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Council gives green light to new rules for EU solidarity fund

The Permanent Representatives Committee[1] today approved a draft regulation aimed at making the EU solidarity fund more responsive and simpler to use. It herewith endorsed a compromise reached between the Greek presidency and representatives of the European Parliament last week.

The EU solidarity fund's purpose is to provide financial assistance in the event of natural disasters and express European solidarity to disaster-stricken regions within Europe.

The draft regulation approved today confirms this principle, but enables the EU solidarity fund to react much quicker than under the current rules. This is achieved via three means:

An amount up to a maximum of 50.00 million € of the solidarity fund may be mobilised as **advance payments** in order to meet the most urgent needs.

Ambitious deadlines are set and the steps of the procedure streamlined. Under the new rules, member states will have twelve weeks to submit their applications after the first occurrence of damage. The Commission will have to assess within 6 weeks whether the conditions for mobilising the solidarity fund are met and determine the amount of the possible financial assistance. The decision to mobilise the fund must be taken by the Council and the European Parliament as soon as possible following the submission of a Commission proposal.

[1] The Permanent Representatives Committee is composed of the ambassadors of the 28 EU member states. Its role is to prepare decisions of the Council.

P R E S S

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The **eligibility criteria for regional disasters are simplified**. The current soft criteria (major part of a region's population affected, serious and lasting repercussions on living conditions and economic stability) are replaced by a damage threshold of 1.5% of gross domestic product (GDP) of the region concerned. This will lead to considerable simplification, which in return will facilitate the Commission's assessment of such applications and thus help to speed up the decision-making and the paying out of grants. By way of derogation, the threshold for outermost regions has been set at 1.0% of GDP. The threshold for major natural disasters remains at 3.0 billion € (in 2011 prices) and 0.6% of a country's gross national income (GNI).

The draft regulation also strengthen the incentives for **disaster prevention and risk management**. If the Court of Justice concludes that a member state having benefitted from the solidarity fund for an earlier natural disaster failed to comply with the EU rules on disaster risk prevention and management the Commission may reject a further application of the same country or reduce the amount of financial assistance.

In order to enter into force the draft regulation still needs to be formally approved by the European Parliament at plenary and by the Council once the text has been revised by the lawyer-linguists.

Background

The solidarity fund is mobilised on the request of a member state or a candidate country when a natural disaster impacts on living conditions, the natural environment or the economy. The fund complements the efforts of the country concerned by covering a part of its expenditure for essential emergency and recovery operations, such as the restoration of infrastructure, the provision of temporary housing and the cleaning up of disaster-stricken areas.

Under the EU's multiannual financial framework for 2014-2020 the EU solidarity fund may be mobilised for an amount of up to 500.00 million € per year.

The EU solidarity fund has been set up in 2002 following the severe floods in Central Europe in the summer of the same year. Since then, it has been mobilised for 56 disasters covering different catastrophic events including floods, storms, forest fires, earthquakes and drought. Up to now, 23 countries have been supported from the fund for a total amount of almost EUR 3.6 billion. List of interventions since 2002.
