

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

29 May 2020

List of European decisions

| Date | Number of cases and deaths ¹ | European response |
|--------|---|--|
| 25 May | 1 356 603 cases 160 610 deaths | Members of the European Economic Area Council discussed the overall functioning of the Agreement on the European Economic Area and the effect of COVID-19 on the internal market, the European Green Deal, and the EU-UK negotiations. |
| 26 May | 1 361 959 cases 161 346 deaths | EU ministers responsible for European Affairs held an exchange of views on a comprehensive approach to the COVID-19 pandemic, including the de-escalation of containment measures and economic recovery. |
| 27 May | 1 368 974 cases 161 917 deaths | The European Commission put forward its proposal for a recovery plan . The European Parliament held its plenary session to debate the recovery package presented by the European Commission. |
| 28 May | 1 374 773 cases 162 772 deaths | The European Commission presented its proposal for a public sector loan facility under the Just Transition Mechanism to support green investments together with the European Investment Bank. |

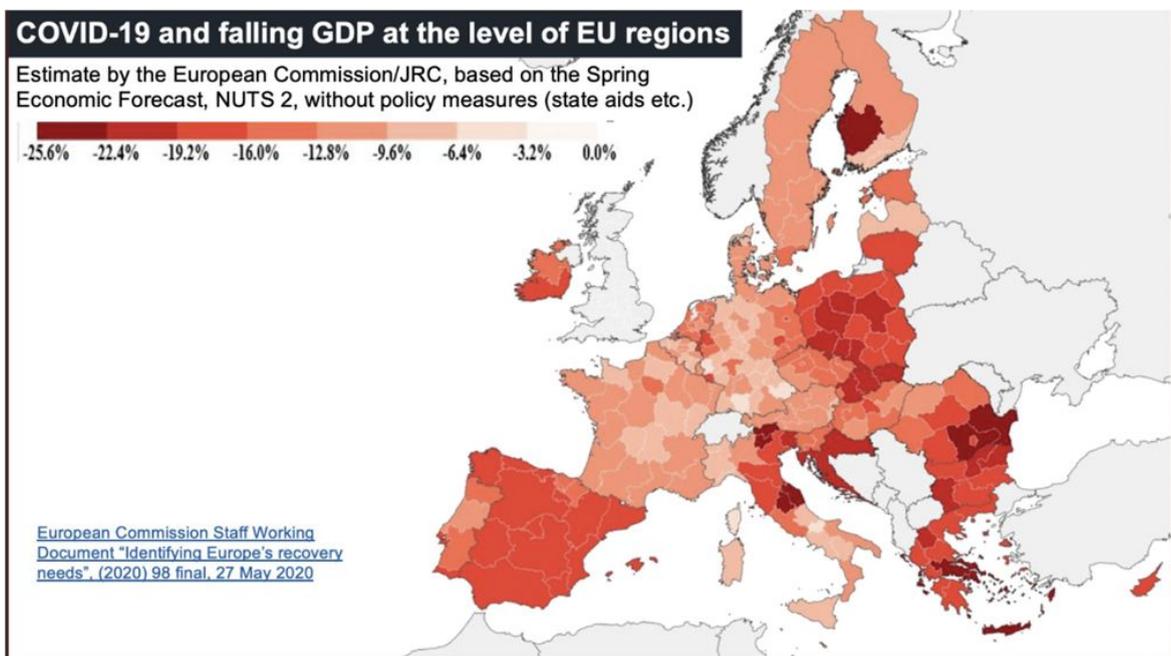
¹ European Centre for Disease Prevention and Control. The figures concern the countries of the European Economic Area (EU Member States, Iceland, Liechtenstein and Norway) and the UK.
<https://gap.ecdc.europa.eu/public/extensions/COVID-19/COVID-19.html>

| | |
|--------|--|
| 29 May | EU ministers responsible for research exchanged views on the role that research and innovation (R&I) can play in the EU's recovery, strengthening the resilience of our societies and our economies. |
|--------|--|

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

European Commission

The European Commission presented on Wednesday 27 May the new proposal for a Multiannual Financial Framework (MFF) and a recovery plan. The impact of the COVID-19 pandemic on Europe's regions, excluding policy measures, is very high and also regionally differentiated, as shown clearly by this map:



→ More information on this data:

https://ec.europa.eu/info/sites/info/files/economy-finance/assessment_of_economy_c_and_investment_needs.pdf

The European Commission proposed the creation of a new recovery instrument, *Next Generation EU*, together with a new MFF 2021-2027.

→ https://ec.europa.eu/info/sites/info/files/factsheet_1_v29.pdf

→ Questions and Answers on the MFF and Next Generation EU, https://ec.europa.eu/commission/presscorner/detail/en/qanda_20_935

→ Questions and Answers on the EU budget for recovery: Recovery and Resilience Facility, https://ec.europa.eu/commission/presscorner/detail/en/qanda_20_949

- Questions and answers on REACT-EU, cohesion policy post-2020 and the European Social Fund+,
https://ec.europa.eu/commission/presscorner/detail/en/qanda_20_948
- Questions and answers on the Just Transition Mechanism,
https://ec.europa.eu/commission/presscorner/detail/en/qanda_20_931
- Questions and Answers on the New EU4Health Programme,
https://ec.europa.eu/commission/presscorner/detail/en/qanda_20_956
- Questions and Answers: Solvency Support Instrument,
https://ec.europa.eu/commission/presscorner/detail/en/qanda_20_946
- Questions and Answers: The proposed InvestEU Programme,
https://ec.europa.eu/commission/presscorner/detail/en/qanda_20_947

The total amount of the proposal for the MFF is € 1 100 billion and € 750 billion for NextGenerationEU, of which € 500 billion in grants and € 250 billion in loans. These € 750 billion will be borrowed on the markets. This implies temporarily lifting the own resources ceiling to 2% of EU Gross National Income and creating new own resources (possible taxation of plastics, carbon border adjustment tax, taxation of digital giants...). The reimbursement of funds borrowed on the markets will not start before 2028 and is to be completed by 2058.

| Distribution of the Recovery Fund (grants) | Distribution of the Recovery Fund (total) |
|--|---|
| Italy - 81.807 billion | Italy - 172.745 billion |
| Spain - 77.324 billion | Spain - 140.446 billion |
| France - 38.722 billion | Poland - 63.838 billion |
| Poland - 37.693 billion | France - 38.772 billion |
| Germany - 28.806 billion | Greece - 31.997 billion |
| Greece - 22.562 billion | Romania - 31.206 billion |
| Romania - 16.626 billion | Germany - 28.806 billion |
| Portugal - 15.526 billion | Portugal - 26.361 billion |
| Bulgaria - 9.218 billion | Czechia - 19.211 billion |
| Czechia - 8.586 billion | Hungary - 15.069 billion |
| Hungary - 8.101 billion | Slovakia - 18.814 billion |
| Slovakia - 7.939 billion | Bulgaria - 12.370 billion |
| Croatia - 7.365 billion | Croatia - 10.013 billion |
| The Netherlands - 6.751 billion | The Netherlands - 6.751 billion |
| Belgium - 5.480 billion | Lithuania - 6.327 billion |
| Sweden - 4.691 billion | Belgium - 5.480 billion |
| Austria - 4.043 billion | Slovenia - 5.071 billion |
| Lithuania - 3.908 billion | Sweden - 4.691 billion |
| Finland - 3.460 billion | Latvia - 4.489 billion |
| Latvia - 2.894 billion | Austria - 4.043 billion |
| Slovenia - 2.579 billion | Finland - 3.460 billion |
| Denmark - 2.156 billion | Estonia - 3.292 billion |
| Ireland - 1.910 billion | Cyprus - 2520 billion |
| Estonia - 1.850 billion | Denmark - 2.156 billion |
| Cyprus - 1.433 billion | Ireland - 1.910 billion |
| Malta - 350 million | Malta - 992 million |
| Luxembourg - 170 million | Luxembourg - 170 million |
| <i>Source: European Commission</i> | <i>Source: European Commission</i> |

In addition, in order to make funds available as soon as possible to respond to the most pressing needs, the Commission proposes to amend the current MFF (for the period 2014-2020) in order to make an additional €11.5 billion in funding available already in 2020.

The new resources will particularly be allocated as follows:

- A new Recovery and Resilience Facility of €560 billion, linked to the European Semester and made up of €310 billion in grants and €230 billion in loans;
- €55 billion top-up of the current cohesion policy programmes until 2022 under the new ReactEU initiative, to be allocated on the basis of the impact of the crisis;
- A €30 billion top-up of the Just Transition Mechanism for a total of €40 billion;
- Additional €15 billion for the European Agricultural Fund for Rural Development, to support rural areas to achieve the targets laid down in the Green Deal.

As presented by First-Vice President of the European Commission, Frans Timmermans, “the MFF with its 25% allocation for climate action remains the bedrock of our green transition and our economic recovery. And under this new recovery instrument, NextGenerationEU, we will support the investments and reforms that are essential for a sustainable recovery. With this package, we also commit to ‘do no harm’ with regard to our climate ambitions. What we do should help us fulfil these ambitions and should not go in the other direction.” He added that:

- Under the new programs, Member States will design National recovery plans based on the green and digital transition, to make sure that the money is spent in line with the Green Deal and digital ambitions;
- Within InvestEU, the Sustainable Infrastructure window will be doubled. This means it will provide an EU guarantee of roughly 20 billion euros to sustainable infrastructure projects, including the renovation wave for local jobs, support for key technologies for the clean energy transition, etc;
- In terms of clean mobility, the Connecting Europe Facility, InvestEU and other funds could support the financing of 1 million electric vehicle-charging points, clean fleet renewals, sustainable transport infrastructure, especially also looking at the modalities of rail and electric mobility and bike lanes.

Overall, the Commission proposal is a step in the right direction. The PES Group in the European Committee of the Regions particularly welcomes the alignment of priorities with the European Green Deal and the digital transition. However, the connection made by the European Commission between the recovery plan and the European Semester should not lead to a recentralised programming and management of cohesion policy or to the introduction through the backdoor of new macroeconomic conditionalities. The full respect of the partnership principle and a place-based approach are paramount for an efficient and legitimate use of European funding.

- Press release of the PES Group,
<https://pes.cor.europa.eu/no-time-waste-progressive-regions-and-cities-welcome-european-commission%E2%80%99s-proposals>
- Press release of the European Committee of the Regions,
<https://cor.europa.eu/en/news/Pages/President-Tzitzikostas-EU-budget-and-Recovery-plans-protect-and-empower-regions.aspx>

During a meeting of the PES Presidency, held just after the presentation of the European Commission's proposals, PES member parties and organisations put forward a declaration welcoming the plan, which includes key progressive priorities such as a strong recovery fund, increased Just Transition funding, investment in education and training for young people, the Child Guarantee, and taxing digital giants. PES Group President Christophe Rouillon intervened in the debate, underlining the importance of involving local and regional leaders in the recovery and also the fact that Member States must agree on an ambitious plan as soon as possible, as every delay at European level means that the funds would arrive months later on the ground.

- **Declaration:**
<https://www.pes.eu/en/news-events/news/detail/PES-The-recovery-cannot-wait-Member-States-must-put-EU-plan-into-action/>

More reactions:

- **“The Recovery Plan is a historical investment that we owe to future generations,”** Press release of the S&D Group,
<https://www.socialistsanddemocrats.eu/newsroom/recovery-plan-historical-investment-we-owe-future-generations-says-iratxe-garcia>
- **“Ambitious proposals for sustainable recovery from the EU, now national leaders must show responsibility and solidarity”**, Press release of ETUC,
<https://www.etuc.org/en/pressrelease/ambitious-proposals-sustainable-recovery-eu-now-national-leaders-must-show>
- **“Ten questions from the CPMR General Secretariat on the revised EU budget and EU recovery plan”**, Conference of Peripheral Maritime Regions,
<https://cpmr.org/cohesion/ten-questions-from-the-cpmr-general-secretariat-on-the-revised-eu-budget-and-eu-recovery-plan/25712/>
- **“How EU member states reacted to the Commission's Recovery Fund proposal”**, *Euractiv*, 28 May 2020,
<https://www.euractiv.com/section/politics/news/how-eu-member-states-reacted-to-the-commissions-recovery-fund-proposal/>
- **“Recovery fund: Everything depends on what happens next”**, *POLITICO Europe*, 29 May 2020,
<https://www.politico.eu/article/recovery-fund-everything-depends-on-what-happens-next/>

European Parliament

Plenary session

The European Parliament held a one-day extraordinary plenary session to discuss the proposal of the European Commission for a recovery plan and the Multiannual Financial Framework. In the presence of the whole College of Commissioners, the large majority of the political groups welcomed the ambition of the recovery plan, which is in line with the core requests of the European Parliament resolution adopted on 15 May, and they called on the Council to live up to the expectations of European citizens by sticking to the Commission's proposal.

Iratxe García, President of the S&D Group, welcomed the Commission proposal as it includes progressives' demands for debt mutualisation, the inclusion of a large share of grants, the respect of the commitments arising from the Green Deal and finally the increase of EU's own resources.

→ Video: <https://twitter.com/TheProgressives/status/1265654375273414658?s=20>

Economic affairs

On Monday 25 May, Members of the Economic and Monetary Affairs Committee (ECON) had an exchange of views on competition policy with European Commission Executive Vice-President Margrethe Vestager. Vestager reported on the implementation of the Temporary State Aid Framework applicable since March 2020. Irene Tinagli, S&D member and Chair of the ECON Committee, pointed out that the value of state aid "is not the same" in different countries. Therefore, she asked Vestager to ensure "a level playing field and measures to avoid fragmentation of the Internal market".

Gender equality

On Monday 25 May, Members of the Committee on Women's Rights and Gender Equality (FEMM) had a discussion on gender inequality in the light of the pandemic with European Commissioner for Equality Helena Dalli and they held a first exchange of views on the draft report on the "EU Strategy for Gender Equality", by S&D rapporteur Maria Noichl (Germany).

→ Draft report:
https://www.europarl.europa.eu/doceo/document/FEMM-PR-650408_EN.html

The European Committee of the Regions is also preparing an opinion on the Strategy, drafted by PES Group Vice-President Concha Andreu Rodríguez, President of La Rioja Region.

→ <https://cor.europa.eu/en/events/Pages/SEDEC-wsc-union-equality.aspx>

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:

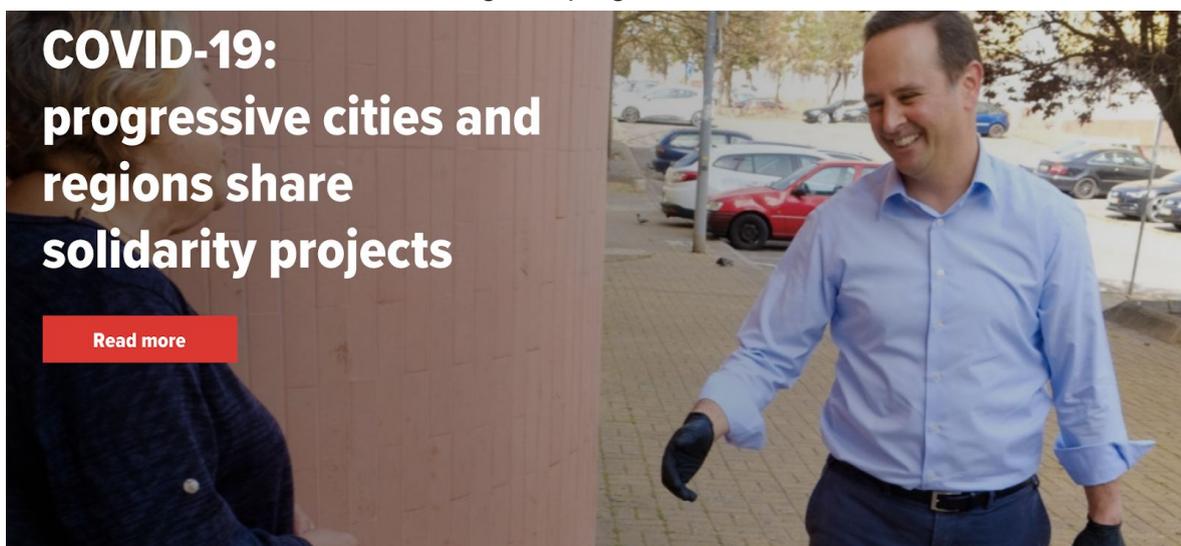
- **“Mário Centeno: Franco-German plan ‘a big step towards fiscal union’”**, *POLITICO Europe*, 24 May 2020,
<https://www.politico.eu/article/mario-centeno-franco-german-plan-a-big-step-towards-fiscal-union/>
- **“French MEP floats ‘win-win’ green compromise on EU budget”**, Pierre Larrouturou calls for a greener EU Budget, *Euractiv*, 25 May 2020,
<https://www.euractiv.com/section/energy-environment/news/french-mep-floats-win-win-green-compromise-on-eu-budget/>
- **“Italy’s EU minister to Commission: Be ambitious with corona recovery fund”**, *POLITICO Europe*, 25 May 2020,
<https://www.politico.eu/article/italys-eu-minister-to-commission-be-ambitious-with-corona-recovery-fund/>
- **“Reclaiming the future for cities after COVID-19”**, Dario Nardella, Mayor of Florence, *Euractiv*, 27 May 2020,
<https://www.euractiv.com/section/economy-jobs/opinion/reclaiming-the-future-for-cities-after-covid-19/>
- **“Covid-19 is no excuse for ripping up the rulebook on democracy and fundamental rights”**, S&D Group recovery plan for democracy and the rule of law, 28 May 2020,
<https://www.socialistsanddemocrats.eu/newsroom/covid-19-no-excuse-ripping-rule-book-democracy-and-fundamental-rights>

PES Group projects

We renew our call to you to join the PES Group project on solidarity initiatives during the COVID-19 pandemic:

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

So far, we have received a total of 42 contributions from 12 countries from PES Group members and also other local and regional progressive leaders.



If you wish to contribute, you can consult the online form available at this [link](#).

Recently, we also joined the UN Habitat Local 2030 Spotlight Series. You can find here the contributions of some PES Group members (Manuela Bora, Juan Espadas, Christian Illedits, Christophe Rouillon and Pascal Smet), together with instructions on how to share your sustainability story:

→ <https://pes.cor.europa.eu/pes-group-joins-un-habitat-initiative-local2030-spotlight-series>

The fight against fake news

Following the European Commission's call, platforms have removed or blocked millions of misleading advertisements or product listings in the context of the coronavirus. Overall, the screening has shown that the ongoing exchange between the Commission and the major online platforms is bearing fruit.

→ More: https://ec.europa.eu/commission/presscorner/detail/en/ip_20_938

This week, in an interview with Euranet, Vice-President of the European Parliament and S&D MEP Katarina Barley, said: "It is extremely concerning. Already before the corona crisis, disinformation was a topic that politicians and administrations had to deal with. But the rise is very considerable and, in this case, it endangers lives."

→ <https://euranetplus-inside.eu/covid-19-infodemic-eu-grapples-with-conspiracies/>

On 10 June, the European Commission will present a new Communication on Disinformation in the context of COVID-19.

The following websites, constantly updated, 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](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

European Committee of the Regions Webinar, 29 May

The European Committee of the Regions is hosting a webinar on “Gender parity in politics: the state of play”, with Jaimie Just, Policy Advisor on Equality and Diversity at the Council of European Municipalities and Regions, Sally Kneeshaw, URBACT Programme Expert, and with the participation via video of PES Group Vice-President and rapporteur on the gender strategy, Concha Andreu.

→ https://cor.europa.eu/en/events/Pages/Webinar_Gender-parity-in-politics_the-state-of-play.aspx

ETUI and FEPS Webinar, 2 June

On 2 June, the Foundation for European Progressive Studies (FEPS) and the European Trade Union Institute (ETUI) are hosting a debate to address the EU recovery scenarios and the tools available to re-shape the society, with the participation of Paul Magnette, Mayor of Charleroi (Belgium) and President of the Belgian Socialist Party, Philippe Pochet, General Director of ETUI, and many others.

→ Register here:
https://us02web.zoom.us/webinar/register/WN_Yi_xKZzgQ82riIX5HZk72A

European Committee of the Regions Webinar, 4 June

The objective of this webinar, part of the Edinburgh Process for Subnational and Local Governments on the development of the Post 2020 global biodiversity framework, is to discuss, based on the experience shared by the guest speakers and the audience, the main elements that the post-2020 biodiversity framework should include to facilitate the action of subnational governments, cities and other local authorities for biodiversity, as part of the Edinburgh process.

- More info: <https://attendify.com/app/zz3afk/>
- Registrations: enquiries-subnationalworkshop@@gov.scot

Useful links to monitor

Please find here a list of sources that we have already shared. All these organisations are regularly publishing 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:

- **“The European Union’s SURE plan to safeguard employment: a small step forward”**, Bruegel, 20 May 2020,
<https://www.bruegel.org/2020/05/the-european-unions-sure-plan-to-safeguard-employment-a-small-step-forward/>
- **“THE TIME FOR RAPID REDEVELOPMENT OF COAL REGIONS IS NOW”**,
 Centre for European Policy Studies, 20 May 2020,
<https://www.ceps.eu/ceps-publications/the-time-for-rapid-redevelopment-of-coal-regions-is-now/>
- **“Three ways COVID-19 will cause economic divergence in Europe”**, Centre for European Reform, 21 May 2020,
<https://www.cer.eu/publications/archive/policy-brief/2020/three-ways-covid-19-will-cause-economic-divergence-europe>
- **“Coronavirus: local leaders in a global crisis”**, *POLITICO Europe*, 26 May 2020, <https://www.politico.eu/article/coronavirus-in-europe-a-global-local-crisis/>
- **“History repeating itself? The impact of the Covid-19 crisis on youth”**, *Social Europe*, 25 May 2020,

<https://www.socialeurope.eu/history-repeating-itself-the-impact-of-the-covid-19-crisis-on-youth>

- **“EU citizens want more competences for the EU to deal with crises like COVID-19”**, new survey by the European Parliament, 26 May 2020, <https://www.europarl.europa.eu/news/en/press-room/20200525IPR79717/eu-citizens-want-more-competences-for-the-eu-to-deal-with-crises-like-covid-19>

Slides:

<https://www.europarl.europa.eu/resources/library/media/20200526RES79816/20200526RES79816.pdf>

- **“How the EU can emerge from coronavirus stronger – and greener”**, by Enrico Letta, Geneviève Pons, Henrik Enderlein, Pascal Lamy and Sébastien Maillard, *Euractiv*, 26 May 2020, <https://www.euractiv.com/section/economy-jobs/opinion/trashed-91/>