

Specific measures to mobilise investments in the health care systems of the Member States and in other sectors of their economies in response to the COVID-19 outbreak (Coronavirus Response Investment Initiative)

2020/0043(COD) - 31/03/2020 - Final act

PURPOSE: to adopt a ‘Coronavirus Investment Initiative’ to immediately address the effects of the COVID-19 pandemic.

LEGISLATIVE ACT: Regulation (EU) 2020/460 of the European Parliament and of the Council amending Regulations (EU) No 1301/2013, (EU) No 1303/2013 and (EU) No 508/2014 as regards specific measures to mobilise investments in the healthcare systems of Member States and in other sectors of their economies in response to the COVID-19 outbreak (Coronavirus Response Investment Initiative).

CONTENT: the Regulation aims to amend the rules of the Structural and Investment Funds - European Regional Development Fund (ERDF), European Social Fund (ESF), Cohesion Fund (CF) and European Fund for Maritime Affairs and Fisheries (EFF) - to release funds to minimise the impact of the COVID-19 epidemic on the economy.

Mobilisation of EUR 37 billion of European public investment

The Coronavirus Investment Initiative shall provide Member States with access to EUR 37 billion from the Cohesion Funds to strengthen health systems and support small and medium-sized enterprises, short-time working schemes and community-based services.

Of this total, some EUR 8 billion shall come from unspent pre-financing in 2019 under the Structural Funds. This new measure shall allow Member States to spend unused funds to mitigate the effects of the pandemic instead of returning them to the EU budget. An additional EUR 29 billion shall be paid in advance for appropriations that would have been due in the course of the year.

In order to provide an immediate response to the impact of the public health crisis, expenditure on operations to boost crisis response capacities shall be eligible from 1 February 2020.

Flexibility in the application of EU spending rules

In addition, Member States shall have greater flexibility to make transfers between cohesion policy programmes in order to redirect resources where they are most needed. A Member State shall thus be able to transfer, during the programming period, an amount of up to 8% of the allocation on 1 February 2020 of a priority and not exceeding 4% of the programme budget to another priority of the same Fund supporting the same programme.

In order to respond to the impact of the crisis, the Regulation provide for the following:

- the financial instruments supported by the Funds shall provide temporary support to SMEs in the form of working capital when an effective response to a public health crisis is needed;

- the ERDF investment priority of strengthening research, technological development and innovation shall cover investment in products and services needed to boost crisis response capacities in public health services;

- the EMFF shall support mutual funds and farm insurance to safeguard the income of fishermen and fish farmers affected by a public health crisis.

With a view to rapidly releasing funds from the EU budget, the European Parliament and the Council adopted in parallel another [regulation](#) extending the scope of the EU Solidarity Fund.

ENTRY INTO FORCE: 1.4.2020.