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Health System Investments under Cohesion Policy: Emergency Response or Structural Strengthening?

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Introduction and objective

The COVID-19 pandemic confronted the European Union with an unprecedented public health emergency that rapidly evolved into a systemic economic and territorial crisis. Health systems across Member States faced acute shortages of qualified personnel, medical equipment, intensive care capacity and digital infrastructure, while experiencing peaks in hospitalisations and excess mortality. Therefore, the outbreak of COVID-19 cases placed severe pressure on overall healthcare provision, leading in some cases to the postponement of non-COVID treatments and additional strain on patients with chronic conditions. In this context, Cohesion Policy – traditionally oriented towards long-term structural development and territorial convergence – emerged as the only large-scale EU investment framework already operational across Member States, providing an immediately available channel through which emergency support could be mobilised within existing programme structures.

Through the Coronavirus Response Investment Initiative (CRII/CRII+), REACT-EU and related flexibility measures, the European Regional Development Fund (ERDF) and the Cohesion Fund (CF) were mobilised to address the socio-economic impacts of the pandemic. Within this broader response, significant resources were directed towards urgent investments in health infrastructure and medical equipment. These measures were introduced within the 2014–2020 programming framework, which under the standard decommitment rules allowed continued implementation and expenditure until 2023, and implemented under severe time pressure, requiring rapid reprogramming.

The paper draws on the health case study of the ex-post evaluation of the ERDF and Cohesion Fund 2014–2020 (Work Package 12 – Crisis Response), completed in 2025. The evaluation applied an analysis framework structured around the standard evaluation criteria as defined by the Better Regulation guidelines of the European Commission: relevance, effectiveness, efficiency, coherence and EU added value of the response mechanisms and instruments implemented.

Building on the findings of the ex-post evaluation, the paper addresses a central analytical and policy question:

To what extent did the emergency use of Cohesion Policy during COVID-19 effectively support health systems, and how did this shift affect longer-term structural investment priorities and implementation dynamics?

To answer this question, the paper reflects on:

- Whether and how emergency mobilisation of Cohesion Policy strengthened health system capacity during the crisis
- How governance capacity, administrative flexibility and implementation challenges shaped crisis response under emergency conditions
- To which extent crisis-related reprogramming influenced longer-term structural health investments
- Which are the implications for preparedness, resilience and post-2027 Cohesion Policy design
- How specific health investment measures illustrate these dynamics.

By doing so, the paper contributes to the debate on the evolving function of Cohesion Policy under conditions of systemic crisis, analysing the trade-offs between rapid crisis responsiveness and strategic investment orientation, between regulatory flexibility and accountability requirements, between short-term stabilisation objectives and longer-term territorial cohesion goals.

Data and methodological approach

The health case study of the ex-post evaluation of the ERDF and Cohesion Fund 2014–2020 (Work Package 12 – Crisis Response) covered six Member States (Denmark, Germany, Italy, Poland, Romania and Spain). The selection of case study countries was guided by a set of criteria designed to ensure variation in crisis exposure, financial flexibility and use of EU crisis-response mechanisms. The five dimensions considered were:

- The intensity of the impact of the COVID-19 pandemic, looking at the exposure and sensitivity to the crisis (considering change in GVA, loss of working hours and government restrictions);
- The level of ERDF allocation available in 2020 (considering percentage of ERDF allocation still available in January 2020 as a proxy for the opportunity of Member States to re-programme resources with CRII/CRII+);
- The degree of use of crisis instruments and mechanisms considering the percentage of programmes within each Member State that opted for 100% EU funding (update in June 2021) and the share of the REACT-EU budget allocated to the Member State under the ERDF with respect to the national share of ERDF

allocation (as an indication of the importance of REACT-EU resources in the Member State);

- A balance in geographic location and demographic size of the Member State;
- The inclusion of Member States receiving Cohesion Fund allocation.

The resulting sample includes Member States that were severely affected by the COVID-19 crisis as well as countries less affected in terms of socio-economic consequences. It also captures different strategic approaches in the use of the EU instrument and mechanisms, including varying degrees of reprogramming towards health-related investments.

The analysis relies on triangulation of qualitative and quantitative evidence to assess the role and implications of Cohesion Policy in supporting health systems during the crisis. Evidence was combined from multiple sources:

- Programme data and reprogramming information from the Cohesion Open Data platform;
- COVID-specific and common output indicators;
- Desk review of programme documents and published evaluations;
- Approximately 24 semi-structured interviews with managing authorities, intermediate bodies and sectoral stakeholders;
- Relevant regional, national and EU-level policy documents.

The triangulated approach allows for cross-validation of findings across administrative data, stakeholder perspectives and documented policy developments. While the paper does not introduce new primary data, it synthesises validated evaluation findings and integrates both qualitative and quantitative evidence to provide a reflective assessment of emergency mobilisation and its structural implications.

The contribution of Cohesion Policy to health system support during the COVID-19 crisis

The emergency mobilisation of Cohesion Policy resources during the COVID-19 crisis represented a rapid adaptation of a structurally oriented policy framework to acute public health needs. While Cohesion Policy did not constitute the primary financial pillar of national and regional health responses, the results of the analyses indicate that it played a significant complementary role in cushioning the impact of the pandemic on the health sector, easing pressure on public finances.

At EU level, crisis-related reprogramming and REACT-EU mobilised substantial additional resources for health. CRII/CRII+ facilitated reallocations of approximately EUR 9.5 billion for health actions, resulting in a net increase of EUR 8.9 billion, while REACT-EU mobilised

a further EUR 7.8 billion of ERDF resources for healthcare systems. In total, around EUR 7.9 billion from REACT-EU alone was directed towards supporting the healthcare sector.

The results show that amendments to ERDF rules under CRII/CRII+ enabled funding for urgent needs in the health sector, including the purchase of medical equipment (e.g. PPE and ventilators), expansion of hospital capacity, laboratory equipment for PCR testing, and additional medical staff. A substantial share of REACT-EU resources under the ERDF was allocated to upgrading hospital infrastructure, equipping laboratories and strengthening regional emergency capacities.

A central finding is that there are no simple correlations between the severity of the crisis or the availability of national resources and the use of ERDF and REACT-EU funding. Administrative capacities of programme authorities and beneficiaries shaped the ability to employ the crisis response mechanisms and instruments. The emergency use of Cohesion Policy was influenced by a combination of crisis severity, strategic priorities and the availability of unspent resources. Reprogramming decisions were therefore not automatic, but depended on framework conditions and governance capacity. At the same time, the short implementation period, increased administrative workload and compliance requirements associated with EU funding (e.g. related to auditing procedures) created additional pressure on managing authorities, in some cases limiting the scope for more complex or innovative interventions.

Structural implications and governance lessons for post-2027 Cohesion Policy

The emergency mobilisation of Cohesion Policy for health system investments during COVID-19 demonstrates both the adaptive capacity and the structural constraints of the policy framework. The crisis response mechanisms and instruments under CRII/CRII+ and REACT-EU enabled rapid reallocation of resources and introduced flexibilities that were widely regarded as crucial in addressing urgent healthcare needs. In this sense, Cohesion Policy proved capable of functioning beyond its traditional role of long-term structural development.

In the short term, Cohesion Policy acted as a stabilisation instrument. Reprogramming and additional REACT-EU resources supported the purchase of urgently needed equipment, expansion of hospital infrastructure and reinforcement of laboratory and diagnostic capacities. At regional level in particular, ERDF mechanisms and instruments were perceived as providing liquidity and flexibility at a critical moment.

In the medium term, the picture is more differentiated. In some Member States, REACT-EU investments contributed to strengthening healthcare infrastructure and services, including digitalisation and modernisation of facilities. In other contexts, however, the focus on rapid absorption and short implementation timeframes limited the scope for more transformative or innovative projects. The case study highlights that the immediate crisis response sometimes took precedence over longer-term development objectives,

and in certain cases postponed investments in follow-up and long-term care or research, raising questions regarding the territorial balance of crisis-related investments and their alignment with the objective of reducing regional disparities.

The balance between emergency response and structural reform was shaped by framework conditions, including the severity of the crisis, the availability of unspent resources and the mobilisation of national funding. Crucially, administrative capacities of programme authorities and beneficiaries influenced the ability to employ crisis response mechanisms and instruments effectively. The short implementation period, increased administrative workload and centralisation of crisis decisions placed considerable pressure on governance systems, often leading managing authorities to favour simpler and tried-and-tested projects to ensure timely execution.

The central policy implication is therefore not whether Cohesion Policy should act in times of crisis, the experience of COVID-19 demonstrates that it probably will, but how crisis-responsiveness can be institutionalised without undermining long-term cohesion objectives. For the post-2027 period, integrating preparedness, resilience and built-in flexibility into the core architecture of Cohesion Policy will be essential. Future design choices will need to ensure that emergency interventions can cushion shocks rapidly while simultaneously contributing to sustainable structural capacity and territorial cohesion.