

Specific measures to provide exceptional flexibility for the use of the European Structural and Investments Funds in response to the COVID-19 outbreak

2020/0054(COD) - 17/04/2020 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 1303/2013 and Regulation (EU) No 1301/2013 as regards specific measures to provide exceptional flexibility for the use of the European Structural and Investments Funds in response to the COVID-19 outbreak.

The proposal aims to provide Member States with exceptional additional flexibility to enable them to respond to the COVID-19 pandemic by strengthening the possibility to mobilise all unused support from the Cohesion Policy Funds (European Regional Development Fund, European Social Fund and Cohesion Fund).

The European Parliament adopted its position at first reading under the ordinary legislative procedure by means of an urgent procedure. The purpose of the amending Regulation is to:

- provide Member States with the exceptional possibility to request, for cohesion policy programmes, a co-financing rate of 100 % to be applied for the accounting year 2020-2021, in accordance with budget appropriations and subject to available funding. Based on an assessment of the application of that exceptional cofinancing rate, the Commission could propose an extension of this measure;
- allow Member States to reallocate resources between funds, between regions and between priority areas of the funds in order to address their specific needs to mitigate the social and economic damage caused by the pandemic;
- simplify certain procedural requirements related to programme implementation and audits to allow Member States to focus on the necessary response to the COVID-19 outbreak and to reduce administrative burdens;
- allow farmers to benefit from loans or guarantees on favourable terms to cover their operating costs up to EUR 200 000 to help them obtain liquidity or compensation for losses incurred;
- extend the possibilities for supporting working capital under the European Agricultural Fund for Rural Development (EAFRD);
- authorise the granting of ERDF support to undertakings in difficulty in these specific circumstances, so as to ensure consistency between the approach taken under the temporary framework for State aid measures to support the economy in the current COVID-19 outbreak and *de minimis* aid, on the one hand, and the conditions for providing support to undertakings in difficulty under the ERDF, on the other.

The proposal is part of the Coronavirus Response Investment Initiative+ (CRII+) package, which also includes specific measures aimed at 1) mitigating the impact of the COVID-19 pandemic in the [fisheries and aquaculture sector](#) and 2) ensuring the continued operation of the [Fund for European Aid to the Most Deprived](#) (FEAD).

