

Letter of Eurogroup President Mario Centeno to the President of the European Council following the Eurogroup of 24 March 2020

The 17 March videoconference of the Members of the European Council endorsed the 16 March statement of the Eurogroup and invited the Eurogroup to continuously and closely monitor economic and financial developments and to adopt without delay a coordinated policy response to the rapidly evolving situation. To this end, I convened a videoconference of the Eurogroup and Ministers of non-euro-area Member States on 24 March. I am writing to you to share my personal conclusions.

Economic developments are confirming that COVID-19 and the urgent containment measures are having a far-reaching impact on the supply and demand sides of the economy. Accordingly, we agreed on the imperative to implement and scale up our agreed actions to support our citizens and businesses. This strategy includes further discretionary stimulus and coordinated action, designed, as appropriate, to be timely, temporary and targeted. The concrete steps we have already taken following the Eurogroup videoconference of 16 March are encouraging signs of the capacity of Member States to rise to the challenge in a co-ordinated manner. The aggregate amount of Member States' discretionary fiscal measures increased twofold to close to 2% of Euro Area GDP, while liquidity support schemes for firms and workers have been scaled up to more than 13% of Euro Area GDP, up from 10%. This is a clear increase in our fiscal response.

This aggregate fiscal response is supported at the European level. To provide for the required flexibility for our public finances, the Commission activated the general escape clause and Ministers welcomed this on 23 March. This will give national budgets leeway to support the health sector and civil protection, to implement the agreed discretionary elements of our fiscal strategy and to allow automatic stabilisers to fully operate.

In addition to the fiscal response, the decisions taken by the ECB last week have provided a strong element of reassurance and we have welcomed them unanimously. Heightened vigilance remains important and we stand ready to continue to respond in a co-ordinated manner.

We also welcome that the Commission has issued a specific temporary State-aid framework to expedite public support to companies to mitigate the economic impact of the crisis, while ensuring the necessary level playing field in the Single Market.

Discussions have now progressed to making additional resources available at the European level to complement our national measures, enhance cooperation and demonstrate common purpose and solidarity. Accelerated legislative work

is now underway to make the Corona Response Investment Initiative operational. This initiative will make it possible to mobilise €37 billion to support Member States' urgent initiatives.

In addition to taking stock of the important progress made in the implementation of instruments announced in previous meetings, we also made significant progress on additional forms of support that could be made available. In particular, we broadly agreed that the significant resources of the ESM should contribute to our coordinated response and I can report there is a readiness to use the ESM, as needed, in a manner consistent with the external, symmetric nature of the COVID-19 shock. There was broad support to make a Pandemic Crisis Support safeguard available, within the provisions of the ESM Treaty, building on the framework of the existing Enhanced Conditions Credit Line (ECCL).

We are in broad agreement that Pandemic Crisis Support is a relevant safeguard for any ESM Member affected by the symmetric pandemic shock and that it would be available to all, with appropriate standardised terms, on the basis of an up-front assessment by the institutions. Given the current health emergency, there was broad support for making the applicable terms and conditions, consistent with the particular nature of the shared challenge our societies are facing. If the credit line is drawn, ESM support would be used specifically for the costs of responding to the Corona outbreak including health costs and incurred economic costs. In the longer-term, Members should focus on ensuring a sustainable path. There is also broad agreement that significant resources should be allocated to Pandemic Crisis Support and the ESM could set around 2% of Member State GDP as a benchmark, which could be adjusted depending on the development of the pandemic. I proposed that we deliver without delay and develop the necessary technical specifications before the end of next week.

Making Pandemic Crisis Support available from the ESM would be an important and timely first step based on existing instruments. The Eurogroup will continue to work on appropriate solutions to address the crisis we are facing and prepare the economic recovery, including through the ESM and the EIB.

We also look forward to further proposals from the Commission, based on EU budget resources, potentially including the creation of new instruments, and possibly supplemented by Member States.

Let me finish by stressing that the Eurogroup will continue its work on the COVID-19 response and stands ready to follow up to any mandate given by Leaders.

[Visit the meeting page](#)

Air pollution goes down as Europe takes hard measures to combat coronavirus



The EEA has received many questions about the impacts of the stark measures to limit the spread of the coronavirus (COVID-19) on air quality in Europe.

The EEA's data show an accurate picture of the drop in air pollution, especially due to reduced traffic in cities. However, addressing long-term air quality problems requires ambitious policies and forward-looking investments. As such, the current crisis and its multiple impacts on our society work against what we are trying to achieve, which is a just and well-managed transition towards a resilient and sustainable society.

Hans Bruyninckx, EEA Executive Director

The EEA's data for recent weeks show how concentrations of nitrogen dioxide (NO₂), a pollutant mainly emitted by road transport, have decreased in many Italian cities. For example:

- In Milan, average concentrations of NO₂ for the past four weeks have been at least 24 % lower than four weeks earlier this year. The average concentration during the week of 16-22 March was 21 % lower than for the same week in 2019.
- In Bergamo, there has been a constant decline in NO₂ pollution over the past four weeks. The average concentration during the week of 16-22 March was 47 % lower than for the same week in 2019.
- In Rome, average NO₂ concentrations for the past four weeks were 26-35 % lower than for the same weeks in 2019.

Similar trends can be seen in other European cities where lockdown measures have been implemented during the week of 16-22 March.

- In Barcelona, average NO₂ levels went down by 40 % from one week to the next. Compared with the same week in 2019, the reduction was 55 %.
- In Madrid, average NO₂ levels went down by 56 % from one week to the next. Compared with the same week in 2019, the reduction was 41 %.
- In Lisbon, average NO₂ levels went down by 40 % from one week to the next. Compared with the same week in 2019, the reduction was 51 %.

Exposure to air pollution can lead to adverse health effects, including respiratory and cardiovascular diseases. A number of health authorities have warned that those citizens with certain pre-existing conditions, such as

respiratory illnesses, may have an increased vulnerability to COVID-19.

However at present it is not clear whether ongoing exposure to air pollution might worsen the condition of those infected by the virus. Further epidemiological research is needed to address such questions.

About the methodology

The weekly average concentration levels of air pollutants were calculated based on data from the EEA's [up-to-date air quality data](#) system. All daily mean values from the stations in each city have been considered for the average. Other factors than the lockdown measures, such as weather conditions, can also have an effect on weekly variations of the pollutant concentrations.

Background

The EEA monitors Europe's air quality through a network of more than 4,000 local air pollution measurement stations across Europe. Most of the stations, managed by the EEA's member countries in the European Environment Information and Observation Network (Eionet), record hourly data on key air pollutant concentrations and send it to the EEA.

[The European Air Quality Index](#) uses the monitoring data to allow users to understand more about air quality where they live, work or travel. Displaying up-to-date information for Europe, users can gain insights into the air quality in individual countries, regions and cities.

Similar air quality information can be found on the [Copernicus Atmosphere Monitoring Service \(CAMS\)](#) that provides daily analyses of hourly concentrations of the regulatory air pollutants.

Although emissions of air pollutants have decreased substantially in Europe over recent decades, poor air quality continues to harm human health and the environment. [Poor air quality causes an estimated 400 000 premature deaths in Europe every year](#) and it is the single largest environmental health risk in Europe. A significant proportion of Europe's population lives in areas where air pollution poses risks to their health.

[Coronavirus puts women in the frontline](#)



In Europe, we are all adjusting to new ways of living because of the effects of the coronavirus. We are learning what it means to self-quarantine, work from home, home-school children, lose a job or even a loved one. Each person's situation is different, but for sure, the coronavirus will reveal the different realities of women and men.

At the frontline of this coronavirus pandemic are the healthcare workers who are working around the clock and putting themselves at risk to care for patients. Most of the nurses and healthcare workers in the EU are women. Their workload is very demanding, often taking an emotional toll. Yet their profession is one of the most undervalued, and under-paid jobs in the EU.

Men's mortality rate is higher

Preliminary figures show that women and men are being infected by the coronavirus in about equal numbers, but the mortality rate is higher for men than for women ^[1]. The World Health Organization recommends to keep up healthy food and exercise habits to boost the immune system and avoid unhealthy ones such as smoking and consuming excessive alcohol. More men smoke than women and are therefore more likely to be at risk of developing a serious disease if infected with the virus.

Extra challenges for public transport users

Our Gender Equality Index findings show that women rely much more on public transportation than men. This puts women at greater risk of coming into contact with the virus, when they have to either get to work, visit a doctor

or do the grocery shopping. This is especially the case with single parents, who are less likely to have a car due to financial reasons. 18 % of them say that public transport is the only method of transport available to them. In countries where restrictions on movement have tightened, public transport has been reduced or even shut down. This makes life more difficult for people who rely on these services and still need to get to work, visit a doctor or do the grocery shopping

Concern for severe job losses in women-dominated professions

The closure or near-closure of many businesses could have a severe effect on many women-dominated professions. Flight attendants, tour operators, sales assistants, hotel cleaners and hairdressers are often already in precarious jobs and will probably not be paid nor entitled to paid sick leave. These people are likely to have difficulty paying for basic necessities such as groceries, rent and bills in the coming days and months. EIGE's research shows that a quarter of women employees across the EU are in a precarious job. For migrants, the situation is even worse. Nearly one in three non-EU born women (35 %) and one in four men (24 %) work in precarious jobs.

Unpaid care work will increase

Even without a crisis, caring responsibilities usually fall heavily on women. Now with the closure of schools and workplaces, their unpaid workload is likely to further increase. If older relatives get sick, they will also need looking after. The situation for single parents can be even more difficult, especially when options for informal childcare are unavailable.

Physical distancing is not an option for everyone

In the EU, nearly a quarter of households depend on informal care from relatives or friends. As physical distancing and confinement measures become the norm, it will become harder for family, friends and neighbours to provide or receive such care.

There are also many people in our society, for whom physical distancing is not an option. We have 61 million women and 47 million men with disabilities in the EU. Many of them depend on help from others to eat, dress or shower, which makes physical distancing almost impossible. Across the EU, most of the professional carers working with people with disabilities or older people are women (83 %).

Domestic abuse increases in times of crisis

These times of social isolation increase the risk of domestic abuse. Women in violent relationships are stuck at home and exposed to their abuser for longer periods of time. This makes it very difficult for them to call helplines as the perpetrator is always around. It can also be harder for women to leave their abuser once the crisis is over, due to the financial insecurity that might follow.

Neighbours or relatives can have an important role in contacting the police

if they suspect that violence is occurring, especially when the victim is not able to call for help.

Where are women decision-makers?

While nurses are working non-stop behind the scenes in hospitals to look after patients, we mostly see men out in the public domain, making the news headlines. They are the ones who hold most of the positions of power in our society. In this crisis, it is usually men who are making all the important decisions, which affect the everyday lives of citizens. This imbalance of decision-making power means that women are left out from shaping the decisions that affect their own lives.

Policy measures must consider the different needs of women and men

The response from policymakers must consider the different experiences faced by women and men during a pandemic to ensure that everyone gets the help they most need. There is a big need for sex-disaggregated data to fully understand how women and men are affected by the virus. Not only for infection rates, but also the economic impacts, the distribution of care work and the extent of domestic violence. It is also time for leaders to recognise and give more value to the important work done by those who are in the frontlines of a health crisis, such as healthcare workers, home carers and domestic workers.

[1] The Lancet (2019), COVID-19: the gendered impacts of the outbreak, Available at: [https://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(20\)30526-2/fulltext#%20](https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(20)30526-2/fulltext#%20)

COMING SOON: EIGE is preparing a webpage with more information about the coronavirus pandemic from a gender perspective.

Further reading

[ESMA issues guidance on accounting implications of COVID-19](#)

The European Securities and Markets Authority (ESMA), the EU's securities markets regulator, has issued a [Public Statement](#) on some accounting implications of the economic support and relief measures adopted by EU Member States in response to the COVID-19 outbreak.

The measures include moratoria on repayment of loans and have an impact on

the calculation of expected credit losses in accordance with IFRS 9.

In view of the upcoming periodic information to be published by European issuers, the Statement provides guidance to issuers and auditors on the application of IFRS 9 Financial Instruments, specifically as regards the calculation of expected credit losses and related disclosure requirements.

The European Banking Authority (EBA) has also issued a [related Statement](#) regarding the prudential framework and accounting implications of COVID-19. The two Statements are consistent as regards financial reporting.

[EU's machine translation tool now available to SMEs](#)



□The European Commission's automated eTranslation tool is now available to all European small & medium-sized enterprises (SMEs).

As of today, SMEs can use the [eTranslation tool](#) to translate documents or plain text between any of the 24 official European Union languages, as well as Icelandic, Norwegian and Russian. The service is free of charge and guarantees the confidentiality and security of all translated data.

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