

Procedure file

| Basic information | |
|--|---------------------|
| <p>COD - Ordinary legislative procedure (ex-codecision procedure) Regulation</p> <p>2020/0044(COD)</p> | Procedure completed |
| <p>Financial assistance to Member States and countries negotiating their accession to the Union seriously affected by a major public health emergency</p> <p>Amending Regulation 2002/2012 2002/0228(CNS)</p> <p>Subject 3.70.11 Natural disasters, Solidarity Fund 4.20 Public health 4.20.01 Medicine, diseases</p> <p>Legislative priorities The EU's response to the Covid-19 pandemic</p> | |

| Key players | | | |
|--|--|------------|-----------|
| European Parliament | Committee responsible | Rapporteur | Appointed |
| | REGI Regional Development | | |
| Council of the European Union | | | |
| European Economic and Social Committee | | | |
| European Committee of the Regions | | | |

| Key events | | | |
|------------|---|-------------------------------|---------|
| 13/03/2020 | Legislative proposal published | COM(2020)0114 | Summary |
| 26/03/2020 | Committee referral announced in Parliament, 1st reading | | |
| 26/03/2020 | Decision by Parliament, 1st reading | T9-0043/2020 | Summary |
| 27/03/2020 | Act adopted by Council after Parliament's 1st reading | | |
| 30/03/2020 | Final act signed | | |
| 31/03/2020 | End of procedure in Parliament | | |
| 31/03/2020 | Final act published in Official Journal | | |

| Technical information | |
|-----------------------|----------------|
| Procedure reference | 2020/0044(COD) |

| | |
|--|--|
| Procedure type | COD - Ordinary legislative procedure (ex-codecision procedure) |
| Procedure subtype | Legislation |
| Legislative instrument | Regulation |
| | Amending Regulation 2002/2012 2002/0228(CNS) |
| Legal basis | Treaty on the Functioning of the EU TFEU 175-p3; Treaty on the Functioning of the EU TFEU 114; Rules of Procedure EP 170; Treaty on the Functioning of the EU TFEU 212 |
| Mandatory consultation of other institutions | European Economic and Social Committee European Committee of the Regions |
| Stage reached in procedure | Procedure completed |
| Committee dossier | REGI/9/02696 |

| Documentation gateway | | | | | |
|--|--|--------------------------------|------------|-----|---------|
| Legislative proposal | | COM(2020)0114 | 13/03/2020 | EC | Summary |
| Draft final act | | 00006/2020/LEX | 25/03/2020 | CSL | |
| Text adopted by Parliament, 1st reading/single reading | | T9-0043/2020 | 26/03/2020 | EP | Summary |

| Final act | |
|--|--|
| Regulation 2020/461 OJ L 099 31.03.2020, p. 0009-0012 Summary | |

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

PURPOSE: to provide financial assistance to Member States and countries negotiating their accession to the Union seriously affected by a major public health emergency (COVID-19).

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure on an equal footing with the Council.

BACKGROUND: since the first cases of the COVID-19 contagion, the EU has been working tirelessly to support the Member States and their citizens in addressing the crisis. The ARGUS crisis coordination mechanism of the Commission has been activated and a coordinating response team at political level has been established, composed of the five commissioners responsible for the most affected policies.

The Commission considers it essential that the Union and its Member States act collectively to contain the spread of the virus and help patients, but also to counter the economic fallout. As part of this joint coordinated response, the EU Solidarity Fund ([EUSF](#)) can play an important role in showing EU solidarity to Member States in dealing with the emergency situation.

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. The EUSF may award financial assistance to eligible States totalling up to EUR 500 million in 2011 prices per year.

However, the current EUSF is strictly limited to natural disasters causing physical damage and does not include major disasters due to biological hazards.

It is therefore necessary to lay down provisions enabling the Union to intervene in the event of a major public health emergency such as COVID-19.

CONTENT: the Commission proposes to include major public health crises in the emergencies that the EU Solidarity Fund finances with the aim of mobilising it if necessary for the most affected Member States.

Union assistance

The proposal aims to provide financial assistance to provide immediate support in response to a request from a Member State or a candidate country. Union assistance should 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.

The threshold for natural disasters was therefore set at direct damage exceeding 0.6% of gross national income (GNI) or EUR 3 billion (in 2011 prices), whereby the lower amount applies.

In the case of major health emergencies, the Commission proposes take the financial burden on Member States budgets in order to face the additional needs.

Accordingly, it is proposed to maintain the principles on which access to the EUSF is based. Accordingly, the lower of 0.3% of GNI or EUR 1.5 billion in 2011 prices, i.e. half of that applicable to natural disasters, are defined as the minimum level of public expenditure related to the public financial burden inflicted on the eligible State for emergency response measures.

Financial impact

The proposal strengthens the existing provisions on the payment of advances by increasing the amounts of the advances. Specifically, the Commission proposes:

- to raise the level of advance payments for individual disasters of all categories to 25% of the expected EUSF contribution, limited to a maximum of EUR 100 million;
- to increase the total level of appropriations for EUSF advances in the annual budget from EUR 50 million to EUR 100 million. In order to ensure the timely availability of resources where necessary, the Commission shall propose to enter additional appropriations for a maximum of EUR 50 million in the budget for 2020.

The financial envelope foreseen for the Fund also follows the existing Solidarity Fund, with an annual amount of EUR 500 million (2011 prices). The ceiling of the maximum EUSF allocation for 2020 is respected (EUR 597.546 million, plus EUR 552.978 carried over from 2019).

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

The European Parliament adopted by 671 votes to 3, with 14 abstentions, a legislative resolution on the 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 to countries negotiating their accession to the Union that are seriously affected by a major public health emergency.

The European Parliament adopted its position at first reading in accordance with the ordinary legislative procedure. As an agreement was reached between Parliament and Council, Parliament's position corresponds to the final legislative act.

The proposal aims at extending the European Union Solidarity Fund (EUSF) to major public health emergencies. The EUSF was created to show solidarity with Member States facing a serious crisis caused by a major natural disaster which is deemed to exceed the budgetary response capacities of the affected Member States.

Under the amending regulation, operations eligible under the Fund would 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 public health emergencies, it is foreseen to set the threshold for access to the Fund 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 (whichever is the lower), in 2011 prices, i.e. half of the threshold applicable to natural disasters.

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

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

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 [EU Solidarity Fund](#) (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.