Financial assistance to Member States and countries negotiating their accession to the Union seriously affected by a major public health emergency

2020/0044(COD) - 31/03/2020 - Final act

PURPOSE: to extend the scope of the European Union Solidarity Fund (EUSF) to major public health emergencies in order to immediately tackle the effects of the COVID-19 pandemic.

LEGISLATIVE ACT: Regulation (EU) 2020/461 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 to countries negotiating their accession to the Union that are seriously affected by a major public health emergency.

CONTENT: this Regulation extends the scope of the <u>EU Solidarity Fund</u> (EUSF) to include, in addition to natural disasters, public health emergencies. The objective is to help Member States and accession countries to respond to the immediate needs of populations during the coronavirus pandemic.

The EUSF was created in 2002 to provide financial assistance to Member States in the wake of major disasters, as a concrete sign of European solidarity in situations of distress. However, the Fund is currently limited to natural disasters causing material damage and does not cover major disasters caused by biological hazards such as COVID-19.

Under the amending Regulation, the operations eligible under the Fund shall be extended to include support in the event of a major public health emergency, including medical assistance, and measures to prevent, monitor or control the spread of diseases.

Union assistance shall be complementary to the efforts of the States concerned and be used to cover a share of the public expenditure committed to dealing with the most essential emergency operations resulting from the emergency situation.

- For major natural disasters, the threshold for access to the Fund corresponds to direct damage estimated either at over EUR 3 billion in 2011 prices, or more than 0.6 % of its GNI.
- For major public health emergencies, the threshold for access to the Fund is set at a minimum level of public expenditure related to the public financial burden imposed on the eligible State by the emergency measures of 0.3 % of GNI or EUR 1.5 billion.

The amount of the advance shall not exceed 25 % of the amount of the financial contribution anticipated and shall in no case exceed EUR 100 million.

The measures shall unlock up to EUR 800 million for European countries in 2020.

The Beneficiary State shall submit an implementation report accompanied by the opinion of an independent audit body establishing whether the statement justifying the expenditure gives a true and fair view of the situation and whether the financial contribution from the Fund is legal and regular.

With a view to rapidly releasing funds from the EU budget, the European Parliament and the Council adopted in parallel a regulation amending the rules of the Structural and Investment Funds to adopt a Coronavirus Response Investment Initiative.

ENTRY INTO FORCE: 1.4.2020.