



EUROPEAN COMMISSION

DIRECTORATE-GENERAL FOR REGIONAL AND URBAN POLICY
DIRECTORATE-GENERAL FOR EMPLOYMENT, SOCIAL AFFAIRS AND INCLUSION
DIRECTORATE-GENERAL FOR AGRICULTURE AND RURAL DEVELOPMENT
DIRECTORATE-GENERAL FOR MARITIME AFFAIRS AND FISHERIES

Deputy Directors-General

Brussels,
REGIO/ddg.03

Subject: LEADER and Community-led local development in times of COVID-19 outbreak

Ref.: Your letter - Ares (2020)1980411

Dear Ms Eckardt

Thank you for your letter demonstrating, once again, ELARD's strong commitment to the well-being of local communities. Your proactive approach is highly appreciated and we believe that LEADER / CLLD Local Action Groups (LAGs) have a role to play in this unprecedented situation. According to capacities and based on the local needs, LAGs can facilitate community involvement in actions related to crisis management. The LAGs are also well placed to help in the aftermath of the emergency, when adapted local approaches will be vital to support the recovery.

The COVID-19 outbreak represents an unprecedented challenge – for nations and local communities alike. To mitigate its social and economic impact, the Commission proposed, on 13 March, the first batch of its Coronavirus Response Investment Initiative (CRII). This initiative, consisting in directing EUR 37 billion under Cohesion policy and providing a number of flexibilities in the legal framework¹ was adopted by the European Parliament and the Council on 30 March 2020 and entered into force on 1 April 2020².

¹ https://ec.europa.eu/regional_policy/en/newsroom/coronavirus-response

² Regulation (EU) 2020/460 of the European Parliament and of the Council of 30 March 2020 amending Regulations (EU) No 1301/2013, (EU) No 1303/2013 and (EU) No 508/2014 as regards specific measures to mobilise investments in the healthcare systems of Member States and in other sectors of their economies in response to the COVID-19 outbreak (Coronavirus Response Investment Initiative)

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Furthermore, on 2 April, the Commission proposed the second package of the Coronavirus Response Investment Initiative (CRII Plus), which aims at a radical financial flexibility and administrative simplifications³. Again, this proposal was very quickly adopted by the co-legislators and entered into force on 24 April⁴.

Member States are able to use money from the European Regional Development Fund (ERDF), the Cohesion Fund and the European Social Fund (ESF) to invest in their healthcare systems and disease prevention; e.g. through purchase of health equipment, medical devices and medicines, testing and treatment facilities, e-health and protective equipment, and secure the working environment in the sector. In addition, they will be able to use the ERDF to help companies tackle short-term financial shocks linked to the Coronavirus crisis, and the ESF to, for example, temporarily support national short-time working schemes to help cushion the impact of the shock.

Similar flexibility is proposed for the European Maritime and Fisheries Fund along with specific measures to mitigate the impact of the COVID-19 outbreak in the fishery and aquaculture sector. As well as increased flexibility of financial resource allocation, the package's most notable features are support for the temporary cessation of fishing activities, and enhanced support to aquaculture farmers and producer organisations – all eligible from 1 February to 31 December 2020.

On 30 April 2020, the Commission adopted an exceptional temporary relief to farmers and SMEs under the rural development fund (EAFRD). Member States with uncommitted rural development funds can thus pay lump sums to farmers and small agri-food businesses before the end of 2020. This should provide immediate relief to those most impacted by the crisis. Member States can offer support of up to EUR 5,000 per farmer and EUR 50,000 per small business. This proposal is now with co-legislators and we hope they will consider it under the accelerated procedure. This comes on top of the possibilities available to MS to use de-minimis aid for the agricultural sector and the increased state aid ceiling previously adopted.

Furthermore, the managing authorities in the Member States have been reminded of the other existing possibilities to use their Rural Development Programmes and the remaining financial resources to mitigate the socio-economic impact of the crisis and help farmers and rural communities to confront challenges emerging from the COVID-19 crisis.

To support the implementation of the CRII, the Commission has established a Task Force to serve as a one-stop shop for Member State questions, mutual learning and advice. In addition, an extensive webpage⁵ accessible to managing authorities was created, gathering replies to more than 200 questions received from Member States.

Should issues arise related to CLLD in Member States regarding the commitment and execution of current programmes, we would advise that they are raised first to the attention of the respective managing authorities.

³ https://ec.europa.eu/regional_policy/en/newsroom/news/2020/04/04-02-2020-coronavirus-response-investment-initiative-plus-new-actions-to-mobilise-essential-investments-and-resources

⁴ Regulation (EU) 2020/558 of the European Parliament and of the Council of 23 April 2020 amending Regulations (EU) No 1301/2013 and (EU) No 1303/2013 as regards specific measures to provide exceptional flexibility for the use of the European Structural and Investments Funds in response to the COVID-19 outbreak.

⁵ <https://webgate.ec.europa.eu/fpfis/wikis/display/CORONAVIRUSRII/Coronavirus+Response+Investment+Initiative>

The Commission is working tirelessly to support Member States in programming measures in response to the crisis and making use of the flexibility at the level of programmes and eligibility rules, and all ESI Fund DGs are closely coordinating and are ready to help.

As regards the timetable for the next programming period, the Commission remains convinced of the need to resume negotiations on the multiannual financial framework as soon as possible and our priority is the continuation of negotiations with Member States regarding their future programmes post 2020.

Negotiations on the Common Provisions Regulation and the fund-specific regulations in the fields of cohesion and social policies are quite advanced and we continue working towards the speedy adoption of the new the CAP legal framework. The proposed possibility for Member States/regions to opt for a one-year-extension of their current Rural Development Programmes should help for a smooth transition towards the new CAP Strategic Plans.

With regard to your concerns about stakeholders' involvement in the design of the future CAP Strategic Plans and cohesion policy programmes, let us reassure you that we remain convinced of the added value of these consultations for programmes, and are committed to the partnership principle and its implementation. The Member States will be required to provide information on the partner consultation in their cohesion policy programmes and CAP Strategic Plans, which will be examined ahead of their adoption.

Finally, together with the European Network for Rural Development we are looking into ways to stimulate and support discussion on LEADER and other rural stakeholders' engagement in the current context. We are already collecting and sharing examples of rural communities' responses to the current crisis on the ENRD website⁶ and would welcome further examples from LEADER stakeholders which may help encourage and inspire other rural areas in this challenging period. You will be certainly informed in due time about any further initiative and we will appreciate your contribution in this respect.

Yours faithfully

Normunds POPENS
(*e-signed*)

Mihail DUMITRU
(*e-signed*)

Andriana
SUKOVA(*e-*
signed)

Veronika VEITS
(*e-signed*)

⁶ https://enrd.ec.europa.eu/news-events/news/how-your-rural-community-responding-crisis_en and https://enrd.ec.europa.eu/news-events/news_en