

PES Group Digest on the EU Response to the COVID-19 Pandemic

29 June - 10 July 2020¹

List of European decisions

Date	Number of cases and deaths ²	European response
29 June	1 549 878 cases 176 653 deaths	
30 June	1 557 010 cases 176 814 deaths	The Republic of Korea-European Union conference took place to discuss how to foster global cooperation in the post-COVID-19 recovery phase.
1 July	1 561 618 cases 177 216 deaths	The European Commission launched the Youth Employment Support , reinforcing the Youth Guarantee and supporting vulnerable young people. The European Commission presented the European Skills Agenda for sustainable competitiveness, social fairness and resilience.
2 July	1 567 443 cases 177 440 deaths	Thanks to the EU Emergency Trust Fund for Africa , a new assistance package to support vulnerable groups and address COVID-19 in North Africa was adopted.
3 July	1 542 400 cases 177 692 deaths	The European Commission launched the first call for proposals under the Innovation Fund to boost a green recovery.

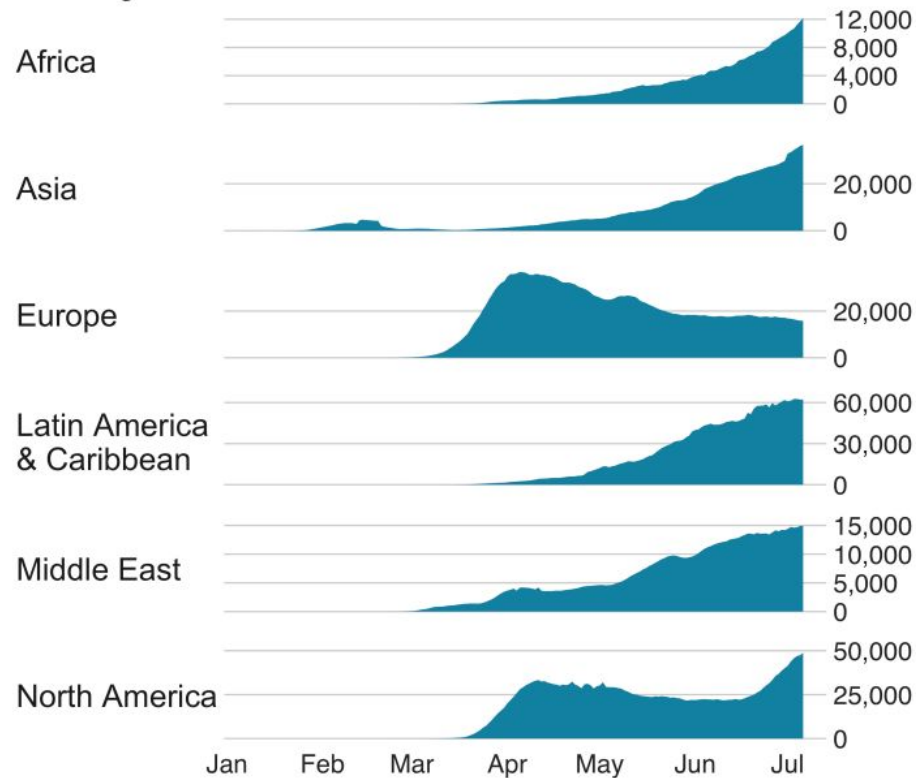
¹ Exceptionally, because of the European Committee of the Regions plenary last week, this digest covers two weeks.

² European Centre for Disease Prevention and Control. The figures concern the countries of the European Economic Area (EU Member States, Iceland, Liechtenstein and Norway) and the UK.
<https://gap.ecdc.europa.eu/public/extensions/COVID-19/COVID-19.html>

5 July	1 549 904 cases 178 082 deaths	Three EU Humanitarian Air Bridge flights are sent to Somalia to help the country in the response to the COVID-19.
6 July	1 553 596 cases 178 155 deaths	The European Commission and the European Investment Bank provided CureVac with a €75 million financing for vaccine development and expansion of manufacturing.
7 July	1 558 868 cases 176 266 deaths	The European Commission adopted new exceptional support measures for the wine sector .
8 July	1 563 138 cases 178 561 deaths	<p>The European Commission set out plans for the energy system of the future and clean hydrogen in line with the EU Green Deal and economic recovery objectives.</p> <p>The EU allocated over €22 million to help Palestinians in need, whose conditions have been exacerbated by the COVID-19 crisis.</p> <p>The European Parliament plenary session began, with the participation of German Chancellor Angela Merkel presenting the programme of the German Presidency of the Council of Ministers, and with a debate on the EU financing and economic recovery.</p>
9 July	1 567 717 cases 178 826 deaths	The Eurogroup met to discuss the economic situation in the euro area and elect its new Chair, Irish minister Paschal Donohoe.
10 July		<p>The President of the European Council, Charles Michel, presented his proposal on the new “negotiating box” to facilitate a compromise on the European Recovery Plan and the Multiannual Financial Framework.</p> <p>EU ministers responsible for economics and finance meet to discuss the post-COVID19 recovery.</p> <p>The European Parliament plenary session concludes with a debate on the role of cohesion policy in the COVID-19 recovery and a vote on the EU public health strategy, among other issues.</p>

African Covid-19 outbreak on dangerous path

Number of cases per day, seven day rolling average.
Each region on its own scale



Oceania cases excluded as too low to register on scale

Source: ECDC and national public health agencies, data up to 5 July

BBC

The EU's response to the COVID-19 pandemic and the position of the PES Group

European Commission

Economy

In addition to the actions highlighted in the table above, the European Commission presented on 7 July the Summer 2020 Economic Forecasts, projecting a deeper recession due to the coronavirus pandemic, despite the efforts already made to respond to the crisis, stating that:

- the euro area economy is expected to contract by 8.7% in 2020 and to grow by 6.1% in 2021;
- the EU economy is forecast to contract by 8.3% in 2020 and grow by 5.8% in 2021;
- the most affected countries in terms of GDP will be Italy, Spain and France.

→ Full reports:

https://ec.europa.eu/info/business-economy-euro/economic-performance-and-forecasts/economic-forecasts/summer-2020-economic-forecast-deeper-recession-wide-r-divergences_en

→ **“Italy, Spain and France worst performers as recession deepens”**, *Euractiv*, 7 July 2020,
<https://www.euractiv.com/section/economy-jobs/news/italy-spain-and-france-worst-performers-as-recession-deepens/>

The grim forecasts follow on from the dramatic statistics published by Eurostat on 2 July, confirming that 253,000 workers lost their jobs in May, reaching a total of more than 900,000 unemployed since the beginning of the pandemic, and without taking into account the fact that there are another 42 million people suspended from work due to COVID-19 restrictions.

→ <https://ec.europa.eu/eurostat/documents/2995521/11054062/3-02072020-AP-EN.pdf/ce573d1a-04a5-6762-5b56-cb322cbdc5ac>

The economic and unemployment figures call for an ambitious, and urgent, agreement on the future EU budget by the 27 EU leaders next week during the European Council in Brussels.

Energy

On 8 July, the European Commission released its much-awaited Hydrogen Strategy, and its lesser-known companion, the Energy Sector Integration Strategy. Taken together, the documents paint a future in which the bloc emits less CO₂ and uses less energy, while sustaining quality of life. The strategies will link to the upcoming Renovation Wave and Offshore Renewable Energy strategies, as well as a planned 2021 revision of the Trans-European Networks for Energy (TEN-E) policy and internal gas market legislation. Concrete action will depend on final agreement on the next EU budget and Next Generation EU recovery fund package, which will be crucial to recover from the coronavirus crisis.

→ Questions and answers: A Hydrogen Strategy for a climate neutral Europe,
https://ec.europa.eu/commission/presscorner/detail/en/qanda_20_1257

→ Questions and answers: An EU Strategy for Energy System Integration,
https://ec.europa.eu/commission/presscorner/detail/en/qanda_20_1258

→ **“EU Commission charts path towards 100% renewable hydrogen”**, *Euractiv*, 8 July 2020,
<https://www.euractiv.com/section/energy/news/eu-commission-charts-path-towards-100-renewable-hydrogen/>

On the hydrogen strategy, during the July plenary session of the European Committee of the Regions, the opinion by the PES Group rapporteur Birgit Honé, Minister for Federal and European Affairs and Regional Development of Lower Saxony (Germany), was

adopted by a large majority. She stressed that “green hydrogen offers an opportunity to grow a more sustainable, competitive and resilient economy” and outlined 5 priorities for an EU Strategy on Hydrogen:

1. strengthening EU-wide demand and production;
2. a supportive EU legal framework for market development and infrastructure;
3. support through investment, taxation and state aid;
4. the promotion of research, innovation and education;
5. and the setting-up of regional value chains and clusters.

- **“Green hydrogen: driving Europe towards sustainable recovery”**, PES Group article, 2 July 2020, <https://pes.cor.europa.eu/green-hydrogen-driving-europe-towards-sustainable-recovery>
- **Hydrogen, the energy of the future?**, PES Group video, <https://youtu.be/rKEJ7RwEtTI>

Brexit

A new round of negotiations was concluded on 2 July. EU chief negotiator, Michel Barnier, [stated](#) that serious divergences remain. Ahead of the next round of negotiations starting on 20 July, the European Committee of the Regions will hold on 13 July its first meeting of the Contact Group with the United Kingdom, focusing on enhancing links with UK local and regional authorities in the framework of the future relationship, offering policy advice and developing relations and cooperation.

Council of the European Union

Eurogroup

On 9 July, the Eurogroup elected Paschal Donohoe, the Irish minister for finance (belonging to the EPP), as the new chair, succeeding the Portuguese Mário Centeno (PES). Donohoe prevailed at the second vote over the Spanish minister Nadia Calviño (PES), who was supported by France, Germany, Italy and Spain. Luxembourgish minister Pierre Gramegna (RENEW) withdrew himself after the first round of vote. Donohoe, who will serve a two and a half year term, was supported by at least 10 countries showing that the negotiations for the future MFF and Recovery Plan will be difficult at next week’s European Council, where smaller EU countries might band together in support of a more conservative position against the larger ones.

- **“Donohoe wins Eurogroup presidency”**, *Euractiv*, 10 July 2020, <https://www.euractiv.com/section/economy-jobs/news/donohoe-wins-eurogroup-presidency/>
- **“With Eurogroup, Donohoe wins the tough job of economic recovery”**, *POLITICO Europe*, 9 July 2020, <https://www.politico.eu/article/coronavirus-looms-over-irelands-eurogroup-victory/>

European Council

On 10 July, the President of the European Council, Charles Michel, presented his proposal on the new “negotiating box” to facilitate a compromise between the 27 EU leaders on the European Recovery Plan and the Multiannual Financial Framework (MFF) at the next European Council on 17-18 July.

The box includes a seven-year EU budget of €1.074 billion and a recovery fund of €750 billion.

The positive points of the proposals can be summarised as following:

- Convergence remains as first overall priority;
- The Recovery and Resilience Facility is maintained at € 750 bn with a focus on the regions and the progressive take-up of COVID19-related GDP drop data (70% commitments in 2020-2022 based on the European Commission criteria and 30% in 2023-2024 based on post-COVID data);
- There is a commitment to have 30% for climate-related funding (including the Recovery and Resilience Facility) and climate neutrality by 2050;
- The Recovery and Resilience Facility will be financed by new own resources such as a plastic tax, a carbon adjustment tax to be proposed in the first semester 2021, and a digital levy;
- Proposal for a €5 bn Brexit reserve.

The negative aspects are:

- The size of MFF is € 1.074 billion, reducing the size of the core EU budget compared to the European Commission’s blueprint (€1.1 billion), so even lower than the figures of the February 2020 proposal;
- National rebates are maintained for Denmark, Germany, The Netherlands, Sweden and Austria.
- Charles Michel emphasized the need to foresee a stronger role for the Council.

It remains to be seen the issue of conditionality, as Michel explained that there will be a new budgetary conditionality related to the rule of law. At this stage, it is unclear whether safeguards for local and regional authorities are foreseen.

Christophe Rouillon, PES Group President and Mayor of Coulaines, is the rapporteur of the European Committee of the Regions on the Recovery and Resilience Facility, and the Group will follow closely all the negotiations.

In the meanwhile, consultations among heads of state and government are continuing, with meetings to try to find a compromise solution that will allow for the new MFF to enter into force in January 2021.

European Parliament

During the plenary session of 8-10 July, Members of the European Parliament (MEPs) debated and voted on several angles of the European Union’s response to the crisis,

making clear once again their red lines vis-a-vis the European Council meeting next week. The European Parliament will have a final say (vote by absolute majority) before the 2021-2027 long-term budget (MFF) enters into force.

MEPs also debated a much-needed overhaul of the EU's public health policy with Health Commissioner Stella Kyriakides, calling for a new strategy to ensure that health systems across the EU are better equipped and coordinated to face future health threats. Moreover, they also addressed the pressing issue of the impact of the COVID-19 pandemic on the cultural sector, asking European Commissioner in charge of Culture Marija Gabriel to come up with a plan to help this sector that has been severely damaged.

→ Draft resolution to be adopted on Friday:

https://www.europarl.europa.eu/doceo/document/RC-9-2020-0216_EN.html

The European Parliament approved by a large majority a report amending the umbrella regulation pertaining to structural and investment funds, endorsing an increase of €28.3 million for a specific allocation to the Youth Employment Initiative (YEI), bringing its overall allocation to €145 million. The YEI supports young people who live in regions where the youth unemployment rate is above 25%.

The focus on youth is also high on the European Commission agenda, which presented on 1 July the new Youth Employment Support initiative.

→ https://ec.europa.eu/commission/presscorner/detail/en/qanda_20_1194

Last but not least, MEPs debated with German Chancellor Angela Merkel the priorities of the German Presidency of the Council of the European Union.

→ **“Merkel asks EU Parliament for ‘willingness to compromise’ ahead of mini-summit”**, *Euractiv*, 8 July 2020,

<https://www.euractiv.com/section/eu-priorities-2020/news/merkel-asks-the-eu-parliament-for-willingness-to-compromise-ahead-of-mini-summit/>

European Committee of the Regions

Plenary

The first hybrid plenary session of the Committee took place on 30 June, 1-2 July. Several important opinions were adopted, among which three by PES Group rapporteurs: *Just Transition Fund* (by Vojko Obersnel, Mayor of Rijeka, Croatia), *Green hydrogen* (by Birgit Honé, Minister for Federal and European Affairs and Regional Development of Lower Saxony, Germany), already highlighted above, and *Stepping-up the EU Action to protect and restore the world's forests* (by Roby Biver, Local Councillor of Bettembourg, Luxembourg, and PES Group Coordinator for the ENVE commission).

The Just Transition Fund opinion, adopted by a large majority, calls to restrict access to the Fund, one of the pillars of the new MFF, only to those who commit to the objectives of

the European Green Deal and of the Paris Agreement, including the EU's own goal to be climate neutral by 2050.

- **“The Just Transition Fund: climate neutrality should leave no one behind”**, PES Group article, 2 July 2020, <https://pes.cor.europa.eu/just-transition-fund-climate-neutrality-should-leave-no-one-behind>

The ambition was confirmed by a vote in the REGI Committee of the European Parliament on 6 July.

- **“S&Ds successfully put socialist priorities at the core of the Just Transition Fund”**, S&D Group press release, 6 July 2020, <https://www.socialistsanddemocrats.eu/newsroom/sds-successfully-put-socialist-priorities-core-just-transition-fund>

The opinion on forests, adopted by an overwhelming majority, draws attention to the need for a more ambitious strategy by the European Commission and the Member States, calling for the suspension of trade agreements, such as the EU-Mercosur currently in the process of ratification, to guarantee the respect of sustainable forest management.

- **“The pressing need to halt deforestation and protect our biodiversity”**, PES Group article, 2 July 2020, <https://pes.cor.europa.eu/pressing-need-halt-deforestation-and-protect-our-biodiversity>

Moreover, exchanges took place with European Commissioners Janez Lenarčič on crisis management and the recovery plan, Johannes Hahn on the future MFF, Thierry Breton on the economic aspects of the COVID-19 recovery, and Dubravka Šuica on demographic change.

- Video of PES Group President, Christophe Rouillon, in the debate with Thierry Breton: <https://www.facebook.com/pescor.eu/posts/3062706027139241>

Finally, the Committee of the Regions voted on important resolutions on its five-year priorities, the European Commission Work Programme, and the future MFF.

- <https://cor.europa.eu/en/news/Pages/Bringing-Europe-closer-to-people-European-Committee-of-the-Region-set-three-priorities-for-2020-2025.aspx>
- <https://cor.europa.eu/en/news/Pages/Regional-and-local-leader--urge-Member-states-to-quickly-adopt-EU-budget-and-Recovery-Plan-to-protect-citizens-and-improve-.aspx>

SEDEC

The Commission for Social Policy, Education, Employment, Research and Culture (SEDEC) met on 9 July at the presence of European Commissioner for Jobs and Social

Rights, Nicolas Schmit (PES/Luxembourg), to discuss the future of Social Europe and the social impact of the COVID-19 pandemic. Three PES Group members presented their opinions, adopted by a large majority. Anne Karjalainen, SEDEC Chair and local councillor of Kerava, Finland, presented the opinion on A Strong Social Europe for Just Transitions, insisting that the EU's future budget must be commensurate to the major recovery challenge at hand as it is "essential for a strong Social Europe that leaves no people and no places behind, and for cities and regions that are fully empowered to take forward just transitions". Concha Andreu, PES Group Vice-President and President of La Rioja region, Spain, presented the Committee of the Regions' views on the European Gender Equality Strategy 2020-2025, stating that "all the major challenges the EU faces today - including the green and digital transitions and the demographic challenge - have a gender dimension. This is why it is essential to have a gender perspective in all the Union's policies, in particular for the recovery plan, to avoid gender inequalities becoming even wider". Guido Rink, member of the Executive Council of Emmen, Netherlands, presented his draft opinion on the European Commission's White Paper on Artificial Intelligence (AI). He argued for a solid and at the same time adaptive framework for AI to respond to rapid developments in this field, calling for AI applications developed with public funds to be given back to society. Finally, SEDEC members endorsed the proposal for an own-initiative opinion on a "Future plan for care workers and care services – local and regional opportunities in the context of a European challenge", submitted by Christian Illedits, Burgenland Minister for Social Affairs, Austria.

- **"The COVID-19 crisis has brought into sharp relief inequalities between women and men"**, Interview with Concha Andreu, European Committee of the Regions, 8 July 2020,
<https://cor.europa.eu/en/news/Pages/The-COVID-19-crisis-has-brought-into-sharp-relief-inequalities-between-women-and-men.aspx>

COTER

The Commission for Territorial Cohesion Policy and EU Budget (COTER) is taking place on 10 July. Members will discuss three opinions led by EPP and ECR members on equal standards of living, the European Year of Rail, and the challenges for public transport in cities and metropolitan regions. After the meeting, COTER Chair Isabelle Boudineau, PES Group member and Vice-President of the Nouvelle-Aquitaine Region, France, will meet European Commissioner for Cohesion and Reforms Elisa Ferreira (PES/Portugal), to present the position of the European Committee of the Regions on the new MFF and Recovery Plan.

The European progressive family

Many of our members and PES family partners came up with further proposals to address the COVID-19 crisis. Please find here some of them:

- **"PES: COVID crisis confirms the need for affordable and quality healthcare for all"**, PES press release, 30 June 2020,

<https://www.pes.eu/en/news-events/news/detail/PES-COVID-crisis-confirms-the-need-for-affordable-and-quality-healthcare-for-all/>?

- **“S&Ds ensure a safety net for European farmers in aftermath of COVID-19”**, S&D press release, 30 June 2020,
<https://www.socialistsanddemocrats.eu/newsroom/sds-ensure-safety-net-european-farmers-aftermath-covid-19>
- **“PES tourism ministers’ declaration: a way forward to relaunch European tourism”**, PES press release, 2 July 2020,
<https://www.pes.eu/en/news-events/news/detail/PES-tourism-ministers-declaration-a-way-forward-to-relaunch-European-tourism/>?
- **“Housing’s role in Europe’s green transition”**, Freek Spinnewijn, Manuel Domergue, Manuel Pizarro, Mounir Satouri and Rick Hathaway, *Euractiv*, 3 July 2020,
<https://www.euractiv.com/section/energy/opinion/housings-role-in-europes-green-transition/>
- **“S&Ds: COVID-19 cannot be an excuse to push back Sustainable Development Goals. The EU and UN must act now”**, S&D Group press release, 7 July 2020,
<https://www.socialistsanddemocrats.eu/newsroom/sds-covid-19-cannot-be-excuse-push-back-sustainable-development-goals-eu-and-un-must-act>
- **“PES ministers for gender equality reaffirm commitment to accelerate women’s rights for a truly feminist and equal Europe”**, PES press release, 8 July 2020,
<https://www.pes.eu/en/news-events/news/detail/PES-ministers-for-gender-equality-reaffirm-commitment-to-accelerate-womens-rights-for-a-truly-feminist-and-equal-Europe/>?
- **“S&Ds launch #taxjustice campaign ahead of Parliament’s new tax sub-committee”**, S&D Group press release, 8 July 2020,
<https://www.socialistsanddemocrats.eu/newsroom/sds-launch-taxjustice-campaign-ahead-parliaments-new-tax-sub-committee>
- **“How COVID-19 can bring gender justice”**, *Euractiv*, 10 July 2020,
<https://www.euractiv.com/section/non-discrimination/opinion/how-covid-19-can-bring-gender-justice/>

PES Group projects

As Pride Month was celebrated world-wide, in the last week of June the PES Group launched a social media action to raise awareness on the situation of LGBTI rights in Europe, also summarised on its website.

- <https://pes.cor.europa.eu/lgbti-rights-europe-which-way>

The first phase of our project on solidarity initiatives during the COVID-19 draws to an end. We would like to thank all the members who took the time to contribute and we hope that it will continue to serve as a source of inspiration for more solidarity in our cities and regions.

→ <https://pes.cor.europa.eu/covid-19-progressive-cities-and-regions-share-solidarity-projects>

The fight against fake news

We remind you the following websites, constantly updated, that can be helpful to you:

- **EUvsDISINFO**, <https://euvsdisinfo.eu/>
- **Scams related to COVID-19**,
+https://ec.europa.eu/info/live-work-travel-eu/consumers/enforcement-consumer-protection/scams-related-covid-19_en
- **COVID-19 foreign influence campaigns: Europe and the global battle of narratives**, European Parliament Research Service,
<https://epthinktank.eu/2020/04/07/covid-19-foreign-influence-campaigns-europe-and-the-global-battle-of-narratives/>
- **European Solidarity in Action**, European Commission,
https://ec.europa.eu/commission/presscorner/detail/en/FS_20_563
- **European Commission Corona Virus Response**,
https://ec.europa.eu/info/live-work-travel-eu/health/coronavirus-response_en
- **European Parliament Corona Virus Response**,
<https://www.europarl.europa.eu/news/en/headlines/priorities/eu-response-to-coronavirus>
- **“10 things the EU is doing to fight the coronavirus”**, European Parliament,
<https://www.europarl.europa.eu/news/en/headlines/society/20200327STO76004/10-things-the-eu-is-doing-to-fight-the-coronavirus>
- **European Centre for Disease Prevention and Control**,
<https://www.ecdc.europa.eu/en/novel-coronavirus-china>
- **World Health Organisation**,
<https://www.who.int/emergencies/diseases/novel-coronavirus-2019>

Initiatives for cities and regions

Association of European Border Regions (AEBR)

The AEBR opened applications for its award dedicated this year to “Covid-19 – re-opening of borders: joint measures and solutions in border regions” for one or more outstanding activities in/of a border or cross-border region. Applications can be submitted in English by 15 September 2020 at the latest.

→ https://www.aebr.eu/de/news/news_detail.php?news_id=716

Useful links to monitor

Please find here a list of sources that we have already shared. All these organisations regularly publish updates and online events, so we recommend you to check their websites:

- **Bloomberg Foundation**
<https://cities4health.org/>
<https://www.cityleadership.harvard.edu/resources-sessions>
- **C40**
https://www.c40knowledgehub.org/s/cities-and-coronavirus-covid-19?language=en_US&tabset-5cf81=42fb1
https://www.c40knowledgehub.org/s/article/Cities-and-Coronavirus-COVID-19?language=en_US
- **European Commission's Intelligent Cities**
<https://www.intelligentcitieschallenge.eu/covid-19-webinars>
- **OECD**
<https://www.oecd.org/coronavirus/en/>
- **United Cities and Local Governments**
<https://www.uclg.org/en/issues/live-learning-experience-beyondtheoutbreak>

Useful readings

Please find below a series of useful articles, published by various think tanks and organisations:

- **“European Citizenship and Democracy”**, Eurobarometer on the EU citizens awareness of their status and rights as citizens of the European Union, July 2020, <https://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/survey/getsurveydetail/instruments/flash/surveyky/2260>
- **“The Recovery Plan for Europe and cohesion policy: an initial assessment”**, European Regional Policy Research Consortium, July 2020, <https://www.eprc-strath.eu/public/dam/jcr:0bde4db2-61d4-4cc6-b463-d7de1d3c049e/THE%20RECOVERY%20PLAN%20FOR%20EUROPE%20AND%20COHESION%20POLICY:%20AN%20INITIAL%20ASSESSMENT.pdf>
- **“Fostering Europe's Strategic Autonomy - A new Agenda for Trade and Investment”**, European Policy Centre, 2 July 2020, <http://www.epc.eu/en/publications/Fostering-Europes-Strategic-Autonomy--A-new-Agenda-for-Trade-and-Inv~357f50>
- **“EU recovery plans should fund the COVID-19 battles to come; not be used to nurse old wounds”**, Bruegel, 6 July 2020, <https://www.bruegel.org/2020/07/eu-recovery-plans-should-fund-the-covid-19-battles-to-come-not-be-used-to-nurse-old-wounds/>

- **“Next Generation EU: A European Instrument To Counter The Impact Of The Coronavirus Pandemic”**, European Parliament Research Service, 7 July 2020, <https://epthinktank.eu/2020/07/07/next-generation-eu-a-european-instrument-to-counter-the-impact-of-the-coronavirus-pandemic/>