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Conditionality in EU Cohesion Policy: Transforming Multilevel Governance at the Cost of Political Legitimacy?

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Abstract

Debates on the political legitimacy of the EU typically focus on the tension between democratic representation and its capacity to implement effective policies. The multilevel governance approach has broadened this debate by emphasising the involvement of subnational governments in designing and implementing EU policies to achieve better results. Yet, the expansion of conditionality instruments over time has altered the governance frameworks and policy objectives of Cohesion Policy, gradually altering the role of subnational governments from pro-active shapers to passive recipients of top-down policies. By examining conditionality in the 2000–2006 and 2021–2027 programming periods, this article analyses how the transformation of multilevel governance has impacted the input and throughput legitimacy of CP. For this purpose, the article focuses on a total of six case studies from Spain, Germany, and Poland to assess changes to territorial participation and preferences in policy-making (input) as well as efficiency, transparency, accountability, and inclusivity policy implementation (throughput). The findings highlight a trade-off between input and throughput legitimacy. While conditionality may enhance certain dimensions of throughput legitimacy by strengthening transparency, accountability, and procedural oversight, it can simultaneously undermine input legitimacy by constraining the autonomy of territorial actors in defining policy priorities and shaping development strategies. Moreover, the analysis shows that conditionality has become a mechanism through which authority is increasingly channelled through national governments and EU executive institutions, with important consequences for the territorial architecture of EU governance.

1. *Introduction*

This article demonstrates how the expansion of conditionality mechanisms in EU Cohesion Policy (CP) between the MFF 2000–2006 and 2021–2027 has affected how multilevel governance (MLG) contributes to the political legitimacy of EU policies. Drawing on Vivien Schmidt's (2020) concept of political legitimacy, we focus on six regions from Germany, Poland and Spain to assess how conditionalities have influenced the role of subnational actors in the formulation (input legitimacy) and implementation (throughput legitimacy) of CP.

Debates on the legitimacy of the EU have traditionally centred on the tension between democratic representation and the EU's capacity to achieve effective policy outcomes (e.g., Weiler, 2012; Crum & Merlo, 2020; Schmidt, 2022). It is often argued that the EU's legitimacy derives primarily from its ability to address complex transnational challenges, implying that its justification is largely based on its performance and the results it achieves (Scharpf, 1999; Lindgren & Persson, 2010). MLG has broadened our understanding of legitimacy by highlighting the importance of inclusive, bottom-up, and territorially integrated governance for the performance and quality of policy (Guderjan & Kölling, 2025a). According to MLG, the legitimacy of EU policy becomes stronger through structured interactions between different levels of government during the design and implementation of policies that pursue common objectives (Marks, 1993; Hooghe & Marks, 2010; Benz et al., 2021).

Although MLG is regarded as an approach to enhance the democratic credentials and effectiveness of policy (Allain-Dupré, 2020), the gradual introduction of new conditionality mechanisms, particularly since the MFF 2007–2013 (Bachtler & Ferry, 2015), has affected the territorial participation in the making and implementation of policy (Kaiser & Fási, 2025; Guderjan & Kölling, 2025a; Schramm et al., 2022). Initially introduced to ensure the effectiveness and strategic focus of EU investments, conditionality instruments have multiplied and become increasingly diverse, evolving from thematic and regulatory conditionalities to broader structural requirements. The transition towards stricter requirements unfolded through successive reforms of MFFs, and accelerated during times of crisis, such as the 2008 financial crisis and particularly the COVID-19 pandemic (Guderjan & Kölling, 2025b). This has transformed the governance of CP (Bachtler & Ferry, 2015), which is clearly the policy area where MLG is most advanced.

Considering that except for Bachtler and Mendez (2020), few studies have examined how the expansion of conditionalities mechanisms have affected the legitimacy of CP, we examine how conditionality impacted its input legitimacy and throughput legitimacy from an MLG perspective. Our analysis is based on an extensive review of operational programmes, evaluations, meeting minutes, and other documentary sources that capture the dynamics of decision-making and implementation during the MFF 2000–2006 and 2021–2027. To enable systematic comparisons, we conducted in-depth case studies of six regions from Spain, Germany, and Poland (two regions per country). Given the small number of cases, our study does not aim to establish robust causal generalisations or formulate systematic explanatory frameworks. . By shedding light on shifting relations between actors and institutions across multiple levels of government and their implications for the governance of Cohesion Policy, this article provides exploratory insights into the transformation of MLG and its implications for legitimacy, thereby contributing to ongoing debates surrounding the negotiation of the MFF 2028–2034.

2. *Empirical Analysis*

4.1 Input legitimacy

4.1.1Territorial participation

We start of analysis by looking into how subnational governments were involved when major decisions about the overall objectives and mode of governance of CP were designed. The 2000-20006 MFF was decided on at intergovernmental level by the European Council and formalised in the Interinstitutional Agreement, which set the expenditure ceilings for structural measures. While the European Parliament was required to give its approval, the Committee of the Regions (CoR) retained only an advisory role. Indicative national allocations were calculated by the Commission on the basis of standardised socio-economic indicators for GDP per capita, unemployment and population. The Community Support Frameworks were negotiated between the Commission and individual Member State governments and translated into national development strategies. Although territorial participation in the 2000-2006 negotiations took mainly place through national institutional structures, the CP framework and the operational programmes were not predefined by conditionalites. The operational programmes were largely negotiated through internal policy discussions with subnational authorities before they were submitted by the Member States and approved by the Commission. Although the partnership principle was reinforced over successive reforms (Méndez & Bachtler, 2011; Sutcliffe, 2000), its application remained procedural and loose and varied strongly (Thielemann, 2002; Bache, 2008). Without a formal role in the official negotiations, territorial participation depended on the constitutional status and powers of subnational authorities and mostly on the goodwill of national governments.

In Spain, the central government retained exclusive competence to negotiate the operational programmes with the Commission. The sectoral and non-binding nature of intergovernmental coordination limited the participation of the Autonomous Communities when cross-cutting themes were negotiated across different policy areas of the CP (Kölling, 2015). In Germany, the participation of the Länder was guaranteed through the Bundesrat (Müller, 2024; Souris, 2025; Spohr et al., 2025). Even though the federal government remained the formal interlocutor of the Commission, binding coordination mechanisms between the federal government and the Länder enabled the latter to take part in the negotiation of the national position and the operational programme. The Polish government negotiated one single operational programme with the Commission, while Poland’s unitarian legacy limited the participation of the Voivodeships in (Baun & Marek, 2009; Dąbrowski, 2012, 2013). They could only play a consultative role in the drafting phase through the Integrated Regional Operational Programmes (Bachtler et al., 2008).

By 2021–2027, MFF have remained subject to intergovernmental bargaining: the European Council shapes the agenda, though the scrutiny of the European Parliament has become stronger. The Common Provisions Regulation (Regulation (EU) 2021/1060), which established the main conditionality mechanisms for the CP, was adopted through the Ordinary Legislative Procedure, involving co-decision between the European Parliament and the Council of the European Union. The Commission continues to allocate funds by using a formula-based method, which is supplemented by factors such as demographic structure, youth unemployment, educational attainment, and migration. However, the expansion of conditionality has narrowed down the scope for negotiations. Through the strategic definition of policy objectives and by earmarking the allocation of funding to specific themes (Kölling & Hernández Moreno, 2023), subnational governments enter negotiations at a stage when decisions are already manifested. The CoR keeps its only consultation right. Since the European Code of Conduct on Partnership remains a delegated act, the partnership principle has not become a form of 'soft conditionality' to the 2021–2027 negotiations by requiring the participation of subnational actors and civil society organisations within the negotiation process. Yet Member States retain considerable discretion in how they negotiate with subnational authorities (Böhme et al., 2021; Guderjan & Kölling, 2025a), and enjoy significantly greater control over the territorial distribution of allocations (Molica et al., 2025). In Spain, the central government maintained the exclusive competence to negotiate the content of the operational programmes with the Commission leaving the Autonomous Communities with little decision making power. In Germany, the Länder via Bundesrat negotiated with the federal government the operational programmes. In Poland, the Voivodeships played a more formalised role in the negotiation of their operational programmes,. Partnership Agreements has given subnational authorities formalised territorial representation in CP negotiations, but participation remains restricted in Spain, continues to be strong in German, and improved in Poland between 2000-2006 and today.

Compared with 2000–2006, the MFF 2021–2027 does not see a limitation of subnational authorities in the participation of the negotiation of CP policy design, rather, it predefines the parameters of the policy game to such an extent that it constrains their substantive participation in shaping the conditionality regime.

4.1.2 Territorial policy autonomy

Because regional authorities were not formally represented in the 2000-2006 negotiations, regional preferences were consolidated at national level and subsequently fed into the Community Support Frameworks submitted to the European Commission. As long as the programmes complied with EU legislation, financial management rules, and the general objectives of CP, there were relatively few requirements; measures could cover a wide range of areas ranging from productive investment, infrastructure, technological development, environmental regeneration to local development. Regional and national authorities had considerable autonomy in defining territorial priorities within operational programmes. Consequently, the focus of programmes tended to be broad in scope and combined policy and territorial preferences in line the overarching guidelines established by the EU.

In Extremadura, the operational programme targeted the 'polarisation of living space' and scattered municipalities through investments in transport infrastructure and basic public services. In Aragon, the operational programme focused on structural and demographic challenges such as rural exodus, industrial weaknesses, and environmental problems. Brandenburg's operational programme featured a problem-oriented territorial approach and reflected its socio-economic status as a former member of the GDR. Bavaria enjoyed considerable leeway in shaping its operational programme, which aimed at reducing urban–rural disparities while promoting innovation and environmental remediation. In Poland, the centrally managed elaboration of the Integrated Regional Operational Programmes established broad priorities for the 2004–2006 period: infrastructure to promote competitiveness, human resource development, and local development. The regional component[1] of the programme covered territorially differentiated profiles. In Mazovia, measures combined environmental protection with significant investment in road infrastructure, water supply systems, and sewerage networks, reflecting the disparities between the Warsaw metropolitan and rural peripheral areas. Podkarpackie also tackled the particular issues of a peripheral region with weaker infrastructure and lower economic development.

[1] The regional component of the national programme included the allocation of funding envelopes to each Voivodeship and regionally differentiated projects within national measures.

The operational programmes for 2021–2027 continue to address territorial preferences, however, within a substantially stricter conditionality regime and within predefined EU categories. Thematic concentration requirements stipulate that Member States have to allocate a minimum share of ERDF funding to specific EU Policy Objectives such as climate action and digital transformation. This limits the scope for redistribution based on territorial considerations. Ex ante enabling conditions, including smart specialisation strategies, climate plans, and administrative capacity frameworks, have become requirements that can result in delayed approvals or the suspension of payments. Performance-based monitoring further limit flexibility and strategically restricted the scope for regional discretion.

The new provisions evidently shape the programmes of all case studies. In Extremadura, the operational programme has maintained its focus on rural depopulation, water scarcity, and connectivity gaps, but these priorities are now embedded within EU Policy Objectives (PO) and subject to enabling conditions. Similarly, the operational programme for Aragon reflects territorial and ecological challenges, and its priorities are explicitly aligned with EU Policy Objectives and enabling conditions. Brandenburg's programme has still targeted population decline and structural transformation, also embedded in EU Policy Objectives. In Bavaria, the ERDF programme retains a territorial focus, though it is characterised by strong thematic concentration. As an economically strong region, around 60% of ERDF resources must be allocated to innovation (PO1) and climate-related objectives (PO2), which in comparison to 2000–2006substantially limits its strategic discretion. In Poland, the operational programmes for Mazovia and Podkarpackie show a similar structure; both take into account specific territorial inequalities yet geared more towards the EU’s wider priorities.

While impact of conditionality on territorial participation varies between Member States, subnational authorities have become generally less autonomous as their territorial preferences have become subject to pre-set objectives.Both regional and national authorities operate within increasingly predefined EU priorities, particularly through thematic concentration and strategic objectives. Our analysis therefore suggests that the EU’s focus on coherent outputs across all

Member States and levels reduced the input legitimacy of CP by narrowing the range of available policy choices and, consequently, constraining territorial autonomy.

4.2 Throughput legitimacy

4.2.1Efficiency

For the 2000–2006 period, absorption of ERDF funding was generally high across the EU and almost all Member States absorbed more than 90% of their ERDF allocations (Tosun, 2014). Although regional administrations faced growing technical and administrative pressures towards the end of the period, most notably in relation to compliance with the N+2 rule, they benefited from a flexible implementation framework introduced by the European Commission. This allowed them to adjust their programmes and financial planning. Consequently, subnational authorities strongly contributed to the implementation of ERDF with high absorption rates.

In Spain, Objective 1 regions, such as Extremadura, achieved steadily rising, high level of absorption, while in Objective 2 regions, such as Aragon, it was comparatively lower (Tosun, 2014). In Germany, 95% of ERDF payment appropriations were implemented. Objective 2 regions, including Bavaria, also delivered high absorption rates. Most managing authorities took advantage of the technical extension set out in the closure framework, extending the eligibility of ERDF expenditure to mid-2009 to ensure the full utilisation of the allocated funds.

In Poland, ERDF implementation broadly met the EU-level closure targets. However, differences in administrative capacity and contextual factors, such as exchange rate fluctuations, resulted in uneven implementation in certain Voivodeships. In comparisons to Podkarpackie, Mazowieckie benefitted from greater administrative capacity, stronger coordination among municipalities and public bodies, and more developed institutional arrangements.

With the 2021-2027 programming period still going, it is worth highlighting that during the 2014–2020 programming period the absorption rate was consistently lower than during the

2000–2006 and 2007–2013 periods. By the end of 2018, only around 25% of total ERDF funds had been disbursed. The slow start was was associated with the new regulatory framework that featured stronger ex ante conditionalities, thematic concentration, and increasingly complex compliance procedures (Ciffolilli & Pompili, 2024). Only towards the end of the 2014–2020 period absorption improved significantly following the extension of eligibility and the implementation of exceptional flexibility measures due to the COVID-19 pandemic (European Commission s. f.; 2022).

Spain largely had low absorption rate of around 40% until 2020 reflecting regulatory constraints and delays in the approval of operational programmes, factors closely linked to difficulties in fulfilling ex ante conditionalities. By the end of 2023, absorption rates had nevertheless risen to approximately 70–75%. Similar patterns were observed in several other Member States facing comparable structural and regulatory challenges. There were considerable differences between the Autonomous Communities. In Extremadura, implementation benefited from higher co-financing rates, greater budgetary concentration as well as a policy mix focused on basic infrastructure, energy efficiency, innovation, and social services. Furthermore, in the final years of the period, Extremadura made extensive use of reprogramming and flexibility in emergency situations, which allowed a shift towards measures that could be implemented fast. In contrast, Aragon faced severe implementation challenges. Lower co-financing rates, greater reliance on competitive project selection, and a stronger focus on innovation increased administrative complexity and compliance requirements. Even though flexibility at EU level temporarily eased the requirements, implementation did not improve significantly until the COVID-19 response phase.

It was not until the end of the 2014–2020 programming period that the German Länder achieved a high level of absorption, which was also primarily attributable to the flexibility measures. Like Extremadura, Brandenburg benefited from higher ERDF co-financing rates and investment priorities focused on basic innovation infrastructure, whilst ex ante requirements were less binding during implementation. Bavaria faced strict compliance requirements with state aid rules, a detailed adaptation of the RIS3, and complex public procurement procedures, which limited fund absorption during the first years of the programming period.

In Poland, absorption in 2014–2020 eventually reached a very high level, approximately 97% by the end of 2023, thus placing it above the EU average. Differences between Polish regions were less pronounced than in some other Member States. Podkarpackie generally benefited from higher co-financing rates and a policy focus on basic infrastructure investments. Following the statistical split of the Mazowieckie region, the newly created Warsaw region was subject to stricter regulatory and strategic requirements, reflecting its stronger focus on innovation, research infrastructure, and competitiveness-oriented measures. Consequently, the absorption rate in Mazowieckie was lower than the Polish average.

Early data for the 2021–2027 programming period point to a slow and low absorption in Spain, Germany, and Poland, with an absorption rate of around 10% up to 2024 (European Commission s. f.). This partly reflects the uncertainty of applying new, stricter conditionalities (Ciffolilli & Pompili, 2024). Whilst this has caused initial implementation delays, unlike in 2014-204, this time conditionalities are likely to leave lasting impact on absorption rates throughout the entire programming cycle. There is now less scope for corrective measures in the final phase, such as comprehensive reprogramming or ad hoc flexibilities. The possibility of payments being blocked under the enabling conditions for the 2021–2027 period suggests that absorption of funds will depend on early compliance with EU regulations, which may yet constrain the efficiency of CP.

4.2.2 Transparency

Council Regulation 1260/1999 established reporting requirements for the ERDF for the period 2000–2006. Existing reporting obligations had not provided for robust and coherent mechanisms to ensure systematic public access to programme or project-level information. In Extremadura and Aragon, reporting on the implementation of ERDF measures was disseminated through annual reports. In Brandenburg and Bavaria, information on beneficiaries and budgets was available in annual lists. How these were disclose depended on the practices of each Land. In Poland, transparency measures were centralised within the Ministry of Economy and Labour. Lists of beneficiaries were typically published in official gazettes.

From 2021 to 2027, significant steps were taken towards greater transparency and data accessibility, as Member States and regions need to maintain regularly updated digital portals. Although transparency requirements are not a conditionality in itself, they provide information and evidence to monitor the compliance with enabling conditionalities.

Both Aragon and Extremadura have adapted to this framework and manage their ERDF programmes via new digital portals, which provide access to programme priorities, funding plans, and selection criteria.

Transparency has also improved in Brandenburg and Bavaria. While Brandeburg's ERDF/Just Transition Fund (JTF) portal provides access to documents, information on projects as well as news on the implementation of programmes, Bavaria's ERDF portal includes publicly accessible information on funded projects and funding frameworks, enabling users to understand where funds are allocated.

Mazovia and Podkarpackie manage their own regional portals to publish programme documents, calls for proposals, criteria, and lists of projects. The Podkarpackie regional authority regularly publishes updated project lists in reusable formats. Similarly, Mazovia maintains a regional portal covering documents, tenders, and programme management.

From 2000–2006 to 2021–2027 reporting obligations were expanded to trace compliance with conditionality requirements. Conditionality has thus strengthened transparency in Cohesion Policy, yet the obligation to disclose detailed and data on a frequent and standardised basis has significantly increased administrative burden and decreased territorial autonomy.

4.2.3 Accountability

For 2000–2006, the European Court of Auditors (ECA) and the Commission identified weaknesses in the management and control systems for the Structural Funds in most Member

States. In Spain, there were concerns about the reliability of control procedures and the uneven application of Regulation 438/2001. In Aragon and Extremadura, auditors detected discrepancies in the verification of expenditure as well as weaknesses in financial controls. The performance audits carried out in Brandenburg and Bavaria highlighted technical difficulties in coordinating audit systems within a federal structure. The Commission intervened in the accreditation of certain regional bodies, highlighting the challenges encountered in meeting the accreditation and supervision requirements in force at that time. Brandenburg was subject to a comprehensive audit of eligibility controls, whilst previous audits had identified fragmentation in the implementation of employment-related measures due to a lack of clarity in programme definitions at EU level.

Poland's accountability framework for the period 2004–2006 reflected the general challenge of adapting national systems to EU requirements in the context of accession. While the management of operational programmes became decentralised, errors or delays at regional level was the responsibility of the national authorities. Audits identified weaknesses in administrative procedures and internal controls among bodies responsible for high amount of spending in regions such as Mazovia and Podkarpackie.

During 2021–2027, financial and results-oriented performance accountability are together monitored throughout the period. Even though the ECA has raised concerns about the lack of detail in reporting of targets and milestones, its reports highlight continuous improvements of national control systems.

In Spain, the new monitoring system has fostered accountability requirements for central ministries and Autonomous Communities, and the cooperation between national and regional authorities on audit matters has intensified. In Aragon, these new obligations have led to increased administrative scrutiny and technical uncertainty with regard to performance reporting, eligibility verification and regulatory interpretation. In Extremadura, the greater dependence on funding has amplified uncertainty, especially given the stricter conditionality, milestone-based monitoring and enhanced audit requirements.

In Germany, reinforced accountability has also increased obligations for both the Federation and the Länder. Audits conducted during the 2021–2024 period have identified technical irregularities, particularly in relation to state aid compliance and public procurement procedures. Similar findings have been detected at regional level. In Brandenburg and Bavaria, the ECA has reported issues about the eligibility of operations supported through financial instruments.

In Poland, the start of the 2021–2027 period was characterised by efforts to consolidate the management and control systems within the new legal framework. Technical assessments have highlighted progress in adapting national audit strategies.

Since 2000–2006 to 2021–2027, shift from spending compliance to conditionality-driven policy monitoring has clearly strengthened the accountability of CP. As for transparency, this increases an important part of throughput legitimacy, while greater complexity, uncertainty, and administrative pressures constrain the efficiency.

4.2.4 Inclusivity

During the 2000–2006 period, the partnership principle required Member States to involve regional and local authorities and other relevant bodies in policy implementation, monitoring, and evaluation without requiring substantive multilevel policy-making. The monitoring committees were, therefore, forums for consultation rather than instruments of joint decision-making.

While the operational programme was running, subnational actors in Aragon and Extremadura fed into the financial management but not into the overall objectives. Coordination between the different administrative levels was strengthened through annual meetings attended by representatives of central government and regional experts. Aragon and Extremadura also contributed to specialised technical networks, such as, e.g., the network of environmental authorities.

In Germany, monitoring committees enabled more substantive dialogue on programme adjustments. In Brandenburg, the monitoring committee enabled a constructive dialogue on programme adjustments. The influence of subnational actors was evident in decisions about the financial plan, the annual report, and the mid-term evaluation. In Bavaria, the monitoring committee relied on binding evaluations as well as on annual technical and financial reports, which provided regional stakeholders with structured opportunities to participate in monitoring the quality of programme implementation.. Their involvement was particularly evident through the validation of the mid-term evaluations at the end of 2003.

In Poland, the monitoring committee was responsible for the 'Technical Assistance' operational programme. Regional representations were included through consultative or advisory bodies in each Voivodeship.

In the 2021–2027 programming period, monitoring committees have evolved from coordination forums into mechanisms for overseeing compliance with conditionality requirements. These committees are formally constituted bodies responsible for ensuring the strategic implementation and approving programme documents rather than for considering stakeholders' interests and concerns. Their membership now covers environmental groups, youth organisations, and socio-economic partners.

In Spain, the regional monitoring committees have adapted their rules to the partnership principle by including socio-economic stakeholders. In Extremadura, the committee did not only approve the selection criteria, but also used its power to initiate during the mid-term review and decided to reallocate around 10% of the EFRD budget to region-specific priorities within EU-defined objectives. In Aragon, the committee has become a forum to facilitate the exchange between regional authorities and the European Commission.

The monitoring committees in Germany comprises regional ministries, representatives of the federal government, and regional organisations, including economic and social partners. In Brandenburg, the close integration of the ERDF and the JTF has strengthened the committee's capacity for strategic co-design within the EU's performance-oriented framework. In Bavaria, subnational and social actors primarily accompanied the process through evidence-based contributions to annual performance reviews. This ensures alignment with EU conditionalities while enabling region-specific adjustments.

In Poland, the monitoring committees for Mazovia and Podkarpackie operate within a nationally coordinated framework under the leadership of the Ministry of Funds and Regional Policy. These committees bring together national and regional authorities, socio-economic partners, and civil society organisations to approve programme documents, monitor implementation, and conduct evaluations.

While Monitoring Committees primarily supported participation and procedural oversight from 2000 to 2006, their role from 2021 to 2027 is linked to the monitoring and operationalisation of conditionality, and their membership has been broadened. Although participation has become more frequent and diverse, subnational actors' autonomy is limited to defining technical metrics of success rather than making autonomous strategic choices.

3. Discussion

The article has examined to what extent the expansion of conditionality mechanisms between 2000–2006 and 2021–2027 has affected the multilevel dynamics that contribute the input legitimacy and throughput legitimacy of CP. It is unsurprising that subnational actors did not assume a central role in negotiations over Cohesion Policy governance for both periods. However, in 2000-2006, the governance framework and policy objectives were more open and flexible and therefore territorial participation at EU level was less important for the input legitimacy of CP. The participation of subnational actors in shaping negotiation thus depended on internal constitutional arrangements and was mainly limited to the content of the operational programmes. Federal Member States, such Germany, provided institutionalised channels for territorial participation, whereas in regionalised Member States, like Spain, participation was also formal yet less meaningful. In unitary Member States, such as Poland, negotiations were dominated by the central administrations.

Even though the territorial participation did not substantially change between 2000-2006 and 2021-2027, during the former period, the operational programmes adopted a stronger territorial rational, allowing regional and national authorities considerable autonomy to formulate their policy priorities in line with local development needs, structural deficits, and demographic challenges. By contrast, the 2021–2027 framework was already set before subnational governments joint the policy-design and shaped by binding policy objectives, enabling conditions, and strategic orientations. Although subnational authorities have become more systematically included in multilevel partnerships and consultations, due to the shift from place-based programming towards thematic steering (Avdikos & Chardas, 2016; Giordano & Dubois, 2018) their participation in the decion making over policy objectives declined. Subnational actors remain part of the governance process, yet their role has shifted from pro-active agenda-setters to re-active implementers within an increasingly harmonised, compliance-oriented system. This supports the arguments by Bachtler and Ferry (2015) and Peters and Pierre (2020) that procedural participation may increase as substantive participation is curtailed. This is consistent with Petrakos et al. (2025), who demonstrate that while CP continues to recognise regional diversity, it only partially addresses structural and infrastructural deficits in weaker regions. Although our analysis does not fully support Proposition 1 that the expansion of conditionalities has limited (formal) territorial participation in negotiations over the overall CP structure, it shows that territorial actors' level of autonomy has been reduced. By constraining the inclusion of territorial policy preferences in the design of OPs, the expansion of conditionalities has thus lowered CP's input legitimacy.

Our findings confirm *proposition 2* for throughput legitimacy that conditionality restrict how subnational governments contribute the 1) efficiency, 2) transparency, 3) accountability, and 4) inclusivity of CP. In 2000-2006 implementation problems could be addressed during or at the end of the programming period. Efficiency therefore depended on managerial adaptability rather than on continuous compliance. During the 2014–2020 period, ex ante conditionalities became more significant, particularly in more developed regions. Although they initially slowed down the implementation of operational programmes, subnational authorities could adjust their projects and catch-up with other regions (Bachtler & Méndez, 2020). By contrast, in the 2021–2027 framework, the absorption-oriented approach shifted towards performance-disciplined and compliance-driven regime. As the enabling conditions must be met and maintained throughout the entire implementation cycle, managing authorities have little room to adjust their programmes and boost absorption.

Transparency has been profoundly altered by conditionality. In earlier periods, the managing authorities had to publish annual implementation reports, financial tables, and beneficiary lists (Milio, 2014). For 2021–2027, transparency has become a core instrument; deviations from thematic concentration, eligibility rules or selection criteria are quickly detected and compared across regions. Steering away the capacities (as well motivation) of subnational authorities to deliver operational programmes, however, reduces policy efficiency in favour of greater transparency. This points to a legitimacy dilemma within the throughput dimension.

The expansion of conditionalities has further transformed the accountability in managing operational programmes. Whereas earlier periods relied on ex-post audits to address shortcomings retrospectively, performance monitoring and ongoing reporting strengthens formal accountability, but it also shifts responsibility from strategic decision-making to procedural compliance. Rising regulatory complexity and reporting burden generate higher administrative costs, uncertainty, and procedural pressures, which again may constrain efficiency by binding administrative resources and limiting territorially responsiveness.

During the 2021–2027 period, subnational actors have been heavily and continuously involved in policy implementation, the design of monitoring tools and operational procedures. Although monitoring committees now play a central role in overseeing compliance, their composition has become more diverse, thereby reducing the relative weight of subnational actors within these bodies. Since policy implementation has become more inclusive and the nature of engagement has become more technical and shaped by narrowly defined frameworks, limiting the scope for subnational actors to shape core policy content.. By pre-defining policy priorities and establishing detailed procedures and requirements, conditionalities limit meaningful participation of stakeholders during the policy design stage (input) as well as during policy implementation (throughput). As Schmidt (2020) notes, involvement without discretion risks becoming purely procedural. When participation and inclusion is broadened but the actual scope over policy making and implementation is reduced, it lowers input and throughout legitimacy without solving the legitimacy dilemma.

Rather than understanding the different aspects of legitimacy as ‘hard’ criteria, our focus on representation, efficiency, transparency, accountability, and inclusivity is part of a bigger picture. As we stated earlier, input, throughput, and output legitimacy are interlinked, and can complement or undermine each other. By aligning CP more closely with macroeconomic stability, structural reforms, and strategic policy objectives, conditionality strengthens the Commission’s leverage in the pursuit of EU-wide policy objectives and contributes to the output legitimacy, which remains the at the heart of the EU’s political legitimacy. Similarly, through the expansion of conditionalities policy implementation has become more streamlined in a system of ‘multilevel administration’ rather than multilevel governance.

Although MLG has evolved towards a more hierarchical and performance-oriented model, it continues to provide a framework for policy-making that can enhance the legitimacy of EU policies. The involvement of various levels of government and an increasingly broad spectrum of actors can however negatively affect input and throughput legitimacy by slowing down policy-making (Piattoni, 2010; Peters & Pierre, 2020; Saunders, 2022), requiring extra administrative capacities (Ares Castro Conde, 2022), increasing complexity, and blurring transparency and accountability (Benz & Papadopoulos, 2006; Milio, 2014). The expansion of conditionality can be understood as an attempt to address some of these issues; yet the reduction of the involvement of subnational actors comes with a downside not only in terms of territorial representativeness and responsiveness (input legitimacy) but also of efficiency and inclusiveness (throughput legitimacy).

Conditionalities constitute only one of several interrelated factors shaping the transformation of MLG. Other important influences include co-financing arrangements, the degree of financial dependence on EU resources, and broader institutional and political contexts. Moreover, this study is limited to six case studies, which constrains the generalisability of its findings. Future research drawing on a larger sample of regions and examining the full range of programming periods could provide a more nuanced understanding of how conditionalities interact with other factors to affect the autonomy and participation of national and subnational governments in both the decision-making and implementation of CP.While democratic systems need effectively respond to social and economic challenges, legitimacy depends merely not on outcomes but also on values and cultures (Piattoni, 2013-214). Local and regional self-government is to varying degree a cornerstone of the normative and democratic system across Member States, which should be respected and promoted by EU policy rather than being undermined. For the negotiations towards the 2028–2034 MFF, however, the expansion of conditionality and performance-based instruments point to a continuing towards stronger central steering with profound implication for the legitimacy of CP. Our analysis suggests, however, that returning to the initial idea of MLG can contribute to input, throughput and output legitimacy by accounting for diverse interests, capacities, and knowledge and boosting the political support at the regional level.

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