

Article – Coronavirus: Parliament to vote on €37 billion crisis response



The measure, proposed by the European Commission, is a key element in the [EU response to the pandemic](#) and has been fast-tracked through Parliament.

Where does the money come from?

The proposal concerns European structural and investment funds that support the development of regions, the fishing industry and social policy measures, such as retraining laid-off workers.

Every year member states receive money from these funds as pre-financing for projects. If some of the pre-financing remains unused, it has to be returned to the EU budget the following year.

EU countries are due to return almost €8 billion in unused pre-financing for 2019, so the European Commission is proposing that they keep that money and use it for new projects mitigating the effects of the coronavirus crisis.

Part of the money for projects comes from member states and the rest is co-financed with EU funds. The share of the costs covered by the EU budget varies: if a project concerns a less developed region, the EU contribution reaches 85% of the total amount.

The money member states are allowed to keep will allow them to cover their

share in projects for a much larger amount, with the rest of the funds coming from the EU budget.

The Commission calculates that the €8 billion could be supplemented by about €29 billion in EU co-financing. That would make a total of €37 billion that could be deployed in investments across the EU.

The €8 billion will have to be returned at the closure of the programmes under the 2014-2020 budget, which might be around 2025.

Parliament takes urgent action

The Commission proposal was published on 13 March. It has to be approved by Parliament and Council and was fast tracked through Parliament's regional development committee. The urgency procedure allows for a plenary vote without a report or with an oral report by the responsible committee.

French GUE/NGL member [Younous Omarjee](#), the chair of Parliament's regional development committee, said [upon receipt of the proposal](#) on 17 March: "We must respond as urgently as possible, by channelling all means available under the cohesion policy, to mitigate the catastrophic situation caused by the coronavirus epidemic. Any delay would result in more lives being lost and additional difficulties for European regions, companies and citizens."

During the plenary session MEPs will also vote on other measures to tackle the coronavirus crisis, including a proposal to allow member states to request [support from the EU Solidarity Fund in case of public health crises](#).