European Union response to coronavirus threat

Spreading swiftly from the initial November 2019 outbreak in China to pandemic proportions in just a few short months, COVID-19 has led to a need for stringent emergency public health measures to save lives across the world. Organising and providing healthcare in the European Union (EU) is a Member State prerogative and responsibility. However within the limits of its powers, the EU has nevertheless acted quickly to help limit the spread of the virus, ensure medical equipment is available, boost the search for a vaccine and aid Member States to withstand the social and economic impact.

Priorities

Heads of State or Government of the 27 EU Member States underlined the need for solidarity in the EU approach to the coronavirus pandemic during their first videoconference to discuss COVID-19 on 10 March. Four priorities for action were established and reaffirmed at a 17 March meeting:

- **Limiting the spread of the virus**, including assessing the risk and closing external borders so that internal borders can remain open, allowing the single market to function.
- Ensuring the **provision of medical equipment** by ramping up production of medical devices, issuing calls for production of medical equipment, and negotiating new supplies.
- Helping researchers to find a vaccine quickly, through existing research funding.
- Aiding EU Member States to weather the **social and economic impact** of the pandemic.

EU-level action

The European Commission immediately set up a coronavirus response team to coordinate a common European response to the outbreak of COVID-19 and to provide objective information. The European Centre for Disease Prevention and Control is providing rapid risk assessments and epidemiological updates on the outbreak. The EU Health Security Committee has been reinforced and meets to discuss travel issues and medical countermeasures such as equipment and laboratory and diagnostic capacity in the EU. On 17 March 2020, an advisory panel on COVID-19 was launched to formulate guidelines on risk management.

**Limiting the spread of the virus**: A 16 March Commission communication aims to coordinate temporary restrictions by Member States on non-essential travel to the EU, although citizens and residents of Member States must be allowed to return home. Under Commission guidelines for border management measures to protect health and ensure the availability of goods and essential services, Member States may also temporarily reinstate internal borders should this be necessary for public health or internal security. The measures seek to maintain the balance between slowing transmission of the virus while ensuring necessary medical and vital supplies circulate in the single market. On 18 March, the Commission published recommendations for community measures to limit contagion and on testing strategies.

**Medical equipment**: Ensuring countries can quickly obtain the medical equipment they need, an initial EU budget of €50 million (€40 million of which is subject to the approval of the budgetary authorities), will be available from 20 March 2020. All Member States will have access to the first ever rescEU stockpile of medical equipment, such as ventilators and protective masks, under the EU Civil Protection Mechanism.

The existing EU Cross-border Health Threat Decision provides for joint procurement of medical countermeasures to ensure access to fairly priced and distributed medical supplies. A voluntary Joint Procurement Agreement allows 26 participating Member States to make joint purchases, such as equipment, vaccines and antivirals. In response to the current outbreak, these measures enabled a 28 February call for tender for personal protective equipment (evaluation under way), and a 17 March tender for ventilators, both of which should be concluded in April 2020.

On 15 March, the Commission moved to protect the availability of supplies of personal protective equipment (PPE), with an emergency implementing act requiring that exports of such equipment outside the EU are subject to export authorisation by Member States.
**Boosting research:** In support of European and global research efforts, the Commission announced €47.5 million in Horizon 2020 programme funding for 17 shortlisted research projects to advance understanding of COVID-19, improve clinical management of infected patients and public health preparedness. A further call for proposals is under way for therapeutics and diagnostics to tackle current and future coronavirus outbreaks, worth €45 million, under the **Innovative Medicines Initiative**.

**Alleviating the socio-economic impact:** The pandemic is a major, albeit temporary, shock to the global and European economy. A 13 March Commission communication on a **coordinated economic response** to the COVID-19 outbreak sets out the need for a common approach to tackle the economic fall-out from the disruption caused by the disease. To help national governments support their economies, the Commission has approved a Temporary Framework allowing them to derogate from **State aid** rules until at least December 2020. It also considers the conditions to activate the **general escape clause** on fiscal rules under the Stability and Growth Pact to have been met, and asks the Council to endorse this measure. The Commission has made three urgent legislative proposals on funding and relief measures in response to the outbreak (see 'European Parliament' below).

Other possibilities to mitigate the **economic impact** include funding from the €179 million that remains available under the European Globalisation Adjustment Fund to support workers who lose their jobs. To help farmers, the Commission allows Member States to extend the application deadline for **common agricultural policy payments** to 15 June 2020.

It is also to be expected that the **effects of COVID-19** will be taken into account when the time comes for negotiations to recommence on the multiannual financial framework for 2021-2027.

**Support to the financial system**

As of 19 March, the European Central Bank has committed to providing a €750 billion **Pandemic Emergency Purchase Programme** to relieve government debt during the crisis, as well as €120 billion in quantitative easing measures and €20 billion in debt purchases. Mobilising a further €500 billion from the **European Stability Mechanism**, as proposed by some, could result in a total financial intervention of close to €2 trillion.

**European Parliament**

Parliament discussed the novel coronavirus outbreak during its plenary session on 10 March. Members praised the efforts of health workers fighting the virus, and reiterated the need for solidarity between countries, EU production of medical equipment and funding for research for a vaccine.

As the virus also impacts Parliament’s functioning, an extraordinary plenary session on 26 March, in Brussels, will formally replace the session planned for 1-2 April. President David Sassoli indicated that Parliament 'must remain open, because a virus cannot bring down democracy'. With most Members unable to travel, specific measures will be instituted for this session to ensure that they can vote remotely. Members are expected to vote on the three urgent legislative proposals aimed at tackling the effects of the pandemic:

- **To make a further €37 billion available to Member States from the Cohesion Funds to address the consequences of the crisis**, the Commission proposes a **Coronavirus Response Investment Initiative**. Parliament may amend or adopt the proposal, which reallocates funding available under the current EU budget, but as yet unused (2020/0043(COD)).

- **The EU Solidarity Fund supports Member States and accession countries hit by major natural disasters**. The Commission proposes to **extend its scope** to allow financial assistance for those seriously affected by COVID-19, as the outbreak constitutes a major public health emergency, where EU-level intervention is justified. This must first be agreed by Parliament before countries can request assistance from the Fund. The aim is to speed disbursement, and raise advance payments to 25 % of the expected EUSF contribution (limited to €100 million) (2020/0044(COD)).

- **Parliament is also expected to scrutinise a proposal aiming to end unnecessary emissions and help the aviation industry adjust their capacity in view of the fall in demand for flights.** The Commission proposes to temporarily **suspend rules obliging airlines to use their slots** at EU airports from 13 March 2020 (2020/0044(COD)).