



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2020) 2334 final

- *English language version of the French text which is authentic* -

Brussels, 27 May 2020

TEXTE EN

MINUTES

of the 2334th meeting of the Commission

held in Brussels

(Berlaymont)

on Wednesday 22 April 2020

(morning)

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(22 April 2020)

Ms URPILAINEN	Member
Ms SIMSON	Member
Mr SINKEVIČIUS	Member

The following also sat in:

Mr SEIBERT	Chef de cabinet to the PRESIDENT
Mr MAMER	Head of the Spokesperson's Service and Chief Spokesperson of the Commission
Ms RISO	Deputy Chef de cabinet to the PRESIDENT
Mr FLOSDORFF	Executive Adviser in the PRESIDENT's Office
Ms HILI	Adviser in the PRESIDENT's Office
Mr HEMMELGARN	Secretariat-General
Ms SPINANT	Commission Spokesperson's Service

The following also sat in by videoconference or teleconference:

Mr ROMERO REQUENA	Director-General, Legal Service	
Ms AHRENKILDE HANSEN	Director-General, DG Communication	
Mr LEARDINI	Deputy Secretary-General	
Ms GAUER	Deputy Secretary-General	
Ms PETKOVA	Director of Coordination and Administration in the PRESIDENT's Office	
Ms VILA NUÑEZ	Policy Coordinator in the PRESIDENT's Office	
Mr NOCIAR	Chef de cabinet to Mr ŠEFČOVIČ	Item 7 (in part)
Ms NIKOLAY	Chef de cabinet to Ms JOUROVÁ	Item 7 (in part)
Ms ALLOUIS-LE LOSTEC	Secretariat-General	
Ms STANCIULESCU	Secretariat-General	

Secretary: Ms JUHANSONE, Secretary-General, present, assisted by Mr AYET PUIGARNAU, Director in the Secretariat-General, attending by videoconference.

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**1. AGENDA AND LIST OF ITEMS RELATING TO THE COVID-19 CRISIS
SCHEDULED FOR ADOPTION BY THE COMMISSION
(OJ(2020) 2334/FINAL; SEC(2020) 1019/4)**

The Commission took note of that day's agenda and the list of items relating to the COVID-19 crisis scheduled for adoption.

2. WEEKLY MEETING OF CHEFS DE CABINET

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 20 April 2020 by videoconference and teleconference.

**3. APPROVAL OF THE MINUTES OF THE 2330TH, 2331ST, 2332ND AND 2333RD
MEETINGS OF THE COMMISSION (18 AND 25 MARCH, 1 AND
8 APRIL 2020)
(PV(2020) 2330; PV(2020) 2330, 2ND PART; PV(2020) 2331; PV(2020) 2332)**

The Commission approved the minutes of its 2330th, 2331st and 2332nd meetings and decided to hold over approval of the minutes of its 2333rd meeting for a later meeting.

**4. INTERINSTITUTIONAL RELATIONS
(RCC(2020) 55)**

The Commission took note of the record of the virtual meeting of the Interinstitutional Relations Group (IRG) held by videoconference and teleconference during the week of 14 to 17 April 2020 (RCC(2020) 55).

It paid particular attention to the following points.

4.1. HORIZONTAL ITEM

i) 2021-2027 multiannual financial framework – Council

- European Cybersecurity Industrial, Technology and Research Competence Centre and Network of National Coordination Centres (Regulation) – ANDRESEN report – 2018/0328 (COD)

The Commission approved the line set out in SI(2020) 76.

4.2. RELATIONS WITH PARLIAMENT

ii) Action to be taken on Parliament's legislative resolutions and other resolutions of a legal nature

The Commission decided to empower the Members of the Commission responsible for the sectors in question, in agreement with the PRESIDENT and, if necessary, with the other Members concerned, to adopt the amended proposals for transmission to Parliament and the Council, as set out in SP(2019) 106, drawn up following the part-session of Parliament on 16 and 17 April 2020, the contents of which were noted.

iii) Action taken on the legislative opinions and non-legislative resolutions adopted by Parliament at its February and March II 2020 part-sessions

The Commission approved document SP(2020) 141 on the action taken on the legislative opinions and non-legislative resolutions adopted by Parliament at its February and March II 2020 part-sessions, for transmission to Parliament

iv) Results of Parliament's April 2020 part-session

The Commission took note of the information on Parliament's part-session held on 16 and 17 April 2020 in Brussels, set out in SP(2020) 144.

4.3. RELATIONS WITH NATIONAL PARLIAMENTS, THE OTHER INSTITUTIONS AND BODIES, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS

v) Follow-up to opinions of the European Economic and Social Committee – Plenary session of October 2019

The Commission approved document SC(2020) 12/3 on the follow-up by the Commission to the opinions adopted by the European Economic and Social Committee during the October 2019 session, for transmission to that Committee.

vi) Follow-up to opinions of the Committee of the Regions – Plenary session of December 2019

The Commission approved document SR(2020) 6/3 on the follow-up by the Commission to the opinions adopted by the Committee of the Regions during the December 2019 session, for transmission to that Committee.

4.4. RESPONSE TO THE COVID-19 PANDEMIC

vii) Amendment of Regulation (EU) No 223/2014 as regards specific measures for addressing the COVID-19 crisis (Regulation) – 2020/0058 (COD)

The Commission approved the line set out in SP(2020) 142.

viii) Activation of the emergency support under Council Regulation (EU) 2016/369 of 15 March 2016 and amendment of its provisions taking into account the COVID-19 outbreak (Council Regulation) – 2020/0056 (NLE)

The Commission approved the line set out in SI(2020) 124/2.

ix) Council Regulation (EU) 2020/521 of 14 April 2020 activating the emergency support under Regulation (EU) 2016/369, and amendment of its provisions taking into account the COVID- 19 outbreak

The Commission took note of the information in SI(2020) 128 and /2.

x) Amendment of Regulation (EU) No 1379/2013 and Regulation (EU) No 508/2014 as regards specific measures to mitigate the impact of the COVID-19 outbreak in the fishery and aquaculture sector (Regulation) – 2020/0059 (COD)

The Commission approved the line set out in SI(2020) 125/2.

xi) Establishment of a European instrument for temporary support to mitigate unemployment risks in an emergency (SURE) following the COVID-19 outbreak (Council Regulation) – 2020/0057 (NLE)

The Commission approved the line set out in SI(2020) 132/2.

5. ADMINISTRATIVE AND BUDGETARY MATTERS
(SEC(2020) 139)

ADMINISTRATIVE MATTERS

***COMMISSION DECISIONS ON POST TERM-OF-OFFICE ACTIVITIES OF
THREE FORMER MEMBERS OF THE COMMISSION***
(C(2020) 9013; C(2020) 9014; C(2020) 9015)

The Commission adopted the Decisions set out in C(2020) 9013, C(2020) 9014 and C(2020) 9015.

The Commission specifically decided that the professional activities envisaged by Ms Federica MOGHERINI, Mr Günther OETTINGER and Sir Julian KING after leaving office as Members of the Commission were compatible with Article 245(2) of the Treaty on the Functioning of the European Union (TFEU) and with the Code of Conduct for Commissioners, subject to certain specific conditions and obligations.

6. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

6.1. WRITTEN PROCEDURES APPROVED
(SEC(2020) 135 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 6 and 17 April 2020.

6.2. EMPOWERMENT
(SEC(2020) 136 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 6 and 17 April 2020.

**6.3. DELEGATION / SUBDELEGATION OF POWERS
(SEC(2020) 137 ET SEQ.)**

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 6 and 17 April 2020 archived in Decide.

**6.4. SIGNIFICANT WRITTEN PROCEDURES
(SEC(2020) 138 ET SEQ.)**

The Commission took note of the significant written procedures for which the time limit expired between 20 and 24 April 2020.

**6.5. COMMISSION DECISION AMENDING ITS RULES OF PROCEDURE –
ATTENDANCE OF THE MEETINGS OF THE COMMISSION BY
MEANS OF TELECOMMUNICATION SYSTEMS**

The PRESIDENT invited Ms JUHANSONE, Secretary-General of the Commission, to give a short presentation of the amendments that it was proposed the College should make to its Rules of Procedure.

The Secretary-General explained that the objective of the amendments envisaged was to specify in the Rules of Procedure the working arrangements for those meetings of the College where, in exceptional circumstances, the Commission President invited Members of the Commission prevented from attending in person, to participate by means of telecommunication systems allowing for their identification and effective participation.

The Commission Decision set out in C(2020) 3000 would be adopted by written procedure, the deadline for which was set at 14.00 on Wednesday 22 April 2020 (PE/2020/2498).

7. LATEST DEVELOPMENTS CONCERNING THE CORONAVIRUS (COVID-19) PANDEMIC AND THE EUROPEAN UNION'S RESPONSE – PREPARATIONS FOR THE VIDEO CONFERENCE OF THE HEADS OF STATE OR GOVERNMENT OF 23 APRIL 2020 (INFO(2020) 16/3)

The PRESIDENT opened the College meeting, the main focus of which was to prepare the video conference meeting of the EU leaders on Thursday 23 April, which would examine the roadmap for the recovery of the European economy drawn up jointly by the President of the European Council, Charles MICHEL, and herself. She reminded the meeting that this contribution responded to the request made at their meeting of 26 March by the EU Heads of State or Government, who had wanted to have an action plan available in order to put the Union back on the path to strong, sustainable and inclusive growth following the economic crisis caused by the COVID-19 pandemic. This new initiative was a follow-up to the European Roadmap towards lifting COVID-19 containment measures, which had also been presented by Charles MICHEL and herself the previous week.

The PRESIDENT began by saying that this economic crisis, in terms of its global scale, lightning speed and devastating effects, was an event without precedent since the Great Depression of the 1930s. Within the Union, the economic consequences of the pandemic would vary from one Member State to another, and the recovery would therefore also be different in the different Member States. This was why it was necessary, to prepare for the next phase of recovery, to have a comprehensive assessment of the needs that had to be met at European level, as well as at the level of the individual Member States and the hardest hit economic sectors. The Commission was working on this in-depth assessment, which would be informed, at the beginning of May, by the recommendations it would present in the context of the European Semester for economic and budgetary policy coordination, as well as by its Spring Economic Forecast. She was confident that this approach was the right one and said that the detailed analysis in question would be ready in two weeks'

time.

According to current estimates, the EU's GDP was expected to contract by around 7.5%, which was unheard of. An unprecedented and fully targeted response was therefore needed in order to come to the assistance of the Member States and the activities hardest hit by the emerging economic crisis.

Beyond this response, the EU needed a strategy that would steer its economic recovery towards greater resilience and the political priorities both of the European Green Deal and of digitisation, by investing massively in the future. She saw the current period as an opportunity to rebuild the European economy on a sound basis of resilience, sustainable development and solidarity in a well-functioning internal market.

The PRESIDENT said that on the basis of the work under way under the authority of the Members of the College and of the ideas they would put forward today on the different aspects of the future recovery strategy, the Commission would be in a position to hold an in-depth debate on 29 April on a set of ambitious proposals around three priorities, namely (i) a **draft recovery plan** based on an assessment of the impact on the crisis on the European economy to which she had just referred, (ii) a **new proposal for the multiannual financial framework for 2021-2027** which would take account of the current deep crisis, and (iii) a **Commission work programme for 2020 adjusted** in order to incorporate the measures to be taken to mitigate that crisis. She said that after this initial examination, the Commission was expected to adopt all these initiatives the following week.

She elaborated in particular on the next multiannual financial framework. She considered that the Commission's forthcoming proposal should be completely different from the previous one in terms of its financial volume and main areas of action. In the short term, the Commission and the national governments, through a large number of instruments and mechanisms, had freed up EUR 3,300 billion to combat the pandemic and its economic consequences. At European level, she

mentioned in particular the proposals relating to the European instrument for temporary Support to mitigate Unemployment Risks in an Emergency (SURE), the Guarantee Fund of the European Investment Bank and the use of the European Stability Mechanism. However, she stressed that it was necessary to move forward resolutely and without delay in preparing the recovery phase. To do this, she noted that the only and best instrument available to the Union was the multiannual financial framework, which had numerous advantages since it already existed, it was a transparent instrument in which the Member States had confidence, and it could be implemented very quickly in order to steer investments towards the common objectives and serve as a tool for cohesion and convergence. She explained that the Commission's proposal would also contain a new element that would be added to the multiannual financial framework, namely a kind of variable ceiling ('headroom') that would have a leverage effect and allow the EU to borrow to meet specific items of expenditure, subject to a number of conditions. The multiannual financial framework would serve as a common guarantee, to prevent the fragmentation of the single market and the euro area.

With a multiannual financial framework of a larger financial volume and recovery instrument, the PRESIDENT believed that the Union would have the means to launch a genuine 'Marshall Plan' for European recovery. The Member States were in favour of this in principle, but the difficulty would be to establish the arrangements for implementing it, and the Commission would attempt to do this over the following two weeks. During that period, given the sensitivity of the work to be carried out, she asked the Members of the Commission to be very cautious in their communication activities so as not to hinder a delicate process, in a politically fragile context.

Before opening the discussion, the PRESIDENT also referred to the donors' conference that the Commission was to hold by video conference on 4 May with the Global Preparedness Monitoring Board, the Coalition for Epidemic Preparedness Innovation (CEPI), the Vaccine Alliance (GAVI), the Wellcome Trust and the Gates

Foundation. The aim of this event was to raise as rapidly as possible the EUR 7.5 billion still needed to step up the efforts to fight against the COVID-19 pandemic by developing the means of diagnosis, treatment and the development of a vaccine worldwide, including, therefore, for the most vulnerable countries. She saw this initiative, which had already been supported by the G20, as an important element of the EU's global response to the pandemic.

Mr TIMMERMANS explained that in the unprecedented crisis which had just been described, the priority for the Member States was to avoid at all costs the emergence of mass unemployment, which would inevitably benefit extreme political forces. It was therefore more necessary than ever for them to be on the same page in order to embark on a collective recovery. As regards the multiannual financial framework, whose capacities were not unlimited, he confirmed that it would also have to finance the EU's other major political projects, namely the fight against climate change and the modernisation of the European economies. In his view, the best contribution the Commission could make to managing the economic consequences of the COVID-19 pandemic was to propose to the Member States ideas for coherent measures that would have practical and rapid effects in terms of safeguarding jobs, creating new jobs and supporting growth, on the one hand, and keeping on track the measures dictated by the political priorities of the European Green Deal and digitisation, on the other, given that these priorities were particularly appropriate since they would generate growth and employment. He hoped, therefore, that the Member States would find common ground on the EU's investment capacities, and noted with satisfaction that the debate on 'corona bonds', which had been so divisive, seemed to have been transcended and that a certain spirit of solidarity was beginning to emerge. He welcomed the fact that things appeared to be gradually moving in the right direction.

With regard to how to proceed, he stressed emphatically that the Commission, given its expertise and the information at its disposal, was the only institution capable of proposing the recovery measures needed by the Member States. This was why he

was calling on it to defend its role and its powers, particularly its exclusive right of initiative, as well as the Community method, which would be a decisive factor in the recovery, with the contribution of the European Parliament.

Mr ŠEFČOVIČ briefly mentioned the good progress being made on the work underway to present a revised Commission work programme for 2020, which took into account the requirements linked to putting in place measures to start the exit from the current health crisis. He said that the proposal, prepared in collaboration with all the Members of the Commission, but also in close liaison with the co-legislators – the European Parliament and the Council – would be submitted to the College of Commissioners in a few days. He explained that it would have to be accompanied by sound arguments which also covered the draft revision of the multiannual financial framework for the next period starting from 2021 and the commitment to strengthen the EU's resilience by learning the lessons of the pandemic.

Ms VESTAGER, for her part, stressed the socially unsustainable consequences of the unprecedented economic crisis that was imminent, which, in her opinion, justified more than ever recovery through green and digital growth. She noted a wide disparity in the help that the Member States were giving to their own economies. She explained that one Member State was preparing to provide its national economy with support equivalent to one-third of its gross domestic product, while a number of other Member States were granting support of around 10% and a final group of around only 2%. Hence the importance, in her view, of using the multiannual financial framework – a transparent redistribution instrument that had proven it worth for decades, which was under the control of the European Parliament and guided by the EU values.

She also stressed that the way in which recovery was tackled was important for future generations, which would be paying the debts incurred by their parents' generation. She also advocated unwaveringly maintaining the course of the green

and digital transitions because they contained in themselves powerful drivers of future growth and job creation.

Finally, she noted that digital tools were being widely used in the context of the lockdown put in place in most of the Member States and that that they could be used even more in the fight against COVID-19. On this point, she considered that it was up to the Commission, as guardian of the EU Treaties and values, to promote the principles of respect for private life. In conclusion, she advocated working towards a digital strategy on a planetary scale with a view to improving supply and trade chains in particular.

Mr DOMBROVSKIS considered it essential that the upcoming recovery should absolutely ensure inclusive growth by focusing on employment and citizens' incomes, and that the forthcoming Commission communication on the recovery strategy should provide responses to real needs. The revised multiannual financial framework would contribute to this, and would come on top of the already significant support measures proposed at European level by the European Central Bank, the European Stability Mechanism and measures recently put forward by the Commission, in particular to finance temporary partial unemployment due to the pandemic. In the arsenal of measures that had emerged at this stage, he requested that the entirely unique nature of the 'headroom' alluded to by the President should not be underestimated, stressing that the EU had never borrowed to finance the budgetary programmes of the Member States.

He confirmed that preparation of the future recovery plan could be based on the new wave of recommendations and measures that the Commission would be presenting soon as part of the European Semester of coordination of the economic and fiscal policies of the Member States and on its spring economic forecast, which was due to be published on 7 May 2020. He announced that the forecast was still highly uncertain because much would depend on the lifting of the lockdown measures, and that the Commission was therefore working on the basis of scenarios. In any event,

he said that the country-specific recommendations would this time be focused very much on the response to the pandemic, and he announced the possibility of a recommendation for the EU as a whole.

He also referred to the finalisation, that day, of the macro-financial assistance programmes that would benefit ten third countries in the EU's Neighbourhood: Albania, Bosnia-Herzegovina, Georgia, Jordan, Kosovo¹, Moldova, Montenegro, Republic of North Macedonia, Tunisia and Ukraine; the programmes comprised a total of EUR 3 billion in medium and long-term loans on simplified terms to overcome the COVID-19 crisis.

Finally, Mr DOMBROVSKIS concluded by welcoming the amendment to the Rules of Procedure of the Commission (see item 6.5 of these minutes) by which the institution set an example, with regard to digitalisation, by equipping itself with the resources, thanks to digital tools, to ensure the continuity of its activities in the current times of crisis.

Mr HAHN noted that the Commission had done a lot of work over the past weeks to define an adequate response to the COVID-19 pandemic and to support the efforts of the Member States, while developing a coherent approach, which had made it possible to gradually reach a consensus on use of the next multiannual financial framework as the main instrument for implementing an EU-wide economic recovery plan. That is why he considered it important for the EU leaders on Thursday 23 April to give the Commission a clear and ambitious mandate to strengthen all its proposals under the next multiannual financial framework by including new elements in it, including the new European economic recovery instrument based on Article 122 of the Treaty on the Functioning of the European Union. He explained

¹ This designation is without prejudice to positions on status, and is in line with UN Security Council Resolution 1244/99 and the International Court of Justice Opinion on the Kosovo declaration of independence.

that it was a temporary, targeted instrument that could generate the financial resources needed to cope with the scale of the crisis. He added that the financial volume of the long-term budgetary framework would have to be increased as a whole for its entire duration in order to support the investments that would enable the Union to achieve all its priorities.

He also explained that the next multiannual financial framework for the period from 2021 to 2027 would have to cover four different stages of recovery using tailor-made instruments. He said that the first stage, in 2020, was the crisis management stage, which would involve the instruments already adopted, such as the SURE instrument; the second stage, in the second half of 2020 and in 2021 – the repair stage – would consist in supporting investment in the cohesion funds, transitional arrangements in the field of agriculture or support for business solvency. The third stage would cover the period from 2021 to 2024 and would be devoted to economic recovery and ways of building the resilience of the EU using loans, financial guarantees and grants. He noted in this connection that the InvestEU programme would have to be strengthened through the creation of a facility for investment in strategic sectors and value chains in order to guarantee over time the EU's autonomy in those crucially important fields. He also explained that a new generation of cohesion programmes, in particular the Just Transition Fund, and more flexible use of EU funding programmes would make it possible to react to emergencies more rapidly than in the past and they would draw lessons from the crisis, in particular as regards health, humanitarian emergency aid, research and the EU's Neighbourhood policy. Finally, he referred to the entire period of the financial framework which, from 2021 to 2027, would be dedicated to the green and digital transitions, to which 25% of the multiannual financial framework would be devoted. The aim was to achieve, over time, a circular economy that was essential if the EU was to become more autonomous and more resilient.

In the course of the wide-ranging discussion that followed, the Commission raised the following main points:

The guiding principles for the recovery strategy

- the full support of the College for the approach outlined by the PRESIDENT and the objective of avoiding, as far as was possible, an asymmetric recovery;
- a much-stressed reminder that any victory or defeat in relation to the coronavirus, which knew no borders, would inevitably be the same for everyone everywhere; therefore the call to envisage the recovery strategy also as a contribution towards supporting economic growth worldwide;
- consequently, the need to maintain and enhance solidarity within the European Union, without which a deepening of the socioeconomic divergences among Member States might destabilise Economic and Monetary Union, the single market and possibly European integration itself;
- the vital importance of the proper functioning of the single market, both at European Union level and at the level of local markets;
- the essential and decisive role that only the Commission was able to play in these circumstances and the satisfaction of seeing it take on this leading role with confidence and welcome visibility;
- in addition, the decisive importance of complying with the Community method for a finely balanced recovery;
- consensus on the fact that the green and digital transitions remained key political priorities which should lie at the heart of the recovery strategy and lead to the definition of a sustainable model capable of resilience; the suggestion, to that end, that the strategy should be backed up by the political vision underpinning the European Green Deal, that of a strategy of sustainable and inclusive growth and, at the same time, that the sustainable nature of each funding project under consideration should be assessed;

- the comment that the Sustainable Europe Investment Plan and the Just Transition Mechanism could act as a basis for the revival of a social economy and be rounded out, for example, by green bonds or by own resources such as a contribution levied on air tickets;
- the convergence of views regarding the European Union’s multiannual financial framework as the best adapted instrument for funding a European recovery while bringing European added value;
- the need for an ambitious multiannual financial framework and massive investment to support manufacturing ecosystems and to raise the funds required in the markets;
- reference to the difficulties that would probably arise in discussions between Member States on certain technical aspects, such as their respective share of loans and grants;
- the need to ensure that the values and fundamental rights of the European Union informed both the recovery strategy and the multiannual financial framework, as the instrument on which the strategy depended;
- the importance of backing up the initiatives listed in the Commission’s work programme with thorough impact assessments and the suggestion of including in these an evaluation of the impact of the COVID-19 crisis;
- the unprecedented and unpredictable nature of the crisis unleashed by the COVID-19 pandemic and the risk of a second wave of the epidemic later in the year creating great uncertainty, apart from the fact that it would have disastrous effects;
- a 3% recession of the world economy for 2020 predicted by the International Monetary Fund (IMF) and the fact that more than one hundred countries have already applied for its financial support;

- a recession trending towards 7.5-8% of gross domestic product as indicated by the Spring Economic Forecast as far as the EU Member States are concerned, and even towards a two-digit percentage for some of them;
- an unemployment rate now on average at 10% of the active population in the EU, with temporary workers and the poorest households being its first victims;
- the importance not to underestimate the social dimension of the crisis and to urgently address the sectors that have borne the brunt, in which many companies ran the risk of insolvency, as in the example of tourism, where the drop in income is 43%, transport, where it is 22% and culture, where it had reaches as much as 40%;
- the major blow the current crisis is for public finances, since the European Union's government deficit could represent 7% of gross domestic product and debt could reach worrying levels;
- the symmetric shock caused by the pandemic, that will nonetheless have an asymmetric impact on Member States in the second half, with a recession cutting gross domestic product by an estimated 9.5-10% in those worst hit by COVID-19 and by 6% elsewhere;
- the disparity that should also be apparent in terms of employment, with unemployment rising by an estimated 6% in the first category of Member States and only 2% in the second;
- the need for the next multiannual financial framework to therefore address the structural difficulties that this disparity might create within the single market, with permanent distortions which would no longer enable the European Union to ensure a level playing field or even comparable standards of living among Member States;

- the major role that the future European economic recovery fund should play in the next multiannual financial framework for 2021 to 2027 to prevent the national debt of certain Member States from becoming unsustainable, to ensure the re-establishment of a level playing field and to sustain national recovery programmes thanks to European Union funding programmes;
- the highly innovative nature of the inclusion of the future fund within the framework of the European Union budget, rather than within an intergovernmental arrangement; the fear, nonetheless, that the discussions between Member States on the structure and use of the fund would prove difficult; the warning that failure would undermine the European Union's credibility;
- the immediate support needed by a large number of undertakings while uncertainty remains about the COVID-19 pandemic, in particular with respect to a possible second wave in the second half of the year;
- the good overview that the Commission now has of each of the manufacturing ecosystems hit by the crisis, which provides it with a tool to offer them adequate support on a timely basis and to anticipate a gradual economic recovery in the second half of the year, providing there was no new wave of infections;
- a call to focus on the economic and social repercussions of the health crisis straight away, as numerous small and medium-sized enterprises are going out of business every day, weakening supply chains and manufacturing ecosystems that are significantly integrated at European Union level;
- the fact that in the medium term, the next multiannual financial framework should make it possible to revive investment, which has practically ground to a halt following the outbreak of the epidemic, and thus to meet the European Union's green and digital growth targets and bolster its economic and social resilience;

- the risk of a social crisis with dramatic consequences over the coming weeks in addition to the economic crisis within the European Union linked to COVID-19 if immediate support is not provided to the hardest hit economic and social players;

The content of the recovery strategy and certain sectoral aspects

- the call to incorporate a fully-fledged European **health policy** into the recovery strategy in order to address citizens' and Member States' expectations of the Union in this regard, which had now become clear, even though the Union currently had limited powers in this area;
- accordingly, the wish to reflect this health policy in the multiannual financial framework through an ambitious health programme that would allow the Union to be prepared for any future health crises and would, to that end, pay particular attention to the capacity of the bodies called upon to play a key role in such cases;
- encouragement to keep, in the multiannual financial framework, substantial funding for **research** and **innovation** in Europe, which was critical not only to achieve the green and digital transitions but also to offer health solutions that were innovative, and advantageous for the entire world;
- the importance of the donors' conference to be held on 4 May to support research on a vaccine against COVID-19 and the need to pursue, alongside this, the work undertaken with the European Investment Bank;
- the fact that, on Monday 20 April, a European data platform had been set up allowing researchers to share data in real time, thus realising one of the ten initiatives of the European *ERAvsCorona* action plan to combat the pandemic via coordinated short-term measures and thereby generate synergies;

- the observation that, in the field of **transport**, which had been particularly affected by the COVID-19 crisis, the economic recovery could only be achieved by developing a sustainable, resilient model; in this connection, the announcement of the addition of a ‘resilience’ pillar to the initiative on sustainable and smart mobility, which the Commission planned to present in the coming months;
- as regards transport networks, the relevance of drawing on the Connecting Europe Facility, which worked well, expressed the solidarity and added value of the Union, and made it possible to support the green and digital transitions while creating jobs;
- the pressing need to pay the utmost attention to the **social pillar** of the recovery strategy, to avoid a social tragedy and an increase in socio-economic divergences between Member States;
- a reminder of the importance of investing in developing and improving skills, given that the young and low-skilled were more exposed than others to the risk of unemployment in the current crisis;
- the absolute necessity of ensuring adequate protection for workers, who should not be exposed to substantial health risks in the pursuit of economic recovery;
- the suggestion of holding a debate on the issue of social fairness, especially the tax burden on labour, in light of the discrepancy between the often unrecognised working conditions of workers being called upon to play a frontline role in the health crisis and the huge responsibility they had had to take on as a result;
- encouragement to consider supporting demand as well as supply, given the risk of an increase in poverty arising from the crisis and its impact on domestic consumption;

- the invitation, as part of the recovery, to explore the **relationship between cohesion policy and sectoral policies**, given their effects on economic ecosystems and territories; in addition, the call to take account of the specific situation of the regions as a result of their economic model, regardless of how badly they had been affected by the COVID-19 crisis;
- the decisive role that **trade** would play in the economic recovery, in terms of both growth and jobs, without requiring any budget increase; therefore, a call to strengthen the implementation of the free trade agreements concluded by the Union with the aim, on a global scale, of facilitating the activities of European enterprises, which were mostly small and medium-sized, and guaranteeing a level playing field in the green and digital transitions, while helping to make the Union stronger on the international stage in line with the Commission's political guidelines;
- with this in mind, a commitment to an open, rules-based multilateral trade system, and a call for action to reform the World Trade Organisation, conclude negotiations on global e-commerce and produce tools to fight against unfair commercial practices that would reassure European businesses; to this end, the announcement of a debate on the review of EU trade policy in the coming months;
- the importance, alongside the recovery, of developing the Union's strategic autonomy, without seeking self-sufficiency but skilfully diversifying its supply sources to make supply chains more resilient; the importance, in particular, of reducing the dependence of the **agricultural sector** on imports from third countries; in this context, the relevance of developing the circular economy;
- a warning that the gravity of the economic situation across the world would undoubtedly subject the Union to heavy **migratory pressure**, mainly from Africa and Latin America;

- a call to anticipate this pressure by means of a policy that could only be coordinated at EU level, and to set aside sufficient funds in the multiannual financial framework to continue the measures implemented in order to prevent a migration crisis from adding to the current severe crisis;
- regrets at the fact that the EU Civil Protection Mechanism, as things stood, was not able to provide sufficient support when called upon simultaneously by multiple countries facing large-scale emergencies, which was a strong argument for the mechanism to be strengthened;
- in addition, a proposal to expand the ‘RescEU’ reserve of capacities and manage it more fluidly, mainly by removing it from national procedures;
- the value of reviewing **humanitarian aid** instruments to take account of the pressing needs that the COVID-19 crisis could generate in certain countries;
- encouragement to give fair consideration to **culture** in the recovery strategy, as this sector had been badly affected by the crisis, while cultural products had provided valuable help to people to cope with the lockdown.

The PRESIDENT thanked the members of the College for this fruitful debate. Given the substantial amount of work to be accomplished, she welcomed the fact that the Commission was mobilised and united in its role as initiator more than ever before, at a time when it was preparing to propose and steer the future recovery strategy. She reaffirmed that its proposal would have to be persuasive and inspire hope, but would also need to be tailored to suit the stated objectives. She acknowledged the huge responsibility that fell on the institution to secure agreement on a highly ambitious recovery plan, which required the constructive cooperation of the Member States.

The Commission took note of this information and of the note distributed as INFO(2020) 16/3.

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The meeting closed at 10.57.