Amending ERDF, Cohesion Fund and Just Transition Fund as regards specific measures to address strategic challenges in the context of the mid-term review

2025/0084(COD) - 02/07/2025 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Regional Development adopted the report by Drago BENEA (S&D, RO) on the proposal for a regulation of the European Parliament and of the Council amending Regulations (EU) 2021 /1058 and (EU) 2021/1056 as regards specific measures to address strategic challenges in the context of the mid-term review.

By introducing targeted amendments to Regulations (EU) 2021/1056 and (EU) 2021/1058, the Commission proposes to use the mid-term review of cohesion policy to maximise its contribution to current and emerging policy priorities of the Union and increase its impact on economic, social and territorial cohesion.

The committee responsible recommended that the European Parliament adopt its position at first reading by amending the Commission's proposal as follows.

Specific objectives for the ERDF

The report specifies that the ERDF should support the achievement of the strategic objectives (SO) by:

- enhancing industrial capacities to foster **defence capabilities** prioritising dual use;

- promoting **secure access to water**, sustainable and integrated water management and water resilience;

- promoting access to **affordable and sustainable housing**;

- promoting **energy interconnectors** and related transmission, distribution and supportive infrastructure, as well as the protection of critical energy infrastructure and the deployment of recharging infrastructure;

- promoting **long-duration electricity storage** infrastructure, including pumped-storage hydropower plants, which contributes to energy system flexibility, renewable integration, and climate neutrality;

- developing resilient dual use infrastructure and capacities, including to foster **military mobility** in the Union, as well as enhancing preparedness;

- ensuring **civil preparedness** and resilience infrastructure in all types of territories;

- ensuring access to **public services**, including education and health, particularly in rural areas and regions experiencing population decline, to ensure that citizens have an effective right to stay in the place they call home.

Border regions

The report recommends that special attention and exceptional support be given to the EU's eastern border regions, bordering Russia, Belarus and Ukraine, given the unique security challenges they face and their geopolitical importance.

Defence

In the allocation and implementation of cohesion policy resources directed towards defence-related objectives, Member States should prioritise projects that promote employment, skills development and industrial diversification at regional level. Particular emphasis should be placed on supporting SMEs and regional clusters active in dual-use technologies, cybersecurity and artificial intelligence, ensuring that such investments serve the Union’s strategic interests and the objective of economic, social and territorial cohesion.

Financing of productive investments

Furthermore, the possibilities for the financing of productive investments contributing to STEP objectives in enterprises other than SMEs, while preserving a focus on SMEs, should also be possible in **regions and Member States with a GDP per capita below the EU-27 average** where they facilitate industrial adjustment linked to digital transformation.

Construction, renovation and transformation of urban spaces

Members consider that cohesion policy should respond in a balanced way both to challenges in rural and peripheral regions and to the growing pressures in densely populated urban areas where the accelerated rise in housing prices and rents is causing social exclusion.

Cohesion funds must support integrated measures to build, renovate and transform urban spaces, including by converting unused buildings to homes. Interventions must be flexible, tailored to the local context and eligible for increased European co-financing in order to reduce the pressure on the budgets of local authorities.

Sustainable irrigation

Important investments should be made in infrastructure to ensure sustainable irrigation by means of advanced solutions, such as desalination, water reuse and blue biotechnology, and in water stress and drought prevention infrastructure, as well as in the deployment of nature-based solutions, ecological restoration and wastewater treatment.

Programme amendment

Any programme amendment or transfer of amounts that would be carried out should be without prejudice to the application of measures adopted pursuant to Regulation (EU) 2020/2092 and to the compliance of relevant programmes with horizontal enabling conditions in accordance with Regulation (EU) 2021/1060 laying down Common Provisions. Amounts that are suspended under Regulation (EU) 2020/2092 or withheld on the basis of horizontal enabling conditions should not be subject to amended programmes or transfers.