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This article provides an overview of the role that [European Union \(EU\)](#) statistics play in helping to distribute [cohesion policy](#) funds. Regional statistics and the [classification of territorial units for statistics](#) – known as NUTS – are used to ensure that cohesion policy funding is accurately targeted to meet regional, socioeconomic needs. This article outlines the EU's cohesion policy, delivery mechanisms, budget formulation, allocation processes and implementation strategies.

## What is cohesion policy?

Cohesion policy is designed to strengthen economic, social and territorial cohesion within the EU. It aims to promote job creation, business competitiveness, economic growth, social inclusion and [sustainable development](#), thereby impacting the overall quality of life.

The bulk of cohesion policy funding is concentrated on less developed EU regions with the goal of helping them to catch up and to reduce the economic, social and territorial disparities that exist across the EU. Although cohesion policy covers every region of the EU, most of the funds are targeted at regions where [gross domestic product \(GDP\)](#) per inhabitant is less than 75% of the EU average.

For more information: [EU cohesion policy 2021–27](#)

## How is cohesion policy delivered?

Cohesion policy is delivered through a number of specific funds. They are the main financial instruments used to promote economic, social and territorial cohesion across the EU.

- The [European Regional Development Fund \(ERDF\)](#) aims to strengthen economic, territorial and social cohesion in the EU by correcting development imbalances between the regions. It focuses on providing funding for key policy areas such as innovation and research, the digital agenda, support for SMEs, and the low-carbon economy. The ERDF also supports cross-border and transnational cooperation under the [European territorial co-operation objective \(Interreg\)](#).
- The [Cohesion Fund \(CF\)](#) aims to reduce economic and social disparities and to promote sustainable development. Funding is directed specifically at infrastructure projects.
- The [European Social Fund Plus \(ESF+\)](#) provides support for people, with a focus on improving employment and education opportunities across the EU, as well as the situation of the most vulnerable people (those at risk of poverty).
- The [Just Transition Fund \(JTF\)](#) aims to support territories facing serious socioeconomic challenges arising from the transition towards climate neutrality. It is designed to facilitate the implementation of the [European](#)

[Green Deal](#), with the goal of reducing the EU's net greenhouse gas emissions by at least 55% by 2030 (compared with 1990 levels) and to make the EU climate-neutral by 2050.

## How is the budget for cohesion policy decided?

[Regulation \(EU\) No 2021/1060 of 24 June 2021](#) – the Common Provisions Regulation (CPR) – provides a policy framework for 8 shared management funds, including EU cohesion policy funds.

The total budget for cohesion policy and the rules associated with its allocation are jointly decided by the [Council](#) and the [European Parliament](#). Political agreement on the [legislative package for cohesion policy for 2021–27](#) was reached at the end of 2020. A total of € 392 billion has been included in the [multiannual financial framework \(MFF\)](#) for regional development and cohesion between 2021 and 2027. For more information, including a breakdown of allocations by fund and by EU country, see [2021–27: initial cohesion policy EU budget allocations](#).

While the MFF provides the bulk of the EU's resources for cohesion policy, additional resources have been granted under [NextGeneration EU](#) for the REACT-EU ( [Recovery assistance for cohesion and the territories of Europe](#) ) initiative for both the 2014–20 and 2021–27 programmes and for the JTF.

**For more information:** [Cohesion policy EU budget allocations 2021–27](#)

## Using EU statistics to allocate cohesion policy funds

NUTS is at the heart of the EU's regional statistics: it is a hierarchical classification, subdividing each EU country into regions. These are classified according to NUTS levels 1, 2 and 3, from larger to smaller regions.

Statistics from regional accounts are used in the allocation of cohesion policy funds, with the NUTS classification providing the basis for regional boundaries and geographic eligibility. During the period 2021–27, eligibility for cohesion policy funds is based on NUTS level 2 regions being ranked and split into 3 groups

- **less developed regions**, where GDP per inhabitant was less than 75% of the EU average
- **transition regions**, where GDP per inhabitant was 75–100% of the EU average
- **more developed regions**, where GDP per inhabitant was more than 100% of the EU average.

Funding is distributed based on the economic status of different regions, with a strong emphasis on supporting less-developed areas that are most in need of investment to catch up with more prosperous regions. Although cohesion policy covers every NUTS level 2 region of the EU, most of the funds are targeted at less developed and transition regions. These regions – predominantly located in the south or the east of the EU, the [Baltic countries](#) and several outermost regions – benefit from 90% of the ERDF and ESF+ resources.

For the 2021–27 period, the allocation of cohesion policy funds continues to be largely based on regional GDP per inhabitant in [purchasing power standards \(PPS\)](#). While GDP per inhabitant is the primary factor used to determine the amount of funding each region receives, a new set of criteria have been added for the 2021–27 funding period to reflect better the social, economic and environmental challenges faced by different regions of the EU. These include

- youth unemployment
- low education levels
- climate change
- demographic developments
- the reception and integration of migrants.

Eligibility to CF support during the period 2021–27 is granted to those EU countries whose gross national income per inhabitant (averaged over 2015–17) was less than 90% of the EU average.

Eurostat data were used as the basis for calculating cohesion policy allocations for the 2021–27 round of cohesion policy. In addition, a number of indicators were extracted in November 2018 (generally for reference years 2015–17) to form the basis for an analysis of cohesion policy, as shown in the table below.

For more information: [NUTS – classification of territorial units for statistics](#)

#### Cohesion policy indicators, 2021–27

Database	Indicator	Geographic level	Reference years
nama_10r_2gdp	GDP in purchasing power standards	NUTS 2	2015–17
nama_10r_3popgdp	Population	NUTS 2	2015–17
lfst_r_ifu3rt	Unemployment rate	NUTS 2	2015–17
lfst_r_ifu3pers	Unemployment	NUTS 2	2015–17
lfst_r_ifp2act	Active population	NUTS 2	2015–17
lfst_r_ife2emprtn	Employment rate	NUTS 2	2015–17
lfst_r_ife2emp	Employment	NUTS 2	2015–17
lfst_r_ifsd2pop	Population by age	NUTS 2	2015–17
edat_lfse_12	Educational level of population aged 30–34	NUTS 2	2015–17
edat_lfse_04	Educational level of population aged 25–64	NUTS 2	2015–17
edat_lfse_16	Early leavers from education and training aged 18–24	NUTS 2	2015–17
ESTAT / AMECO / GNI committee	Gross national income	National	2015–17
t2020_35	Greenhouse gas emissions in effort sharing decision (ESD) sectors	National	2017
migr_imm1ctz	Immigration (non-EU citizens)	National	2013–17
migr_emi1ctz	Emigration (non-EU citizens)	National	2013–17
demo_r_d3dens	Population density	NUTS 3	2016

Source: Eurostat



**Table 1: Cohesion policy indicators, 2021–27** Source: Eurostat

#### Data for cohesion policy indicators 2021–27

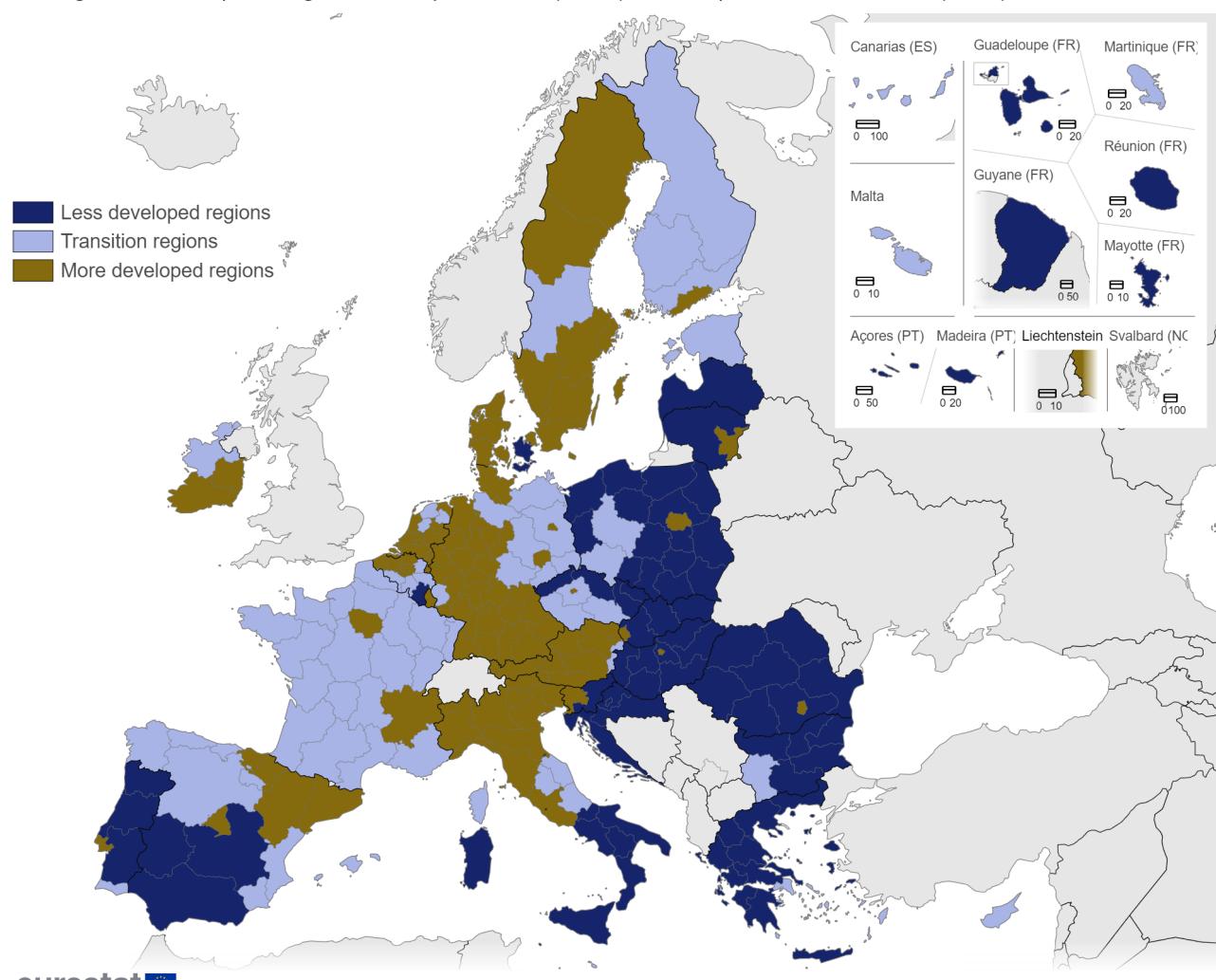
##### Cohesion policy indicators 2021–27

#### Is my region covered?

The maps below provide information concerning eligibility for funding under the ERDF and ESF+, as well as the CF for the 2021–27 funding period.

# Regions eligible for cohesion policy funding, 2021–27

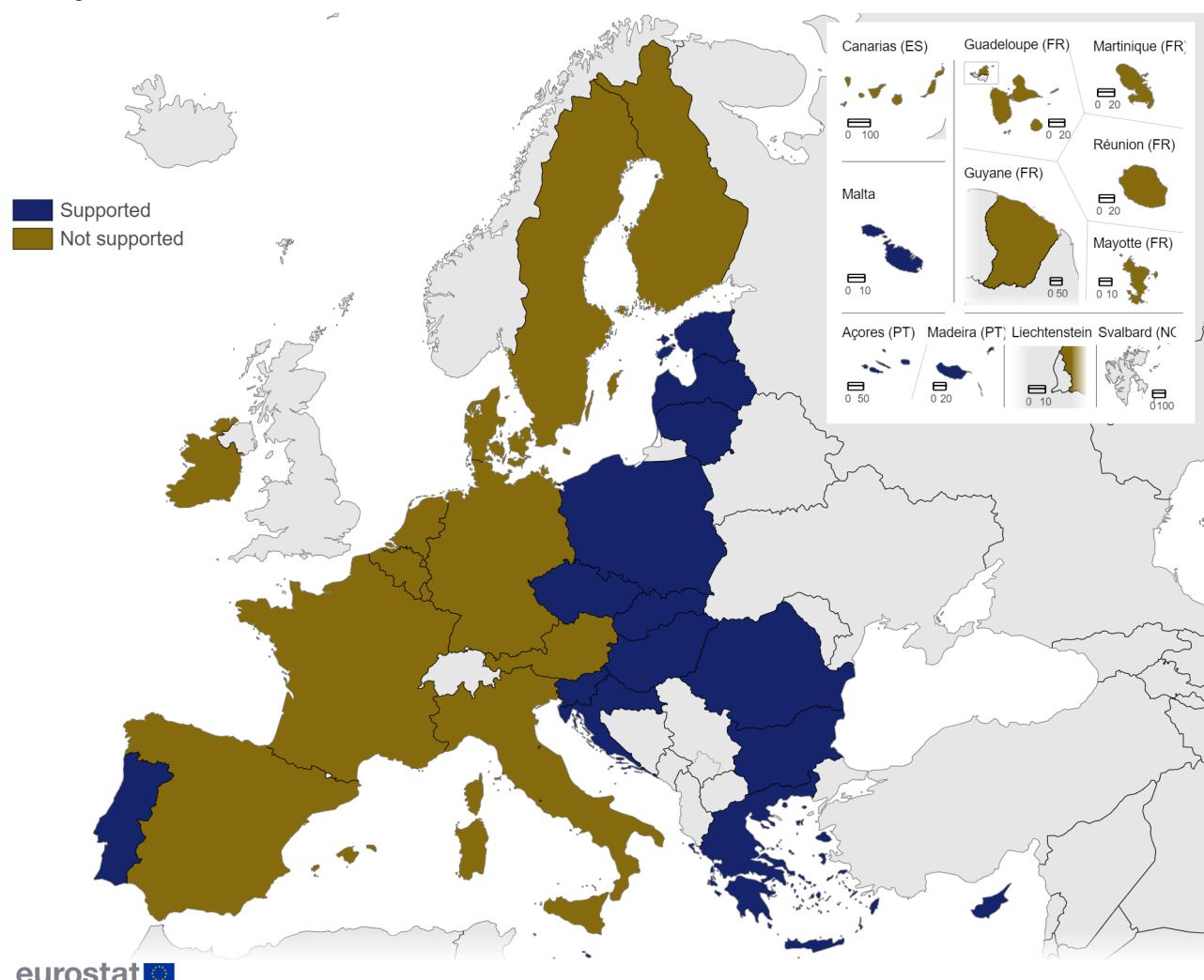
Funding from the European Regional Development Fund (ERDF) and European Social Fund Plus (ESF+)



**Map 1: Cohesion policy eligibility (ERDF and ESF+), 2021–27** Source: Commission implementing decision (EU) 2021/1130

# Countries eligible for cohesion policy funding, 2021–27

Funding from the Cohesion Fund



Source: Commission implementing decision (EU) 2021/1130

Administrative boundaries: © EuroGeographics © UN–FAO © Turkstat  
Cartography: Eurostat – IMAGE, 08/2024

**Map 2: Cohesion policy eligibility (CF), 2021–27 Source: Commission implementing decision (EU) 2021/1130**

## The previous funding period: 2014–20

Eurostat data were also used as the basis for calculating cohesion policy allocations for the 2014–20 round of cohesion policy. In addition, a number of indicators were extracted in February 2013 (generally for reference years 2007–09), to form the basis of an analysis of cohesion policy, grouped according to the objectives of the Europe 2020 strategy.

## Cohesion policy indicators, 2014–20

Database	Indicator	Geographic level
<b>SMART GROWTH</b>		
<b>Research &amp; development</b>		
tgs00042	R&D expenditure as % of GDP	NUTS 2
tgs00040	Patent applications to the EPO, by priority year	NUTS 2
<b>Competitiveness and business environment</b>		
tgs00004	Regional GDP in purchasing power standards	NUTS 2
tgs00005	Regional GDP in purchasing power standards per inhabitant	NUTS 2
ifst_r_ifu3pers	Regional unemployment, by sex and age	NUTS 2
tgs00010	Regional unemployment rates, by sex	NUTS 2
ifst_r_ife2emp	Regional employment, by sex and age	NUTS 2
tgs00102	Regional employment rates for people aged 20–64, by sex	NUTS 2
<b>Education</b>		
tgs00105	Tertiary educational attainment for people aged 30–34, by sex	NUTS 1
tgs00109	Tertiary educational attainment for people aged 25–64, by sex	NUTS 2
tgs00106	Early leavers from education and training, by sex	NUTS 1
<b>SUSTAINABLE GROWTH</b>		
<b>Transport</b>		
tran_r_acci	Victims in road accident	NUTS 2
road_go_ta_rl	Freight transported by road, by region of loading	NUTS 3
<b>Environment</b>		
tgs00110 (*)	Population connected to wastewater collection/treatment systems	NUTS 2
env_rwas_gen	Generation and treatment of municipal waste	NUTS 2
<b>INCLUSIVE GROWTH</b>		
<b>Social inclusion, poverty and health</b>		
tgs00107	People at risk of poverty or social exclusion	NUTS 2
tgs00108	People living in households with very low work intensity	NUTS 2
tgs00104	Severe material deprivation rate	NUTS 2
tgs00103	At-risk-of poverty rate	NUTS 2
ilc_peps13	People at risk of poverty or social exclusion, by degree of urbanisation	DEGURBA
ilc_lhl23	People living in household with very low work intensity, by degree of urbanisation	DEGURBA
ilc_mddd23	Severe material deprivation rate, by degree of urbanisation	DEGURBA
ilc_li43	At-risk-of-poverty rate, by degree of urbanisation	DEGURBA
tgs00101	Life expectancy at birth, by sex	NUTS 2
<b>Context</b>		
nama_r_e3popgdp (*)	Average annual population (national accounts)	NUTS 3
tgs00002	Total area and land area	NUTS 3

(\*) Discontinued as of 21.04.2020.

(\*) Discontinued as of 02.02.2018.

Source: Eurostat

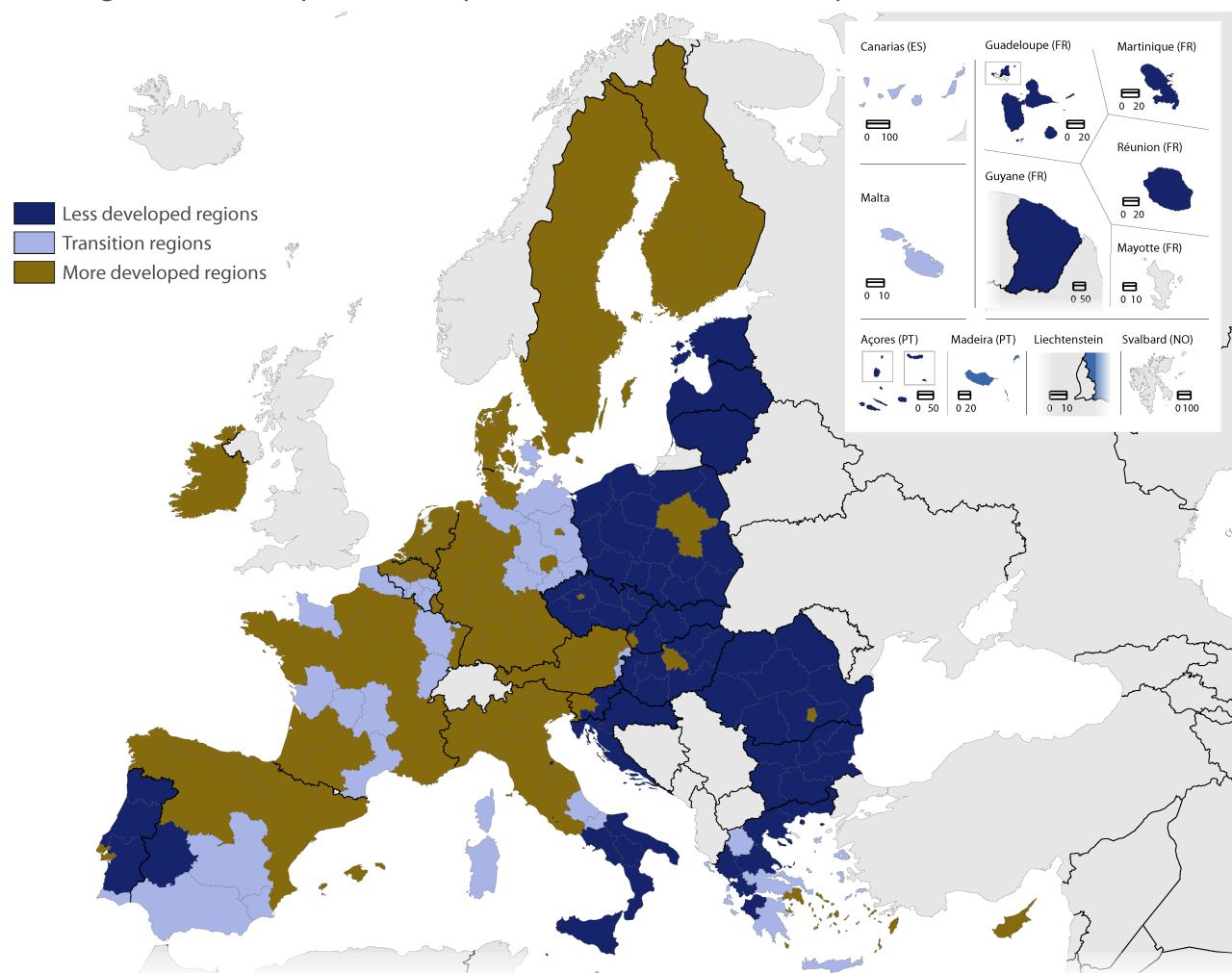


**Table 1: Cohesion policy indicators, 2014–20 Source: Eurostat**

The maps below provide information concerning eligibility for funding under the ERDF and ESF, as well as the CF for the 2014–20 funding period. Eligibility to CF support during this period was granted to those EU countries whose gross national income per inhabitant (averaged over 2008–10) was less than 90% of the EU average.

## Regions eligible for cohesion policy funding, 2014–20

Funding from the European Development Fund (ERDF) and European Social Fund (ESF)



**eurostat**

Source: Commission implementing decision 2014/99/EU

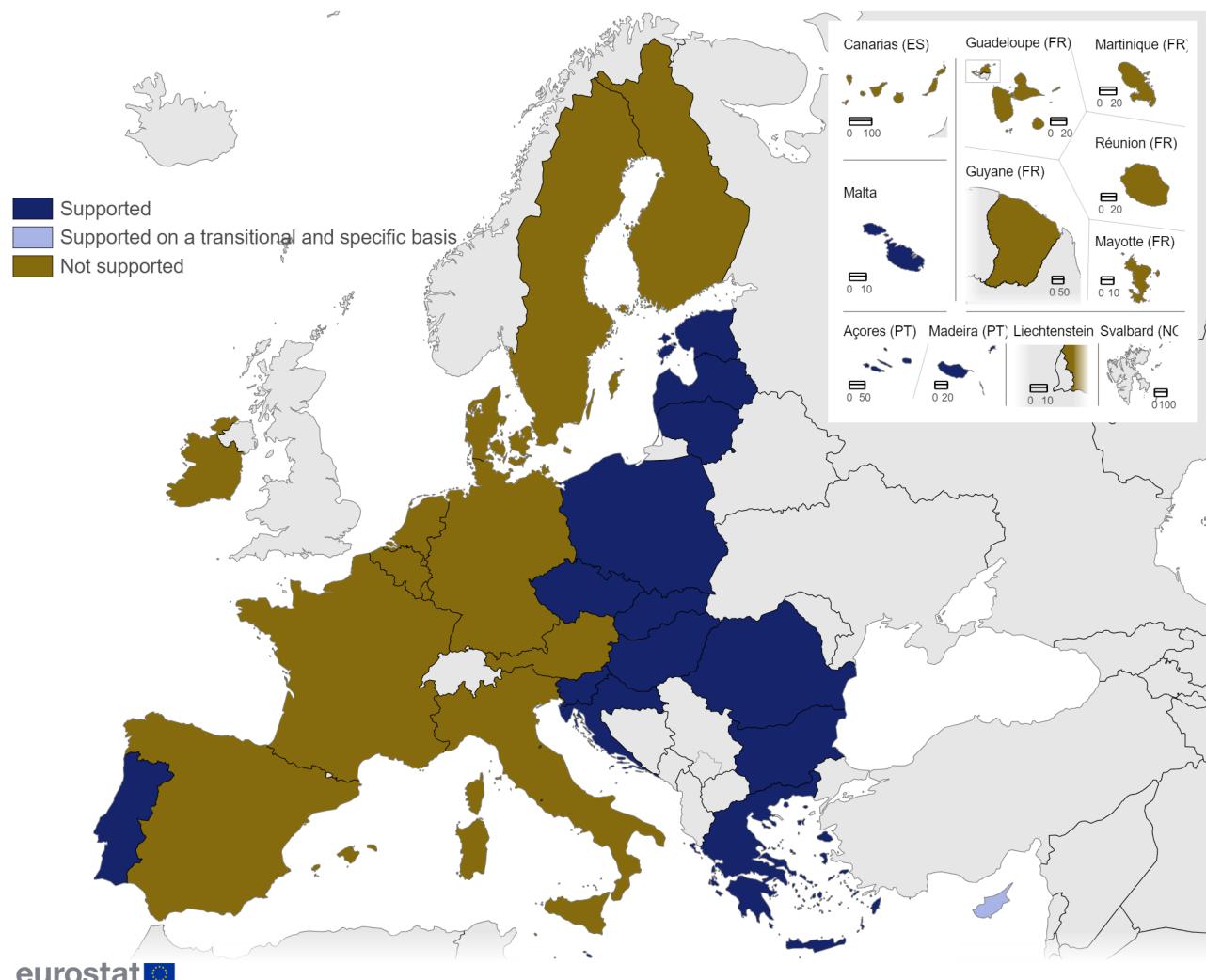
Administrative boundaries: © EuroGeographics © UN-FAO © Turkstat

Cartography: Eurostat – IMAGE, 08/2024

**Map 3: Cohesion policy eligibility (ERDF and ESF), 2014–20** Source: Commission implementing decision 2014/99/EU

# Countries eligible for cohesion policy funding, 2014–20

Funding from the Cohesion Fund



**Map 4: Cohesion policy eligibility (CF), 2014–27** Source: Commission implementing decision 2014/99/EU

## Data for cohesion policy indicators 2014–20

### Cohesion policy indicators 2014–20

## Source data for figures and maps

### Cohesion policy indicators – tables and maps

## Context

Cohesion policy seeks to reduce disparities between various regions of the EU, fostering economic, social and territorial cohesion. Key funding instruments target underdeveloped regions, aiming to enhance economic growth, job opportunities, infrastructure, education and innovation in regions that are less developed or regions that face

particular challenges. As such, cohesion policy is a central pillar of the EU's efforts to promote balanced and sustainable development, to help all regions participate in the green and digital transitions and to ensure that no one and no region are left behind.

The EU's cohesion policy complements the European Commission's [Political guidelines 2024–2029](#), while helping to deliver more specific policies such as those dealing with education, employment, energy, the environment, the single market or research and innovation. Cohesion policy also provides oversight and investment tools for a range of territories to address their specific issues, including

- [border regions and cross-border cooperation](#)
- [urban areas](#)
- [remote, island, mountainous or sparsely populated areas](#)
- [outermost regions](#).

At the start of the process for each funding period, the EU sets its budget for a 7-year period through the multiannual financial framework, including allocations for cohesion policy. Each EU country receives an allocation of funds based on the needs of its regions, determined in negotiations with the European Commission and taking into account the specific situation of each region, its socioeconomic conditions and priorities for development.

Cohesion policy projects are typically co-financed; in other words, they receive funding from both the EU (ERDF, CF, ESF+, JTF) and national/regional budgets. These allocations are thereafter translated into detailed investment plans through the formalisation of national partnership agreements and detailed national and regional programmes. The EU generally contributes a higher proportion of overall funding for projects taking place in less-developed regions.

Post-2020 – in the aftermath of the COVID-19 pandemic and in light of Russia's war of aggression against Ukraine – cohesion policy was redesigned to be more flexible to react to these unforeseen challenges. A range of new measures was introduced to make funding simpler: it is now more straightforward to access support, with shorter, fewer and clearer rules, less red tape, and streamlined implementation.

The following steps take place in the delivery process

- allocating funding and planning
- management and implementation
- monitoring and reporting
- evaluation and adjustment.

The first step for the allocation of funds is for each EU country to negotiate a **partnership agreement** with the European Commission. This agreement outlines the country's development needs and investment priorities and how the various EU funds will be used.

Cohesion policy funds are delivered through shared management and partnership, a process which involves EU, national, regional and local authorities, as well as social partners and organisations from civil society (representative and community groups that are independent of government or business). The process is designed to ensure that the funds are used effectively and transparently to achieve the policy's objectives of reducing regional disparities and promoting sustainable development.

Based on the partnership agreement, EU countries and regions develop a series of **operational programmes**. These are detailed plans that specify how the funds will be allocated to specific projects and sectors (for example, infrastructure projects, education and training, small and medium-sized enterprises or environmental protection). They allow each region to tailor support in accordance with their own specific development challenges. The operational programmes are submitted to the European Commission for approval.

Once negotiated and formally adopted, the operational programmes are implemented by national or regional managing authorities. They are responsible for overseeing the implementation of the programmes, including selecting projects, managing funds and ensuring compliance with EU regulations. Calls for project proposals are issued based on the priorities outlined in the operational programmes. Applicants can be public authorities, private companies, NGOs, or other entities.

Each operational programme has a monitoring committee comprising representatives from the EU, national and regional authorities, as well as other stakeholders. These committees oversee the progress of the programmes to assist their effective implementation. EU countries must regularly report to the European Commission on the progress of their operational programmes with financial reports, performance indicators and evaluations for the impact of funding. The European Commission and national authorities conduct audits to check that the funds are used properly and that there is no fraud or mismanagement.

**For more information:** [Questions and answers on the EU cohesion policy legislative package 2021–27](#)

## Dedicated section

- [Regions and cities](#)

## Legislation

- [Cohesion policy legislation 2021–27](#)
- [Cohesion policy legislative package 2021–27](#)
- [Consolidated version of Regulation \(EC\) No 1059/2003 of the European Parliament and of the Council of 26 May 2003 on the establishment of a common classification of territorial units for statistics \(NUTS\)](#)
- [Regulation \(EU\) 2017/2391 of the European Parliament and of the Council of 12 December 2017 amending Regulation \(EC\) No 1059/2003 as regards the territorial typologies \(Tercet\)](#)

## External links

### General information on regional and cohesion policies

- [European Commission – Regional policy](#)
- [Cohesion policy 2021–27](#) , see
  - [Cohesion policy 2021–27 \(video\)](#)

### Reports on economic, social and territorial cohesion

- [9th report on economic, social and territorial cohesion \(2024\)](#)
- [8th report on economic, social and territorial cohesion \(2022\)](#)
- [7th report on economic, social and territorial cohesion \(2017\)](#)
- [6th report on economic, social and territorial cohesion \(2014\)](#)
- [5th report on economic, social and territorial cohesion \(2010\)](#)

### European Commission territorial policies

- [Rural development](#)
- [Territorial cohesion](#)
- [Urban development](#)

### Cohesion funds

- [Cohesion fund](#)
- [European regional development fund](#)

- European social fund plus
- Just Transition Fund
- Recovery assistance for cohesion and the territories of Europe (REACT-EU)
- European structural and investment funds – 2023 summary report of the annual programme implementation reports covering implementation in 2014-2020 COM(2024) 6 final