Amending Budget No 2/2020
Emergency support to the health sector to respond to the coronavirus outbreak

Draft Amending Budget No 2/2020 (DAB 2/2020) aims to finance proposed action under the Emergency Support Instrument (ESI) and the Union Civil Protection Mechanism (rescEU) to support Member States’ healthcare systems in fighting the coronavirus pandemic (COVID-19). The European Parliament is expected to vote, under the urgent procedure, on the Council position on DAB 2/2020 during the 16-17 April plenary session.

European Commission proposal
On 2 April 2020, the Commission submitted a proposal for DAB 2/2020 proposing €3 billion in commitments (CA) and €1.53 billion in payments (PA) to cover expenditure related to the activation of the emergency support instrument within the EU and the reinforcement of rescEU. Both instruments are financed under heading 3, ‘Security and citizenship’, of the 2014-2020 multiannual financial framework (MFF).

Actions to be financed
The €3 billion would finance the increased needs of the Member States’ healthcare systems as a result of the COVID-19 pandemic:

- €2.7 billion (CA) would finance measures under the Emergency Support Instrument, such as the stock-piling and distribution of essential resources and medical supplies across Europe, the transport of patients and protective gear, the increase in or conversion of capacities of EU companies to produce urgently needed material and testing supplies, and support to the swift development of medication and testing methods. €1.38 billion in payments is proposed at this stage.

- €300 million (CA) would be provided to reinforce the rescEU reserve of medical equipment, financed 100% by the EU budget, and to coordinate and distribute essential medical supplies. Emergency supplies will be sent to all Member States to supplement national stocks. €150 million is proposed in payments.

Special instruments to finance the needs
With no available margin left nor possibilities for redeployment under heading 3, three special instruments will need to be mobilised: the Global Margin for commitments, for €2 042.4 million, the Flexibility Instrument, for €243.0 million and the Contingency Margin, for the remaining €714.6 million. To enable the global margin for commitments to cover this kind of expenditure, the Commission submitted together with DAB 2/2020, a proposal to amend the MFF Regulation and remove the limits to the scope of this instrument. The simultaneous adoption of these interlinked proposals is a prerequisite for the adoption of DAB 2/2020. The Council formally adopted its position on the proposals through written procedure on 14 April.

European Parliament position
Under the current unprecedented circumstances, Parliament’s Committee on Budgets (BUDG) has requested Parliament to treat these proposals under the urgent procedure (Rule 163 of the Rules of Procedure of the European Parliament). Parliament is expected to vote on the proposals, and endorse Council’s position on DAB 2/2020, during the 16-17 April plenary session.

Budgetary procedures: 2020/2055(BUD), 2020/2056(BUD) and 2020/2057(BUD); Committee responsible: BUDG.