| Basic information   |                     |
|---|---------------------|
| 2025/0085(COD)  | Procedure completed |
| COD - Ordinary legislative procedure (ex-codecision procedure) Regulation             |                     |
| European Social Fund (ESF+): specific measures to address strategic challenges        |                     |
| Amending Regulation 2021/1057 2018/0206(COD)  |                     |
| Subject   |                     |
| 4.10.15 European Social Fund (ESF), Fund for European Aid to the Most Deprived (FEAD) |                     |

# European Parliament Committee responsible Rapporteur Appointed

| Committee responsible              | Rapporteur                       | Appointed  |
|------------------------------------|----------------------------------|------------|
| EMPL Employment and Social Affairs | MAIJ Marit (S&D)                 | 08/05/2025 |
|                                    | Shadow rapporteur                |            |
|                                    | ABADÍA JOVER Maravillas<br>(EPP) |            |
|                                    | WERBROUCK Séverine<br>(PfE)      |            |
|                                    | DONAZZAN Elena (ECR)             |            |
|                                    | VAN DEN BERG Brigitte (Renew)    |            |
|                                    | SØVNDAL Villy (Greens<br>/EFA)   |            |
|                                    | GALÁN Estrella (The Left)        |            |

| Committee for opinion              | Rapporteur for opinion                        | Appointed  |
|------------------------------------|---|------------|
| SEDE Security and Defence          | Security and Defence PAET Urmas (Renew)       |            |
| ITRE Industry, Research and Energy | The committee decided not to give an opinion. |            |
| REGI Regional Development          | GOZI Sandro (Renew)                           | 22/05/2025 |
|                                    |   |            |

| Committee for budgetary assessment | Rapporteur for budgetary assessment | Appointed |
|------------------------------------|-------------------------------------|-----------|
|                                    |                                     |           |

|                               | BUDG Budgets                             | GERMAIN Jean-Marc (S&D) 12/05/2025 |
|-------------------------------|--|------------------------------------|
| Council of the European Union |  |                                    |
| European                      | Commission DG                            | Commissioner                       |
| Commission                    | Employment, Social Affairs and Inclusion | MÎNZATU Roxana                     |
| European Econom               | ic and Social Committee                  |                                    |

| Date       | Event   | Reference                        | Summary |
|------------|---|----------------------------------|---------|
| 01/04/2025 | Legislative proposal published  | COM(2025)0164                    | Summary |
| 05/05/2025 | Committee referral announced in Parliament, 1st reading   |                                  |         |
| 06/05/2025 | Urgent procedure requested by a committee   |                                  |         |
| 25/06/2025 | Vote in committee, 1st reading  |                                  |         |
| 25/06/2025 | Committee decision to open interinstitutional negotiations with report adopted in committee     |                                  |         |
| 30/06/2025 | Committee report tabled for plenary, 1st reading  | A10-0122/2025                    | Summary |
| 07/07/2025 | Committee decision to enter into interinstitutional negotiations announced in plenary (Rule 71) |                                  |         |
| 09/07/2025 | Committee decision to enter into interinstitutional negotiations confirmed by plenary (Rule 71) |                                  |         |
| 04/09/2025 | Approval in committee of the text agreed at 1st reading interinstitutional negotiations         | PE775.777<br>GEDA/A/(2025)003628 |         |
| 09/09/2025 | Debate in Parliament  | $\odot$                          |         |
| 10/09/2025 | Decision by Parliament, 1st reading   | T10-0176/2025                    | Summary |
| 10/09/2025 | Results of vote in Parliament   | E                                |         |
| 18/09/2025 | Act adopted by Council after Parliament's 1st reading   |                                  |         |
| 18/09/2025 | Final act signed  |                                  |         |
| 19/09/2025 | Final act published in Official Journal   |                                  |         |

| Technical information              |  |
|------------------------------------|--|
| Procedure reference 2025/0085(COD) |  |
| Procedure type                     | COD - Ordinary legislative procedure (ex-codecision procedure) |
| Procedure subtype                  | Legislation  |
| Legislative instrument             | Regulation   |

| Amendments and repeals                       | Amending Regulation 2021/1057 2018/0206(COD)  |
|--|---|
| Legal basis                                  | Rules of Procedure EP 170 Rules of Procedure EP 58 Treaty on the Functioning of the EU TFEU 322-p1 Treaty on the Functioning of the EU TFEU 322-p2 Treaty on the Functioning of the EU TFEU 164 Treaty on the Functioning of the EU TFEU 175-p3 Treaty on the Functioning of the EU TFEU 177-p1 Treaty on the Functioning of the EU TFEU 177-p2 |
| Mandatory consultation of other institutions | European Economic and Social Committee European Committee of the Regions  |
| Stage reached in procedure                   | Procedure completed   |
| Committee dossier                            | EMPL/10/02594   |

#### **Documentation gateway**

#### European Parliament

| Document type   | Committee | Reference     | Date       | Summary    |
|---|-----------|---------------|------------|------------|
| Document type   | Committee | Reference     | Date       | Outilinary |
| Amendments tabled in committee                                  |           | PE773.390     | 20/05/2025 |            |
| Committee opinion   | SEDE      | PE774.452     | 17/06/2025 |            |
| Committee opinion   | BUDG      | PE773.410     | 25/06/2025 |            |
| Specific opinion  | REGI      | PE775.396     | 25/06/2025 |            |
| Committee report tabled for plenary, 1st reading/single reading |           | A10-0122/2025 | 30/06/2025 | Summary    |
| Text agreed during interinstitutional negotiations              |           | PE775.777     | 23/07/2025 |            |
| Text adopted by Parliament, 1st reading/single reading          |           | T10-0176/2025 | 10/09/2025 | Summary    |

#### Council of the EU

| Document type |  | Reference           | Date       | Summary |
|---------------|--|---------------------|------------|---------|
|               | Coreper letter confirming interinstitutional agreement | GEDA/A/(2025)003628 | 23/07/2025 |         |
|               | Draft final act  | 00036/2025/LEX      | 17/09/2025 |         |

#### **European Commission**

| Document type                                  | Reference     | Date       | Summary |
|--|---------------|------------|---------|
| Legislative proposal                           | COM(2025)0164 | 01/04/2025 | Summary |
| Commission response to text adopted in plenary | SP(2025)10-27 | 27/10/2025 |         |

### National parliaments

| Document type | Parliament<br>/Chamber | Reference | Date | Summary |
|---------------|------------------------|-----------|------|---------|
|               |                        |           |      |         |

| Contribution                  |                                | ES_PARLIAMENT   | COM(2025)0164                     |            | 30/06/2025 |         |  |  |
|-------------------------------|--------------------------------|-----------------|-----------------------------------|------------|------------|---------|--|--|
| Contribution                  |                                | CZ_SENATE       | COM(2025)0164                     |            | 08/07/2025 |         |  |  |
| Contribution                  |                                | DE_BUNDESRAT    | COM(2025)0164                     |            | 08/07/2025 |         |  |  |
| Other institutions and bodies |                                |                 |                                   |            |            |         |  |  |
| Institution/body              | Document type                  | Reference       | Reference                         |            |            | Summary |  |  |
| EESC                          | Economic and Social Commi      | ittee: CES1236/ | 2025                              | 29/04/2025 |            |         |  |  |
| CofA                          | Court of Auditors: opinion, re | nort            | 52025AA0002<br>OJ OJ C 23.05.2025 |            | /2025      |         |  |  |

### Meetings with interest representatives published in line with the Rules of Procedure

#### Rapporteurs, Shadow Rapporteurs and Committee Chairs

| Transparency            |                   |           |            |   |  |  |
|-------------------------|-------------------|-----------|------------|---|--|--|
| Name                    | Role              | Committee | Date       | Interest representatives                      |  |  |
| ABADÍA JOVER Maravillas | Shadow rapporteur | EMPL      | 03/06/2025 | European Economic and Social committee (EESC) |  |  |
| ABADÍA JOVER Maravillas | Shadow rapporteur | EMPL      | 21/05/2025 | ORGANIZACION NACIONAL DE CIEGOS DE ESPAÑA     |  |  |

#### Other Members

| Transparency  |            |  |  |  |
|---------------|------------|--|--|--|
| Name          | Date       | Interest representatives                             |  |  |
| RADTKE Dennis | 03/06/2025 | Evangelisches Werk für Diakonie und Entwicklung e.V. |  |  |

| Final act                                  |         |
|--|---------|
| Regulation 2025/1913<br>OJ OJ L 19.09.2025 | Summary |

## European Social Fund (ESF+): specific measures to address strategic challenges

2025/0085(COD) - 10/09/2025 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 453 votes to 149, with 59 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2021/1057 establishing the European Social Fund + (ESF+) as regards specific measures to address strategic challenges.

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

Reprogramming of ESF+ resources

The amended text clarifies that the main objectives of the European Social Fund Plus (ESF+) are to support Member States and regions to achieve social inclusion and social cohesion, to activate the labour market, and to deliver on the principles and the headline targets of the European Pillar of Social Rights. The reprogramming of resources under the ESF+ should not undermine its social approach, but should strengthen its capacity to combat inequality.

#### Specific provisions linked to the mid-term review and related flexibility of the ESF+ strand under shared management

The proposed regulation aims to address the social aspects of strategic challenges, redirect investments towards new critical priorities and simplify and accelerate the implementation of actions.

In 2026, the Commission shall pay 1.5 % of the total support from the ESF+ as additional one-off pre-financing, pursuant to the decision approving the programme amendment. That additional one-off pre-financing percentage in 2026 shall be increased to **9.5** % for programmes 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

The additional one-off pre-financing will apply only where reallocations of **at least 10** % of the financial resources of the programme to one or more of the dedicated priorities established pursuant to this Regulation have been approved in the context of the mid-term review, provided that the request for the programme amendment is submitted to the Commission by 31 December 2025.

In particular, the following reallocations within the same programme will also count towards the 10% threshold: (i) reallocations from the European Regional Development Fund (ERDF) or the Cohesion Fund to one or more of the specific priorities established for certain specific objectives of Regulation (EU) 2021/1058 in the context of the mid-term review; (ii) reallocations from the Just Transition Fund (JTF) to dedicated priorities established to support investments contributing to the objectives of the Strategic Technologies for Europe (STEP) platform or established to promote access to affordable housing.

Resources from the European Union's recovery instrument and additional funding for the outermost regions will not be taken into account.

The maximum co-financing rate for programme priorities covering one or more NUTS level 2 regions bordering Russia, Belarus or Ukraine will be increased by **ten percentage points** above the applicable co-financing rate, without exceeding 100%.

Where the Commission approves an amendment of a programme including one or more priorities dedicated to operations supported by the ESF+ contributing to the STEP objectives, the Commission will pay **exceptional pre-financing of 20** % on the basis of the allocation to those priorities, provided that the request for the programme amendment is submitted to the Commission by 31 December 2025.

Where such dedicated priorities have been included in a request for a programme amendment submitted to the Commission by 31 March 2025, the Commission will pay **exceptional one-off pre-financing of 30 %** of the allocation to those priorities pursuant to the decision approving the programme amendment

#### Support for the development of skills in civil preparedness, the defence industry, including for dual-use capabilities, and cybersecurity

According to the amended text, Member States will use the ESF+ to support the development of skills related to civil preparedness, the defence industry, including dual-use capabilities, and cybersecurity within the framework of specific priorities, giving priority to skills related to dual-use capabilities and civil preparedness.

#### Support for adaptation linked to decarbonisation

Member States may use the ESF+ to provide targeted support for training aiming at skilling, up-skilling and re-skilling with a view to adaptation of workers, enterprises and entrepreneurs to change contributing to the decarbonisation of production capacities under dedicated priorities, with the objective of maintaining competitiveness, sustainability and innovation during the green transition. Member States may support the promotion of cooperation between different organisations, such as educational institutions, to support skills development.

#### Selection of operations, pre-financing, co-financing rates

When selecting operations to support skills in civil preparedness and the defence industry and to support adaptation linked to decarbonisation, Member States will give priority to micro, small and medium-sized enterprises, public employment services and the social economy.

To quickly inject liquidity into the new priorities, the Commission will pay **20%** of the allocation allocated to the dedicated priorities as an **exceptional one-off pre-financing**, provided that the request for a programme amendment is submitted to the Commission by 31 December 2025.

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

# European Social Fund (ESF+): specific measures to address strategic challenges

PURPOSE: to amend Regulation (EU) 2021/1057 establishing the European Social Fund + (ESF+) as regards specific measures to address strategic challenges, refocus investments on critical new priorities and simplify and accelerate policy delivery.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: the cohesion policy funds, including the ESF+, provide financing in support of the harmonious development of the EU, through actions that lead to the strengthening of its economic, social and territorial cohesion. The mid-term review of cohesion policy presents an opportunity for Member States to redirect 2021-2027 resources towards investment in defence capabilities, for the competitiveness, preparedness and strategic autonomy of the EU and in other emerging priorities, including clean industrial deal objectives by submitting corresponding programme amendments to the Commission. Strengthening these dimensions requires having people with the right skills. In the current demographic context, increasing skills and labour shortages are a main impediment for growth and economic adjustment. Investing in skills development and labour mobility is top priority.

The framework for cohesion policy investments in people set out in the European Social Fund Plus (ESF+) regulation is not sufficiently aligned with these new priorities. The exceptional challenges the Union is confronted with requires additional focus, flexibility and a reinforcement of incentives. The proposed adjustments will help steer reprogramming towards emerging priorities and will support speeding up implementation. This proposal sets out adjustments to the ESF+ regulation to achieve these objectives.

PURPOSE: the Commission is proposing to amend Regulation (EU) 2021/1057 establishing the European Social Fund + (ESF+) in order to address strategic challenges and allow for Member States to refocus their resources to new priorities.

#### Defence

It allows for a focused support to development of skills in the defence industry under a dedicated priority that benefits from further flexibilities that include an increased prefinancing on the allocation of the priority, exemption from the calculation of amounts towards thematic concentration and an increased level of co-financing. Nevertheless, such flexibilities are conditioned to reallocating a minimum amount of the programme resources to new priorities.

#### Adaptation of workers, enterprises and entrepreneurs to change contributing to decarbonisation of production capacities

The proposal allows for a focused support to skilling, up-skilling and re-skilling with a view to adaptation of workers, enterprises and entrepreneurs to change contributing to decarbonisation of production capacities under a dedicated priority that benefits from **further flexibilities** that include an increased pre-financing on the allocation of the priority and increased level of cofinancing. Nevertheless, such flexibilities are conditioned to reallocating a minimum amount of the programme resources to new priorities.

#### Facilitating the refocusing of resources by Member States

In order that the Member State could effectively make use of the new priorities and flexibilities, Member States will be allowed to re-submit their assessment to the mid-term review accompanied by a request for programme amendment to establish any of the newly introduced dedicated priorities.

To help accelerate the implementation of the ESF+, all programmes that establish any of the newly introduced dedicated priorities and STEP and reallocate at least 15% of their resources, would receive an **additional one-off pre-financing of 4.5%** on the basis of their amended programme budget.

#### Eastern border regions

Given the challenges of the Eastern border regions since the Russian aggression against Ukraine, programmes under the Investment for jobs and growth goal with NUTS 2 regions that have borders with Russia, Belarus or Ukraine, should benefit from the possibility of a one-off 9.5% pre-financing of the programme allocation in 2026 and a 100% Union financing.

#### Deadlines for reprogramming

The proposal stated that Member States and regions should submit their amendments to the programmes within **two months** from the entering into force of the revised legislation. The Commission will assess the proposed amendments and engage closely with the authorities, in order to adopt the revised programmes.

#### Budgetary implications

The proposal concerns cohesion policy programmes from the 2021-2027 period and will result in additional pre-financing to be paid under the ESF+ in 2026. This additional prefinancing will lead to **frontloading of payment appropriations to 2026** compared to a no policy-change scenario and is budgetary neutral over the 2021-2027 period. Based on the estimated uptake of the proposal as well as taking into account payment forecasts and implementation shifts, the net budgetary impact is estimated to **EUR 500 million** that will be included in the draft budget 2026. The possibility to apply for an increased Union financing rate for investments under the dedicated priorities and for programmes covering Eastern border regions will also lead to a partial front-loading of payments, followed by lower payments at a later stage as the overall envelope is unchanged. The actual impact will highly depend on the Member States' uptake.

### European Social Fund (ESF+): specific measures to address strategic challenges

2025/0085(COD) - 30/06/2025 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Employment and Social Affairs adopted the report by Marit MAIJ (S&D, NL) on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2021/1057 establishing the European Social Fund Plus (ESF+) as regards specific measures to address strategic challenges.

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

#### Reprogramming of ESF+ resources

The amended text underlined that the ESF+ is an essential pillar of cohesion policy. The main objectives of the ESF+ are to support Member States and regions to achieve social inclusion, social cohesion, to activate the labour market and to deliver on the principles and the headline targets of the European Pillar of Social Rights by supporting investments in people and structures in the policy area of employment and social policies, which are far from met yet. ESF+ funding should support those objectives.

The reprogramming of resources under the ESF+ should ensure that adjustment measures in response to strategic challenges **do not undermine its social approach**, but strengthen its capacity to combat inequality.

#### Specific provisions relating to the implementation of the ESF+ component under shared management

In 2026, the Commission shall pay **4.5** % of the total support from the ESF+ as set out in the decision approving the programme amendment as additional one-off pre-financing. Members considered that the one-off pre-financing for Eastern bordering regions should not be submitted to minimum reprogramming threshold taking into account the major challenges that these regions face.

The additional pre-financing shall only apply where **reallocations of at least 10%** of financial resources of the programme from the ESF+ to one or more dedicated priorities established in accordance with the Regulation have been approved and provided that the measures supporting the dedicated priorities established in accordance with Articles 12a, 12c and 12d target smaller beneficiaries and provided that the request for a programme amendment is submitted by 31 December 2025.

The one-off pre-financing percentage in 2026 shall be increased to **9.5%** for programmes covering one or more NUTS2 regions bordering **Russia, Belarus or Ukraine**, provided the programme does not cover the entire territory of the Member State.

The maximum co-financing rate for priorities in programmes covering one or more NUTS2 regions bordering Russia, Belarus or Ukraine shall be 95 %.

Before disbursing payment for the pre-financing in accordance with Article 11(1)(a), the Commission shall assess the Union's overall budgetary situation, in particular with respect to the principle of the sustainability of the Union budget. Where, on the basis of that assessment, the Commission identifies a risk to the Union budget arising from paying the full pre-financing amount in 2026, the Commission is empowered to adopt a delegated act in accordance with Article 37 to provide for only part of the pre-financing amount to be disbursed to the Member States in 2026, with the remaining part disbursed in 2027.

When amending programmes, the Member States shall include, with the close and meaningful participation of social partners, for the dedicated priorities, obligations to the beneficiaries to **respect working and employment conditions** under applicable Union and national law, conventions of the International Labour Organization (ILO) and collective agreements.

#### Support to skills in civil preparedness and the defence industry

Member States may decide to programme support for the development of skills in the defence industry and cyber security under dedicated priorities, prioritising dual use capabilities related to civil defence and preparedness, provided that micro, small and medium- sized enterprises have priority access to the support. In this context, Member States may allocate resources to attract young talent and entrepreneurs, particularly to rural or less developed regions, through incentives and targeted training.

By way of derogation, the maximum co-financing rates for specific priorities will be increased by **10 percentage points** above the applicable co-financing rate, without exceeding 100%.

#### Support for adaptation linked to decarbonisation

After consulting social partners at national level, Member States could decide to programme targeted support for skills acquisition, upskilling, reskilling and training for the adaptation of workers, enterprises and entrepreneurs, in particular micro, small and medium-sized enterprises and the social economy, to change contributing to the decarbonisation of production capacities within the framework of dedicated priorities, in order to maintain competitiveness, sustainability and innovation during the green transition.

Member States will be able to support the promotion of cooperation between different organisations, such as educational institutions that support skills development.

By way of derogation, the maximum co-financing rates for dedicated priorities will be increased by **10 percentage points** above the applicable co-financing rate, without exceeding 100%.

### European Social Fund (ESF+): specific measures to address strategic challenges

2025/0085(COD) - 19/09/2025 - Final act

PURPOSE: to address the social aspects of strategic challenges, redirect investments towards new critical priorities and simplify and accelerate the implementation of critical actions in the context of the mid-term review of EU cohesion policy.

LEGISLATIVE ACT: Regulation (EU) 2025/1913 of the European Parliament and of the Council amending Regulation (EU) 2021/1057 establishing the European Social Fund Plus (ESF+) as regards specific measures to address strategic challenges.

CONTENT: as part of the mid-term review of EU's cohesion policy, this Regulation makes **targeted amendments to the European Social Fund Plus (ESF+) Regulation** aimed at aligning investment priorities with the changing economic, societal and geopolitical context as well as with the EU's climate and environmental objectives.

#### Redirect resources to new emerging priorities

Member States will use the ESF+:

- to support the objectives of the Strategic Technologies for Europe (STEP) platform, including by supporting the development of skills in net-zero technologies, including those based on learning programmes created by European Skills Academies, as well as the training of young people and the skilling, upskilling and reskilling of workers in net-zero technologies;
- to support the development of skills in civil preparedness, the defence industry, including for dual-use capabilities, and cybersecurity under dedicated priorities, prioritising skills related to dual-use capabilities and civil preparedness;
- to provide targeted support for training aiming at skilling, up-skilling and re-skilling with a view to adaptation of workers, enterprises and entrepreneurs to change contributing to the decarbonisation of production capacities under dedicated priorities, with the objective of maintaining competitiveness, sustainability and innovation during the green transition.

#### Incentives and flexibility

The new regulation introduces greater flexibility and incentives to facilitate the rapid deployment of existing resources and accelerate the implementation of programmes.

In order to quickly inject liquidity into the new priorities concerning support for skills in civil preparedness and the defence industry as well as support for adaptation linked to decarbonisation, the Commission will pay 20% of the allocation allocated to the specific priorities as an exceptional one-off prefinancing, provided that the request for programme modification is submitted to the Commission by 31 December 2025. By way of derogation, the maximum co-financing rates for dedicated priorities will be increased by 10 percentage points above the co-financing rate applicable, not exceeding 100 %.

When selecting operations, Member States will have to give priority to micro, small and medium-sized enterprises, public employment services and the social economy.

#### Specific provisions

In 2026, the Commission shall pay 1.5 % of the total support from the ESF+ as additional one-off pre-financing, pursuant to the decision approving the programme amendment. That additional one-off pre-financing percentage in 2026 will be increased to 9.5 % for programmes 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.

The additional one-off pre-financing will apply only where reallocations of at least 10 % of the financial resources of the programme to one or more of the dedicated priorities established pursuant to the regulation have been approved in the context of the mid-term review, provided that the request for the programme amendment is submitted to the Commission by 31 December 2025.

ENTRY INTO FORCE: 20.9.2025.