



# **Coronavirus Response Investment Initiative Plus (CRII+): New actions to mobilise essential investments and resources**

**19 May 2020**

# Introduction – general information

Making EU funds resources fully available for the fight against the coronavirus crisis and its economic consequences

Cohesion policy

- Regulation (EU) 2020/460 (CRII) 30 March  
First package with immediate response to Covid-19 outburst
- Regulation (EU) 2020/558 (CRII+) 23 April  
Second package upon requests from MS

# CRII modifications to Cohesion policy

- **Regulation (EU) 2020/460 on CRII entered into force on 1 April**
- **Main CPR and ERDF changes:**
  - A simplified procedure for re-programming (not requiring COM decision) is introduced to transfer certain resources inside an OP;
  - Expenditure for operations for fostering crisis response capacities in the context of the COVID-19 outbreak - eligible as of 1/2/2020;
  - The obligation of the COM to issue recovery orders for amounts recoverable from MS was relinquished this year;
  - ERDF can newly cover working capital in SMEs and investments in products and services necessary for fostering the crisis response capacities in public health services under TO1 (IP under Article 5(1)(a));
  - FIs may also provide support in the form of working capital to SMEs, if necessary as a temporary measure, to provide an effective response to a public health crisis.

# CRII Plus modifications to Cohesion policy

- **Regulation (EU) 2020/558 on CRII Plus entered into force on 24 April**

The CRII Plus allows that all non-utilised support from the cohesion policy funds can be mobilised to address the effects of the public health crisis on our economies and societies. Certain procedural steps linked to programme implementation and audit are simplified in order to grant flexibility, ensure legal certainty and to reduce administrative requirements.

# CRII Plus - More flexibility and liquidity thanks to:

- Full flexibility to transfer resources
  - between the 3 Cohesion policy Funds
    - full flexibility for the 2020 allocations
    - No 1/3 limitation of Cohesion Fund
    - No minimum share for ESF
    - No transfers from or to Interreg
    - YEI, FEAD, special allocation for RUP not affected
  - between categories of regions
    - Full flexibility between all 3 categories for the 2020 allocations

# CRII Plus - More flexibility and liquidity thanks to:

- Full flexibility on thematic concentration
  - for programme amendments no need to respect thematic concentration requirements
  - Simply put, we no longer check compliance

# CRII Plus - More flexibility and liquidity thanks to:

- Increasing EU co-financing rates to 100%
  - Applicable for the accounting year 2020-2021
  - Optional – Member States may request it for one or more priorities of the programme; for one or more programmes
  - Requires a programme amendment
  - Need to notify the financial table; for the subsequent accounting year, in order to `reset` financial tables to normal
  - Available for all programmes, including Interreg (but not IPA CBC or ENI CBC)

# Distribution per Funds and Category of regions

Fund	2020 allocation
CF	10.063.146.374,00
ERDF (excluding ETC)	30.177.701.476,00
ESF	13.784.706.092,00
<b>Grand Total</b>	<b>54.025.553.942,00</b>
Category of regions (ERDF and ESF)	2020 allocation
Less developed	28.940.164.763,00
More developed	8.822.267.586,00
Outermost or Northern Sparsely Populated	235.627.457,00
Transition	5.964.347.762,00
<b>Grand Total</b>	<b>43.962.407.568,00</b>
<i>Excl: ETC and YEI</i>	

# CRII Plus - Less administrative burden thanks to:

## No more **amendments to Partnership Agreements**

- Entry into force will end PA amendments – the wording will not allow Member States to amend (ie not optional)
- No need to check consistency of programme amendments with existing PA

# **CRII Plus - Less administrative burden thanks to:**

## **Deadline for the submission of annual reports for 2019 extended**

- Deadline for submission will be 30 September this year
- Commission may delay its summary report as a result

# **CRII Plus - Less administrative burden thanks to:**

## **Eased use of a non-statistical sampling method for audit**

- Use of non-statistical sampling already possible if audit authority's professional judgment considers it duly justified
- Modification states that current crisis may constitute a duly justified case for 2019-20 depending on the audit authority's judgement

# CRII Plus - Less administrative burden thanks to:

## Facilitated adjustment of **financial instruments** if extended to working capital

- No need to update the ex-ante assessment even if, due to the crisis, working capital is supported through FI
- New or updated business plans from supported SMEs are not required either
- No need for supporting documents to justify that FI support was used for “its intended purpose”
- (derogation also added for EAFRD to provide working capital)

# CRII Plus - Less administrative burden thanks to:

## Selection of projects

- Projects selected after 1 February 2020 in view of fighting the health crisis may have already been completed before selection
- These projects can be selected before the approval of the amended programme

# CRII Plus - Less administrative burden thanks to:

## Decommitment and force majeure

- Where COVID-19 is invoked by a Member State being force majeure in its request to avoid decommitment – possible to aggregate financial information
- Information on amounts for projects below EUR 1 million can be grouped – ie for all projects under the same priority
- Above arrangement avoids the need for a case-by-case assessment
- Likelihood of making use of above strongly reduced given 100% co-financing possibility

# CRII Plus - Less administrative burden thanks to:

## Undertakings in difficulty

- Article 3 ERDF modified to make clear that undertakings receiving support under the State aid Temporary Framework or *de minimis* can receive support
- These undertakings are not be considered “in difficulty”
- This has already been made clear via interpretation

# CRII Plus - Less administrative burden thanks to:

## Up to **10% financial flexibility per priority at programme closure**

- Flexibility that already existed in the last two programming periods
- Added even if not strictly related to the crisis context of the proposal

# Focus on SMEs

- *Financing of working capital in SMEs via financial instruments and grants*
- *Eligibility of ERDF support to undertakings in difficulties, (consistently with Temporary Framework for State Aid Measures to support the economy in the COVID-19 outbreak and with rules on de minimis aid)*
- *Flexibility in dealing with failure by beneficiaries to fulfil obligations in a timely manner for reasons related to the COVID-19 outbreak*
- *Financing of short-term employment schemes under the ESF*

# Thank you!

**[Tereza.KRAUSOVA@ec.Europa.eu](mailto:Tereza.KRAUSOVA@ec.Europa.eu)**