Webinar’s Report

EU’s Response to the Impact of COVID-19

with

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During this webinar, Marlene Rosemarie Madsen took stock of the actions taken so far at the EU level and presented the outlines of the European Commission’s comprehensive and coordinated response to mitigate the impact of the COVID-19 outbreak. We discussed about the strategy to deal with health emergency needs, to support economic activity during the crisis and to prepare the ground for the long-term economic recovery. And most importantly, how to do so in a spirit of solidarity.

The discussion, moderated by WIL Europe’s President Thaima Samman, took place on June 3rd in the format of a webinar. She reminded the participants that WIL Europe serves as a platform, not only to meet and exchange, but also as a way to reflect upon crucial issues for the future of Europe and understand our institutions’ needs and ways to respond in such a particular time.

Marlene started by reminding how the European Commission has responded to the crisis with more than 300 concrete actions adopted since the beginning. Decisions concerning Member States’ coordination on health matters (which fall under Member States’ competence), border control or economic measures usually require long and complex negotiations. The priority of the Commission was to react immediately, ensuring funds available could be made accessible to Member States quicker and with more flexibility, and therefore addressing the crisis and reassure the financial markets.

As Member States start to ease restrictions on citizens and businesses, EU leaders and institutions have turned their attention towards the medium and long-term recovery of their economies. In late May, the Commission presented its proposals for a recovery plan and the multiannual financial framework for the 2021 – 2027 period.

Just as the COVID-19 disease affects some people far more than others, its economic impact on countries and regions differs considerably too, depending partly on their sectoral composition. The recovery plan must ensure a safe and healthy future for all. It is also the opportunity to invest in ways that jointly address the current health crisis, the economic crisis the pandemic has triggered, and the ongoing climate crisis.

The recovery plan proposed by the European Commission, which Member States will negotiate throughout the summer, is made of 3 pillars:

- Supporting Member States to recover (through eg the Recovery and Resilience Facility, REACT-EU, Rural development, Just Transition Facility, the European Semester)
- Kick-starting the economy and helping private investment (eg. Solvency support, Strategic investment facility, Strengthened InvestEU) together with EIB
- Learning the lessons from the crisis (New health programme, Reinforced RescEU, Reinforced programmes for research, External action support)

“The recovery plan turns the immense challenge we face into an opportunity, not only by supporting the recovery but also by investing in our future”.

To ensure the recovery is sustainable, even, inclusive and fair for all Member States and regions, the European Commission is proposing to create a new recovery instrument, Next Generation EU, embedded within a powerful, modern and revamped long-term EU budget: €750 billion to really boost the economy and cover for immediate needs.
You can find more detailed information about the Recovery plan for Europe [here](#); and about the new recovery instrument, Next Generation EU [here](#).

Reaching a rapid political agreement is necessary to give new dynamism to the recovery and equip the EU with a powerful tool to get the economy back on its feet and build for the future. But Marlene is optimistic, because the EU budget is uniquely placed to power a fair socio-economic recovery, repair and revitalize the Single Market, to guarantee a level playing field, and support the urgent investments, in particular in the green and digital transitions, which hold the key to Europe's future prosperity and resilience.

As EU’s economic recovery could be asymmetric, a degree of “solidarity” with vulnerable Member States must be in place, as well as focus on avoiding an increase in regional disparities. During the crisis, the EU has swiftly taken unprecedented decisions to temporarily relax the EU fiscal rules and the state aid frameworks to give Member States room to act.

“That’s in the interest of all of Europe – to [make sure that this global symmetric crisis does not transform into an asymmetric shock](#) to the detriment of Member States and regions with less possibility to help their economy and the EU’s competitiveness as a whole.”

Another crucial aspect the crisis highlights is that it might be time to strengthen the EU’s public health policy power. Drawing on the lessons learnt, a new EU health program named EU4Health aims to fill the gaps revealed by the pandemic. Member States are primarily competent for health policy, but the EU can complement, support national measures and adopt legislation in specific sectors. Besides management of crisis by strengthening Member States’ health systems and delivering better care, the €9.4 billion budget EU4Health program also aims to foster innovation and investment. You can find more information about this new health program [here](#).

As for gender policy, Marlene explained that the EU has mobilized several instruments, in and outside its territory, to ensure the protection of women and girls and the recognition of their role and leadership in tackling the crisis. She deplored the rise of domestic violence during the crisis, and reminded that even if there isn’t a clear action plan on gender equality, all actions are based on the EU’s fundamental values, including the principles of equality and non-discrimination, and address the needs of women and girls and of all vulnerable groups.

Finally, with the closedown of the borders within the European Union, we have seen EU’s weaknesses but also where its resilience comes from. A swift and coordinated return to a fully functional Schengen area is crucial to safeguard freedom of movement, one of the main achievements of European integration, and to ensure the EU’s economic recovery after the pandemic. Closing the borders was not an easy decision to take, but allowed the EU to preserve the single market.

[Report written by Aurélie Doré](#)