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A greener, people-first cohesion policy for a better EU

On 29 January 2025, experts from some of Europe's leading civil society organisations gathered for the 'Towards Green Cohesion' seminar in Kraków. Here are their key recommendations for shaping the future of the EU's post-2027 cohesion policy.

The Multiannual Financial Framework (MFF), commonly called the EU budget, is the major catalyst for bringing about Europe's green and social transition. Indeed, EU funds account for a substantial share of public investments across EU Member States.

The size of the future MFF is crucial to ensuring the EU's sustainable development, achieving the European Green Deal objectives, overcoming the development trap, and addressing the competitiveness crisis. The 2028–2034 budget should be at least as large as the current framework, including the Recovery and Resilience Facility. The EU should not only maintain cohesion policy as its key investment strategy, but also strengthen its key components by:

- supporting climate and environmental investments;
- preventing harmful projects under the 'do no significant harm' principle;
- mainstreaming the partnership principle and multi-level governance; and
- promoting regional and place-based approaches, as exemplified by the Just Transition Fund.

In order to adequately address the EU's upcoming challenges and align with the evolving EU policy framework, the revised policy must be genuinely rooted in the principle of cohesion, as set out in the Treaty on the Functioning of the European Union. This requires a shift towards value-based, green, just, and socially oriented investments. Specifically, the revised cohesion policy should:

1. **Coordinate with other EU policies** on climate, transport, agriculture, social principles like gender mainstreaming and youth empowerment, and addressing depopulation and poverty. The policy should also serve as a vertical coordination mechanism between national, regional, and local authorities, in order to ensure regional cohesion and policy impacts are considered across the EU's entire policy and regulatory envelope.
2. **Strengthen the reform aspect**, while ensuring close alignment with decarbonisation strategies, such as the national energy and climate plans, and the EU governance process, including the European Semester. Country-specific recommendations under the

Semester process must be more concrete and link more closely with the EU’s green policies.

3. **Increase transparency, accountability, and public participation** in order to improve the efficiency and quality of EU spending. This requires enhancing the governance framework and strengthening the partnership principle across programming, implementation, monitoring, and evaluation, thus reinforcing the principle of subsidiarity.
4. **Regionalise further** at the Nomenclature of Units for Territorial Statistics (NUTS) 2 level as well as at the NUTS 3 level (as successfully achieved with the just transition), prioritise funding for cross-border and cross-regional exchange, particularly in EU external border areas, and strengthen the place-based, territorial approach by enhancing the territorial impact assessment process.
5. **Invest in local capacities**, particularly through human capital investments, which offer exceptional value in Europe. In this way, cohesion policy funds can be utilised to support the operational costs of local and regional authorities. This will facilitate crucial activities such as data collection and the planning of regional programmes dedicated to environmentally and socially responsible energy transformation.
6. **Improve access to funds for diverse beneficiaries**, primarily to finance small-scale and innovative projects, and those implemented by marginalised sectors of society. This requires better-designed calls for proposals that address the specific needs and capacities of beneficiaries, apply straightforward rules, and raise awareness of cohesion and EU policy framework objectives. Obligatory national and regional support measures, such as one-stop shops, are crucial for improving accessibility and project quality.
7. **Engage citizens in achieving long-term goals** by ensuring that investments are not only *for* the people but also *by* the people. Supporting the decentralisation of energy systems through citizen-led energy communities is a prime example of this approach.
8. **Improve the ‘added value rule’** by promoting transformative solutions with significant environmental and social benefits, while also maintaining the ‘do no significant harm’ principle and climate earmarking under the MFF.
9. **Scale up targeted support for technologies** using well-designed financial instruments, green public procurement procedures, and State aid rules, and reduce the risks for companies genuinely contributing to decarbonisation and demand-side management.
10. **Map decarbonisation investment needs**, related challenges, and the effectiveness of different financing approaches, such as public, blended, and private funding. Financial instruments should be made more attractive by providing custom solutions for certain types of investments and beneficiaries based on data-driven analysis.
11. **Review current and potential new cohesion policy priorities** to support EU public goods and address inequalities within EU Member States.
12. **Establish a dedicated biodiversity fund** to finance climate adaptation investments in nature-based solutions that implement the Nature Restoration Law.

Applying the above recommendations will enable the cohesion policy to meet the needs and challenges of the EU. At the same time, the cost of inaction will undermine the EU’s efforts to achieve territorial, social, and economic cohesion.

On behalf of the organisers,

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