

Increased pre-financing from REACT-EU resources

2022/0096(COD) - 07/04/2022 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 549 votes to 1, with 8 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 1303/2013 and Regulation (EU) No 223/2014 as regards increased pre-financing from REACT-EU resources and establishment of a unit cost.

The European Parliament adopted its position at first reading under the ordinary legislative procedure by taking over the Commission's proposal.

The proposal aims to address the challenges posed by the arrival of an exceptionally high number of people fleeing the military aggression against Ukraine by the Russian Federation and to support Member States' transition to a resilient economic recovery from the COVID-19 pandemic.

In order to help Member States address migration challenges, the proposal foresees the rapid mobilisation of support from the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the European Aid to the Most Deprived **by increasing the rate of initial pre-financing from the resources made available** under the Support for European Cohesion and Territories Recovery (REACT-EU) for all Member States.

At the same time, some Member States have been confronted with the arrival of considerable numbers of people from Ukraine, requiring the provision of immediate support. These Member States therefore need a significantly higher increase in the initial pre-financing rate to offset the immediate budgetary costs and to support their efforts in preparing their economies for recovery.

Unit cost for operations addressing migratory challenges resulting from the military aggression by the Russian Federation

For the implementation of operations addressing migratory challenges resulting from the military aggression by the Russian Federation, Member States may include in the expenditure declared in payment applications a unit cost linked to the basic needs and support of persons granted temporary protection or other adequate protection under national law.

That unit cost should be **EUR 40 per week** for each full week or partial week that the person is in the Member State concerned. The unit cost may be used for a maximum of 13 weeks in total, starting from the date of arrival of the person in the Union.

Increased rate of pre-financing

In addition to the initial pre-financing, the Commission will pay **4%** of the REACT-EU resources allocated to programmes for the year 2021 as additional initial pre-financing in 2022. For programmes in Member States which have had a level of arrivals of persons from Ukraine greater than 1 % of their national population between 24 February 2022 and 23 March 2022, that percentage shall be increased to **34 %**.

The final implementation reports for ERDF and ESF programmes benefiting from such pre-financing will have to report on the use made of the additional initial pre-financing to address the migration challenges

faced as a result of the Russian military aggression, as well as on the contribution of this additional initial pre-financing to the recovery of the economy.