
















Procedure file



Basic information	
COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	2018/0206(COD) Awaiting Council's 1st reading position
European Social Fund Plus (ESF+) 2021-2027 Repealing Regulation (EU) No 1296/2013 2011/0270(COD)	
Subject 4.10.05 Social inclusion, poverty, minimum income 4.10.15 European Social Fund (ESF), Fund for European Aid to the Most Deprived (FEAD) 4.15.02 Employment: guidelines, actions, Funds 4.20 Public health 4.40.10 Youth	
Legislative priorities Multiannual Financial Framework 2021-2027	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Employment and Social Affairs	 CASA David	24/07/2019
		Shadow rapporteur	
		 BENIFEI Brando	
		 SEMEDO Monica	
		 BALDASSARRE Simona	
		 REINTKE Terry	
		 RAFALSKA Eizbieta	
		 GUSMÃO José	
	Former committee responsible		
 Employment and Social Affairs (Associated committee)	 LOPE FONTAGNÉ Verónica	14/06/2018	
Former committee for opinion			
 Environment, Public Health and Food Safety (Associated committee)	 BUȘOI Cristian-Silviu	19/04/2018	
 Budgets		28/06/2018	
	 GLOANEC MAURIN Karine		
 Budgetary Control		10/07/2018	

Council of the European Union
European Commission

European Economic and
Social Committee
European Committee of the
Regions

		S&D PIRINSKI Georgi	
ITRE	Industry, Research and Energy	The committee decided not to give an opinion.	
REGI	Regional Development		20/06/2018
		S&D BRESSO Mercedes	
PECH	Fisheries	The committee decided not to give an opinion.	
CULT	Culture and Education		01/06/2018
		S&D KAMMEREVERT Petra	
JURI	Legal Affairs		24/09/2018
		GUE/NGL CHRYSOGONOS Kostas	
LIBE	Civil Liberties, Justice and Home Affairs		09/07/2018
		S&D POST Soraya	
FEMM	Women's Rights and Gender Equality		18/09/2018
		PPE KOZŁOWSKA-RAJEWICZ Agnieszka	
	Commission DG	Commissioner	
	Employment, Social Affairs and Inclusion	THYSSEN Marianne	

Key events			
30/05/2018	Legislative proposal published	COM(2018)0382	Summary
11/06/2018	Committee referral announced in Parliament, 1st reading/single reading		
05/07/2018	Referral to associated committees announced in Parliament		
03/12/2018	Vote in committee, 1st reading/single reading		
12/12/2018	Committee report tabled for plenary, 1st reading/single reading	A8-0461/2018	Summary
15/01/2019	Debate in Parliament		
16/01/2019	Results of vote in Parliament		
16/01/2019	Decision by Parliament, 1st reading/single reading	T8-0020/2019	Summary
16/01/2019	Matter referred back to the committee responsible		
04/04/2019	Decision by Parliament, 1st reading/single reading	T8-0350/2019	Summary
02/10/2019	Committee decision to open interinstitutional negotiations after 1st reading in Parliament		
	Committee decision to enter into		

09/10/2019

interinstitutional negotiations announced
in plenary (Rule 72)

Technical information

Procedure reference	2018/0206(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
	Repealing Regulation (EU) No 1296/2013 2011/0270(COD)
Legal basis	Treaty on the Functioning of the EU TFEU 175-p3; Treaty on the Functioning of the EU TFEU 149; Treaty on the Functioning of the EU TFEU 164; Treaty on the Functioning of the EU TFEU 349-p1sub1-as1; Rules of Procedure EP 59-p4; Treaty on the Functioning of the EU TFEU 046; Treaty on the Functioning of the EU TFEU 153-p2-a1; Treaty on the Functioning of the EU TFEU 168-p5
Other legal basis	Rules of Procedure EP 159
Mandatory consultation of other institutions	European Economic and Social Committee European Committee of the Regions
Stage reached in procedure	Awaiting Council's 1st reading position
Committee dossier	EMPL/8/13480

Documentation gateway

Legislative proposal		COM(2018)0382	30/05/2018	EC	Summary
Document attached to the procedure		SWD(2018)0289	30/05/2018	EC	
Committee draft report		PE625.203	20/07/2018	EP	
Amendments tabled in committee		PE628.407	26/09/2018	EP	
Amendments tabled in committee		PE628.408	26/09/2018	EP	
Amendments tabled in committee		PE626.995	27/09/2018	EP	
Economic and Social Committee: opinion, report		CES2962/2018	17/10/2018	ESC	
Committee opinion	BUDG	PE625.489	06/11/2018	EP	
Committee opinion	REGI	PE625.392	08/11/2018	EP	
Committee opinion	LIBE	PE625.435	08/11/2018	EP	
Committee opinion	ENVI	PE627.836	13/11/2018	EP	
Committee opinion	FEMM	PE627.761	14/11/2018	EP	
Committee opinion	CONT	PE627.881	16/11/2018	EP	
Committee opinion	CULT	PE626.720	20/11/2018	EP	
Committee opinion	JURI	PE628.700	22/11/2018	EP	
Amendments tabled in committee		PE628.423	03/12/2018	EP	
Committee of the Regions: opinion		CDR3597/2018	05/12/2018	CofR	
Committee of the Regions: opinion		CDR4106/2018	05/12/2018	CofR	

Committee report tabled for plenary, 1st reading/single reading	A8-0461/2018	12/12/2018	EP	Summary
Text adopted by Parliament, partial vote at 1st reading/single reading	T8-0020/2019	16/01/2019	EP	Summary
Text adopted by Parliament, 1st reading/single reading	T8-0350/2019	04/04/2019	EP	Summary
Commission response to text adopted in plenary	SP(2019)443	12/06/2019	EC	
Supplementary legislative basic document	COM(2020)0447	28/05/2020	EC	Summary

Additional information

Research document

[Briefing](#)

2018/0206(COD) - 30/05/2018 Legislative proposal

PURPOSE: to establish the European Social Fund Plus (ESF+) for the period 2021-2027.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: tackling unemployment and persistently high rates of poverty remains a priority throughout the EU. Social and employment issues are a primary concern of European citizens.

Targeted support measures are needed to address the challenges identified in the European Semester and in the European Pillar of Social Rights proclaimed by the European Parliament, the Council and the Commission: shortfalls in skill levels, under-performance in active labour market policy, problems arising from new technologies such as automation and new forms of work, social exclusion and low labour mobility.

In this context, this Commission proposes to make the European Social Fund Plus (ESF+) the EU's main instrument to invest in people by merging the following funds and programmes:

- the European Social Fund (ESF) and the Youth Employment Initiative (YEI);
- the Fund for European Aid to the Most Deprived (FEAD);
- the Employment and Social Innovation (EaSI) programme;
- the Programme for the Union's action in the field of health (the Health Programme).

CONTENT: the proposal for a Regulation - presented for a Union of 27 Member States - seeks to establish the European Social Fund plus (ESF+). It lays down the objectives of the ESF+, the budget for the period 2021-2027, the methods of implementation, the forms of Union funding and the rules for providing such funding.

The ESF+ shall support policies and priorities which aim to help create full employment, enhance quality and productivity at work, increase the geographical and occupational mobility of workers within the Union, improve education and training systems, and promote social inclusion and health.

The overarching policy objective of the ESF+ Regulation shall be to help create a more performing and resilient Social Europe and implement the European Pillar of Social Rights, as well as the social and employment priorities endorsed by the European economic governance process.

Actions under the shared management strand of the ESF+ shall also contribute to achieving the strategic objectives set out in the proposed Common Provisions Regulation (CPR) in particular:

- a smarter Europe through the development of skills for smart specialisation, skills for key enabling technologies, industrial transition;
- a greener, low carbon Europe through the improvement of education and training systems necessary for the adaptation of skills and qualifications, the creation of new jobs in sectors related to the environment, climate and energy, and the bioeconomy.

Shared management strand: under the proposal, Member States shall:

- allocate an appropriate amount of their ESF+ resources under shared management to address challenges identified in relevant country-specific recommendations;
- allocate at least 25% of their ESF+ resources under shared management to the specific objectives for the social inclusion policy area, including the promotion of the socio-economic integration of third country nationals;
- allocate at least 2% of their ESF+ resources under shared management to the specific objective of addressing material deprivation. The European Fund for the most deprived (FEAD) shall continue to benefit from simpler rules, to ensure that the Fund is accessible to an even wider range of beneficiaries, such as small non-governmental organisations.

Member States with a rate of young people aged 15-29 not in employment, education or training (NEET) above a certain threshold shall devote 10% of their ESF+ resources under shared management to targeted actions and structural reforms to support young people. In the case of the outermost regions with a NEET rate above this threshold, this percentage shall be increased to 15%.

The proposal defines the rules on eligibility and control, in addition to the future CPR for all ESF+ support under shared management (with the exception of support to combat material deprivation). There is also a provision on innovative actions, which encourages Member States to

support social innovation and social experimentation, which strengthen bottom-up approaches based on partnerships.

Direct and indirect management strand:

- Under the employment and social innovation strand, ESF+ support shall allow innovative solutions to be tested and evaluated before they are applied on a larger scale to help improve policies, for example by supporting worker mobility in Europe.
- Under the health strand, support shall focus on priority areas where cooperation at European level has a proven advantage: disease prevention, crisis preparedness for cross-border health threats, assistance to Member States' health authorities, digitisation of health and care systems, support for EU health legislation and strengthening cross-border cooperation, for example on rare diseases.

Proposed budget: the Commission proposes to allocate a total budget of EUR 101 billion (in current prices) to ESF+ for the period 2021-2027, of which EUR 100 billion for the shared management strand of ESF+. The financial envelope for the direct management strands of the ESF+ would amount to EUR 1 174 million in current prices, of which EUR 761 million for employment and social innovation and EUR 413 million for health.

2018/0206(COD) - 12/12/2018 Committee report tabled for plenary, 1st reading/single reading

The Committee on Employment and Social Affairs adopted the report by Verónica LOPE FONTAGNÉ (EPP, ES) on the proposal for a regulation of the European Parliament and of the Council on the European Social Fund Plus (ESF+).

The Committee on the Environment, Public Health and Food Safety, exercising its prerogative as an associated committee in accordance with [Article 54 of the Rules of Procedure](#), also gave its opinion on the report.

The committee recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the Commission's proposal as follows.

Subject matter

This Regulation establishes the European Social Fund Plus (ESF+). ESF+ consists of three strands: the strand under shared management, the Employment and Social Innovation strand and the Health strand. It lays down the objectives of the ESF+, the budget for the period 2021-2027, the methods of implementation, the forms of Union funding and the rules for providing such funding, complementing the general rules applicable to ESF+ under the Common Provisions Regulation.

General objectives

The ESF+ shall:

- support Member States, at national, regional and local level, and the Union to achieve inclusive societies, high levels of quality employment, job creation, quality and inclusive education and training, equal opportunities, eradicating poverty, including child poverty, social inclusion and integration, social cohesion, social protection and a skilled and resilient workforce ready for the future world of work;
- support, complement and add value to the policies of the Member States to ensure equal opportunities, equal access to the labour market, lifelong learning, high quality working conditions, social protection, integration and inclusion, eradicating poverty, including child poverty, investment in children and young people, non-discrimination, gender equality, access to basic services and a high level of human health protection.

Specific objectives

It aims to:

- support the following specific objectives in the policy areas of employment, education, mobility, social inclusion, poverty eradication and health;
- improve access to quality employment and activation measures of all jobseekers, in particular specific measures for young people, especially through the implementation of the Youth Guarantee, long-term unemployed, economically inactive people and disadvantaged groups;
- promote women's labour market participation and career progression, promote the principle of equal pay for equal work, a better work/life balance, with a special focus on single parents, including access to affordable, inclusive and quality childcare, early childhood education, eldercare, and other care services and support;
- promote a healthy and welladapted working environment;
- fight discrimination against and promoting the socio-economic integration of marginalised communities such as Roma;
- modernise social security institutions, public employment services, social protection and social inclusion systems;
- improve accessibility including for persons with disabilities, effectiveness and resilience of healthcare systems and long-term care services.

Budget

The total financial envelope for the ESF+ for the period 2021-2027 shall be EUR 106 781 000 000 in 2018 prices. The part of the financial envelope for the ESF+ strand under shared management under the Investment for Jobs and Growth goal shall be:

- EUR 105 686 000 000 of which EUR 200 000 000 shall be allocated for transnational cooperation supporting innovative solutions;
- EUR 5 900 000 000 shall be allocated for measures falling under the European Child Guarantee;
- EUR 400 000 000 as additional funding to the outermost regions and the NUTS level 2 regions.

The financial envelope for the Employment and Social Innovation strand and the Health strand for the period 2021-2027 shall be EUR 1 095 000 000. The indicative distribution of this shall be:

- EUR 675 000 000 for the implementation of the Employment and Social Innovation strand;

- EUR 420 000 000 for the implementation of the Health strand.

Member States shall allocate at least 27% of their ESF+ resources under shared management to specific objectives in the field of social inclusion and at least 3% of their resources to the specific objective of social inclusion of the most deprived and/or material deprivation.

Member States having a rate of young people aged 15 to 29 not in employment, education or training (NEET) is above the Union average in 2019 or where the NEET rate is above 15 % on the basis of Eurostat data, shall allocate at least 15 % of their ESF+ resources under shared management for the years 2021 to 2025 in the programming period to targeted actions and structural reforms to promote youth employment.

Complementarity

Member States and the Commission, shall foster synergies and ensure coordination, complementarity and coherence between the ESF+ and other Union funds, programmes and instruments such as the European Regional Development Fund (ERDF), the European Globalisation Adjustment Fund (EGF), the European Maritime and Fisheries Fund, InvestEU, Creative Europe, Erasmus, the Asylum and Migration Fund, the post-2020 EU Framework for National Roma Integration Strategies and the Reform Support Programme, both in the planning phase and during implementation.

Reporting and evaluation

The Commission shall draw up an initial qualitative and quantitative monitoring report covering the first year, followed by three reports covering consecutive two-year periods and shall submit those reports to the European Parliament and the Council.

The reports shall include the results of the strands and the extent to which the principles of equality between women and men and gender mainstreaming have been applied, as well as how anti-discrimination considerations, including accessibility issues, have been addressed through their activities. The reports shall be made available to the public in order to enhance the transparency of the strands.

By 31 December 2024, the Commission shall carry out a mid-term evaluation of the strands. The results of that mid-term evaluation shall be presented to the European Parliament and to the Council.

2018/0206(COD) - 16/01/2019 Text adopted by Parliament, partial vote at 1st reading/single reading

The European Parliament adopted by 543 votes to 81, with 64 abstentions, amendments to the proposal for a regulation of the European Parliament and of the Council on the European Social Fund Plus (ESF+).

The matter was referred back to the competent committee for interinstitutional negotiations.

The main amendments adopted in plenary concern the following issues:

General objectives

The ESF+ shall consist of three strands: the strand under shared management, the Employment and Social Innovation strand and the Health strand. It aims to:

- support Member States, at national, regional and local level, and the Union to achieve inclusive societies, high levels of quality employment, job creation, quality and inclusive education and training, equal opportunities, eradicating poverty, including child poverty, social inclusion and integration, social cohesion, social protection and a skilled and resilient workforce ready for the future world of work;

- support, complement and add value to the policies of the Member States to ensure equal opportunities, equal access to the labour market, lifelong learning, high quality working conditions, social protection, integration and inclusion, eradicating poverty, including child poverty, investment in children and young people (in particular through the implementation of the youth guarantee fund), non-discrimination, gender equality, access to basic services and a high level of human health protection.

The ESF+ shall deliver on the principles set out in the European Pillar of Social Rights and contribute to the goals of the Union as regards to strengthening economic, social and territorial cohesion and the commitment of the Union and its Member States to achieve the Sustainable Development Goals and commitments made under the Paris Agreement.

Budget

The total financial envelope for the ESF+ for the period 2021-2027 shall be EUR 106 781 000 000 in 2018 prices (EUR 120 457 000 000 in current prices). The part of the financial envelope for the ESF+ strand under shared management under the Investment for Jobs and Growth goal shall be:

- EUR 105 686 000 000 of which EUR 200 000 000 shall be allocated for transnational cooperation supporting innovative solutions;

- EUR 5 900 000 000 shall be allocated for measures falling under the European Child Guarantee;

- EUR 400 000 000 as additional funding to the outermost regions and the NUTS level 2 regions.

The financial envelope for the Employment and Social Innovation strand and the Health strand for the period 2021-2027 shall be EUR 1 095 000 000. The indicative distribution of this shall be:

- EUR 675 000 000 for the implementation of the Employment and Social Innovation strand;

- EUR 420 000 000 for the implementation of the Health strand.

Consistency and thematic concentration

Member States and the Commission, shall foster synergies and ensure coordination, complementarity and coherence between the ESF+ and other Union funds, programmes and instruments such as the European Regional Development Fund (ERDF), the European Globalisation Adjustment Fund (EGF), the European Maritime and Fisheries Fund, InvestEU, Creative Europe, the Rights and Values Instrument, Erasmus,

the Asylum and Migration Fund, the post-2020 EU Framework for National Roma Integration Strategies and the Reform Support Programme, both in the planning phase and during implementation.

Parliament proposed the following:

- within the specific objectives for the social inclusion policy area, Member States should allocate at least 5% of their ESF+ resources under shared management to targeted actions aiming at implementing the European Child Guarantee, in order to contribute to childrens equal access to free healthcare, free education, free childcare, decent housing and adequate nutrition;

- Member States should allocate at least 27% of their ESF+ resources under shared management to specific objectives in the field of social inclusion and at least 3% of their resources to the specific objective of social inclusion of the most deprived and/or material deprivation;

- Member States having a rate of young people aged 15 to 29 not in employment, education or training (NEET) is above the Union average in 2019 or where the NEET rate is above 15% on the basis of Eurostat data, shall allocate at least 15 % of their ESF+ resources under shared management for the years 2021 to 2025 in the programming period to targeted actions and structural reforms to promote youth employment, paying particular attention to the most affected regions.

Lastly, with regard to the partnership between the EU institutions and national, regional and local authorities, Member States should allocate at least 2% of ESF+ resources to strengthen the capacity building of social partners and civil society organisations at Union and national level.

By 31 December 2024, the Commission shall carry out a mid-term evaluation of the strands. The results of that mid-term evaluation shall be presented to the European Parliament and to the Council.

2018/0206(COD) - 04/04/2019 Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a legislative resolution on the proposal for a regulation of the European Parliament and of the Council on the European Social Fund Plus (ESF+), closing its first reading.

The European Parliaments position adopted at first reading under the ordinary legislative procedure amended the Commission proposal as follows:

General objectives

The ESF+ shall consist of three strands: the strand under shared management, the Employment and Social Innovation strand and the Health strand. It aims to:

- support Member States, at national, regional and local level, and the Union to achieve inclusive societies, high levels of quality employment, job creation, quality and inclusive education and training, equal opportunities, eradicating poverty, including child poverty, social inclusion and integration, social cohesion, social protection and a skilled and resilient workforce ready for the future world of work;

- support, complement and add value to the policies of the Member States to ensure equal opportunities, equal access to the labour market, lifelong learning, high quality working conditions, social protection, integration and inclusion, eradicating poverty, including child poverty, investment in children and young people (in particular through the implementation of the youth guarantee fund), non-discrimination, gender equality, access to basic services and a high level of human health protection.

The ESF+ shall deliver on the principles set out in the European Pillar of Social Rights and contribute to the goals of the Union as regards to strengthening economic, social and territorial cohesion and the commitment of the Union and its Member States to achieve the Sustainable Development Goals and commitments made under the Paris Agreement.

All programmes implemented under the ESF+ shall ensure gender equality throughout their preparation, implementation, monitoring and evaluation and support the accessibility to persons with disabilities also in terms of ICT.

Budget

Parliament proposed that the total financial envelope for the ESF+ for the period 2021-2027 be EUR 106 781 000 000 in 2018 prices (EUR 120 457 000 000 in current prices) compared to EUR 101 174 000 000 in current prices in the Commission's proposal. The part of the financial envelope for the ESF+ strand under shared management under the Investment for Jobs and Growth goal shall be:

- EUR 200 million shall be allocated for transnational cooperation supporting innovative solutions;

- EUR 5.9 billion shall be allocated for measures falling under the European Child Guarantee;

- EUR 400 million as additional funding to the outermost regions and the NUTS level 2 regions.

The financial envelope for the Employment and Social Innovation strand and the Health strand for the period 2021-2027 shall be EUR 1 095 000 000. The indicative distribution of this shall be:

- EUR 675 million for the implementation of the Employment and Social Innovation strand;

- EUR 420 million for the implementation of the Health strand.

Consistency and thematic concentration

Member States and the Commission, shall foster synergies and ensure coordination, complementarity and coherence between the ESF+ and other Union funds, programmes and instruments such as the European Regional Development Fund (ERDF), the European Globalisation Adjustment Fund (EGF), the European Maritime and Fisheries Fund, InvestEU, Creative Europe, the Rights and Values Instrument, Erasmus, the Asylum and Migration Fund, the post-2020 EU Framework for National Roma Integration Strategies and the Reform Support Programme, both in the planning phase and during implementation.

Parliament proposed the following:

- within the specific objectives for the social inclusion policy area, Member States should allocate at least 5% of their ESF+ resources under

shared management to targeted actions aiming at implementing the European Child Guarantee, in order to contribute to children's equal access to free healthcare, free education, free childcare, decent housing and adequate nutrition;

- Member States should allocate at least 27% of their ESF+ resources under shared management to specific objectives in the field of social inclusion and at least 3% of their resources to the specific objective of social inclusion of the most deprived and/or material deprivation;

- at least 3% of resources under shared management shall be allocated to targeted actions and structural reforms aimed at promoting youth employment, the transition from education to work and second chance education;

- Member States having a rate of young people aged 15 to 29 not in employment, education or training (NEET) is above the Union average in 2019 or where the NEET rate is above 15% on the basis of Eurostat data, shall allocate at least 15 % of their ESF+ resources under shared management for the years 2021 to 2025 in the programming period to targeted actions and structural reforms to promote youth employment, paying particular attention to the most affected regions.

Lastly, with regard to the partnership between the EU institutions and national, regional and local authorities, Member States should allocate at least 2% of ESF+ resources to strengthen the capacity building of social partners and civil society organisations at Union and national level.

Governance

The Commission shall consult stakeholders within the Union, in particular the social partners and civil society organisations, on work programmes for employment and social innovation, their priorities, strategic orientation and their implementation.

By 31 December 2024, the Commission shall carry out a mid-term evaluation of the strands. The results of that mid-term evaluation shall be presented to the European Parliament and to the Council.

2018/0206(COD) - 28/05/2020 Supplementary legislative basic document

The Commission presented an amended proposal for a Regulation of the European Parliament and of the Council establishing the European Social Fund plus (ESF+) for the period 2021-2027, taking into account the impact of the COVID-19 pandemic.

BACKGROUND: since the adoption by the Commission of its proposal for a Regulation on the European Social Fund plus (ESF+), the European economy has been confronted with an unprecedented shock with COVID-19 pandemic, which is putting a serious strain on the economy, the labour market and the social and health systems of the Member States.

The Commission therefore finds it necessary to amend its European Social Fund Plus proposal in order to adapt it to the new Recovery Package while enabling strategic investments in employment and social policies and systems.

The proposal is limited to a targeted amendment of the Commission's proposal on the European Social Fund plus to allow a more effective contribution of the ESF+ to economic recovery, taking into account the impact of the COVID-19 pandemic on the economic and social situation in Member States.

CONTENT: in line with the Union's commitments to the implementation of the United Nations Agenda 2030 for sustainable Development and Paris Agreement, the amended proposal focuses on the following points:

Increased requirements for thematic concentration on youth employment

Building on the actions supported by the Youth Employment Initiative in the programming period 2014-2020, Member States shall:

- continue to promote employment and education and reintegration pathways, as well as early prevention and awareness-raising measures, giving priority to the long-term unemployed, inactive young people and disadvantaged young people, including through youth work;

- invest in measures to facilitate the transition from school to work, as well as in adequate capacity of employment services to provide tailor-made and holistic support and better targeted offers to young people.

In order to further support an inclusive economic recovery and to ensure that young people make the most of the opportunities arising from the digital and green transitions, the proposal foresees that Member States with a higher rate of young people aged 15-29 not in work, education or training (NEET) than the EU average in 2019 should allocate at least 15% of their ESF+ resources under shared management to targeted actions and structural reforms to support young people (10% increase).

Combating child poverty

In line with the European Pillar of Social Rights, it is proposed to include a provision requiring Member States to devote at least 5% of the ESF+ resources under shared management to the fight against child poverty to support actions in areas such as early childcare, education, health care, decent housing and adequate nutrition.

Promoting green and digital transitions

The green and digital transitions and the transformation of Europe's industrial ecosystems will offer many new opportunities, if accompanied by the right mix of skills and employment and social policies. The ESF+ should therefore provide support for improving the quality, efficiency and labour market relevance of education and training systems, including by promoting digital learning, in order to facilitate the acquisition of key competences, in particular basic skills, including health literacy, media literacy, digital skills and competences for sustainable development.

Gender equality

The COVID-19 pandemic had a disproportionate socio-economic effect on women. Therefore, the amended proposal states that Member States should pay due account that operations strictly follow the horizontal principle of gender equality.

Temporary measures for the use of the ESF in exceptional circumstances

Temporary measures relating to the use of the ESF+ in exceptional and unusual circumstances are proposed so that derogations from certain rules can be provided for to facilitate the response to such circumstances.

The Commission may, by means of an implementing decision:

- extend the scope of ESF+ support by making it possible to support measures which are strictly necessary, in particular to allow the financing of short-time work schemes without the need to combine them with active measures and access to health care, including for people who are not in a situation of immediate socio-economic vulnerability;

- ease thematic concentration requirements.

Synergies with the new health programme

As the Commission has proposed to establish a reinforced autonomous [health programme](#), it is planned to remove all references to the health strand in the proposal for the European Social Fund+. However, the amended proposal includes provisions to ensure synergies and complementarity between the actions of the ESF+ and those of the new EU health programme.

Budgetary implications

The total financial envelope for the ESF+ for the period 2021-2027 shall be EUR 97 332 282 000 in current prices. The part of the financial envelope for the ESF+ strand under shared management under the Investment for Jobs and Growth goal shall be EUR 96 571 282 000 in current prices of which EUR 200 000 000 in current prices shall be allocated for transnational cooperation supporting innovative solutions and EUR 400 000 000 in current prices as additional funding to the outermost regions and the NUTS level 2 regions fulfilling certain criteria.

The financial envelope for the Employment and Social Innovation strand for the period 2021-2027 shall be EUR 761 000 000 in current prices.

The budget appropriations for the Health strand have been abolished.