



Committee of the Regions

COTER-V-044

104th plenary session, 28-29 November 2013

OPINION

European Union Solidarity Fund

THE COMMITTEE OF THE REGIONS

- regards the European Union Solidarity Fund as the main instrument with which the Union can respond to serious disasters occurring within Member States or countries negotiating accession, thus demonstrating its solidarity with disaster-stricken countries, regions and municipalities;
- notes that the existing fund has generally proved a success, though it could be made to work better, especially by simplifying the red tape involved in releasing fund resources so as to substantially cut the time lapse between a disaster and the provision of assistance. The fund's rules could be more transparent and it could respond better to the needs of affected areas. In this regard, welcomes the Commission's proposals, which help to speed up and better target fund assistance;
- welcomes the Commission's attempt to simplify the definition of regional disasters by introducing a clear criterion based on GDP, proposes however to set the threshold for eligibility for assistance in the event of regional disasters at 1.0% of regional GDP for the NUTS 2 concerned;
- points out that disasters happen in areas that largely do not coincide with the areas defined as NUTS 2. Proposes, therefore, to introduce a criterion for regional disasters at NUTS 3 level for instances in which a number of neighbouring NUTS 3 regions are afflicted that together form an area corresponding in size to a NUTS 2 area;
- proposes also to use this criterion for NUTS 3 level in defining exceptional cross-border natural disasters, noting that in these cases EU intervention would have considerable added value and would send a clear, positive message to citizens;
- proposes to more precisely define the fund's eligible operations and include the possibility of funding not only the repair of infrastructure, but also its restoration to a standard that is able to better withstand natural disasters in future, as well as its relocation to a more suitable place;
- welcomes the Commission's proposal catering for slowly unfolding disasters, such as droughts, but points out that long-lasting floods should also be addressed, proposes introducing for these disasters the option of submitting applications within ten weeks of the threat of a natural disaster ceasing;
- proposes extending to 24 month the time limit for using the contribution from the fund, since repair to essential infrastructure and the restoration of essential services and supplies can be lengthy given the need to provide the necessary documentation and to follow regulations on public tendering.

Rapporteur-general

Mr Branda (CZ/ECR), Deputy Mayor of Rádlo

Reference document

Proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EC) No 2012/2002 establishing the European Union Solidarity Fund
COM(2013)522 final

Opinion of the Committee of the Regions – European Union Solidarity Fund

I. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

General comments

1. regards the European Union Solidarity Fund (hereafter "the fund") as the main instrument with which the Union can respond to serious disasters occurring within Member States or countries negotiating accession, thus demonstrating its solidarity with disaster-stricken countries, regions and municipalities (Article 222 of the Treaty on the Functioning of the European Union (TFEU));
2. notes that the existing fund has generally proved a success, though it could be made to work better, especially by simplifying the red tape involved in releasing fund resources so as to substantially cut the time lapse between a disaster and the provision of assistance. The fund's rules could be more transparent and it could respond better to the needs of affected areas;
3. regrets that the European Commission proposes that the maximum annual allocation for the fund remains unchanged since 2002 at EUR 500 million (2011 prices) which puts at risk that assistance is available for all major disasters, especially given the ever increasing frequency of these;

Subsidiarity and proportionality

4. considers the current regulations and the proposed changes to be compatible with the subsidiarity and proportionality principles;

Relevance at local and regional level

5. stresses the fact that major natural disasters have a devastating effect, especially on the municipalities and regions they afflict, often severely damaging core infrastructure and natural and cultural heritage in stricken areas;
6. notes that local and regional authorities usually own the damaged infrastructure and are therefore responsible for its repair. They are also responsible for rescue services, providing temporary accommodation for those evacuated and for cleaning up affected areas;
7. therefore takes the view that, although Member States and accession countries are the prime recipients of assistance from the fund, this support is in the end intended to fund measures at regional and local level;

8. stresses that the most important thing for regional and local authorities is the swiftness of the fund's reaction and the targeting of available funding so as to cover real needs as fully as possible;
9. for this reason, warmly welcomes the Commission's proposals, which help to speed up and better target fund assistance, and sets out a number of important recommendations for local and regional authorities in particular;
10. draws attention to the need to take into account the particular situation of the outermost regions, which are more vulnerable to extreme weather;

Scope of the fund (Article 2)

11. welcomes clarification of the scope of the fund, which removes the current legal uncertainty and so prevents submission of applications that do not meet the conditions;

Mobilisation of the fund in the case of extraordinary regional disasters (Article 2)

12. welcomes the Commission's attempt to simplify the definition of a regional disaster by introducing a clear criterion based on GDP. This new definition will make it easier for the Commission to assess applications and will help to improve transparency and efficacy. It will be easier for potential applicants to judge whether a particular disaster entitles them to assistance;
13. proposes that the figure for eligibility for assistance in the event of regional natural disasters be set at 1.0% of regional GDP for the NUTS 2 concerned. In the Committee's opinion, this criterion would better reflect the intention of providing more or less the same volume of aid for regional natural disasters;
14. considers that the indicators quoted should be adjusted for natural disasters occurring in any of the islands in the NUTS 2 archipelago regions to prevent any purely regional consideration from making the fund inoperative in such cases;

Defining the regional criterion for mobilisation of the fund at NUTS 3 level (Article 2)

15. points out that, given the ever greater concentration of disasters in areas that largely do not coincide with areas defined (in some Member States merely administratively) as NUTS 2, but that exceed the borders of a number of such regions, focussing the regional criterion only on NUTS 2 areas risks a lack of objectivity;
16. proposes introducing a criterion for regional disasters at NUTS 3 level for instances in which a number of neighbouring NUTS 3 regions are afflicted that together form an area corresponding in size to a NUTS 2 area (min. 800 000 population). In this case, the

consequent GDP level should be calculated from the weighted average of the NUTS 3 regions concerned;

Exceptional crossborder natural disasters (Article 2)

17. points out that many disasters are crossborder and that in these cases EU intervention would have considerable added value and would send a clear, positive message to citizens;
18. proposes that the criterion for NUTS 3 level set out above should be used in defining exceptional crossborder national disasters in which neighbouring NUTS 3 regions could be from several countries;

Definitions of eligible operations (Article 3)

19. welcomes the possibility of the fund being used not only for "immediate" operations, but also for those directly related to the disaster that might be longer term in nature;
20. points out that, following a disaster, the local and regional levels have a real need to restore infrastructure to a level where it can better withstand disasters in future and in some cases to relocate such infrastructure to a more suitable place;
21. proposes that the fund's eligible operations be more precisely defined and that they include the possibility of funding not only the repair of infrastructure, but also its restoration to a standard where it is better able to withstand natural disasters in future. The Committee also proposes that the fund's eligible operations include relocation of infrastructure currently in a location at risk of further natural disasters;

Technical assistance (Article 3)

22. points out that, for some local and regional authorities, the use of outside technical assistance is often vital in coping with a disaster and the work needed to restore the area;
23. proposes making expenditure on outside technical assistance an eligible expenditure of the fund up to a maximum of 2% of the total fund contribution;

Time limit to submit applications (Article 4)

24. points out that preparation of applications, especially assessing damage and collecting evidence to back up applications, is very time-consuming for the public bodies responsible at a time when they are mounting a necessary response to a disaster. The situation is all the more demanding with disasters that unfold gradually, such as not only drought, but also, for example, floods, which sometimes last several weeks or even months, with any assessment of

damage only possible once the water has subsided. The seriousness of the disaster can thus only be ascertained afterwards;

25. therefore welcomes the Commission's proposal catering for slowly unfolding disasters;
26. at the same time points out that the proposal for legislation retains the current provisions where other natural disasters are concerned and does not address difficulties in preparing applications relating to flooding of long duration;
27. for this reason proposes, for these lengthy floods, introducing the option of submitting applications within ten weeks of the threat of a natural disaster ceasing (for example, with the repeal of a state of emergency declared by a Member State or regional authority, etc.);

Provisions encouraging disaster prevention (Article 4)

28. agrees with the Commission that adopting urgent essential prevention measures in the event of natural disaster is absolutely crucial and such measures must be constantly improved;
29. expresses concern that the obligation to include information about the prevention of disaster risk in the application may not only constitute an increased administrative burden for the applicant, but also cause a delay in drafting and submitting the application. This would be at odds with the original aim of simplifying the red tape involved in mobilising this fund;
30. proposes that applicants only be required, when preparing their application, to provide a brief description of the implementation of Union legislation (Article 4(1)(e)) and that the requirement for additional information (Article 4(1)(f)) be dropped, since it is included in the report on the implementation of the contribution from the fund;

Introduction of advance payments (Article 4a)

31. welcomes the Commission's proposal to introduce the possibility of advance payments to enable the fund to respond rapidly, but suggests that the system of advance payments operate outside the Multiannual Financial Framework and the structural funds specifically proposed;

Extending time limits for use of contributions from the fund (Article 8)

32. welcomes the Commission's intention to speed up the administrative process of approving assistance from the fund so that it reaches stricken areas more swiftly, but points out in this regard that the actual period available for using this contribution is shorter;
33. proposes extending to 24 months the time limit for using the contribution from the fund, especially since repair to essential infrastructure and the restoration of essential services and

supplies can be lengthy given the need to provide the necessary documentation and to follow regulations on public tenders;

Use of simplification tools

34. European bodies and national, regional and local authorities have made repeated calls for the need to simplify management as much as possible to allow for performance orientation¹. This simplification is all the more necessary in the case of the Solidarity Fund which operates in situations of extreme emergency and which includes in its admissible costs those intended for meeting immediate personal needs. It would thus be desirable to include the use of unit costs in expenditure not intended for restoring infrastructures but for meeting the needs of the individuals affected.

II. RECOMMENDATIONS FOR AMENDMENTS

Amendment 1

Recital 11

<i>Commission text</i>	<i>CoR amendment</i>
The Fund should contribute to the restoration of infrastructure to working order, to the cleaning up of disaster stricken zones and to the costs of the rescue services and for temporary accommodation for the population concerned during the whole implementation period. The time-span during which the accommodation of people made homeless by the disaster may be considered temporary should also be defined.	The Fund should contribute to the restoration of infrastructure to working order <u>or to a state in which it will be better able to withstand natural disasters, including relocation</u> , to the cleaning up of disaster stricken zones and to the costs of the rescue services and for temporary accommodation for the population concerned during the whole implementation period. The time-span during which the accommodation of people made homeless by the disaster may be considered temporary should also be defined.

Reason

Echoes the recommendation for amendment 7 to Article 3 paragraph 2.

¹ Inter alia, the Committee of the Regions opinion on "Recommendations for better spending", October 2013 (CDR 3609-2013_00_00_AC).

Amendment 2

Recital 13

<i>Commission text</i>	<i>CoR amendment</i>
It should also be specified that eligible operations should not include expenditure for technical assistance.	It should also be specified that eligible operations should not include expenditure for technical assistance.

Reason

For some local and regional authorities, the use of outside technical assistance is often vital in coping with a disaster and the work needed to restore the area. The Committee of the Regions proposes making expenditure on outside technical assistance an eligible expenditure of the fund up to a maximum of 2% of the total fund contribution. An amendment to Article 3(5) is proposed in this connection.

Amendment 3

Recital 15

<i>Commission text</i>	<i>CoR amendment</i>
Certain types of natural disaster, such as droughts, are developing over a longer period of time before their disastrous effects are felt. Provision should be made to allow the use of the Fund also in such cases.	For c Certain types of natural disaster, such as droughts, <u>that are developing over a longer period of time before their disastrous effects are felt, or floods that are in the nature of sustained disasters,</u> Pprovision should be made to allow the use of the Fund also in such cases.

Reason

The preparation of applications, especially assessing damage and collecting evidence to back up applications, is very time-consuming for the public bodies responsible at a time when they are mounting a necessary response to a disaster. The situation is all the more demanding with disasters that unfold gradually, such as not only drought, but also, for example, floods, which sometimes last several weeks or even months, with any assessment of damage only possible once the water has subsided. The seriousness of the disaster can thus only be ascertained afterwards. Although the proposal for a regulation takes account of slowly unfolding disasters, it retains the current provisions where other natural disasters are concerned and does not address difficulties in preparing applications relating to flooding of long duration. The addition of a new paragraph to Article 4 is therefore proposed.

Amendment 4

Article 2(3)

<i>Commission text</i>	<i>CoR amendment</i>
For the purposes of this Regulation, a 'regional natural disaster' shall mean any natural disaster resulting, in a region of a Member State or a country involved in accession negotiations with the Union at NUTS 2 level, in direct damage in excess of 1,5 % of the region's gross domestic product (GDP). Where the disaster concerns several regions at NUTS 2 level, the threshold shall be applied to the weighted average GDP of those regions.	For the purposes of this Regulation, a 'regional natural disaster' shall mean any natural disaster resulting, in a region of a Member State or a country involved in accession negotiations with the Union at NUTS 2 level, <u>or at the level of several directly neighbouring NUTS 3 regions that together form an area possessing the minimum characteristics of a NUTS 2 region</u> , in direct damage in excess of 1,5 % <u>1,0 %</u> of the region's gross domestic product (GDP). Where the disaster concerns several regions at NUTS 2 <u>or NUTS 3 level</u> , the threshold shall be applied to the weighted average GDP of those regions.

Reason

The main reason for setting the threshold for regional natural disasters at 1.5% was to arrive at almost identical outcomes to decisions taken in the past based on relatively imprecise criteria. When this criterion was used, however, no assistance was provided in the case of two regional natural disasters for which applications were in fact accepted (a volcano eruption in Sicily in 2003 causing damage equivalent to 1.36% of regional GDP and floods in the Rhône delta in 2004 with damage at 1.05% of GDP). With such high thresholds it will be impossible to secure the outcomes that the public and the victims of disasters expect. The Committee therefore proposes lowering the threshold to 1.0%.

The proposal for a regulation uses NUTS 2 as the reference unit for defining regional natural disasters. points out that, given the ever greater concentration of disasters in areas that largely do not coincide with areas defined (in some Member States merely administratively) as NUTS 2, but that exceed the borders of a number of such regions, focussing the regional criterion only on NUTS 2 areas risks a lack of objectivity. For this reason, the Committee of the Regions proposes extending the criterion to NUTS 3 level for cases in which a number of directly neighbouring NUTS 3 regions are afflicted that together form an area that by its nature meets at least the minimum criterion for defining a NUTS 2 area (min. 800 000 population). In this case, the consequent GDP level should be calculated from the weighted average of the NUTS 3 regions concerned.

Amendment 5

Article 2, new paragraph after paragraph 3

<i>Commission text</i>	<i>CoR amendment</i>
	<u>For the purposes of this Regulation, a "crossborder natural disaster" shall mean any natural disaster resulting, in a region of a Member State or a country involved in accession negotiations with the Union, at the level of directly neighbouring NUTS 3 regions that together form an area possessing the minimum characteristics of a NUTS 2 region, in direct damage in excess of 1.0 % of the weighted average of the gross domestic product (GDP) of these regions.</u>

Reason

Many disasters are crossborder. Action by the EU would deliver considerable added value in these cases and send a clear, positive signal to the public. For this reason, the Committee of the Regions proposes adding a new criterion for a "crossborder natural disaster". This criterion would be assessed at the level of NUTS 3 regions from a number of Member States or countries negotiating their accession to the EU. In this case, the gravity of the disaster would be judged in a number of directly neighbouring NUTS 3 regions that together form an area meeting the criterion for a NUTS 2 region (min. 800 000 population). In this case, the consequent GDP level should be calculated from the weighted average of the NUTS 3 regions concerned. The eligible recipients would be the countries in which the region as so defined was located.

Amendment 6

Article 2 (4)

<i>Commission text</i>	<i>CoR amendment</i>
4. Assistance from the Fund may also be mobilised for any natural disaster in an eligible State which is a major natural disaster in a neighbouring Member State or a country involved in accession negotiations with the Union.	4. Assistance from the Fund may also be mobilised for any natural disaster in an eligible State which is a major natural disaster <u>or a regional natural disaster</u> in a neighbouring Member State or a country involved in accession negotiations with the Union.

Reason

The possibility for neighbouring Member States to claim for damages caused by a "major natural disaster" without having to meet the criteria themselves must also apply to "regional natural disasters". If not, it would be incompatible with what Europe stands for.

Amendment 7

Article 3(2)

<i>Commission text</i>	<i>CoR amendment</i>
<p>The aim of the Fund is to complement the efforts of the States concerned and to cover part of their public expenditure in order to help the eligible State to carry out the following essential emergency and recovery operations, depending on the type of disaster:</p> <p>(a) restoring the working order of infrastructure and plant in the fields of energy, water and waste water, telecommunications, transport, health and education;</p> <p>(b) providing temporary accommodation and funding rescue services to meet the needs of the population concerned;</p> <p>(c) securing of preventive infrastructures and measures of protection of the cultural heritage;</p> <p>(d) immediate cleaning up of disaster-stricken areas, including natural zones.</p> <p>For the purposes of point (b), "temporary accommodation" shall mean accommodation lasting until the population concerned is able to return to their original homes following their repair or reconstruction.</p>	<p>The aim of the Fund is to complement the efforts of the States concerned and to cover part of their public expenditure in order to help the eligible State to carry out the following essential emergency and recovery operations, depending on the type of disaster:</p> <p>(a) restoring the working order of infrastructure and plant in the fields of energy, water and waste water, telecommunications, transport, health and education;</p> <p>(b) providing temporary accommodation and funding rescue services to meet the needs of the population concerned;</p> <p>(c) securing of preventive infrastructures and measures of protection of the cultural heritage;</p> <p>(d) immediate cleaning up of disaster-stricken areas, including natural zones.</p> <p><u>For the purposes of point (a), "restoration" shall be understood to mean restoring to a state in which it will be better able to withstand natural disasters, including relocation of such infrastructure projects in cases where they are clearly sited in a place at risk of further natural disaster.</u></p> <p>For the purposes of point (b), "temporary accommodation" shall mean accommodation lasting until the population concerned is able to return to their original homes following their repair or reconstruction.</p>

Reason

The fund normally supports the restoration of damaged infrastructure to its original state. However, regions have become aware of new insights regarding essential precautions against natural disasters which argue for the relocation of some infrastructure projects, such as motorways or main rail lines of supra-regional importance. At the same time, repair of heavily damaged infrastructure elements, such as bridges, requires vital investment to eliminate the risk of their being damaged in a subsequent natural disaster. In these cases, merely returning such infrastructure to its previous condition is inadequate and counterproductive.

Amendment 8

Article 3(5)

<i>Commission text</i>	<i>CoR amendment</i>
Technical assistance, including management, monitoring, information and communication, complaint resolution, and control and audit, is not eligible for a contribution from the Fund.	<u>Outside t</u> Technical assistance, including management, monitoring, information and communication, complaint resolution, and control and audit, is not eligible for a contribution from the Fund <u>of up to a maximum of 2% of the total Fund contribution.</u>

Reason

For some regional authorities, the use of outside technical assistance is often vital in coping with a disaster and the work needed to restore the area; The Committee of the Regions proposes making expenditure on outside technical assistance an eligible expenditure of the fund up to a maximum of 2% of the total fund contribution.

Amendment 9

Article 4(1)

<i>Commission text</i>	<i>CoR amendment</i>
As soon as possible and no later than ten weeks after the first occurrence of damage as a consequence of a natural disaster, a State may submit an application for a contribution from the Fund to the Commission providing all available information on, at least: (a) the total direct damage caused by the disaster and its impact on the population, the economy and the environment concerned; (b) the estimated cost of the operations referred to in Article 3(2);	As soon as possible and no later than ten weeks after the first occurrence of damage as a consequence of a natural disaster, a State may submit an application for a contribution from the Fund to the Commission providing all available information on, at least: (a) the total direct damage caused by the disaster and its impact on the population, the economy and the environment concerned; (b) the estimated cost of the operations referred to in Article 3(2);

<p>(c) any other sources of Union funding;</p> <p>(d) any other sources of national or international funding, including public and private insurance coverage which might contribute to the costs of repairing the damage;</p> <p>(e) the implementation of Union legislation on disaster risk prevention and management related to the nature of the disaster;</p> <p>(f) any other relevant information on prevention and mitigation measures taken related to the nature of the disaster.</p>	<p>(c) any other sources of Union funding;</p> <p>(d) any other sources of national or international funding, including public and private insurance coverage which might contribute to the costs of repairing the damage;</p> <p>(e) <u>a brief description of</u> the implementation of Union legislation on disaster risk prevention and management related to the nature of the disaster;</p> <p>f) any other relevant information on prevention and mitigation measures taken related to the nature of the disaster.</p>
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Reason

The obligation to include information about the prevention of disaster risk in the application may not only constitute an increased administrative burden for the applicant, but also cause a delay in drafting and submitting the application. This would be at odds with the original aim of simplifying the red tape involved in mobilising this fund. The Committee of the Regions therefore proposes that Article 4(e) be retained but limited merely to a brief description of the implementation of Union legislation and that Article 4(f) be deleted, since the same information is provided in the a report on the implementation of the contribution from the Fund (Article 8(3)).

Amendment 10

Article 4, new paragraph after paragraph 1a

<i>Commission text</i>	<i>CoR amendment</i>
	<p><u>In the event of a sustained natural disaster (such as flooding), the ten-week application deadline referred to in paragraph 1 shall run from the date at which the public authorities of the eligible State have officially terminated the threat of natural disaster (by, for example, repealing the state of emergency declared by the Member State or regional authority, etc.).</u></p>

Reason

Preparation of applications, especially assessing damage and collecting evidence to back up applications, is very time-consuming for the public bodies responsible at a time when they are mounting a necessary response to a disaster. The situation is all the more demanding in the case of floods, which sometimes last several weeks or even months, with any assessment of damage only possible once the water has subsided. The seriousness of the disaster can thus only be ascertained afterwards. Although the proposal for a regulation takes account of slowly unfolding disasters, it

retains the current provisions where other natural disasters are concerned and does not address difficulties in preparing applications relating to flooding of long duration.

The Committee therefore proposes, for these lengthy floods, introducing the option of submitting applications within ten weeks of the threat of a natural disaster ceasing (for example, with the repeal of a state of emergency declared by a Member State or regional authority, etc.).

Amendment 11

Article 8(1)

<i>Commission text</i>	<i>CoR amendment</i>
The contribution from the Fund shall be used within one year from the date on which the Commission has disbursed the full amount of the assistance. Any part of the contribution remaining unused by that deadline or found to be used for ineligible operations shall be recovered by the Commission from the beneficiary State.	The contribution from the Fund shall be used within <u>two years</u> one year from the date on which the Commission has disbursed the full amount of the assistance. Any part of the contribution remaining unused by that deadline or found to be used for ineligible operations shall be recovered by the Commission from the beneficiary State.

Reason

Speeding up the administrative process of approving assistance from the fund will ensure it reaches stricken areas sooner. However, it must be pointed out that the actual period for using the fund contribution is shorter. The Committee of the Region proposes extending to two years the time limit for using the contribution from the fund, above all because repair to essential infrastructure can be lengthy given the need to provide the necessary documentation and to follow regulations on public tenders.

Brussels, 28 November 2013

The President
of the Committee of the Regions

Ramón Luis Valcárcel Siso

The Secretary-General
of the Committee of the Regions

Gerhard Stahl

III. PROCEDURE

Title	Proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EC) No 2012/2002 establishing the European Union Solidarity Fund
Reference(s)	COM(2013)522 final
Legal basis	Article 307 TFEU
Procedural basis	Rule 39(a) of the CoR's Rules of Procedure
Date of Council/EP referral/Date of Commission letter	Council referral: 5 September 2013 EP referral: 18 September 2013
Date of Bureau/President's decision	26 September 2013
Commission responsible	Commission for Territorial Cohesion Policy (COTER)
Rapporteur General	Pavel Branda (CZ/ECR), Deputy Mayor of Rádlo
Analysis	4 October 2013
Discussed in commission	N/A
Date adopted by commission	N/A
Result of the vote in commission (majority, unanimity)	N/A
Date adopted in plenary	28 November 2013
Previous Committee opinions	Resolution of the Committee of the Regions of 10 October 2002 on the recent flood disasters in Europe and the establishment of the European Union Solidarity Fund - CdR 294/2002 fin ²
Date of subsidiarity monitoring consultation	N/A

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[OJ C 66, 19.3.2003, p. 26.](#)