



**European Committee  
of the Regions**

The President  
The COTER Chair

Brussels, *date of official registration*  
PCab/LCG/cb – D/1460 (2021)

Ms Ursula von der Leyen  
President of the European Commission

Ms Margrethe Vestager  
Executive Vice-President of the European Commission and Commissioner for Competition

Ms Elisa Ferreira  
Commissioner for Cohesion and Reforms

Mr Johannes Hahn  
Commissioner for Budget and Administration

Dear President, dear Executive Vice-President, dear Commissioners,

European local and regional authorities have been at the forefront of Covid-19 crisis management over the last year. The Coronavirus Response Investment Initiative (CRII and CRII+) successfully mobilised immediate liquidity to finance investments related to the COVID-19 outbreak and introduced exceptional and useful flexibility measures.

Even if the worst may now be behind us, regional economies are bearing the brunt of the pandemic's impact and EU regions must continue to rely on adequate flexibility in the management of 2014-2020 cohesion policy programmes, as well as on harmonised regulatory frameworks for EU funding and state aid schemes.

This crucial requirement was confirmed by the outcome of the attached survey carried out by the European Committee of the Regions, which has collected information on the experience of the regions in managing cohesion policy emergency instruments, and REACT-EU.

In order to ensure the impact and continuity of recovery investments on the ground, we urge the European Commission to put forward a proposal for a review of the legal rules, allowing for:

- the extension of the 100% EU co-financing rate for another year,
- the extension of the "N+3" rule,
- a temporary increase of the *de minimis* state aid threshold.

These exceptional provisions will help to ensure that public services continue to function properly and to promote crucial measures, including job retention schemes.

The timely extension of flexibility measures would be beneficial both for our joint immediate response to the crisis and for efforts to "build back better" – i.e. supporting cities and regions in their commitment to make the best use of cohesion policy with increased efficiency, transparency and ownership, as well as ensuring the transition to a sustainable society as defined in the Sustainable Development Goals and the EU Green Deal.

Yours sincerely,

Apostolos Tzitzikostas  
President  
European Committee of the Regions

Isabelle Boudineau  
Chair  
Commission for Territorial Cohesion Policy

Appendix: Survey results on Implementation of the Coronavirus Response Investment Initiative (CRII&CRII+)