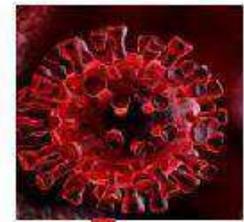
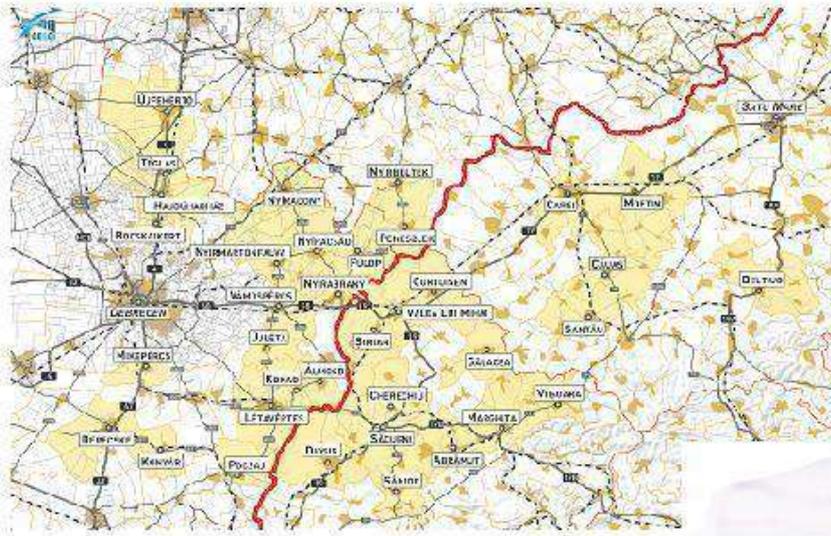




## ASSESSMENT OF THE ECONOMIC EFFECTS OF COVID-19 IN GATE TO EUROPE EGTC MUNICIPALITIES



Nyíradony, 01.06.2020



## The aim of the survey

COVID-19 is not only a pandemic: it is also an event with economic consequences which should be measured as a preparation for a potential new wave and to provide tips for handling the current situation. The economic effects of COVID-19 are not necessarily noticeable at the rate of the total population for now, but the Gate to Europe EGTC working group believes that even though each municipality has different conditions, the problem is the same: if an economic crisis occurs, it has to be cured, and economic countermeasures need to be brought into force, which could give economically affected areas a new boost.

Since the Gate to Europe EGTC consists of 15 Romanian and 20 Hungarian municipalities, we identified as a proper methodology to assess the current situation through a survey.

## The methodology of the survey

Every municipality has been invited to answer the same questions either in Hungarian or in Romanian. The data recording period lasted from 2020.05.01 to 2020.05.25. The EGTC plans to conduct a similar survey at the end of 2020, and the results of the current survey will provide the input data for the next one. The real conclusions can only be made after the second survey, since the evolution of public policy is national competence, therefore both governments' ways of trying to tackle the existing public policy problems will be available.

Data recording period for the survey: 2020.05.01-2020.05.25

The number of assessed questionnaires: 25

People completing the questionnaire: mayors of the municipalities

Evaluation period, data processing: 2020.05.25-2020.05.31

Method of the survey: self-administered questionnaire (online)

## The results of the survey

The questionnaire accessible online for the Gate to Europe EGTC municipalities and the accompanying letter to help completing the questionnaire have been sent via e-mail to the mayors of every member municipality.

The questionnaire included 12 questions in total. Some of them covered personal information and settlement data, another set of questions assessed the cross-border relations and cooperation during COVID-19, while further questions targeted the number of COVID-19 cases and the economic effects of COVID-19.



The questionnaire consisted of the following questions:

1. **Where is the municipality located?**
2. **The population size of the settlement (municipality):** (-2,000, 2,000-5,000, 5,001-10,000.10 000 +)
3. **Is there a confirmed case of coronavirus in the settlement?**
4. **If yes, the number of confirmed cases of coronavirus:**
5. **Are there people in quarantine suspected to be infected by coronavirus in the settlement?**
6. **If yes, the number of confirmed cases of coronavirus:**
7. **Is there a shortage of the products necessary for protecting against coronavirus in the settlements:** (mask, rubber gloves, disinfectant, other)
8. **Has coronavirus caused any problems regarding cross-border relations?**
9. **If yes, the type of difficulties that occurred:** (getting to work, the impediment of commercial activity, the suspension of cultural contact, supply problems, educational difficulties of young people, other: )
10. **Has unemployment significantly increased in the settlement as a result of coronavirus?**
11. **In case you have a ROHU or any other project supporting international cooperation, does the current epidemiological situation affect the implementation of the project?**
12. **If yes, please explain why the implementation of your project is threatened.**

The questionnaire was sent via e-mail to the municipalities in May 2020. 25 out of the 35 municipalities have responded, which is 70% of the settlements.

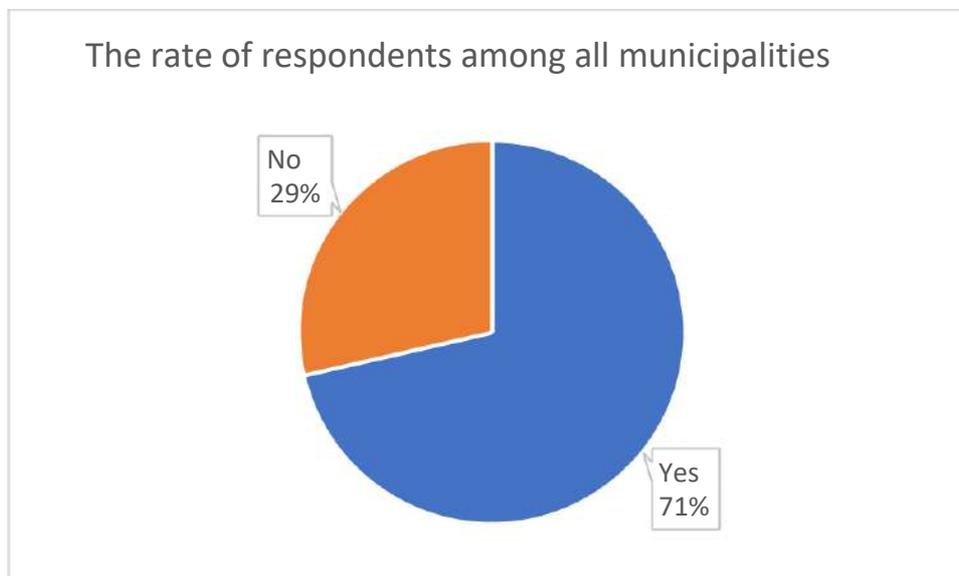


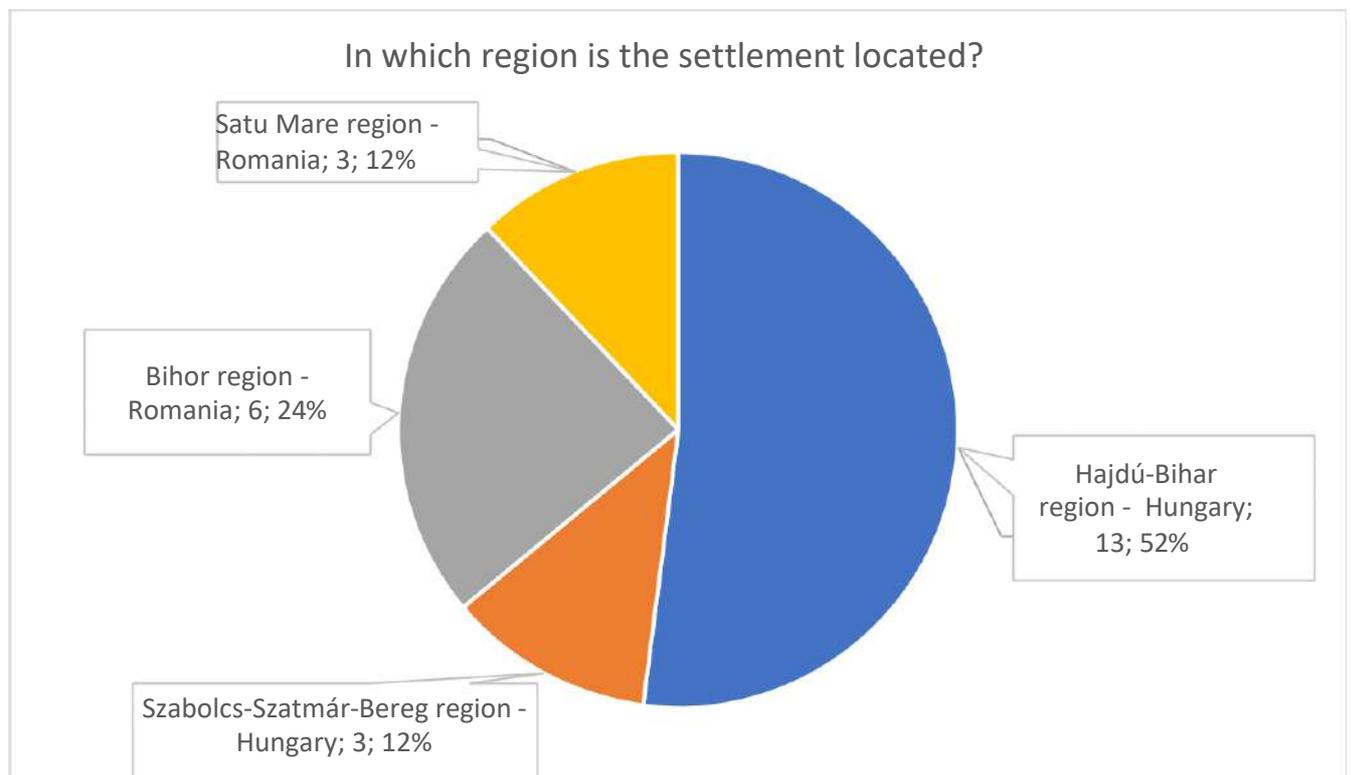
Diagram 1

1. Looking at the location of the responding settlements, it is apparent that the municipalities are located in Szabolcs-Szatmár-Bereg region have responded in the biggest rate (all three member municipalities filled in the questionnaire), and a high proportion of municipalities have responded from Hajdú-Bihar region as well. 60% of the municipalities have responded on the Romanian side, with the same ratio both in Bihor and Satu Mare counties. 52% of all the respondents are from Hajdú-Bihar region, 12% are from Szabolcs-Szatmár-Bereg region, therefore 64% of all the respondents are from Hungary (this rate is somewhat higher than their proportion of 57% within the total number of members), while 24% of all the respondents were from



Bihar region and 12% from Satu Mare region, therefore 36% of all the respondents were from Romania (this rate is somewhat lower than the 42% rate among member municipalities).

Where is the municipality located?	
Hajdú-Bihar region – Hungary	13
Szabolcs-Szatmár-Bereg region – Hungary	3
Bihar region – Romania	6
Satu Mare region – Romania	3



**Diagram 2**

2. If we look at the population distribution of the responding municipalities, we can see that a predominant amount (68%) of the municipalities have a population size between 2,000 and 5,000. 50% of the municipalities under the population size of 2,000 (six municipalities) have filled-in the questionnaire. All municipalities of a population size between 2,000-5,000 have completed the questionnaire. 42% of the municipalities with a population size of 5-10 thousand filled in the questionnaire, while only 40% of the municipalities with a population size above 10 thousand completed it.

Settlement (municipality) population size	
-2,000	3
2,001 -5,000	17
5,001 - 10,000	3
10,000 +	2

Share of the municipalities participating in the survey by population size

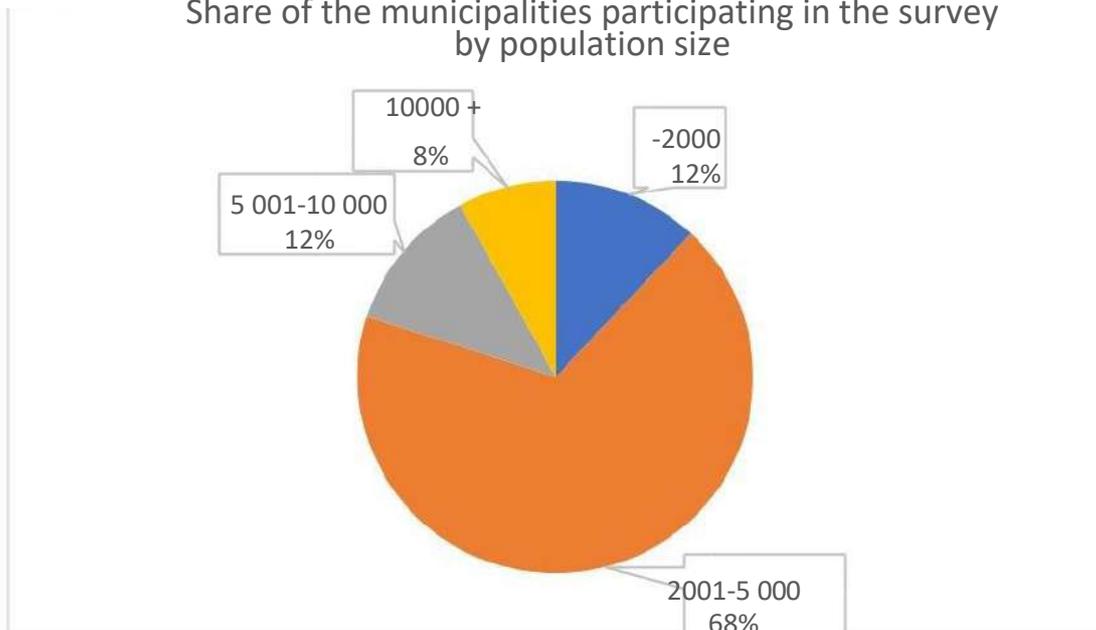


Diagram 3

3. One of the most important questions intended to find out whether there was or had been someone infected by coronavirus in the given municipality. According to the responses, there was only one person confirmed with coronavirus infection, which is very favorable.

Is there a confirmed case of coronavirus in the settlement?	
Yes	1
No	24

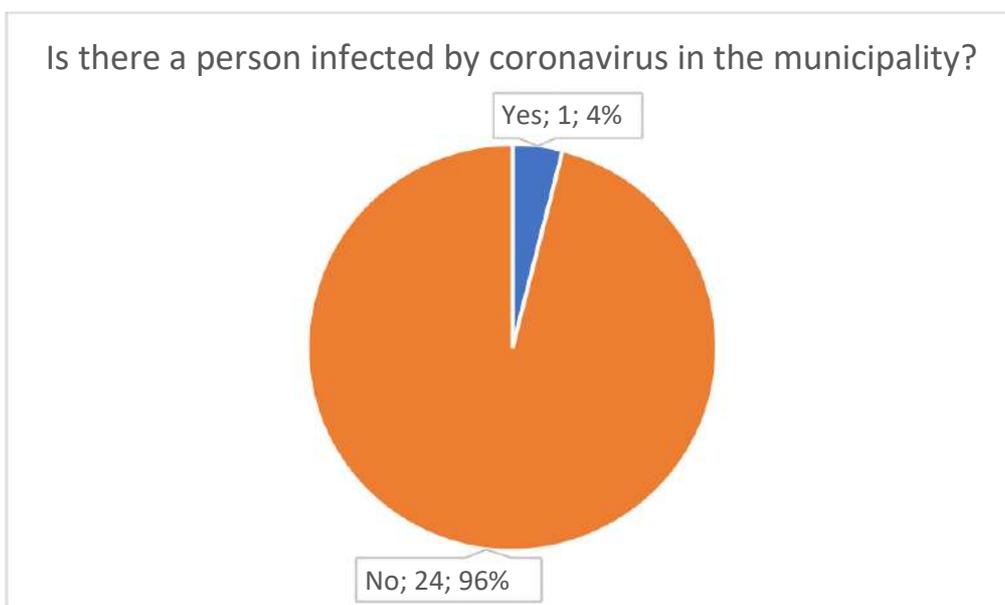


Diagram 4



4. At the municipality indicating the presence of coronavirus reported one case.

<b>If yes, the number of confirmed cases of coronavirus:</b>
1 person

5. Another important question is how many municipalities experienced quarantine due to the coronavirus. Two thirds of the responding settlements have experienced coronavirus quarantine, so this measure was applied extensively.

<b>Are there people in quarantine suspected to be infected by coronavirus in the municipality?</b>	
Yes	17

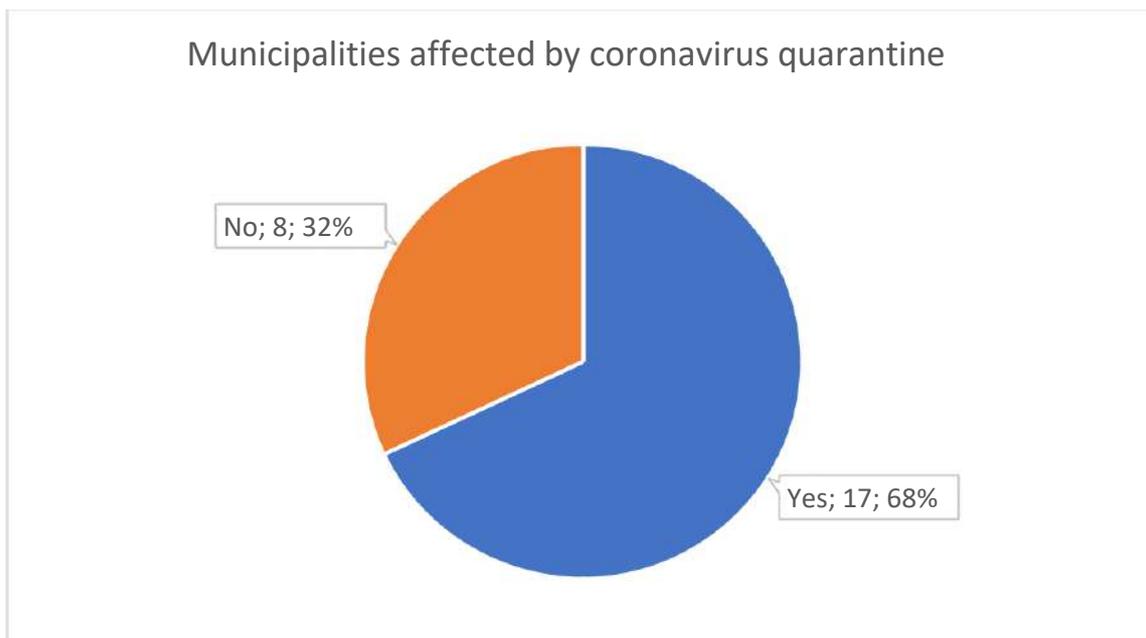


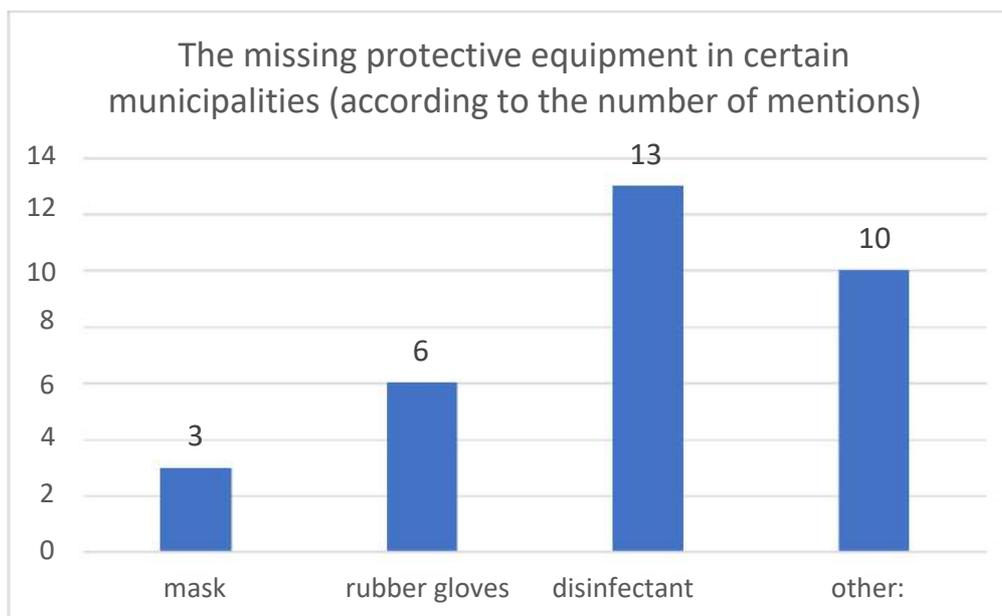
Diagram 5

6. The number of people in quarantine is another significant question since it affects large number of inhabitants. The number can change day by day; according to the survey closed on 25 May 2020, 289 people were in quarantine in the 25 responding municipalities. Unfortunately, as not every municipality took part in the survey, we cannot estimate the percentage of the people affected by this coercive measure within the territory of the Gate to Europe EGTC.

<b>If yes, the number of people in quarantine</b>
289

7. One of the important points of the survey was to gather information about the shortages of protective equipment within the municipalities. One of the key conclusions of this question is that no serious shortage of masks and rubber gloves can be detected, which are the most common protective equipment, as only 12% and 24% of the respondents answered that these tools had been in short supply. The most common shortage was experienced in the field of disinfectants: 52% of the respondents experienced this problem. The rate of the 'other' category also represented a significant, 40% share. Under this category, the mayors have also mentioned paper towels and tests.

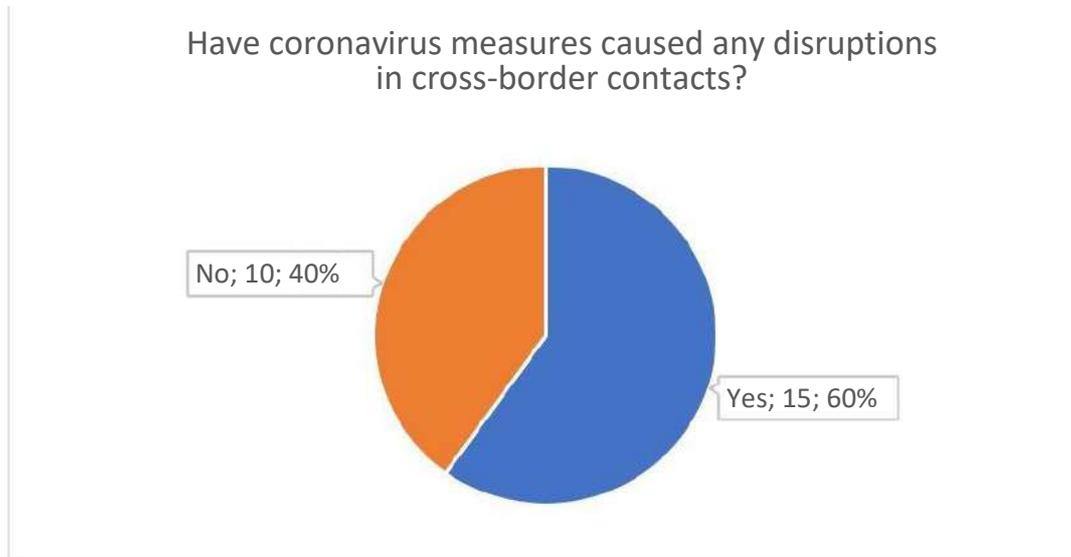
<b>Is there a shortage of these products necessary for the protection against coronavirus in the municipalities?</b>	
mask	3
rubber gloves	6
disinfectant	13
other:	10



**Diagram 6**

8. As a cross-border organization, we were interested in the effects that the closure of the border due to coronavirus and border restrictions had on cross-border activities of people, enterprises and non-governmental organizations in the area. 60% of the responding municipalities answered that coronavirus had caused disruptions in their cross-border contacts.

<b>Has coronavirus caused any problems regarding cross-border relations?</b>	
Yes	15
No	10

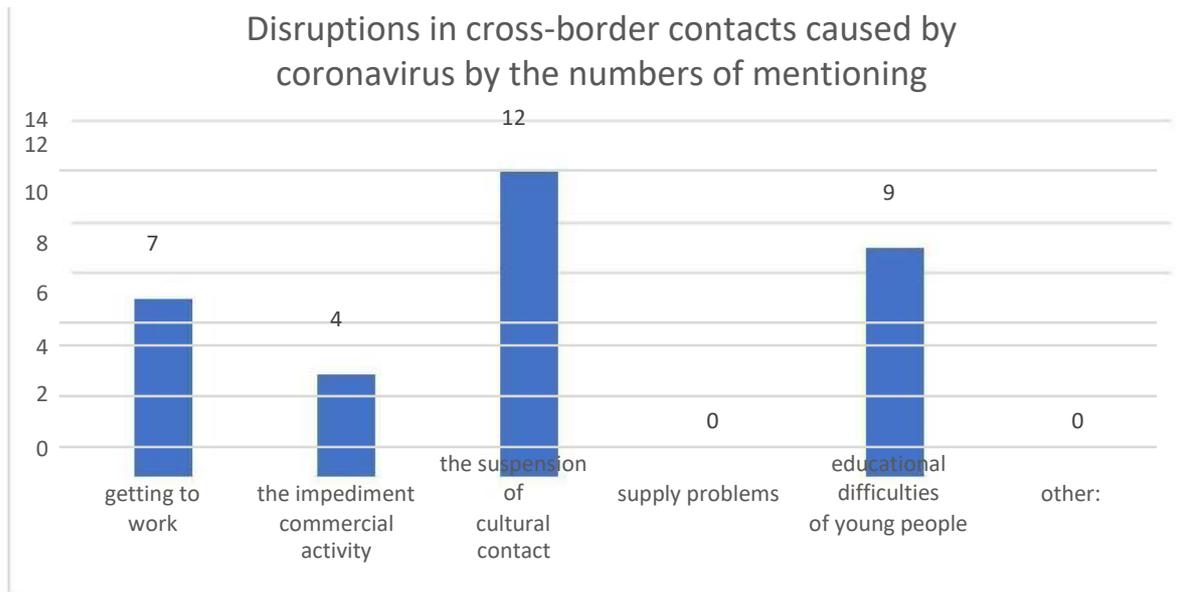


**Diagram 7**

9. Our next question was closely related to the latter one. We requested those municipalities responding affirmatively to our previous question to explain what kind of disruptions they had experienced. 15 municipalities answered that coronavirus had caused disruptions in contacts. These respondents mentioned with a remarkable frequency the difficulties of keeping cultural connections (80%) and the difficulties in young people's education (60%). In the latter case, probably all Romanian municipalities are affected since it is a common phenomenon that some young people from the border area study in Hungary (it is not common the other way around). 46% of the respondents mentioned the problem of getting to work (this has probably been solved by the bilateral agreement of the two Ministries of Foreign Affairs); and the impediment of commercial activities is also to be mentioned. The latter factor is not surprising, as the EGTC does not include but smaller border crossings, and the closure of them caused serious difficulties for people engaged in trade. It could be an important reason to develop the Nyírábrány-Valea lui Mihai border crossing into a large border crossing.

Luckily, the closure of the border has not caused problems of supply.

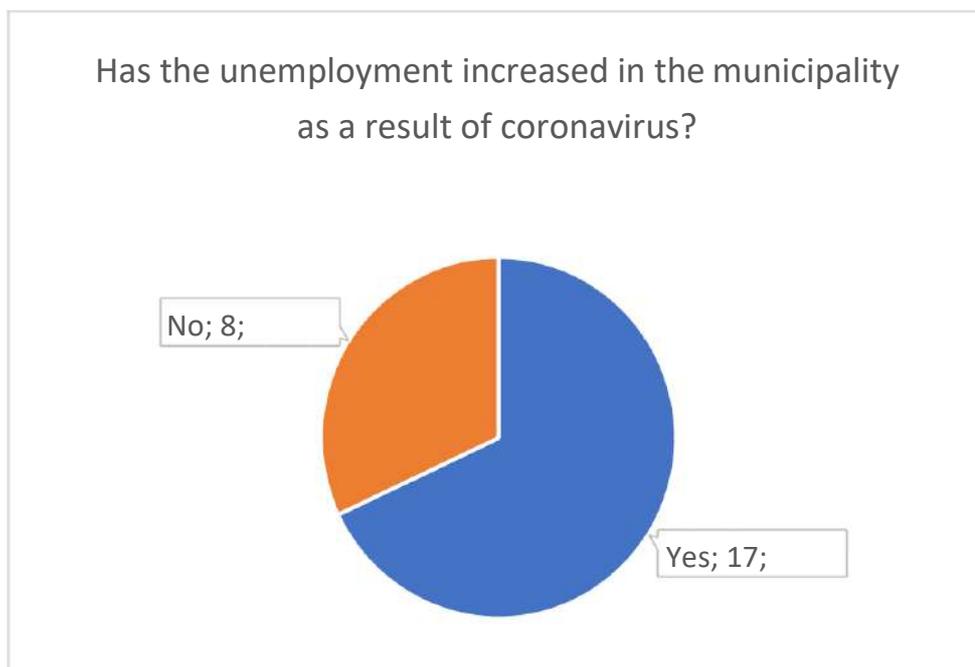
<b>If yes, the types of problems that occurred:</b>	
getting to work	7
the impediment of commercial activities	4
the suspension of cultural contacts	12
supply problems	0
educational difficulties of young people	9
other	0



**Diagram 8**

10. We were also interested in whether the unemployment rate has increased as a result of restrictions and the difficulties of economic activities due to the declaration of the emergency situation in March 2020. Luckily, and contrary to expectations, the increase of unemployment could not be detected in every municipality. However, the experienced two-thirds share requires economic interventions as soon as possible.

<b>Has unemployment significantly increased in the settlement as a result of coronavirus?</b>	
Yes	17
No	8

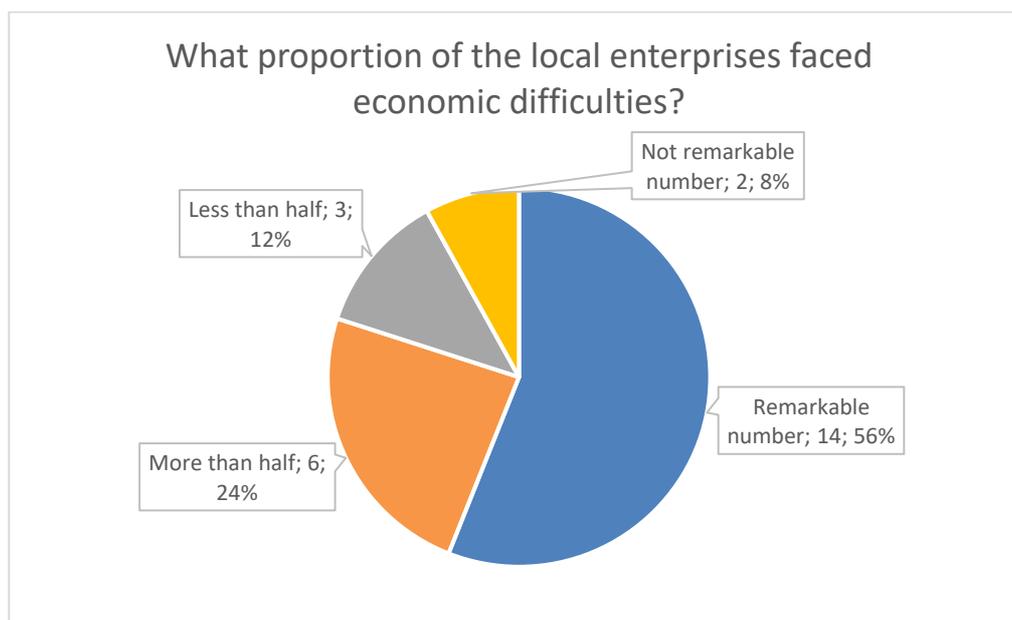


**Diagram 9**

11. Based on the survey we also wanted to define what percentage of the enterprises run in the member municipalities experienced economic difficulties. This is a subjective indicatorpro instead of the statistical authorities provided by the mayors who stemming from their positions sense the changes concerning the enterprises sooner. More than three quarters of the respondent municipalities answered that at least half of the enterprises had experienced economic difficulties, while 56% of the mayors stated that a remarkable number of the enterprises had had economic difficulties.

Only 8% of the respondents answered that their enterprises had not experienced economic difficulties.

What proportion of the local enterprises experienced economic difficulties?	
Remarkable number	14
More than half	6
Less than half	3
Not remarkable number	2

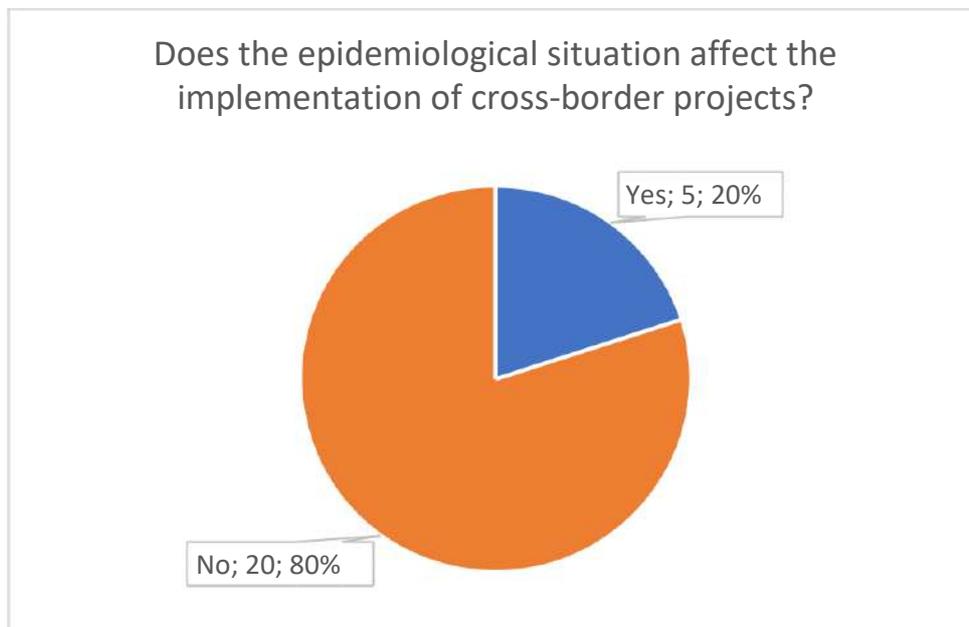


**Diagram 10**

12. It is also important to know whether the epidemiological situation affects the implementation of the ongoing cross-border ROHU projects. 5 respondents (20%) answered that the epidemiological situation affected the implementation of cross-border projects. As relatively few municipalities' cross-border projects have been selected for funding, the 5 positive responses mean that in practice, all beneficiaries encountered difficulties during the implementation of the project because of the epidemiological situation.



<b>In case you have a ROHU or any other project supporting international cooperation, does the current epidemiological situation affect the implementation of the project?</b>	
Yes	5
No	20



**Diagram 11**

13. As the final point, we asked those who responded with 'yes' to name their specific problems. 3 out of the 5 mayors provided a textual answer, which were the following:

<b>If yes, please explain why the implementation of your project is threatened:</b>
The ceremony cannot be held because of the coronavirus and the twin-settlement contract cannot be signed, therefore the implementation of the project had to be requested to be postponed.
The project of the ambulance station in Nyíradony-we cannot hold the events, therefore they will be organized later on of the implementation period.
Shared cultural programmes will be postponed or suspended affecting the project's indicators.

When analyzing the responses, it can be said that the epidemiological situation has a significant but manageable impact on the implementation of the projects. The identified problems can be addressed with proper project management and the flexibility of the intermediate body, but an intervention is needed as soon as possible in order to avoid further problems.



## Summary

After evaluating the survey, it can be said that even though the willingness to respond was incomplete, the survey is still representative, as about 70% of the municipalities, who also represent a significant percentage of the total population living in the EGTC area, have completed the questionnaire.

When analyzing the questionnaire, it is apparent that the pandemic has not affected the population to a large extent, there is only a small number of confirmed coronavirus cases, the preventive measures have worked well on both sides of the border. It can also be said that the inevitable measures have not caused any insurmountable economic difficulties yet, but they significantly hampered to uphold cross-border contacts and the education of young people in many ways.

The protecting measures can be considered successful, but as a result of the increased need for disinfection, there is a significant shortage of affordable disinfectants.

The epidemiological situation has not made the implementation of the cross-border projects impossible, but it requires the interventions of the project management.

## Recommendations

After analyzing the questionnaire and consulting the mayors, the EGTC makes the following proposals.

Economic protection:

- To launch the Érmellék/Ier Economic Development Programme as soon as possible

Cross-border contacts:

- To develop the Nyírábrány-Valea lui Mihai border crossing into a large border crossing, so in case of any restrictions in the future, people can cross the border in our area, not only through the Ártánd large border crossing.

Cross-border projects:

- The Interreg managing authority (possibly the BRECO) should enable to flexibly extend the projects' implementation period, similarly to the intermediate bodies in Hungary.