About EU(ERDF)-Cohesion Fund

The European Union has at its disposal four Structural Funds through which it channels financial assistance to address structural economic and social problems in order to reduce inequalities between different regions and social groups. These four relate to Development, Agriculture, Fisheries, and the Social funds. The fund applicable to the public transport investment programme in Ireland is:

The European Regional Development Fund (ERDF)

The European Regional Development Fund (ERDF) is one of the European Union's four Structural Funds; its main aim is to promote economic and social cohesion in the European Union by working to reduce inequalities between regions or social groups.

Its resources are allocated to certain disadvantaged regions according to the Structural Funds' objectives.

Financial assistance from the ERDF is mainly targeted at:

- supporting small and medium-sized enterprises
- promoting productive investment
- improving infrastructure
- furthering local development.

The ultimate aim of assistance from the ERDF is to create jobs by fostering competitive and sustainable development.

Alongside the four Structural Funds, the Cohesion Fund provides additional structural assistance to the four least developed Member States (Portugal, Spain, Greece and Ireland) by financing projects concerning the environment or transport infrastructure.

The Cohesion Fund provides money for environmental and trans-European transport network projects in the Member States of the Union whose GDP is less than 90% of the EU average.

The Fund was created by the Maastricht Treaty in 1993 and is intended to strengthen economic and social cohesion by helping the least prosperous states to participate in economic and monetary union. The Fund has enabled Spain, Portugal, Ireland and Greece to meet the convergence criteria for economic and monetary union and at the same time continue to invest in infrastructure to step up their development.

The four beneficiary countries in 2000-06 are, as before (1993-99), Spain, Portugal, Greece and Ireland. Despite the progress they have made, these countries' GDP still falls short of 90% of the Community average. Their eligibility will, however, be reviewed in the light of updated GDP data.