European Commission - Questions and answers





Questions and Answers on Emergency Support Instrument *

Brussels, 23 June 2020

What is the Emergency Support Instrument?

One of the principles of the European Union is solidarity among Member States. The Emergency Support Instrument (ESI) allows the EU budget to step in to provide emergency support to allow the Union as a whole to address the human and economic consequences of a crisis such as the ongoing pandemic.

In April 2020, the Council adopted the Commission's proposal to activate the ESI in response to the COVID-19 outbreak.

The ESI equips the EU with a broad toolbox to support Member States in their efforts to address the COVID-19 pandemic by responding to needs which can be best addressed in a strategic, coordinated manner at European level.

What is the budget available under the ESI?

The total ESI budget is €2.7 billion. Member States and other public and private donors are also able to make donations to the instrument.

What makes ESI different from other support measures?

The ESI is designed to be an agile instrument, with the flexibility needed to respond to the evolving needs as the EU moves from the immediate response phase to the pandemic to the managed exit, recovery and prevention phases. It targets actions where shared efforts at EU level can deliver the most impact in support of the <u>Joint European Roadmap towards lifting COVID-19 containment measures</u>.

The ESI is a complementary instrument: it intervenes on top of the efforts made under other EU instruments such as rescEU, the Joint Procurement Agreement and the Coronavirus Response Investment Initiative, as well as Member States' national efforts.

Who manages ESI and decides on which actions will be funded?

The ESI is managed centrally by the Commission.

ESI is a needs-based instrument, in line with the principle of solidarity. There is no pre-determined allocation per Member State. Based on needs, EU value added and in dialogue with Member States, the Commission decides on specific actions. The ESI priorities will be adjusted to changing needs as the situation evolves.

The ESI <u>Regulation (EU) 2020/521</u> sets the general framework and indicates the sorts of areas in which the ESI could intervene. Specific ESI actions to be implemented will be developed by the Commission in the coming months. They will be mainly implemented through grants and procurement and, in certain cases, with partner organisations.

What projects could be financed under ESI?

The range of areas in which the ESI can intervene is very broad since its scope covers the needs arising from addressing the pandemic. However, the ESI tool is to be used strategically and in complement to existing actions. It is not a bottom-up exercise for reimbursing expenses already incurred, including from individual companies or public bodies.

The ESI Regulation (EU) 2020/521 presents a list of indicative actions that could be pursued under the ESI. ESI could, for example, support the purchase and distribution of masks and ventilators to Member States, the transport of patients and medical equipment in cross-border regions, more resilient supply chains in the face of increased demand, or the timely availability of testing and vaccines for EU citizens.

All the latest information on the actions financed by the Emergency Support Instrument and their

implementation will be published on the **ESI** homepage.

How can Member States contribute to the setting of priorities under ESI?

The Commission maintains a close dialogue with Member States toensure their views and suggestions can be taken into account.

The Commission uses several channels to gather information from Member States on their needs, resources and ongoing initiatives to inform its assessment of the relevance and EU added value of potential actions.

This includes the Commission's engagement with Member States notably via the Integrated Political Crisis Response (IPCR) High-Level Roundtables, but also at the more sectoral level with the Health Security Committee (HSC) and the Civil Protection Committee (CPC).

The Commission also has contacts with the European Parliament and with other stakeholders.

What is the Commission approach for deploying ESI?

In setting priorities for ESI deployment, the Commission takes into account two guiding principles:

- 1) Delivering tangible results to make a difference on the ground, by providing fast and targeted support on the basis of needs;
- 2) Maximising EU added value the ESI acts strategically and proactively, mobilising resources in a sufficient scale to deploy them in areas where intervention at EU level will add value over what Member States can do individually.

Can ESI reimburse costs already incurred by Member States retroactively?

The ESI's main distinctive feature is its strategic focus on measures that can be deployed in a coordinated manner to deliver greater impact across the whole EU. So whilst the ESI Regulation would allow repayment of prior expenditure, the tool is intended to complement efforts made by Member States and under other EU instruments and to add value at EU level, rather than to reimburse Member States' individually incurred expenses.

Can third countries take part in ESI?

The ESI is an instrument of solidarity within the EU and its actions therefore focus on the 27 Member States.

The United Kingdom can benefit from the ESI during the transition period agreed as part of the Withdrawal Agreement.

Who can apply for ESI funding and how?

This depends on the implementation mechanism for each action under ESI. In some cases Member States will be the beneficiaries, for example when the European Commission procures medical equipment to distribute to Member States according to their needs, or organises transport for essential supplies. In other cases, the Commission could organise open calls to provide grants to companies or could procure their services. The Commission can also work through partners such as UN agencies or non-governmental organisations, for example when it comes to deploying medical teams.

What is the difference between ESI, rescEU and the Joint Procurement Agreement?

All three instruments are part of the Commission's wide-ranging response to the COVID-19 pandemic, which aims at strengthening the Union's resilience and improving the Union's preparedness for addressing any further wave of COVID-19 and future pandemics.

Under the Civil Protection Mechanism, the Commission has created a **strategic** <u>rescEU medical</u> <u>stockpile</u> and distribution mechanism with a budget of €380 million. The stockpile is hosted by several Member States and it is the hosting Member States which procure the stock on behalf of the Union. The Commission coordinates and manages the stockpile and funds up to 100% of its development and deployment. The stockpile enables the swift distribution of medical equipment such as ventilators, personal protective equipment, vaccines and therapeutics and laboratory supplies.

Through the **Joint Procurement Agreement**[1], Member States join forces and can negotiate better terms with the suppliers of medical equipment. The European Commission coordinates the exercise in collecting the needs of Member States, drafting the technical specifications, organising the launch

of the procurement procedure, assessing the tenders and awarding the contract(s). Each Member State uses then its national budget to purchase the equipment.

The **ESI** is a complementary instrument: it intervenes on top of the efforts made under rescEU and the Joint Procurement Agreement, or under other initiatives at national or EU level.

How are you going to report on how ESI money is being spent?

The Commission has set up a dedicated section on at the <u>ESI website</u> where the latest information on the actions financed by the Emergency Support Instrument and their implementation can be found.

[1] All EU Member States and EEA countries, along with the UK, Albania, Montenegro, North Macedonia, Norway, Serbia, Kosovo* and Bosnia and Herzegovina, are part of the Joint Procurement Agreement.

- * This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.
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