

ECO/516 Financial assistance to Member States affected by a major public health emergency

POSITION PAPER

European Economic and Social Committee

Proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EC) No 2012/2002 in order to provide financial assistance to Member States and countries negotiating their accession to the Union seriously affected by a major public health

emergency [COM(2020) 114 final – 2020/0044 (COD)]

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Referral	Council of the European Union, 24/03/2020
	European Parliament, 26/03/2020
Legal basis	Articles 175(3), 212(2) and 304 of the Treaty on the Functioning
	of the European Union
Section responsible	Economic and Monetary Union and Economic and Social
	Cohesion

1. Conclusions and recommendations

- 1.1 The EESC believes that the COVID-19 (coronavirus) outbreak represents an exceptional emergency, on a scale unprecedented since the days of the Second World War, and that, given its gravity, it must be addressed by the European Union without delay.
- 1.2 The EESC strongly believes that the EU Solidarity Fund (EUSF) is a tangible expression of EU solidarity and subsidiarity, whereby Member States stay united and agree to support one another by making additional financial resources available through the EU budget. The EESC reaffirms that these provisions demonstrate that the EU must be considered to be not only a community of financial and economic interests but also and above all a community of common destiny¹, and that this principle must govern its policies, as must the principle of promoting the well-being of the European people, as set out in the Treaty on European Union (TEU)².
- 1.3 The EESC understands that the Commission's proposal is only one element in a package of contingency measures for supporting Member States and their citizens in addressing the COVID-19 outbreak.
- 1.4 The EESC fully agrees with the extension of the scope of the EUSF to include major public health emergencies and to define specific operations eligible for financing in order to tackle the epidemic crisis. Bearing this in mind, the EESC believes that the amount of resources allocated must, however, be commensurate with the size of the emergency in order to be considered effective.
- 1.5 The EESC considers that the EUSF is a financial instrument that can provide assistance to populations affected by a health emergency such as COVID-19, to contribute to a rapid return to normal living conditions in the affected regions and to contain the spread of infectious diseases.
- 1.6 The EESC welcomes the increase in advance payments from the current level of 10% of the expected amount to 25%, but the unexpected epidemic crisis means that more needs to be done to ensure that the response is extremely rapid and effective.
- 1.7 Although the EESC also welcomes the intention to increase the total level of appropriations for EUSF advances in the annual budget from EUR 50 million to EUR 100 million, it considers this amount to be completely inadequate for the size of the emergency being faced.
- 1.8 Organised civil society, in particular associations, NGOs and social and economic partners, are playing a crucial role in the fight against the COVID-19 outbreak, including in determining the effects of the epidemic. The Commission should encourage Member States to maintain a permanent dialogue and to consult relevant organisations when preparing their applications.
- 1.9 The EESC urges the Council and the European Parliament to adopt the Regulation amending the EUSF speedily.

¹ EESC opinion Future of European Solidarity Fund, adopted on 28/03/2012, rapporteur Joost van Iersel, OJ C 181, 21.6.2012, p 52

² Treaty on European Union, Article 3(1)

2. General comments

- 2.1 The EUSF was created in 2002 to support EU Member States and accession countries in situations of major disasters caused by natural events such as floods, storms, earthquakes, volcanic eruptions, forest fires or drought. It can be mobilised upon an application from the country concerned if the disaster event has a dimension justifying intervention at European level.
- 2.2 A major crisis situation may result from a public health emergency, in particular an officially declared virus pandemic such as COVID-19, which is already severely affecting some regions in Europe. Extending the scope of the Fund will enable the Union to help mobilise emergency services to meet people's immediate needs and contribute to the speedy restoration of damaged health infrastructure and the resumption of economic activity in the Member States affected by the epidemic.
- 2.3 The EESC acknowledges the objective of extending the scope of the EUSF regulation to cover a "major public health emergency", meaning any life-threatening or otherwise serious hazard to health of biological origin in an eligible State seriously affecting human health and requiring decisive action to contain further spreading.
- 2.4 The EESC on the one hand understands that the threshold of EUR 1.5 billion in 2011 prices or 0.3% of GNI for Member States to be eligible to apply for assistance has been set such that the cases put forward are ones in which the Member State in question cannot carry the financial burden alone, but on the other hand calls for a lower threshold so that Member States can protect their population from the risk of being affected.
- 2.5 The EESC believes that the increase in advance payments from the current level of 10% of the expected amount to 25% is one step in speeding up the procedure, but that more needs to be done so that the response is rapid and the financial resources are mobilised as quickly as possible.
- 2.6 The EESC considers that organised civil society could play a vital role in determining the impact of this epidemic. The Commission should encourage Member States to consult relevant organisations when preparing their applications.

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