The EU is providing additional funding and flexibility in the use of the structural funds to help member states’ recovery efforts following the COVID-19 outbreak.

EU ambassadors, meeting within the Committee of Permanent Representatives, today endorsed the Council's partial position on REACT-EU, the EU initiative with the biggest impact in the short to medium term, as well as on a series of amendments to long-term legislative proposals.

"We must ensure that European regions not only survive the crisis but emerge stronger from it. In this respect, the prompt adoption of REACT-EU will help deliver support to regions and territories quickly and help prevent the widening of disparities as a result of the pandemic."

Peter Altmaier, Federal Minister for Economic Affairs and Energy, German presidency of the Council

REACT-EU will provide exceptional additional resources to member states, to be used for bolstering the economy and jobs in the worst affected regions and preparing a green, digital and resilient recovery.

The resources will be made available in 2021 and 2022, serving as a bridge from the emergency COVID-19 response to the next phase, of repairing the economy in the long term.

REACT-EU will primarily support health services and SMEs, the preservation of jobs and job creation, particularly for people in vulnerable situations, youth employment, and access to social services. Member states may also increase allocations for programmes for the most deprived.
Cohesion package 2021-2027

Also today, EU ambassadors endorsed the Council's updated partial position, which takes into account the amendments to the structural funds for the 2021-2027 programming period.

The changes to the legislative package, which was originally proposed in May 2018, introduce measures aimed at tackling the socio-economic fallout of the COVID-19 outbreak.

Consequently, the Council's position endorses the role of culture and tourism in economic development, social inclusion and social innovation. This means that member states will be able to invest more in these two sectors, which have been severely hit by the pandemic.

In addition, a new provision allows for the adoption of temporary measures for flexible use of the funds in future times of crisis.

The Council's position excludes the financial elements of the proposals, including REACT-EU, which still need to be added to the negotiating mandate following the overall agreement reached on 21 July on the EU's long-term budget and recovery package.

Next steps

Once the European Parliament has agreed on its position on the legislative proposals, negotiations will begin between the two institutions with the aim of reaching an agreement.

Council's partial mandate on REACT-EU, 17 July 2020

Council's partial mandate on ERDF and Cohesion Fund, 17 July 2020

Council's partial mandate on ESF Plus, 17 July 2020

Council's partial mandate on the Common Provisions Regulation, 17 July 2020

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