# 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) - 10/09/2025 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 440 votes to 168, with 52 abstentions, a legislative resolution 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.

The European Parliament adopted its position at first reading by amending the Commission's proposal as follows.

## Specific objectives for the ERDF

The amended text specifies that the ERDF should support the achievement of the strategic objectives (SO):

- enhance **industrial capacities** to foster defence capabilities, prioritising capabilities of a dual-use nature;
- promote secure access to **water**, sustainable water management, including integrated water management, and water resilience;
- promote access to affordable and sustainable housing;
- promote **energy interconnections** and related transmission, distribution, storage and support infrastructure, as well as the protection of critical energy infrastructure and the deployment of recharging infrastructure;
- develop resilient **defence infrastructure**, prioritising dual-use infrastructure, including for military mobility within the Union, and enhancing civilian preparedness.

Where a programme amendment is submitted to the Commission by 31 December 2025, the Commission will pay 20 % of the allocation to such dedicated priorities as set out in the decision approving the programme amendment as exceptional one-off pre-financing in addition to the yearly pre-financing for the programme. Where such dedicated priorities have been included in a programme amendment submitted to the Commission by 31 March 2025, the Commission shall pay exceptional one-off pre-financing of 30 % of the allocation to those priorities as set out in the decision approving the programme amendment.

By way of derogation, the maximum co-financing rate for specific priorities will be **increased by 10 percentage points** above the co-financing rate applicable, not exceeding 100 %.

#### Thematic concentration

Where a Member State complies with the thematic concentration requirements at the level of category of regions, amounts programmed for the specific objectives which exceed the thresholds for thematic concentration for a category of region, may be counted towards the thematic concentration thresholds in other categories of regions within the same policy objective.

## Additional support for eastern border regions

In 2026, the Commission will pay **1.5** % of the total support from the ERDF, the Cohesion Fund and the Just Transition Fund (JTF), pursuant to the decision approving the programme amendment, as additional one-off pre-financing. That additional one-off pre-financing percentage shall be increased to **9.5** % for programmes under the Investment for jobs and growth goal covering one or more NUTS level 2 regions bordering Russia, Belarus or Ukraine, provided that the programme does not cover the entire territory of the Member State concerned.

### Financing of productive investments

To ensure cohesion policy maintains its focus on **small and medium-sized enterprises and less favoured regions**, the technology, defence and decarbonisation investments of large companies can only be supported in EU areas with lower-than-average gross domestic product per capita, and the focus of investments will remain on small and medium-sized enterprises.

At the same time, so-called "Important Project of Common European Interest" can receive funding without regional income limitations.

#### Limitations

The regulation also specifies that funds frozen under the Rule of Law Conditionality Regulation cannot be reallocated to new priorities.