

Special Instruments

European Union Solidarity Fund (EUSF)

Lead DG: REGIO

I. Overview

What the programme is about?

The European Union Solidarity Fund (EUSF), created in 2002, can be mobilised in the event of major and regional disasters upon application from the national authorities of the country concerned; the Commission may not activate it upon its own initiative. Financial assistance from the EUSF is awarded from appropriations raised by the budgetary authority (Council and European Parliament) over and above the normal EU budget. This ensures that in each case EUSF aid comes as an expression of solidarity with the full backing of Member States and the Parliament, not just as an administrative act of the Commission.

EU added value of the programme

Solidarity is one of the core values of the European Union and a guiding principle of the European integration process. The European Union Solidarity Fund (EUSF), is one of the most concrete demonstrations of solidarity between Member States in acute times of need caused by the occurrence of a severe **natural** disaster by providing financial assistance to Member States and to countries negotiating their accession to the EU.

Implementation mode

The EUSF financial contribution helps alleviate national/regional budgets from the financial burden inflicted on them by the need to respond to natural disasters. It is implemented under the principle of shared management (indirect management for eligible non-Member States) and can be used to (re-)finance emergency measures from day one of the disaster. Eligible measures include the restoration to working order of basic infrastructure, providing temporary accommodation and funding rescue services to help the population affected, securing of preventive infrastructure, protection of the cultural heritage and cleaning-up operations. In order to have greater budgetary effect there is no national co-financing requirement.

II. Programme Implementation Update

Implementation Status (2017-2019)

The EUSF is activated upon request of an eligible State when major or regional natural disasters eligible for EUSF aid occur, such as earthquakes, floods, droughts, forest fires, storms, etc. Eligibility is essentially determined by total direct damage which must exceed a threshold specific to each Member State/country negotiating EU accession or region at NUTS level 2. The number and size of eligible disaster determines the amount of spending in a given year. The total annual budgetary allocation to the Fund which is laid down in the multi-annual financial framework is a ceiling rather than a spending target. The EUSF is therefore not programmable for example like the ESI Funds, as it entirely depends on the unpredictable occurrence, nature and magnitude of these disasters.

In 2019, the Commission received four applications. The first application came from Austria and related to extreme weather conditions of 2018. Austria received the payment of the EUSF financial contribution amounting to EUR 8 154 899 in October 2019.

The second application came from Greece and related to the storm in Crete early 2019. Greece received the advance payment of the EUSF financial contribution amounting to EUR 455 252 in August 2019 and the balance payment amounting to EUR 4 097 265 in February 2020.

The third application was submitted by Portugal and related to hurricane Lorenzo in the Azores in 2019. After a preliminary assessment, Portugal received the advance payment of the EUSF financial contribution amounting to EUR 821 270 in late December 2019. The balance payment amounting to EUR 7 391 427 will be paid when the findings are confirmed and the Fund is mobilised by the budget authority.

Finally the fourth application in 2019 came from Spain and related to extreme weather at the end of 2019. On the basis of the preliminary assessment, the financial contribution from EUSF is likely to amount to EUR 56 743 358. The advance of 10 % of the anticipated financial contribution from the Fund amounts to EUR 5 674 336.

In 2018, the Commission received four applications, namely from Bulgaria relating to flooding in 2017, from Cyprus relating to the drought in 2017- 2018, from Italy relating to the floods of 2018 and from Romania relating to flooding of 2018. Bulgaria received the payment of the EUSF financial contribution amounting to EUR 2.258 million in November 2018 while the application from Cyprus was found not to meet the criteria and consequently had to be rejected. The assessment of the 2 other cases continued into 2019.

Since 2015, under the terms of the EUSF Regulation as revised in 2014, Member States, when submitting their EUSF application, have the possibility to request an advance payment of 10 % of the anticipated aid amount, limited to a maximum of EUR 30 million. Accordingly, for their applications received during 2019 Greece, Portugal and Spain received 10 % advance payments. Austria did not request the payment of an advance.

For each case, following the adoption of the mobilisation decision by the budgetary authority and prior to making the payment, the Commission adopts an implementing decision addressed to the beneficiary State, specifying the conditions for the use of the money (with indicative amounts per measure). Spending is limited to the four types of eligible emergency and recovery operations laid down in the EUSF Regulation. Eligibility starts however from the first occurrence of the damage and costs (for emergency and recovery operations) taken before the Commission's decision may therefore be eligible for the intervention too. After the end of the 18 months implementation period, the beneficiary State has six months to present a report on the implementation of the financial contribution from the Fund with a statement justifying the expenditure incurred. It should be noted that the EUSF was not set up with the aim of meeting all the costs linked to natural disasters. The Fund is limited in principle to non-insurable damage and does not compensate for private losses. Long-term action – such as lasting reconstruction, economic redevelopment and prevention – are not eligible for EUSF aid. In most of the above cases, the beneficiary States decided to dedicate EUSF aid for the restoration of public infrastructure.

Key achievements

In 2019 the Commission paid out EUSF contributions amounting to EUR 293 551 794 for 3 applications relating to disasters which occurred in the course of 2018: namely flooding in Romania, severe weather in Italy, and severe weather in Austria. A total EUSF financial contribution of EUR 1 276 522 was also paid out as regards the applications from Greece (advance payment for storm in Crete early 2019) and from Portugal (advance payment for hurricane Lorenzo in the Azores in 2019).

In 2018 the Commission paid out EUSF contributions totalling EUR 151 889 676 for 9 applications relating to disasters which all occurred in the course of 2017: namely one case from France (hurricanes Irma and Maria), two cases from Greece (earthquakes in Lesbos and Kos), Latvia (flooding), Lithuania (flooding), Poland (storm), Portugal (major forest fires), Spain (fires in Galicia) and Bulgaria (flooding). Additional amounts totalling EUR 4 million had already been awarded as advance payments to France, Greece and Portugal during 2017.

After assessment of the implementation reports and independent audit opinions received for earlier EUSF cases, the Commission also closed one intervention concerning Italy (2011 flooding Liguria and Tuscany).

The EUSF contribution is determined by awarding 2,5 % for the part of total direct damage up to the 'major disaster' threshold and 6 % for the part of the damage exceeding the threshold; accordingly, for regional disasters and disasters accepted under the 'neighbouring country' provision, the EUSF contribution is 2,5 % of total direct damage. The overall impact of the EUSF is targeted on the affected population. However as, by its nature, the EUSF cannot follow the programme approach (unlike the ESI Funds), it is usually not possible to identify the specific part of the population or areas covered by the EUSF intervention alone as most emergency and recovery operations are substantially covered by the beneficiary State's own budget.

Evaluations/studies conducted

In September 2017 an external in-depth ex-post evaluation of the EUSF was launched and was completed in May 2019 with the adoption of the Staff Working Document (SWD (2019)187). The purpose of the ex-post evaluation was to assess the implementation and performance of the financial assistance provided by the EUSF over the period 2002-2016. The evaluation also assessed the synergies between the reformed EUSF and other EU policy instruments in contributing to strengthened measures for the prevention and management of natural disasters in beneficiary States. It is intended to enhance policy learning and ensure transparent communication on the implementation and performance of the instrument.

Between 2002 and 2017, the EU Solidarity Fund mobilised EUR 5.24 billion for interventions in 84 disaster events in 23 Member States and one accession country. Around 90 % of these resources were allocated to disasters generating significant damage at national level, primarily for assistance with earthquakes, floods and storms. The revision of the regulatory framework of the Fund in 2014 introduced a number of changes in the activity of the Fund, in particular the clarification of admissibility criteria for applications for regional disasters, the extension of the regulatory deadline for applications, the extension of the implementation period, and the introduction of advance payments. The evaluation confirms the effectiveness of the Fund, the effects of the 2014 reform, and the synergies between the EU Solidarity Fund and other EU policy instruments for disaster risk management. The analysis highlights also the stakeholders' perceptions of the Fund's EU added value, and its role in inspiring further policy developments in national systems for preparedness, prevention and management of disaster risks. The evaluation concludes that the EUSF is a valuable instrument in the EU toolkit for interventions in disaster situations, bringing EU added value to the post-disaster response in Member States and accession countries. It also calls for further consideration to be given to policy actions that increase the potential for the Fund to intervene.

The evaluation results were disseminated to the general public, national and regional authorities, the Council, the European Parliament, the Court of Auditors, as well as to stakeholders interested in the activities and the performance of the EUSF.

Forthcoming implementation

The occurrence of natural disasters cannot be predicted and applications are submitted if and when an eligible State decides to make an application following the ad hoc nature and impact of such natural disasters.

Outlook for the 2021-2027 period

Distinct from the ESI Funds the EU Solidarity Fund does not follow a programming approach. Its basic act is open ended and individual interventions of the Fund follow the unpredictable occurrence of disasters.

It is currently not envisaged to modify or replace Council Regulation 2012/2002 establishing the European Union Solidarity Fund in the foreseeable future or to introduce any significant changes in its mode of operation. The Commission has proposed to maintain its maximum annual budget allocation over the next financial framework at the current level.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Council Regulation (EC) No 2012/2002 of 11 November 2002 establishing the European Union Solidarity Fund, amended by Regulation (EU) No 661/2014 of the European Parliament and of the Council of 15 May 2014	2014 – 2020	

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	2020	Total Programme
Operational appropriations	126,7	82,8	81,5	1 241,2	181,6	343,6	50,0	2 107,4
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2. Implementation rates

	2019				2020			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	343,552	85,82 %	295,337	99,83 %	50,000	0,00 %	50,000	19,54 %
Authorised appropriations (*)	373,300	78,98 %	295,337	99,83 %	98,723	9,90 %	50,000	19,54 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2020

3. Performance information

Programme performance

Member States and regions are increasingly confronted with natural disasters, which often appear to be linked to climate change. In 2019, the EU Solidarity Fund (EUSF) continued to offer them vital support, adding to financial relief but also a clear and tangible sign of European solidarity to the populations affected. Close to EUR 296 million in EUSF assistance were thus awarded to 3 Member States in order to help them finance emergency and recovery operations. Furthermore, support from the EUSF helps to increase the Member States' and regions' resilience and preparedness to address the consequences of these natural disasters.

During 2019, the Commission received four new EUSF applications concerning flooding in Austria which occurred at the end of 2017 and originated in the same severe weather phenomenon for which Italy had requested EUSF assistance at the end of 2018, severe weather in Cyprus (Greece), hurricane Lorenzo affecting the Azores (Portugal), and severe weather and flooding in the southeast of Spain.

In the spring of 2019 REGIO completed the first ever evaluation on the EUSF; the Staff Working Document in May 2019.

This evaluation concludes that the European Union Solidarity Fund is a valuable instrument in the EU toolkit for interventions in disaster situations, bringing EU added value to the post-disaster response in Member States and accession countries. The evaluation also calls for further consideration to be given to policy actions that increase the potential for the Fund to intervene.

Specific objectives

Specific Objective 1: To grant financial assistance to Member States or countries negotiating their accession to the EU in the event of a major natural disaster with serious repercussions on living conditions, the natural environment or the economy for the financing of emergency operations undertaken by the public authorities in support of the affected population

Indicator 1: Number of population helped in overcoming a crisis situation where their living conditions have been affected								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
	Milestones foreseen							
							100 %	100 %

Actual results							
				Italy severe earthquakes of 2016/2017 which was fully paid from 2017 and 2018 allocation frontloaded in accordance with Article 10(2) of the MFF regulation. 10 EUSF applications were received, of which 8 were accepted in 2018, 2 were rejected. Advance payments for 3 cases were executed in 2017.	Payments for 8 EUSF applications from 2017 were executed. 4 new EUSF applications were received, from which 3 are still in the progress of assessment and 1 was paid in 2018.	4 EUSF applications were received. The EUSF financial contribution of EUR 293 551 794 was mobilised for 3 applications in 2018: flooding in Romania, severe weather in Italy and Austria. An additional payment of EUR 1 276 522 was also mobilised for the advance payments regarding Greece (Crete 2019) and Portugal (hurricane Lorenzo 2019).	

Narrative: The EU Solidarity Fund was set up to enable the EU to respond to natural disasters and help a Member State affected to bear the financial burden that is the consequence of the disaster and exceeds a certain order of magnitude. The Solidarity Fund can be used for emergency assistance to the population including for temporary accommodation, for restoring essential infrastructure, cleaning-up operations, and for the protection of cultural heritage assets from further damage. Damage to private property, including businesses, is however not covered.

2017: 10 EUSF applications: From Spain for the Galicia fires of 2017; From Portugal for the fires of 2017; From Greece for the Lesbos and Kos earthquake 2017; From Poland for the storm of 2017; From Latvia for the flooding of 2017; From Lithuania for the flooding of 2017 and; From France relating to hurricanes Irma and Maria of 2017.

2018: 1 paid application: From Bulgaria relating to Burgas flooding of 2017.

2019: 4 EUSF applications: From Austria related to extreme weather conditions of 2018; From Greece related to storm in Crete of 2019; From Portugal related to hurricane Lorenzo in the Azores of 2019; From Spain related to extreme weather of end 2019.

Comment: 10 applications were received in 2017, two were rejected and 8 applications were still in the progress of assessment by the end of 2017. Award decisions and commitments were done in 2018. For 4 applications received in 2018, one award decision was adopted in 2018 and commitment/payment was done in the same year.

Unit of measure: Percentage of population affected and eligible under the EUSF Regulation upon the Member States' request, but due to availability of data it measures applications from Member States.

Expenditure related outputs

Outputs	Budget line	Budget 2020	
1.Number of applications received and assessed	130601		
	130602		
2.Number of award decisions adopted and commitments done	130601		
	130602		
3.Overall committed amount			