

European Union Solidarity Fund

2002/0228(CNS) - 26/05/2004 - Follow-up document

The EU solidarity fund was first proposed and enforced in 2002 following severe flooding in central Europe. The Regulation establishing the fund obliges the European Commission to prepare a Report for the European Parliament and Council on the Fund's activities in the previous year. This Commission Communication covers a six-week period from the creation of the Fund at the end of 2002 through to 2003. The Communication is organised into two parts. The first examines the activity of the Fund in 2002 and 2003. The second focuses on the methods developed by the Commission for applying the Regulation. Under the terms and provisions of the Solidarity Fund, financing should complement a country's effort in the reduction of distress caused by major disasters. The Fund covers emergency relief action for any area affected by a major disaster, independently of its status under the Structural Funds. The relative prosperity of the region, as well as the size of the disaster, is taken into account prior to funds being awarded. The actions supported by the fund focus primarily on short term solutions including the reconstruction of destroyed infrastructures, temporary shelter and immediate preventative measures such as shoring up dams and dikes. Money is granted based on country requests and is done so on the basis of a global relief grant. The Commission points out that since the Fund was first established in 2002 it has only been mobilised once for a "major disaster" and that concerned the forest fires in Portugal in 2003. As far as "major disasters" are concerned the Commission gives the Solidarity Fund a positive assessment. In the case of forest fires in Portugal, for example, emergency financial relief could be processed quickly, efficiently and within a defined procedural time frame. If administrative improvements can be agreed (such as streamlining the budgetary procedure between Parliament and Council) actual payments of aid could even be improved. In cases where a "major disaster" has not taken place the Commission offers a more nuanced opinion of the Regulation. There were, for example, many applications for relief, which did not fall under the "major disaster" heading. Further, there has, to date, only been one application related to the "neighbouring country" heading. As far as the "regional disaster" heading is concerned a number of difficulties have arisen when trying to assess applications for relief. Problems so far identified include translation and lack of precise information leading to delays in awarding finance. As the Commission points out, however, no disaster is ever the same as the previous one and the Regulation's ability to stand up to the test will be challenged with every new adversity. As a result, the Commission is not proposing a major shake up of the Regulation's provision. Rather, it proposes a number of short-term practical measures aimed at streamlining the provisions and speeding up the processing of applications. The proposed practical measures are: 1) In the case of "regional disaster" applications, a standardised application form should be made available in all languages in a bid to speed up the examination process. The Commission will strive to finalise its assessment on the basis of information available at the latest four months after receipt of the application. 2) Opening up a budget to pay experts for an opinion on the cost of total damage. 3) Encouraging, though not obliging, applications to be submitted in one of the more frequently used working languages. 4) Adjusting the calculation method in cases where several regional disasters occur at the same time. 5) A possible revision limiting the proportion of the total costs of eligible operations. This will be discussed at a conference on the Solidarity Fund at the end of 2004.