



Commission welcomes the adoption of €373 billion Cohesion policy legislative package 2021-2027

Brussels, 25 June 2021

The European Commission welcomes the adoption by the European Parliament of the political agreements on the Cohesion policy legislative package 2021-2027 of €373 billion and its signature by both co-legislators. This marks the final step of the legislative procedure and allows for an entry into force of the Cohesion legislation on 1 July.

Commissioner for Cohesion and Reforms, Elisa **Ferreira**, said: *"Cohesion combines the strategy, the financial muscle and the method for Europe to recover in a fair and territorially balanced manner and orient regional economies towards future proof growth based on the twin digital and green transitions. Cohesion policy remains the beating heart of European solidarity. The adoption of this set of legislation paves the way for the approval of programming documents and the effective take up of projects on the ground. Now we need to focus on implementation in a way that provides the best possible support to regional and local authorities, citizens and companies. A spirit of partnership was key in the design of this package; the partnership principle will be crucial for a successful implementation."*

Commissioner for Jobs and Social Rights Nicolas **Schmit** added: *"Cohesion funds are an integral part of the EU's toolkit to support Member States in building a stronger, more inclusive Europe. The European Social Fund Plus invests in people. It helps workers to re-skill and up-skill, to be ready for the transition to a green and digital economy. It protects the most vulnerable in our society, such as children in need and homeless people. And it gives a boost to entrepreneurs and innovators in need of financial support."*

The package comprises the following Regulations:

- **the Common Provisions Regulation (CPR) for shared management funds;**
- **the European Regional Development Fund (ERDF) and Cohesion Fund (CF) Regulation;**
- **the European Social Fund Plus (ESF+) Regulation;**
- **the Interreg Regulation laying down specific provisions for the European territorial cooperation goal supported by the European Regional Development Fund and external financing instruments.**

The approval of the CPR also establishes key elements for the functioning of the new **Just Transition Fund (JTF) Regulation** which completes the set of Cohesion policy funds available for 2021-2027.

The European Parliament also adopted the Public Sector Loan Facility that will effectively complete all proposals under the Just Transition Mechanism. This regulation is scheduled for adoption by the Council on 12 July.

The new **Common Provisions Regulation** provides a joint legal framework for eight shared management funds: the European Regional Development Fund, the Cohesion Fund, and the European Social Fund Plus, the European Maritime, Fisheries and Aquaculture Fund, the Just Transition Fund, and financial rules for the Asylum, Migration and Integration Fund, the Border Management and Visa Instrument and the Internal Security Fund.

The **European Regional Development Fund and Cohesion Fund Regulation** sets specific provisions for the European Regional Development Fund (€226 billion) and the Cohesion Fund (€48 billion). The ERDF will contribute to strengthen economic and social cohesion in the European Union by correcting imbalances between its regions, while delivering on the Union's political priorities through a thematic concentration of resources. The CF will support projects in the field of environment and trans-European networks in the area of transport infrastructure.

The **European Social Fund Plus** is the EU's main fund for investing in people. It will be the key financial instrument to implement the European Pillar of Social Rights, to support jobs and create a

fair and socially inclusive society. It will also provide much needed resources to Member States for the recovery of our societies and economies after the coronavirus crisis. With a budget of €99.3 billion (in current prices) for 2021-2027, Member States can use the money to create and protect job opportunities, promote social inclusion, fight poverty, including by combatting homelessness, and give workers the skills needed for the digital and green transition. It also includes an ambitious requirement for Member States to invest in young people and address child poverty.

The **Just Transition Fund** is a new Cohesion policy fund with an overall budget of €19.2 billion (in current prices). The JTF is a key element of the European Green Deal and the first pillar of the Just Transition Mechanism (JTM). It aims to alleviate the social and economic costs resulting from the transition towards a climate-neutral economy, through a wide range of activities directed mainly at diversifying the economic activity and helping people adapt in a changing labour market. The Public Sector Loan Facility is the third pillar of the JTM, leveraging the EU budget to provide access to additional financing. The Facility specifically targets public entities, creating preferential lending conditions for projects that do not generate sufficient revenue to be financially viable.

Finally, with a budget of €8.1 billion, the 6th generation of **Interreg** continues to shape territorial cooperation across Europe for all its different strands (cross border, transnational and interregional). It covers the cooperation at external borders of the Union, benefiting from the support of external instruments (such as the Instrument for Pre-accession Assistance - IPA and the Neighbourhood, Development and International Cooperation Instrument - NDICI) and sets up a new strand dedicated to reinforcing the regional cooperation of outermost regions.

Next steps

The Regulations will be published in the Official Journal of the European Union, which is foreseen for 30 June 2021. All Regulations will enter into force on 1 July 2021.

Background

On 29 May 2018, the European Commission presented a package of proposals for regulations governing regional development and Cohesion policy beyond 2020. These proposals are to adapt EU Cohesion policy to new challenges in the context of a new Multiannual Financial Framework for the period 2021-2027.

These proposals had been later amended to address the unexpected consequences of the coronavirus pandemic, as well as the new policy priorities stemming from the [European Green Deal](#). The amended proposal for an ESF+ Regulation under the new Commission mandate increased support for youth employment, for addressing child poverty, and it placed a stronger focus on green and digital skills.

For More information

[Cohesion Open Data Platform](#)

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[Breakdown of Cohesion policy allocations per Member State](#)

[European Social Fund plus](#)

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Press contacts:

[Vivian LOONELA](#) (+32 2 296 67 12)

[Veronica FAVALLI](#) (+32 2 298 72 69)

General public inquiries: [Europe Direct](#) by phone [00 800 67 89 10 11](#) or by [email](#)