COHESION POLICY CONTINUES TO NARROW THE GAPS IN EU REGIONS AND MEMBER STATES

Driving sustainable economic development

- **Fostering economic and social convergence:** In Central and Eastern Member States, the GDP per head increased from 45% of the EU average in 1995 to nearly 80% in 2023

- **Supporting employment:** over the last 20 years, the unemployment rate in the newer Member States has decreased from an average of 13% to 4%

- **Enhancing the Single Market:** Cohesion Policy benefits all regions and expands the opportunities of the Single Market. In 2030, the EU’s GDP is expected to be 1% higher due to Cohesion Policy investment. Each euro invested through Cohesion Policy generates 3 euros of additional GDP by 2043

- **Promoting Europe’s competitiveness:** In the 2014-2020 period, Cohesion Policy has supported 4.4 million businesses and created 370,000 new jobs in these firms

- **Driving public investment:** Cohesion Policy funding corresponded to around 13% of the total public investment in the EU in 2014-2020, and up to 51% for less developed countries
Implementing the digital and green transitions on the ground

**Over €100 billion to support green action** in 2021-2027: renewable energy infrastructures, sustainable transport networks, nature conservation

**€69 billion** already invested in 2014-2020: 550,000 households enjoy better energy performance, 6,000 megawatts of renewable energy capacity created

**€40 billion for digitalisation** in 2021-2027: digital skills and technologies

**€14 billion** invested in 2014-2020: performance for fixed networks has improved across all Member States, 7.8 million households have better broadband connection

1.3 million additional jobs will be created by 2027, with a large share related to the green and digital sectors.

Delivering in times of crises

**Resilience in the face of unprecedented crises**: Cohesion Policy contributed to most regions returning to their 2019 GDP level just two years after the contraction caused by COVID-19 health crisis

**€23 billion redirected from Cohesion Policy** to fight the pandemic for the purchase of ventilators and vaccines, to support SMEs, and to protect workers

**Funding and flexibilities made available to help regions welcome people fleeing Russia’s war of aggression against Ukraine**

A need for a strong Cohesion Policy

Taking stock of challenges

- **Sub-national disparities** among large metropolitan regions and other regions are growing and regions risk falling into the ‘development trap’

- **Climate change exacerbates regional inequalities**, notably in coastal, Mediterranean, and South-Eastern EU regions, risking to lose 1% of GDP annually

Lessons for the future

- **Support more tailored to regional needs**, faster implementation, simplification, and stronger linkage to reforms and performance while enhancing territorial dimension