

COVID-19: Council adopts temporary support to mitigate unemployment risks in an emergency (SURE)

As part of its emergency support package to tackle the economic impact of the COVID-19 crisis, the EU has put in place a temporary instrument to help workers keep their jobs during the crisis.

The Council today adopted SURE, a temporary scheme which can provide up to €100 billion of loans under favourable terms to member states. The instrument enables member states to request EU financial support to help finance the sudden and severe increases of national public expenditure, as from 1 February 2020, related to national short-time work schemes and similar measures, including for self-employed persons, or to some health-related measures, in particular at the work place in response to the crisis.

SURE is one of the three safety nets, worth €540 billion, for jobs and workers, businesses and member states, contained in the Eurogroup report agreed on 9 April 2020. EU leaders endorsed the report on 23 April and called for the package to be operational by 1 June 2020.



The COVID-19 pandemic constitutes an exceptional challenge for Europe, as it puts many lives and livelihoods at risk. Beyond the public health implications, the outbreak has also caused massive economic and social disruption with many companies having to rely on public support to preserve employment. SURE will be a vital safety net to protect jobs and workers as it will ensure that member states have the necessary means to finance measures to tackle unemployment and loss of income, as well as some health-related measures.

Zdravko Maric, Deputy Prime Minister and Minister of finance of Croatia

In order to provide requesting member states with financial assistance at favourable terms, the Commission will raise funds on international capital markets on behalf of the EU. SURE loans will be backed by the EU budget and guarantees provided by member states according to their share in the EU's GNI. The total amount of guarantees will be €25 billion.

While all member states will be able to make use of the instrument, SURE will act as a particularly important safety net for workers in the hardest-hit economies. Formally, the financial assistance will be granted by a decision adopted by the Council on a proposal from the Commission.

SURE will become available after all member states have provided their guarantees. The instrument will then be operational until 31 December 2022. On the proposal from the Commission, the Council may decide to extend the period of availability of the instrument, each time for a further 6-month period, if the severe economic disturbances caused by the COVID-19 outbreak persist.

Western Balkans and Turkey: Joint conclusions of the economic and financial dialogue of 19 May 2020



Representatives of the EU Member States, the Western Balkans and Turkey, the European Commission and the European Central Bank, as well as representatives of the central banks of the Western Balkans and Turkey^[1] met for their annual economic policy dialogue^[2]. The dialogue aims at preparing the Western Balkans and Turkey for the future participation in the European Semester.

The outbreak of the Covid-19 pandemic confronts EU Member States, the Western Balkans and Turkey with similar unprecedented major public health, economic and social challenges. Participants agreed that it is crucial to maintain the economic policy dialogue in these exceptional circumstances in view of a commonly coordinated response to the crisis. Participants acknowledged the strong solidarity between the EU and the Western Balkans and Turkey they have been demonstrating by providing medical and financial assistance to fight the Covid-19 pandemic and contributing to address its socio-economic impact in the region. Participants welcomed the measures adopted by the Western Balkans and Turkey to limit the spread of the Covid-19 virus. They also acknowledged that the adoption of temporary emergency measures should be done in a transparent manner and should not undermine the principles of rule of law, democracy and fundamental rights. Participants fully supported the Western Balkans and Turkey in their decisions to allow automatic fiscal stabilisers to accommodate crisis-induced economic fall-outs in 2020. They also considered appropriate to take additional discretionary measures to cushion the negative impact on growth and employment in the short-term. Looking ahead beyond the short-term impact of the crisis, participants agreed that the economic policy dialogue should continue to play a central role for policy coordination in view of the medium-term recovery after the crisis. The macro-fiscal scenarios and part of the structural analysis presented in the Economic Reform Programmes have been strongly impacted by the Covid-19 crisis fallout. Therefore, participants concluded that this year's policy guidance will focus on measures providing an immediate fiscal, economic and social policy response to mitigate the impact of the pandemic as well as on the transition from these short-term to more structural measures to foster the

medium-term recovery. In order to build up economies' resilience in the longer term, these measures should duly take into account the digital transformation and the green transition, in line with international commitments. It is important to duly integrate gender equality perspective in all the measures taken to foster employment, social protection and health care. Strong ownership will be key to achieve the successful implementation of the jointly agreed policy guidance.

Overall, Participants underlined their commitment to this surveillance process and encouraged the Western Balkans and Turkey to foster strong recovery via further improvement of their macroeconomic, budgetary and structural policies in a medium-term perspective. The dialogue will continue in 2021, including on the implementation of these conclusions.

^[1] Montenegro, Serbia, the Republic of North Macedonia, Albania and Turkey are candidate countries for EU accession.

^[2] The conclusions of this dialogue are without prejudice to EU Member States' positions on the status of Kosovo.

[Visit the meeting page](#)

Change of Extraordinary RFR/EDA productions from weekly frequency to every two weeks

EIOPA has changed the frequency of current extraordinary processes for risk-free interest rate term structures (RFR) and symmetric adjustment to equity risk (EDA) from a weekly basis to every two weeks.

The new frequency will apply from the week starting on 25 May. A calendar for the next extraordinary RFR/EDA processes will be also published on the dedicated area of EIOPA website.

Due to COVID-19 outbreak, EIOPA will continue carrying out extraordinary calculations every two weeks to monitor the evolution of the relevant risk-free interest rate term structures (RFR) and the symmetric adjustment to equity risk (EDA). EIOPA is publishing this information in order to support insurance and reinsurance undertakings in the monitoring of their solvency and financial position.

The information will be published on a specific area of the website created for this purpose both for RFR and EDA named "Extraordinary updates".

Change of Extraordinary RFR/EDA productions from weekly to bi-weekly frequency

EIOPA has changed the frequency of current extraordinary processes for risk-free interest rate term structures (RFR) and symmetric adjustment to equity risk (EDA) from a weekly basis to every two weeks.

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Complex network of European and global developments impacts sustainability



The EEA report '[Drivers of change of relevance for Europe's environment and sustainability](#)' provides an in-depth characterisation of developments that range from demographic shifts to leaps in technological innovation and from global competition for natural resources to changes in geopolitical landscape and people's lifestyles. It also shines light on their potential implications for major policy processes such as the European Green Deal (EGD) in the EU and the UN Agenda 2030 and Sustainable Development Goals.

The report argues that varying global and European trends point not only to continuing sustainability challenges and new risks, but also towards opportunities for positive change. For example, new technology might save resources and alleviate environmental pressures but it can also lead to increasing demand for energy and natural resources. As such, achieving sustainability goals requires a transformation of Europe's core systems of

production and consumption through policies like the EGD as well as wider changes in norms and priorities across all levels of society.

The complexity of known trends together with the emergence of new developments in an increasingly interconnected world point to the value of recognising the presence of deep uncertainties around future developments and the need to act differently, the EEA report states. For Europe, responding to existing challenges and new risks calls for more anticipatory governance and engaging with actors across society, for example through strategic foresight processes.

The EEA report points out that emerging developments with unknown implications can range from new security threats to changing values and more digital lifestyles. Another category of drivers of change are 'wild cards' that may seem unlikely but can bring about highly disruptive changes, such as the dramatic decline in pollinators that could threaten global food supply.

Note to editors

The COVID-19 pandemic is also mentioned in the report as one example of disruptive risks. However, the contents of the report have been largely completed before the ongoing pandemic and, as such, the report does not consider or attempt to analyse the implications of COVID-19.