

Procedure file

Basic information	
COD - Ordinary legislative procedure (ex-codecision procedure) Regulation 2022/0096(COD)	Procedure completed
Increased pre-financing from REACT-EU resources Amending Regulation 2013/1303 2011/0276(COD) Amending Regulation 2014/223 2012/0295(COD)	
Subject 4.10.15 European Social Fund (ESF), Fund for European Aid to the Most Deprived (FEAD) 4.70.01 Structural funds, investment funds in general, programmes	
Legislative priorities EU support to Ukraine	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	REGI Regional Development		
	Committee for opinion	Rapporteur for opinion	Appointed
	EMPL Employment and Social Affairs		
	BUDG Budgets		
Council of the European Union			
European Commission	Commission DG Regional and Urban Policy	Commissioner FERREIRA Elisa	
European Economic and Social Committee			
European Committee of the Regions			

Key events			
23/03/2022	Legislative proposal published	COM(2022)0145	Summary
28/03/2022	Decision by committee, without report		
04/04/2022	Committee referral announced in Parliament, 1st reading		
07/04/2022	Debate in Parliament		
07/04/2022	Decision by Parliament, 1st reading	T9-0118/2022	Summary
12/04/2022	Act adopted by Council after Parliament's 1st reading		
12/04/2022	Final act signed		
13/04/2022	Final act published in Official Journal		

Technical information	
Procedure reference	2022/0096(COD)

Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
	Amending Regulation 2013/1303 2011/0276(COD) Amending Regulation 2014/223 2012/0295(COD)
Legal basis	Treaty on the Functioning of the EU TFEU 177-p1; Rules of Procedure EP 163; Treaty on the Functioning of the EU TFEU 175-p3
Mandatory consultation of other institutions	European Economic and Social Committee European Committee of the Regions
Stage reached in procedure	Procedure completed
Committee dossier	REGI/9/08670

Documentation gateway

Legislative proposal	COM(2022)0145	23/03/2022	EC	Summary
Supplementary legislative basic document	COM(2022)0162	31/03/2022	EC	
Text adopted by Parliament, 1st reading/single reading	T9-0118/2022	07/04/2022	EP	Summary
Draft final act	00014/2022/LEX	12/04/2022	CSL	

Final act

Regulation 2022/613
OJ L 115 13.04.2022, p. 0038

Increased pre-financing from REACT-EU resources

PURPOSE: to provide for an increased amount of pre-financing to be paid under REACT-EU, which is needed to help Member States meet the challenges posed by the exceptionally high number of people fleeing the war in Ukraine and to support their transition to a resilient economic recovery from the COVID-19 pandemic.

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 and on an equal footing with the Council.

BACKGROUND: due to the recent military aggression by Russia against Ukraine, the European Union and in particular its eastern regions are facing a massive influx of people. This poses an additional challenge for public budgets at a time when Member States economies are still recovering from the impact of the COVID-19 pandemic and risks undermining the preparation of a green, digital and resilient recovery of the economy.

Member States are already able to finance a broad range of investments to address migratory challenges under their operational programmes with support from the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the Fund for European Aid to the Most Deprived (FEAD), including from the additional resources made available as Recovery Assistance for Cohesion and the Territories of Europe (REACT-EU).

The Commission has already taken steps to assist Member States in this regard, through its Cohesion Action for Refugees in Europe (CARE) initiative of 8 March 2022. Notwithstanding the room for manoeuvre offered by the CARE package, Member States face additional immediate budgetary pressures arising from the management of mass arrivals of people fleeing Ukraine.

Therefore, support from the Funds should be mobilised quickly to ease the burden on national budgets. The Commission therefore considers it necessary, as a temporary and exceptional measure, to increase the amount of pre-financing paid under REACT-EU for all Member States.

BACKGROUND: this proposal provides for exceptional and targeted changes to the 2014-2020 legal framework established for the European Structural and Investment Funds and for the Fund for the European Aid to the Most Deprived (FEAD) in response to the invasion of Ukraine by the Russian Federation and the subsequent impact on the European Union and several of its eastern regions in particular.

It is proposed to amend Regulations (EU) No 1303/2013 and (EU) No 223/2014 in order to provide for an increased percentage of pre-financing to be paid under REACT-EU, which is necessary to respond to this unprecedented situation.

In addition to the initial pre-financing, the Commission will pay 4% of the REACT-EU resources allocated to programmes for the year 2021 as additional initial pre-financing in 2022. For programmes in Member States which have had a level of arrivals of persons from Ukraine greater than 1% of their national population between 24 February 2022 and 23 March 2022, that percentage shall be increased to 34%.

In order to monitor the use of this additional pre-financing, the final reports on the implementation of ERDF and ESF programmes benefiting from such pre-financing should include information on how the additional amounts received have been used to address the migration challenges linked to Russia's military aggression and have contributed to the recovery of the economy.

BUDGETARY IMPLICATIONS: this proposal only concerns REACT-EU, which is financed by the European Recovery Instrument NextGenerationEU.

The additional initial pre-financing payments in 2022 will be financed from external assigned revenues. All amounts will be available as external assigned revenues, within the meaning of the Financial Regulation stemming from the Next GenerationEU borrowing operations.

The amount paid as additional initial pre-financing will be totally cleared from the Commission accounts not later than when the operational programme is closed, such that the total amount of payments made under REACT-EU will remain unchanged with this proposal. Similarly, the total commitment appropriations under REACT-EU will not be modified.

Increased pre-financing from REACT-EU resources

The European Parliament adopted by 549 votes to 1, with 8 abstentions, 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 223/2014 as regards increased pre-financing from REACT-EU resources and establishment of a unit cost.

The European Parliament adopted its position at first reading under the ordinary legislative procedure by taking over the Commission's proposal.

The proposal aims to address the challenges posed by the arrival of an exceptionally high number of people fleeing the military aggression against Ukraine by the Russian Federation and to support Member States' transition to a resilient economic recovery from the COVID-19 pandemic.

In order to help Member States address migration challenges, the proposal foresees the rapid mobilisation of support from the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the European Aid to the Most Deprived by increasing the rate of initial pre-financing from the resources made available under the Support for European Cohesion and Territories Recovery (REACT-EU) for all Member States.

At the same time, some Member States have been confronted with the arrival of considerable numbers of people from Ukraine, requiring the provision of immediate support. These Member States therefore need a significantly higher increase in the initial pre-financing rate to offset the immediate budgetary costs and to support their efforts in preparing their economies for recovery.

Unit cost for operations addressing migratory challenges resulting from the military aggression by the Russian Federation

For the implementation of operations addressing migratory challenges resulting from the military aggression by the Russian Federation, Member States may include in the expenditure declared in payment applications a unit cost linked to the basic needs and support of persons granted temporary protection or other adequate protection under national law.

That unit cost should be EUR 40 per week for each full week or partial week that the person is in the Member State concerned. The unit cost may be used for a maximum of 13 weeks in total, starting from the date of arrival of the person in the Union.

Increased rate of pre-financing

In addition to the initial pre-financing, the Commission will pay 4% of the REACT-EU resources allocated to programmes for the year 2021 as additional initial pre-financing in 2022. For programmes in Member States which have had a level of arrivals of persons from Ukraine greater than 1% of their national population between 24 February 2022 and 23 March 2022, that percentage shall be increased to 34%.

The final implementation reports for ERDF and ESF programmes benefiting from such pre-financing will have to report on the use made of the additional initial pre-financing to address the migration challenges faced as a result of the Russian military aggression, as well as on the contribution of this additional initial pre-financing to the recovery of the economy.