

*President Ursula von der Leyen  
European Commission  
Rue de la Loi 200  
B-1049 Brussels*

8 April 2020

Dear President,

Cities and regions in the European Union are at the forefront in the everyday fight against the coronavirus. In this context, as politicians, we have to take decisions that are not always popular among our citizens but that are nevertheless necessary in the common interest of our communities.

**In each one of our countries, we are faced with our citizens' fears for their health, their employment, their rights and their future.** Before this crisis, some regions and people in Europe were already left behind and, now, the situation risks getting worse. We are trying to provide fair solutions to tackle the crisis as well as to give hope to our citizens and help them believe that the European Union is capable of reacting to the crisis.

In your capacity as President of the European Commission, you have a particular responsibility in making these hopes and beliefs concrete. Some good steps have already been taken by the European Commission. The relaxation of the Stability and Growth Pact was necessary. Commissioner Elisa Ferreira's excellent ad-hoc proposals have made funds available to regions and cities for tackling the pandemic and we welcome the plans for a further simplification. We also very much support the Commission's efforts to suggest ways and means for a European debt mutualisation, notably through the pan-European support scheme for short-time work arrangements (SURE).

**We welcome your call to turn the next EU budget into a new "Marshall Plan" to fuel Europe's recovery from the coronavirus crisis.** We do indeed believe that the EU budget remains at the core of any common European recovery plan to relaunch the real economy, both through grants and through the leverage effect on public and private investments. In this context, we would fully understand if the Commission was to follow a two-step approach in the multiannual financial framework (MFF) negotiations by taking up the European Parliament's proposal for a one-year extension of the current MFF, and a new deepened proposal for an MFF starting as of 2022. Indeed, as this is the most severe sanitary, economic and social crisis the European Union has ever had to face, it requires a thorough overhaul of the European Commission's proposal that was put forward almost two years ago.

The pandemic also shows that, as we have already pointed out in the past, it is inappropriate to divide European policies in two groups i.e. a 'traditional' and a 'modern' one. Actually, **this crisis is demonstrating that the cohesion policy is the best instrument to react, as it was already the case in 2015.** We therefore urge you and your colleague Johannes Hahn to propose a more ambitious EU budget that will be well equipped to respond to the many challenges that lie ahead of us.

**A strong multiannual financial framework in line with the Sustainable Development Goals will be the corner stone of the European and of the national recovery plans after the crisis.**

It must implement a just transition and the European Green Deal while strengthening the European cohesion policy to provide a collective answer to our common EU challenges. For this, regions and cities will be indispensable allies to implement economic change, ecological transition, social innovation and medical research so that no places and no people are left behind.

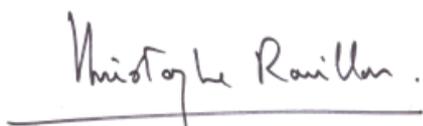
A reset of the Commission's proposal for the next European budget should also encompass a profound reform of the European Union's own resources, which will notably have to take into account the reduction of the GNI-based resources. To compensate for this shortfall, we argue in particular for the introduction of a carbon-based resource.

We also reiterate our request that the national or regional co-financing of the European Investment and Structural Funds be exempted from the accountancy of the Stability and Growth Pact in order not to constrain investment (as opposed to expenditure) directed towards implementing the European Union's objectives for a just transition.

The Schuman Declaration signed 70 years ago stated that Europe "will be built through concrete achievements which first create a de facto solidarity." Today, as Jacques Delors reminded us, the lack of solidarity is a mortal danger for the European Union. **We count on the European Commission in these difficult times to do whatever is necessary to defend the European Union and to build for that purpose on the involvement of local and regional authorities.** It is our chance to bring hope back to our citizens, with a new multiannual financial framework allowing them to finally believe that the European Union can make a difference.

Looking forward to your feedback, we fully trust that the European Commission will work side by side with local and regional authorities to achieve these objectives.

Sincerely yours,



Christophe Rouillon,  
President of the PES Group  
in the European Committee of the Regions  
and Mayor of Coullaines (France)



Isabelle Boudineau,  
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