

European Social Fund Plus: Council and Parliament reach a provisional deal



The Portuguese Presidency of the Council and members of the European Parliament reached a political agreement on the draft regulation establishing the European Social Fund Plus (ESF+) which is part of the 2021-2027 EU budget.

With an overall financial envelope of nearly EUR 88 billion (in 2018 prices), ESF+ will support investment in job creation, education and training, as well as social inclusion, access to healthcare, and measures for eradicating poverty in the EU.

The European Social Fund+ will make a decisive contribution to mitigate the negative consequences of the current crisis by promoting employment and reducing poverty levels, creating better opportunities for all, especially young people and children. The more vulnerable groups will also be favoured by ESF+.

Nelson de Souza, Portuguese Minister for Planning

The ESF+ was first proposed by the European Commission in 2018 as part of the 2021-2027 cohesion policy legislative package.

The draft regulation merges several instruments, including the fund for the most deprived and the programme to address youth unemployment. This gives EU member states greater flexibility and coherence between programmes, thereby reducing red tape.

It also aligns the ESF+ with the European Semester, since projects financed by the fund should address the challenges identified in the annual country-specific recommendations.

In 2020, ESF+ was adapted to the recovery package to enhance, among other things, support for youth employment and for short modular training aimed at providing people with skills tailored to the labour market and, in particular, to the needs of the green and digital transitions.

The text also includes a provision covering temporary measures allowing for the use of the fund in exceptional and unusual circumstances.

More specifically, the negotiating teams of the co-legislators agreed on the requirements regarding the allocation of ESF+ resources at national level according to the fund's policy objectives, such as social inclusion, addressing material deprivation, supporting young people not in employment, education or training, and alleviating child poverty.

Next steps

The political agreement will be submitted for endorsement by the member states' ambassadors to the EU (Coreper) and to the European Parliament plenary for approval. Then work will continue at technical level to finalise the full text of the regulation.