpin regional economies, having strong potential for innovation in advanced materials, circular processes and energy efficiency. Their loss would destroy livelihoods and erode industrial diversity, vital for EU strategic autonomy.

Modernisation of these industries, economic diversification, skills transition, and infrastructure for new business models can strengthen regional resilience and reduce dependence on single sectors. Focusing only on a few "centres of excellence" risks creating a two-tier EU. Vibrant rural, industrial and peripheral areas are needed, with local and regional production contributing to circular economy, reducing transport needs and preserving skills and territorial balance. NRPPs must enable people to build a life in their regions by helping all territories develop competitive advantages, whether through modernised traditional industry, new sectoral diversification or combinations of heritage industries with innovation.

AMENDMENTS

The Committee on Industry, Research and Energy submits the following to the Committee on Budgets, the Committee on Regional Development and the Committee on Agriculture and Rural Development, as the committees responsible:

Amendment 1

Proposal for a regulation

Recital 15 a (new)

Text proposed by the Commission

Amendment

(15a) Achieving the Union's competitiveness objectives requires that Plans adequately support industrial modernisation, energy infrastructure development, digital transformation, and strengthening innovation capacity. While Member States retain full discretion in allocating resources beyond minimum ringfences, they should be encouraged to prioritise investments addressing among others the Clean Industrial Deal, the Net-Zero Industry Act, the Industrial Accelerator Act, the Critical Raw Materials Act, the Digital Decade 2030, and the AI Continent Action Plan. NRPPs should be explicitly recognized as the key funding vehicle for Net-Zero Acceleration Valleys, representing the most concrete territorial expression of the Clean Industrial Deal at regional level. Such investments could be used to complement the European Competitiveness Fund, the Connecting Europe Facility, and Horizon Europe, focusing on regional anchoring, last-mile infrastructure, supply chain enablers, skills ecosystems, and innovation diffusion, domains where national and regional authorities are best positioned to deliver. The duplication of funding should be avoided so that the support provided by actions under ECF concentrate on transformative projects requiring scale and cross-border coordination while those under NRPPs concentrate on territorial implementation and capacity-building. The distinct

identity of ECF's constituent instruments must be preserved, leveraging private finance rather than operating as pure grant mechanisms.

Or. en

Amendment 2

Proposal for a regulation Recital 15 b (new)

Text proposed by the Commission

Amendment

(15b) Plans should support all regions, with special attention paid to Just Transition regions, not only centres of excellence, allowing for effective economic diversification, modernisation of traditional industries, and territorial resilience which contribute to overall Union competitiveness by maintaining industrial diversity, enabling the right to stay in home regions, and supporting the economy through local production. The Just Transition regions are crucial for achieving balanced territorial development across the Union.

Or. en

Amendment 3

Proposal for a regulation Recital 15 c (new)

Text proposed by the Commission

Amendment

(15c) Performance monitoring should enable Parliament and Commission to assess whether Plans collectively contribute to Union competitiveness objectives.

Or. en

Amendment 4

Proposal for a regulation

Article 3 – paragraph 1 – point a – point ii

Text proposed by the Commission

(ii) strengthening the Union's industrial base, resilient supply chains and boosting sustainable and competitive manufacturing, in particular in the areas of net zero and critical raw materials technologies, with special attention to the competitiveness of small- and medium-sized enterprises, **by fully integrating environmental and climate ambitions** to accelerate **a clean** industrial transition;

Amendment

(ii) strengthening **and modernising** the Union's industrial base **as a distinct strategic priority**, resilient supply chains and boosting sustainable and competitive manufacturing, in particular in the areas of net zero and critical raw materials technologies, **including industrial ecosystems, supply chain resilience, critical raw materials processing and recycling, clean industrial technologies, modernisation and diversification of established industries (such as paper, glass, ceramics, textiles) and geographically-anchored industrial activities**, with special attention to the competitiveness of small- and medium-sized enterprises, **and defence-related capacities and dual-use enabling infrastructure**, to accelerate **the** industrial transition. **This shall include the food and drink processing industry, falling outside Annex I to the TFEU, to avoid investment gaps in the agri-food value chain and to support their competitiveness in the internal market and globally.**

Or. en

Amendment 5

Proposal for a regulation

Article 3 – paragraph 1 – point a – point iii

Text proposed by the Commission

(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

Amendment

(iii) supporting **the** transition towards the Union's 2050 targets for energy and climate, **through ensuring access to affordable, reliable, secure and technologically neutral energy**, in particular by prioritising support for clean energy generation and infrastructure,

energy systems and domestic transmission and distribution grids also taking into account the Trans-European Network (TEN-E) and technology and promoting a circular economy, ensuring that all territories and everyone can contribute and benefit from the clean transition;

promoting energy efficiency and decarbonisation, storage and technology, developing smart energy systems ***flexibility solutions, renewable integration at regional level*** and domestic transmission and distribution grids ***construction and modernisation***, also taking into account the Trans-European Network (TEN-E) and technology and promoting a circular economy, ensuring that all territories and everyone can contribute and benefit from the clean transition ***with particular attention to energy cost competitiveness for energy-intensive industries***;

Or. en

Amendment 6

Proposal for a regulation

Article 3 – paragraph 1 – point a – point iv

Text proposed by the Commission

(iv) ***supporting*** the digital transformation towards the Digital Decade targets and objectives set out in the Digital Decade Policy Programme 2030, thereby contributing to the achievement of a digitally sovereign, secure, and inclusive Union, and promoting the development and use of advanced technologies, including AI secure and trusted digital infrastructure and services, basic and advanced digital skills, digital public services, and ICT connectivity, while addressing the digital divide;

Amendment

(iv) ***accelerating*** the digital transformation towards the Digital Decade targets and objectives set out in the Digital Decade Policy Programme 2030, thereby contributing to the achievement of a digitally sovereign, secure, and inclusive Union, and promoting the development and use of advanced technologies, including ***gigabit connectivity, data infrastructure, artificial intelligence deployment and compute capacity, cybersecurity capabilities, including AI secure and trusted digital infrastructure and services, basic and advanced digital skills, digital public services, and ICT connectivity, while addressing the digital divide particularly in less developed and transition regions as well as Just Transition regions and for SMEs***;

Or. en

Amendment 7

Proposal for a regulation

Article 3 – paragraph 1 – point a – point v

Text proposed by the Commission

(v) **supporting** research, development and innovation, including the diffusion of innovation across all regions;

Amendment

(v) **strengthening** research, development and innovation, **through regional innovation ecosystems, technology transfer mechanisms, testbeds and demonstration facilities, and innovation capacity-building**, including the diffusion of innovation across all regions **while ensuring complementarity with Horizon Europe and preserving Horizon's standalone character and budget**;

Or. en

Amendment 8

Proposal for a regulation

Article 4 – paragraph 1 – point 40 a (new)

Text proposed by the Commission

Amendment

(40a) “just transition region” means a less developed, transition or more developed region, or a functional territory within such a region, identified by the Member State for 2021-2027 programming period and confirmed in its National and Regional Partnership Plan as being particularly affected by the transition towards climate neutrality or by the green and digital transitions, due to a high share of employment or value added in greenhouse-gas-intensive activities, fossil-fuel extraction, transformation or use, or other sectors exposed to profound structural change, and for which a dedicated set of measures is programmed under Article 3(1), point (a)(iii).

Or. en

Amendment 9

Proposal for a regulation

Article 6 – paragraph 1 – point a

Text proposed by the Commission

(a) regional, local, urban, rural and other public authorities or associations representing such authorities;

Amendment

(a) regional, local, urban, rural and other public authorities or associations representing such authorities, ***including those relevant to the content of chapters addressing industrial, energy or digital objectives***;

Or. en

Amendment 10

Proposal for a regulation

Article 6 – paragraph 1 – point b

Text proposed by the Commission

(b) economic and social partners, including farmers, fishers and their organisations;

Amendment

(b) economic and social partners including, farmers; fishers and their organisations, ***for chapters addressing industrial competitiveness, innovation or critical raw materials, industrial clusters, technology platforms, sector-specific business organisations, energy transmission and distribution system operators, regional development agencies and SME representatives***;

Or. en

Amendment 11

Proposal for a regulation

Article 6 – paragraph 1 – point d

Text proposed by the Commission

(d) research organisations and universities, where appropriate.

Amendment

(d) research ***and technology*** organisations and universities, ***technology transfer offices, and innovation support structures***, where appropriate.

Or. en

Amendment 12

Proposal for a regulation Article 14 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. When programming the flexibility amount, Member States may adjust allocations in light of emerging priorities. However, where measures related to multi-year industrial projects, energy infrastructure, or innovation ecosystems have been initiated under the initial 75% allocation and demonstrate satisfactory progress, continuity funding from the flexibility amount shall be prioritized to ensure completion and avoid stranded investments, unless justified by changed circumstances or underperformance.

Or. en

Amendment 13

Proposal for a regulation Article 15 – paragraph 1 – subparagraph 1 (new)

Text proposed by the Commission

Amendment

By way of derogation from the first subparagraph, for amounts programmed under measures contributing primarily to the specific objectives set out in Article 3(1), point (a), points (ii) to (v), the Commission shall decommit any amount which has not been used for pre-financing, in accordance with Article 17 [pre - financing] or for which a payment application has not been submitted in accordance with Articles 65 [submission and assessment of payments application] by 31 October of the third calendar year following the year of the budgetary commitments.

Or. en

Amendment 14

Proposal for a regulation

Article 22 – paragraph 2 – point b – paragraph 2 – point c

Text proposed by the Commission

(c) provide the list and description of measures grouped in chapters, including the general and specific objectives that each of them primarily pursues and the list of envisaged milestones and targets, with their indicative completion date during the programming period, including the additional measures and related milestones and targets in case the Member State concerned requests loan support. Measures linked to the CAP shall comply with the requirements set out in Title V [CAP] and Regulation (EU) 202X/XXXX [CAP Regulation] and Regulation (EU) 202X/XXXX [CMO] and those linked to the Common Fisheries Policy with the requirements set out in Article XX of Regulation XX [CFP]. The indicators proposed for the targets shall be based on the output indicators listed in Annex I to Regulation (EU) 202X/XXXX [Performance Regulation] except where duly justified;

Amendment

(c) provide the list and description of measures grouped in chapters, including the general and specific objectives that each of them primarily pursues and the list of envisaged milestones and targets, with their indicative completion date during the programming period, including the additional measures and related milestones and targets in case the Member State concerned requests loan support. Measures linked to the CAP shall comply with the requirements set out in Title V [CAP] and Regulation (EU) 202X/XXXX [CAP Regulation] and Regulation (EU) 202X/XXXX [CMO] and those linked to the Common Fisheries Policy with the requirements set out in Article XX of Regulation XX [CFP]. The indicators proposed for the targets shall be based on the output indicators listed in Annex I to Regulation (EU) 202X/XXXX [Performance Regulation] except where duly justified.

For measures addressing industrial competitiveness, energy infrastructure, digital transformation, or innovation capacity, milestones and targets shall be defined with sufficient precision to enable objective verification and shall include, where appropriate: (i) for energy infrastructure: additional grid capacity (MVA), storage capacity (MWh), renewable integration capacity (MW), or connections enabling industrial projects; (ii) for industrial measures: number of industrial sites benefiting from decarbonisation support, volume of critical raw materials processed or recycled (tonnes), number of regional industrial clusters supported; (iii) for digital measures: population covered by gigabit connectivity (%), SMEs adopting

digital technologies (number), public services digitalized (number); (iv) for innovation measures: number of researchers or innovators supported, regional innovation capacity indicators (patents, spinoffs, technology transfer agreements), testbeds or demonstration facilities operational. Such indicators shall be measurable, baseline values shall be established, and methodologies for calculating target achievement shall be clearly defined in Plan annexes.;

Or. en

Amendment 15

Proposal for a regulation Article 22 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. For chapters addressing industrial competitiveness, innovation, digital transformation, or critical raw materials, the Plan shall describe specific measures ensuring simplified access procedures for small and medium-sized enterprises (SMEs), including:

(i) simplified application procedures with reduced administrative requirements proportionate to project size;

(ii) dedicated SME support structures or one-stop-shops providing guidance on funding eligibility and application processes;

(iii) measures ensuring SME participation in regional industrial clusters, innovation ecosystems, and supply chain support programmes;

(iv) where advance financing or guarantees are provided, provisions ensuring SMEs can access such instruments without disproportionate collateral requirements. Member States shall report annually on SME participation rates and describe corrective

actions where SME participation falls below reasonable thresholds.

Or. en

Amendment 16

Proposal for a regulation Article 22 a (new)

Text proposed by the Commission

Amendment

Article 22a

Coherence with Union programmes under Heading 2

1. Each Plan shall include a dedicated section describing how measures addressing industrial competitiveness, energy infrastructure, digital transformation, or innovation capacity ensure coherence and complementarity with:(a) the European Competitiveness Fund, specifying how regional investments support or enable projects financed under ECF windows;(b) the Connecting Europe Facility, particularly for energy and digital infrastructure, demonstrating how regional networks integrate with trans-European networks;(c) Horizon Europe and successor programmes, clarifying how innovation support focuses on regional diffusion, technology transfer, and capacity-building rather than duplicating competitive research funding.2. The Commission shall, in its assessment under Article 23, verify that Plans provide sufficient evidence of such coherence and shall request amendments where risks of overlap, duplication, or fragmentation are identified.3. Member States shall establish coordination mechanisms ensuring regular information exchange between authorities managing Plan implementation and those responsible for MFF Heading 2 programmes.

Amendment 17

Proposal for a regulation Article 22 b (new)

Text proposed by the Commission

Amendment

Article 22b

Digital chapter in the NRPP

1. Each Plan shall include an explicit digital chapter describing the Member State's strategy and measures for achieving Digital Decade 2030 targets through territorial investments.

The digital chapter shall address:

(a) deployment of gigabit connectivity infrastructure, with particular attention to lagging regions, rural areas, and underserved territories;

(b) measures supporting SME digitalisation, including adoption of digital technologies, e-commerce capabilities, and integration into digital value chains;

(c) artificial intelligence infrastructure, including compute capacity, data infrastructure, and AI deployment in public services and industry, with specific provisions for regions falling behind in digital transformation;

(d) cybersecurity capabilities and resilience, anchored to existing EU cybersecurity frameworks including the NIS2 Directive and Cybersecurity Act;

(e) digital skills development, covering basic digital literacy, advanced ICT skills, and specialised competencies for emerging technologies.

2. The digital chapter shall demonstrate how NRPP digital investments complement rather than

replace:

(a) national digital spending commitments, with clear evidence of additionality;

(b) Union programmes addressing digital objectives, particularly the Connecting Europe Facility (Digital) and Digital Europe Programme, specifying how regional investments integrate with EU-level initiatives.

3. The Commission shall assess the adequacy of the digital chapter in its evaluation under Article 23, and may request revisions where the digital strategy lacks coherence, fails to demonstrate additionality, or provides insufficient attention to lagging regions or SME digitalisation.

Or. en

Amendment 18

Proposal for a regulation Article 46 – paragraph 1 – point a

Text proposed by the Commission

(a) Providing for their specific needs and challenges, such as food security, housing, sustainable transport, water and waste management, energy, employment and labour mobility, in particular for young people, decarbonisation, circularity, education and skills, social inclusion, migration, **climate change** resilience and **adaptation**, environmental protection, blue economy, access to healthcare, energy, sustainable transport and digital connectivity and economic development, including a sustainable and diversified blue economy;

Amendment

(a) Providing for their specific needs and challenges, such as food security, housing, sustainable transport, water and waste management, energy, employment and labour mobility, in particular for young people, decarbonisation, circularity, education and skills, social inclusion, migration, **multi-hazard** resilience and **response capacity**, environmental protection, blue economy, **blue biotechnology, marine renewable energy, sustainable blue economy sectors**, access to healthcare, energy, sustainable transport and digital connectivity and economic development, including a sustainable and diversified blue economy;

Or. en

Amendment 19

Proposal for a regulation Article 59 – paragraph 1 – point a

Text proposed by the Commission

(a) reporting on the implementation progress of the measures in the Plan set out in Article 58(4) [Responsibilities of Member States], in accordance with the template set out in Annex IX [Reporting on progress in implementation of measures], referencing the payment applications submitted in the previous financial year;

Amendment

(a) reporting on the implementation progress of the measures in the Plan set out in Article 58(4) [Responsibilities of Member States], in accordance with the template set out in Annex IX [Reporting on progress in implementation of measures], referencing the payment applications submitted in the previous financial year, ***including quantified progress on output and result indicators with estimations permitted only where measurement is genuinely not feasible, accompanied by explanation of barriers to quantification and planned remedial actions. For measures related to industrial competitiveness, energy infrastructure, digital transformation, or innovation capacity, the report shall include specific progress updates on indicators described under Article [22(2)(b)(2)(c)] and analysis of contribution to relevant Union policy objectives including, Digital Decade 2030, Net-Zero Industry Act, and Critical Raw Materials Act.***

Or. en

Amendment 20

Proposal for a regulation Article 59 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. For milestones and targets related to industrial competitiveness, energy infrastructure, digital transformation, or innovation capacity measures, the management declaration shall additionally confirm that: (i) outputs

claimed correspond precisely to the definitions and methodologies established in the Plan; (ii) supporting evidence demonstrates actual physical implementation (e.g., operational facilities, measured capacity increases, verified grid connections) rather than merely administrative or procedural completion; (iii) claimed achievements represent genuine progress toward the specific objectives in Article 3(1)(a) and do not constitute rebranding or relabelling of existing infrastructure or already planned activities.

Or. en