

of the Regions

Declaration on COVID-19 Response

Local and regional authorities as actors of the European response to the COVID-19 crisis

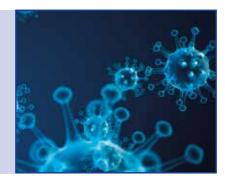
Brussels, 8 May 2020

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- Special tribute is to be paid to employees in the health and care sector, in the elderly care as well as in transports, education, retail and other essential services.

Why it matters

Because Regions and Cities are at the forefront of the fight against COVID-19



 \blacksquare It is urgent to lay the ground for a greater resilience of the European Union at all levels. A European Health Emergency Mechanism, a strengthened EU budget (+ EUR 200 bn) as well as an EU Recovery Fund (+ EUR 500 bn) focusing on sustainable local infrastructure will be paramount to this endeavour ...





DECLARATION

Local and regional authorities as actors of the European response to the COVID-19 crisis

Submitted by EPP, PES, Renew Europe, EA and the Greens

Declaration of the European Committee of the Regions on Local and regional authorities as actors of the European response to the COVID-19 crisis

THE EUROPEAN COMMITTEE OF THE REGIONS

General introduction

- 1. Expresses its deepest sympathy with European citizens personally affected by the COVID-19 and its sincerest sorrow for the thousands of human lives lost in Europe and across the world due to the pandemic;
- 2. Praises the extraordinary sense of civic responsibility and solidarity of European citizens in the COVID-19 pandemic, who are facing the most dramatic health, economic, social and societal crisis in generations. They are acting with the greatest commitment and patience, following the measures introduced by the authorities, helping each other and safeguarding their local communities. Special tribute is to be paid to employees in the health and care sector, in the elderly care sector, law enforcement officers, as well as in transport, education, retail and other essential services;
- 3. Commends the mayors, presidents of regions and local and regional councillors who were immersed into the pandemic from the very first moment. Citizens express through them their concerns and expectations for the highest level of protection, solidarity and effective measures to be adopted at all levels of governance in order to be better prepared, in coordination with national authorities and the EU, in handling emergencies *across* borders;
- 4. Expresses its conviction that, while every crisis has moved the EU and its Member States gradually towards more efficient cooperation and integration, every crisis remains a test for solidarity of the EU and its Member States. As representatives of local and regional authorities, we strongly believe in the need for a coordinated and solidary European response instead of relying on national answers only. We stand ready to support strengthening the immediate and long-term capacity of the EU to react in times of crises and take an active part in shaping the European Union's future;
- 5. Welcomes that the European institutions have, in the frame of their competences, taken strong action in adopting initiatives for a targeted response to the COVID-19 crisis. Reiterates however that beyond first short-term crisis response, it is urgent to lay the ground for a greater resilience of the European Union at all levels. A European Health Emergency Mechanism, a strengthened EU budget as well as an EU Recovery Fund (of at least + EUR 500 billion) will be needed to allow for the reactivation of the European economies through massive public expenditure and investment at all territorial levels with a focus on sustainable growth, sustainable local and regional infrastructure and digitalisation;
- 6. Welcomes the measures taken by some Member States at the national, regional and local levels, such as loan guarantees, tax and mortgage breaks, and other social relief programmes implemented in close cooperation with local and regional authorities;

- 7. Warns however that the impact of this unprecedented crisis for local and regional finances could seriously undermine the capacity of local and regional authorities to meet an increased demand for health, sanitary and social services for citizens, public transport, education and other public services, as well as for economic incentives to local businesses and for the implementation of actions towards sustainability and climate neutrality. Any centralisation of new financial support schemes would further increase this risk. Therefore, the CoR calls for access to the EU financial instruments which are responding to the impact of the crisis to be decentralised within the Member States and for the regional authorities to have their own direct access to these resources;
- 8. A more efficient cross-border and regional coordination must be put in place for providing health services to European citizens, in particular during the phasing-out of the confinement. Also sees the need for collaboratively assessing ways of reviewing health competences in line with the subsidiarity principle. The CoR also considers that LRAs must be included in any phasing-out and exit strategies as they are designed;
- 9. Warns that the focus on executive power during the immediate crisis response carries the risk of centralisation. However, decentralisation, multi-level democracy, local self-government and participation are essential elements of the European governance model. They are important both in addressing the current crisis and in ensuring a fair and sustainable recovery after the crisis and therefore should be safeguarded and strengthened;

European Health Emergency Mechanism

- 10. Calls for significantly strengthening the Emergency and Disaster response capacities of the EU, including the involvement of national, local and regional emergency response structures. This implies strengthening the EU's Emergency Response Coordination Centre, better linking it to the Health Security Committee and the European Centre for Disease Prevention and Control (ECDC) and setting up an EU medical emergency rapid reaction corps, as well as to ensure that Member States and Local and Regional Authorities have the necessary capacity for a coordinated response by funding the establishment of regional or local monitoring;
- 11. Supports the activation of the "Emergency Assistance Support" granting the Commission additional competences to act in times of crisis. Believes that appropriate legislation for a "State of Emergency" in the entire European Union or parts of it is needed, in order to give the Commissioner for civil protection the possibility to act faster on the Union's behalf;
- 12. Insists that the EU must define joint rules for producing and storing sufficient levels of stocks of personal protective equipment (PPE), essential medical equipment and regain technological independence in strategic areas such as the Active Pharmaceutical Ingredients (API) essential for the manufacture of medicine, in close cooperation with the Member States and all levels of authority. From the perspective of regional and local authorities, the long-term focus must be on maintaining strategically important products and production chains for the health of the European population within the European internal market. By virtue, this should not preclude Member States from organising their own levels of PPE;

- 13. Supports the activation of the Emergency Support Instrument complementing the other EU instruments, since the current COVID-19 outbreak requires an urgent, large-scale and comprehensive response both during and after the crisis, throughout the EU, acceding countries and its neighbourhood, taking into account not only national but also local and regional level needs;
- 14. Insists on the need for the Member States to agree on a common statistical protocol to allow for comparability of the data on the impact of the COVID-19 crisis and future pandemics. This protocol, to be developed under the joint authority of the ECDC and Eurostat, could rely on data provided at NUTS 2 level to facilitate a policy response integrating the use of European Structural and Investment Funds;
- 15. Stresses the need to support research and innovation at the European level in the field of pandemics, in particular within the framework of the future Horizon Europe programme, by promoting collaborative approaches between universities, research laboratories, companies, communities and regional authorities and citizens, as well as European cooperation in this area. Also welcomes the convening of the donors' conference on May 4, organised by the European Commission, with the aim of raising funds to promote research for the development and distribution of a vaccine against COVID-19;
- 16. Welcomes specifically the Commission's Decision of 3 April 2020 to temporarily exempt medical equipment and personal protective equipment from import duties and VAT. Considering that the demand for personal protection equipment (especially facemasks) is growing in a number of EU countries, the Commission should consider revising the scope of its Decision so that it includes private companies required to use PPE and does so in a way that does not put local EU producers at an economic disadvantage. Moreover, the temporary VAT exemption should be complemented with increased control against fraud and European price regulation of essential equipment such as medical masks;
- 17. Emphasises the importance of safe travel routes for EU citizens or residents returning from third countries and the vital need of a coordinated approach to border management and quarantine upon entry;
- 18. Stresses that, due to the unpredictability of disasters, the EU needs to ensure targeted deployment of all available and unused money in the current EU budget while continuing sound financial management, and calls for reinforced flexibility margins within the EU budget to mobilise emergency support for any possible future crisis;

European coordination and cooperation in the COVID-19 crisis and post-crisis

19. Welcomes the Joint European Roadmap towards lifting COVID-19 containment measures as it recalls the utmost importance of restoring as soon as possible the freedom of movement of people, goods, services and capitals and commits to economic, social and territorial cohesion. Member States should be encouraged to allow frontier workers to continue crossing borders in particular in sectors for which continued free movement in the EU is deemed essential. The current controls

in the internal borders of the European Union can and may only be temporary measures to slow the spread of the corona pandemic;

- 20. Is concerned that the COVID-19 crisis has dramatically affected cross-border cooperation at internal and external borders and caused great damage to everyday cooperation of LRAs, businesses, schools, universities and other institutions built up over a long time. For a quick economic recovery of border regions, a swift removal of legal and administrative obstacles is needed. The "European Border Mechanism" as suggested by the European Commission could play a significant role in this process. The Committee therefore calls for a swift adoption of the "European Border Mechanism" by the EU legislators;
- 21. Underlines that a comprehensive set of coordination efforts is necessary when dealing with the countries of the Western Balkans, the EU Eastern and Southern Neighbourhood and Africa, in particular those that have weak healthcare infrastructure or testing facilities. Such coordination should tackle both the healthcare emergency but also mitigate the impact of the pandemic on the economies and societies in the EU's partner regions and cities;
- 22. Suggests that the development of contact tracing apps should be coordinated with all EU Member States, so that particularly local and regional authorities in areas highly affected by territorial restrictions to movement and cross-border circulation can benefit from these apps. However, the individual apps must fully comply with EU and national data protection and privacy laws, be transparent, voluntary and limited in time;
- 23. highlights the importance of adopting EU measures to guarantee that the treatments and eventually the vaccine for COVID-19, reach all EU citizens equally, according to unified epidemiological criteria;

An EU recovery plan for sustainable, resilient and smart villages, cities and regions

- 24. Underlines the need for a bold recovery plan for the European Union to exit the COVID-19 crisis, built on solidarity, sustainable growth and resilience. The implementation of the Sustainable Development Goals (SDGs), the European Green Deal and the European Pillar of Social Rights must be at the core of this EU recovery plan to turn the crisis into an opportunity to urgently tackle climate change and strengthen the EU's economic, social and territorial cohesion. In this respect, calls on the Commission to deploy the Sustainable Europe Investment Plan and strengthen the Just Transition Mechanism, available to European regions challenged by transition processes, simultaneously with the Emergency Support Mechanism;
- 25. Reiterates its conviction that the European Green Deal as the EU's new growth strategy is key for stimulating economies and creating jobs while accelerating the green transition in a cost efficient way, with the full involvement of local and regional authorities. To keep momentum and provide long-term planning security for reaching climate neutrality by 2050 and meeting the timetable of the Paris agreement, the Commission should fight any attempt to freeze or postpone the implementation of already existing EU legislation, such as the one regarding single-use plastic, and maintain the timeline of all relevant future initiatives, such as the Climate law, the Forest and Biodiversity strategies, as well as the Farm-to-Fork initiative;

- 26. Considers that the COVID-19 crisis does not leave any time or margin for the usual EU budget negotiations. The new EU budget must be the financial backbone for a European recovery, and improve economic social and territorial cohesion across EU territories. Only an ambitious Multi-Annual Financial Framework, which would be based on full use of the GNI ceiling would be up to the challenge of a fair and sustainable recovery. Moreover, the CoR supports a temporary increase of the EU's budget GNI-based ceiling from the current 1.2% EU GNI to 2% GNI;
- 27. Stresses that a reset of the Commission's proposal for the next European budget should also encompass a reform of the own resources, which would notably have to take into account the reduction of the GNI-based contributions by Member States. To compensate that loss, the CoR supports in particular new own resources for the EU, including a carbon border tax, and other forms of financing that do not affect disproportionately any particular EU Member State. A specific solidarity-levy on speculative short-selling on financial markets should also be considered;
- 28. Believes that if no agreement is reached soon among the EU Heads of State on the new Multi-Annual Framework, an extension of the current MFF by one or two years would strengthen the absorption capabilities of local and regional authorities during the first years of the economic crisis;
- 29. Insists that the resources allocated to Health in the programming period 2021-2027 must be higher than the EU Health Programme for 2014-2020;
- 30. Stresses that contrary to previous crises, the current one has been symmetrical in affecting all Member States, but the differentiated geographical impact will further exacerbate economic, social and territorial divides, especially in those regions, where the situation prior to the crisis was already more fragile and where the prospects for recovery are compromised because of geographical handicaps and greater difficulties in benefiting from the single market. Recovery strategies must therefore be based on local and regional needs and opportunities and rely on partnerships of businesses, public administration and civil society. Together with its partners of the #CohesionAlliance, the CoR will fight for a stronger and place-based cohesion policy to be provided with the appropriate resources. This encompasses strengthening the role of decentralised authorities in managing and investing EU funds, in cooperation with national and EU authorities;
- 31. Expresses strong concern about the impact of the pandemic on employment, including dependent workers and employees, and calls on the European Institutions and Member States to give priority to both the safeguard of existing jobs and the set-up of effective conditions to regenerate the jobs that have already been lost and the social protection of the unemployed. Furthermore it is important to evaluate the situation of health protection in workplaces and to ensure that these aspects are taken seriously on all scales, including low end jobs;
- 32. Believes that micro, small and medium enterprises (SMEs) are among those hardest hit by the pandemic. Their ability to survive will be the key for Europe's economic engine to re-start after the crisis and a litmus test for the functioning of Europe's single market. SMEs face major cash flow issues that has a knock-on effect in local employment and the economy at large. Beyond the

foreseen European instruments to support them in the short-term, in particular through support schemes of the European Investment Bank Group, and European Investment Fund facilities in particular, their long-term recovery plan in the framework of the EU's Cohesion Policy should focus on regaining their financial liquidity and on investing in the SMEs' digital and environmental transition. It should aim at stimulating the creation of new businesses and developing new productive capacity by bringing academic and research institutions together with the business environment;

- 33. Considers that any public financial support to firms as part of COVID-19 mitigation measures, including support co-financed with European funding, should be conditional upon those firms paying domestic corporation tax and the paying out of company dividends to be conditional on the take-up of clearly established socio-economic commitments to mitigate the COVID-19 crisis;
- 34. Underlines that the COVID-19 crisis unveiled how fragile international value chains are. In this respect, the CoR underlines the need to strengthen the global competitiveness of European businesses and to guarantee the autonomy of value chains, which are crucial for the EU;
- 35. Welcomes the outcome of the meeting of the Eurogroup of 9 April 2020 and of the European Council of 23 April 2020 as a first answer for a comprehensive recovery plan and proof that the EU is ready to fight COVID-19 in solidarity. Praises in particular the proposal for the new EUR 100 billion EU solidarity instrument SURE -, ensuring that workers in Europe, including the self-employed and cross-border workers, are shielded from income loss and helping businesses to retain their staff for the duration of the pandemic and beyond. Also notes the facilitated access with very limited conditions to the European Stability Mechanism for up to EUR 240 billion as well as the establishment of a European Guarantee Fund of EUR 25 billion that will support up to EUR 200 billion of finance for companies with a special focus on SMEs;
- 36. Remains convinced that these immediate measures should be followed up by the setting-up of an **EU Recovery Fund** connected to the EU budget and based on European common debt insurance. This Fund, which would have to amount to at least **EUR 500 billion**, should allow for future-oriented sustainable investment and focus in particular on investment in **sustainable local and regional infrastructure**, in particular concerning energy efficiency (notably in hospitals, schools, sport infrastructures and other public buildings), waste management facilities, low-emission transport and digitalisation. It should also finance the reinforcement of biodiversity ecosystems as containment and mitigation measures for future epidemics and pandemics;
- 37. Supports the activation of the Stability and Growth Pact's (SGP) general escape clause, which should be maintained as long as the reform of the SGP launched by the European Commission in February 2020 supporting counter-cyclical policies has not been completed;
- 38. Reiterates its request that national or regional co-financing of European Investment and Structural Funds be exempted from the accountancy of the SGP in order to avoid constraining investment directed towards the recovery and implementing the European Union's objectives for just transitions;

- 39. Welcomes the measures aiming at reorienting cohesion policy funding to respond to the coronavirus pandemic, such as the mobilisation of unspent pre-financing, the extension of eligibility criteria, the temporary increase of co-financing rates, as well as the measures intended to alleviate administrative burden entailed in the implementation of the programmes. Stresses, however, that at this stage of the 2014-2020 programming period, in certain regions, the amounts still available are very low and that the flexibility measures should go further;
- 40. Requests a European Programme to assess, refit and monitor the capacity of regional health systems on the ground and to earmark funds to enable significant investment in the digitalisation, sustainability and efficiency of regional healthcare systems, including the training of health professionals;
- 41. Stresses the need for local and regional authorities to urgently address the specific case of the most deprived and vulnerable residing in their communities and in need of specific help to tackle and avoid further spreading of COVID-19, in particular disabled people, homeless people, refugees, migrants in hotspots, unaccompanied minors, and the Roma community. Aid, notably aid channelled through the Fund for European Aid to the Most Deprived (FEAD), and crisismitigation measures for the most vulnerable people should be prioritised. Tenants should be protected from eviction during the crisis and shelter provided for the homeless;
- 42. Underlines the disproportionate impact of the crisis on women, which represent by far most of the health and social workforce in the crisis. Therefore, the CoR calls strongly for gender-disaggregated data collection on the impact of COVID-19 and the incorporation of Gender Responsive Budgeting at the EU level. The crisis increases the urgency for a gender-neutral alignment of wages, working conditions and pensions and for measures to address the issue of unpaid care and to combat domestic violence, which has increased dramatically in lockdown conditions;
- 43. Requests a Rural Inclusion Plan, boosting innovation, entrepreneurship and connectivity in rural areas, funded by a strengthened Rural Development Fund. The plan must address the specific vulnerabilities of rural communities that have been aggravated by the crisis, like economic and social handicaps, the disruptions in the food supply chain, demographic challenges, the vital role of the migrant workforce, weaker public services and the lack of investment in infrastructures such as broadband connectivity and ICT equipment, since access to broadband proved to be a prerequisite for adequate information flow, teleworking and e-learning;
- 44. Stresses the urgent need to safeguard the right to education and schooling for all by strengthening educational systems' resilience to crises, including through the digitalisation of education and appropriate teacher training. Connectivity and the necessary apparatus for distance learning and e-schooling should be considered part and parcel of this transition. Against this background, the Commission should consider a modification of the Digital Education Action Plan in order to address the situation in regions suffering most from the digital divide;
- 45. Urges the European Commission to propose further exceptional measures in agricultural markets to lessen the impact of the crisis and use the possibilities of the EU market organisations, especially in terms of facilitation of seasonal and cross-border working, support of local

producers, access to key inputs and possibly the reinstatements of EU agri-food stocks. The Commission should also allow Member States to pay out direct payments to farmers earlier in order to make available urgently needed liquidity. The EU's agricultural policy must ensure that agriculture and food production is based on the criteria of sustainability more than ever before, notably in terms of short-circuit chains, protection of biodiversity, soils and animals and fair wages for work;

- 46. Calls for the introduction of special measures to mitigate the impact of the Covid-19 outbreak on fisheries, aquaculture producers and on the fish processing sector. The CoR requests in particular a simplified fast-lane procedure and a standardised request form;
- 47. Remains concerned about the consequences of containment measures on the tourism sector across the EU, and in particular the areas where tourism represents the main source of income. Therefore support for tourism must be a priority in the crisis response, recovery plans and actions of affected economies the European Commission should propose exceptional measures for the integrated tourism and transport system in order to reduce the impact of the crisis and ensure the protection of travellers and workers, the survival of businesses and sectoral coordination policies;
- 48. Stresses that the cultural and creative sectors are severely affected by the current crisis. Invites, against this background, the Commission to consider increasing the Cultural and Creative Sectors Guarantee Facility (Creative Europe programme) by topping it up from the 2021 budget, or transferring funds from the European Fund for Strategic Investments;
- 49. Considers that the COVID-19 pandemic highlighted inequalities amongst countries, global interdependence and, more than ever, the need to reinforce solidarity links and international cooperation between peoples. Therefore, programmes of international cooperation and humanitarian aid need to be strengthened, to help the most fragile countries to tackle the crisis, reinforcing the resilience of people and communities, in particular in the global South;

The Coronavirus crisis raises fundamental questions on the EU's institutional and legal set-up

- 50. Highlights that according to Article 222 of the Treaty on the Functioning of the European Union, solidarity is not an option but a Treaty obligation. However, the CoR considers that this clause still lacks an implementation protocol and calls on the European Commission to urgently propose such a protocol, which would include standards for European cooperation in similar crisis situations. Such cooperation should be based on a multi-level governance approach (vertical and horizontal). The Covid-19 pandemic shows both a vulnerability in the EU's functioning and the extent to which the EU Member States and the EU citizens are connected. The EU can only resolve this crisis and any future crises if all levels of government (EU, national, regional and local), economic / social actors and citizens in the EU take their responsibilities;
- 51. Stresses that, even in times of the coronavirus pandemic, Member States are still bound to respect EU values including the rule of law and democracy, and comply with the EU Treaties, EU legislation as well as the Charter of Fundamental Rights. Any measures relating to the state of emergency, in particular those restricting the participation of parliaments or the freedoms of

- citizens, must be proportionate, limited in time and remain subject to democratic control, while respecting the principles of subsidiarity and multi-level governance;
- 52. Insists on the full respect of the European asylum law. The reception of new asylum seekers must remain possible and occur in appropriate sanitary conditions. Particular attention must be paid to the most vulnerable, among which the group of unaccompanied minors. The crisis has accentuated the urgent need for a comprehensive reform of the EU's migration and asylum framework, which must therefore not be delayed by the necessary focus on the health crisis and its economic fall-out;
- 53. Stresses that in many Member States, regional and local authorities have developed good practice in the use of digital remote connections in decision-making and, inter alia, in the organisation of teaching during the corona epidemic. The dissemination of these good practices to all Member States is very important;
- 54. Considers, against the background of the particularly acute and worsening financial situation in the media due to the abrupt reduction or complete loss of advertising revenues and the especially dire state of local and regional news media, that free, independent and sufficiently funded media are instrumental for a functioning democracy and for ensuring that citizens are well informed throughout this crisis. The free flow of independent news is more essential than ever, both for informing the public on vital measures to contain the virus as well as in maintaining public scrutiny and debate on the adequacy of those measures;
- 55. Considers that the current crisis increases the need for an in-depth reflection on the policies, competences and overall functioning of the European Union. The Conference on the Future of Europe should therefore be convened as soon as possible when the health situation is brought under control and allow for a direct engagement with citizens and regional and local representatives on different proposals on how to make the European Union more effective, unified, democratic and resilient. Citizens expect strong measures and solidarity in response to the devastating socio-economic consequences of this crisis, which are necessary to avoid reactions of disenchantment with the European integration project;

56.	Instructs the President to forward this declaration to the European Commission, the European Parliament, the Croatian presidency of the Council and the President of the European Council.					
Brussels, 8 May 2020						
	The President of the European Committee of the Regions					
	Apostolos Tzitzikostas					





European Committee of the Regions

Created in 1994 following the signing of the Maastricht Treaty, the European Committee of the Regions is the EU's assembly of 329 regional and local representatives from all 27 Member States, representing over 447 million Europeans.