## Requested by the REGI Committee



# The use of Cohesion Policy funds to support refugees from Ukraine



Russia's full-scale invasion of Ukraine is causing immense human suffering and economic hardship. After a year of intense fighting, there were around **8 million Ukrainian refugees in Europe**, of whom close to **5 million** were registered under temporary protection or similar protection schemes.

The EU's response to alleviate the financial pressure on the national and regional authorities dealing with the influx of refugees was swift – witness the rapid adoption of the **Cohesion's Action for Refugees in Europe** (CARE), CARE+ and FAST (Flexible Assistance to Territories) CARE regulations. Collectively referred to as the **'CARE framework'**. These have introduced greater flexibility to EU Cohesion Policy, including an extension

## The study

assesses the use of Cohesion Policy funds to finance actions to support Ukrainian refugees in EU host countries. It pays particular attention to the Cohesion's Action for Refugees in Europe (CARE), and how the flexibility mechanisms it introduced have been taken up by the Managing Authorities of Cohesion Policy programmes.

of the possibility of 100% EU co-financing, retroactive eligibility for operations to tackle war-induced migratory challenges, flexibility in the use of the European Regional Development Fund (ERDF), European Social Fund (ESF) and the Cohesion Fund, increased prefinancing, and the introduction of simplified cost option.

This all aims at supporting short-, medium- and long-term measures, such as the provision of food, basic material assistance, accommodation, transport, urgent and longer-term healthcare, childcare, social housing, access to the labour market, and education and training.

#### Main observations

The case studies from six regions located in different parts of Europe reveal that the sudden, big influx of refugees from Ukraine constituted a **migratory crisis** not only for those regions that served as initial entry points into the EU, but also for more distant (and often

wealthier) ones. Indeed, many regions did not have the structural capacity to host that many refugees, and the role played by NGOs and the civil population, alongside the public authorities, proved crucial.



While the CARE framework provides a range of flexibility mechanisms that are highly relevant and timely in tackling the sudden, huge influx of refugees from Ukraine, it would seem that only a minority of the Managing Authorities of Cohesion Policy programmes have used these mechanisms, and that the resulting mobilisation of funds remains limited.

Indeed, the high absorption rate of the 2014-2020 funds left little money available for refugee support, and the administrative burden linked to programme revisions further deterred the Managing Authorities from making greater use of the mechanisms. As a matter of fact, an increase in the co-financing rate for an additional accounting year appears to have been the mechanism most commonly used.

Nonetheless, the inclusion of Ukrainian refugees as a target group for business-as-usual operations (i.e. outside CARE-based interventions) combined with newly designed operations within the CARE framework have enabled a **wide range of actions** to address the basic needs of refugees, as well as their social, labour market and/or school integration.



Policy Department for Structural and Cohesion Policies Directorate-General for Internal Policies of the Union Authors: Ambre MAUCORPS, Bernhard MOSHAMMER, Olga PINDYUK, Maryna TVERDOSTUP PE 747.250 - May 2023

## Conclusions and policy recommendations

While the Managing Authorities tend to regard in a positive light the possibility of utilising EU funds to respond to these new migratory challenges, they also report major **administrative barriers** in the way of doing so efficiently. In particular, the requirements and time frame linked to programme revisions and fund mobilisation are deemed inadequate for using Cohesion Policy as a suitable crisis-response tool. Risks to the achievement of the policy's long-term goal – namely structural improvement, contributing to socioeconomic convergence – have also been mentioned.

Streamlining the flexibility mechanisms introduced successively as part of the Coronavirus Response Investment Inititiative (CRII/CRII+) and the CARE packages, outlining more clearly the rules for using Cohesion Policy as a crisis-response tool and at the same time strengthening its structural dimension would appear to be more beneficial approaches, in the longer term, than adding further revisions to the policy. Alternatively, and possibly for the post-2027 programming period, a separate territorial instrument could be created (similar to the Just Transition Fund in the period 2021-2027) specifically for the purpose of responding to crises.

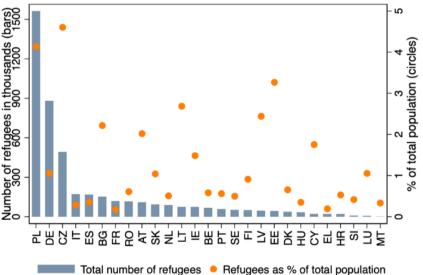
### **Key findings**

The sudden, big influx of refugees from Ukraine constituted a migratory crisis not only for those regions that served as initial entry points into the EU, but also for more distant (and often wealthier) ones.

While the Managing Authorities tend to regard in a positive light the possibility of utilising EU funds (in particular within the CARE framework) to respond to these new migratory challenges, it would seem that only a minority of them have used CARE-based flexibility mechanisms.

Streamlining the flexibility mechanisms introduced successively as part of the Coronavirus Response Investment Inititiative (CRII/CRII+) and the CARE regulatory packages, outlining more clearly the rules for using Cohesion Policy as a crisis-response tool and at the same time strengthening its structural dimension would appear to be more beneficial approaches, in the longer term, than adding further revisions to the policy.

Number of Ukrainian refugees registered under temporary protection or similar protection schemes in EU countries, as of the beginning of



Note: Data on refugees range from the end of 2022 to January 2023. To derive the share of the total population, the population in 2021 is considered. Source: UNHCR and Eurostat.

**Disclaimer.** The content of this At a glance note is the sole responsibility of its authors and any opinions expressed therein do not necessarily represent the official position of the European Parliament. Reproduction and translation for non-commercial purposes are authorised, provided the source is acknowledged and the European Parliament is given prior notice and sent a copy. © European Union, 2023.

The present note is based on the study *The use of Cohesian Policy funds to support refugees from Ukraine.*, authored by: [The Vienna Institute for International Economic Studies]: Ambre MAUCORPS, Bernhard MOSHAMMER, Olga PINDYUK, Maryna TVERDOSTUP. Case studies: Grzegorz GORZELAK (Lublin Voivodeship), Maria KHRAPUNENKO and Kristjan KALDUR (Estonia), Bernhard MOSHAMMER (Vienna), Zuzana ZAVARSKA (Eastern Slovakia), Chiara CASTELLI (Abruzzo), Ambre MAUCORPS (Luxembourg), published in: May 2023 © Image on page 1 used under the licence from Adobe Stock

Responsible for this At a Glance Note: Kinga OSTAŃSKA & Marek KOŁODZIEJSKI,

Contact: <a href="mailto:poldep-cohesion@ep.europa.eu">poldep-cohesion@ep.europa.eu</a>; Further information: <a href="mailto:www.research4committees.blog/regi">www.research4committees.blog/regi</a>. Follow us: <a href="mailto:poldep-cohesion@ep.europa.eu">poldep-cohesion@ep.europa.eu</a>; Further information: <a href="mailto:www.research4committees.blog/regi">www.research4committees.blog/regi</a>. Follow us: <a href="mailto:poldep-cohesion@ep.europa.eu">poldep-cohesion@ep.europa.eu</a>; Further information: <a href="mailto:www.research4committees.blog/regi">www.research4committees.blog/regi</a>. Follow us: <a href="mailto:poldep-cohesion@ep.europa.eu">poldep-cohesion@ep.europa.eu</a>; Further information: <a href="mailto:www.research4committees.blog/regi">www.research4committees.blog/regi</a>.

This document is available at: www.europarl.europa.eu/supporting-analyses