

Daily COVID-19 European Political Update and Response 22.04.2020

KEY HIGHLIGHTS

- Charles Michel, President of the European Council, has sent a [letter](#) (21/4) to European leaders outlining a joint EUCO-European Commission proposal for a [‘roadmap for recovery’](#)
- The European Commission announced exceptional measures to support the agri-food sector

NEXT STEPS

- **23 April** – Videoconference of the members of the European Council
- **29 April** – Revised European Commission 2020 work programme expected

POLITICAL RESPONSES

European Commission

- The European Commission has approved (21/4, 22/4) multiple Italian ([here](#) and [here](#)), [Irish](#), [Dutch](#), [Swedish](#) and [Polish](#) schemes under the State aid Temporary Framework in order to tackle the consequences of the COVID-19 outbreak. The measures include repayable advances, equity injections, state guarantees for loans and investments, public loans in favourable conditions, and direct grants.
- The European Commission has adopted a [proposal](#) (22/4) for a €3 billion macro-financial assistance (MFA) package to support ten enlargement and neighbourhood countries to tackle the socio-economic consequences of the COVID-19 outbreak.
- **On Wednesday (22/4), the European Commission announced [exceptional measures](#) to support the agri-food sector in wake of the COVID-19 outbreak.** The package includes measures for private storage aid in the dairy and meat sectors, the authorisation of self-organisation market measure by operators in hard hit sectors and flexibility in fruits and vegetables, wine and some other market support programmes.

European Council

- Charles Michel, President of the European Council, has sent a [letter](#) (21/4) to European leaders ahead of their teleconference meeting (23/4) in which he outlined a joint EUCO-European Commission proposal for a [‘roadmap for recovery’](#) as well as the proposed roadmap aimed at lifting COVID-19 containment measures jointly envisaged with Commission President Von der Leyen. **He urges European leaders to give the go-ahead to the economic package agreed by the Eurogroup (9/4) and underlines that it should be in place by 1 June 2020.**
- The Council has [adopted](#) a legislative act which adjusts the rules on the use of EU structural funds in order to allow them to better channel the necessary resources to tackle the COVID-19 pandemic. The changes temporarily suspend several

rules that define the scope and priorities of national programmes that can be financed by the various funds, as well as the conditions under which regions are entitled to receive support.

- **On Tuesday (21/4), EU Sport Ministers met via [videoconference](#) to discuss the implications of COVID-19 on the sport sector.** The ministers discussed the different measures which have been introduced in Member States, highlighting that the current situation affects the ability of sports federations to function and that there are huge economic losses due to event cancellations. They also discussed how to best use EU funds to support sports an important part of regional development, in line with national priorities and in cooperation between stakeholders.

European Parliament

- Mario Centeno, President of the Eurogroup, [participated](#) in an exchange of views with the European Parliament's ECON Committee (21/4) in which he discussed the EU economic measures addressing the COVID-19 outbreak. He stressed the need for an EU-level response to avoid fragmentation among EU Member States and welcomed the agreement reached by Finance Ministers in the last Eurogroup teleconference meeting (9/4). The ECON Committee released its own [statement](#) (21/4) after the meeting, noting that most MEPs asked for bolder measures to be taken.
- **On Tuesday (21/4), the Committee on International Trade held an exchange of views with Trade Commissioner Hogan on the role of trade post-COVID-19 and the measures the Commission has introduced to restrict the export of certain PPE products.** The Commissioner announced a new implementing measure on PPE exports which will last for a period of 30 days. Regarding recovery and the role of trade, the Commissioner indicated that **DG Trade is working on a review of all trade policy**. He gave emphasis to the importance of multilateral rules and reiterated that the EU must be able to defend itself against unfair practices originating in some third countries.
- **The Committee on the Environment, Public Health and Food Safety held an exchange of views with Health and Food Safety Commissioner Stella Kyriakides and Crisis Management Commissioner Janez Lenarčič on Tuesday (21/4).** The discussion included the EU's new PPE stockpile, how to support member states' healthcare systems, the availability of medicines, the impact of COVID-19 on patients with serious disease and other at-risk groups, coordinating a common exit strategy for member states. Commissioner Kyriakides noted five essential elements for national exit strategies to ensure a coordinated de-escalation of measures across the Union:
 - A robust monitoring system and sufficient testing capacity
 - An effective contact tracking system
 - Increased capacity and resilience of healthcare systems in case of a second wave

- Stable supply of PPE.
- Continued support for effective and safe treatments to reduce mortality and healthcare pressures.
- **On Monday (20/4), the Committee on Foreign Affairs met jointly with the Security and Defense and Human Rights Subcommittee to hold an exchange of views with High Representative and Vice-President Josep Borrell.** The discussion included the COVID-19 pandemic crisis and the EU's efforts to address it, including the EU's global response and the Team Europe package. HR/VP Borrell [reiterated](#) the importance of showing solidarity vis-à-vis partner countries, underlining that the EU cannot win the battle against the pandemic if its neighbours and partner countries are not successful too.
- **The Chairs of Committees responsible for external policies in the European Parliament published a [joint statement](#) on the consequences of the COVID-19 pandemic on the EU's external action. In the joint statement, the Chairs underline that "no country or union can fight this battle alone" and hence global solidarity and action is needed.** The EU should continue supporting its partner countries and it must be more assertive. The statement also reports that the Chair has asked EP President Sassoli to "dedicate one of the upcoming plenary debates to our efforts beyond the EU that must be reinforced or, in some cases, launched to tackle COVID-19 and its consequences".

UPDATES FROM EU AGENCIES AND INTERNATIONAL ORGANISATIONS

Council of Europe

- The Council of Europe's Group of States against Corruption (GRECO) [published](#) guidelines for its 50 member states to prevent corruption in the context of the health emergency caused by the COVID-19 pandemic. The group's president recalled that transparency in the public sector is one of the most important means for preventing corruption and stressed the need for regular and reliable information from public institutions in these times.

European Investment Bank (EIB)

- The EIB [announced](#) (21/4) that it will enter into closer cooperation with the national promotional institutions from France, Spain, Germany, Italy and Poland to support national economies in the fight against COVID-19.

European Medicines Agency

- **The EMA, together with the pharmaceutical industry and the EU Member States, has [launched](#) its enhanced fast-track monitoring system to help prevent and mitigate supply issues with crucial medicines used for treating patients with COVID-19.** Under this system, each pharmaceutical company will appoint a single contact point who will report to EMA and national competent authorities all current and anticipated shortages of medicines used in patients with COVID-19, both for centrally and nationally authorized medicines.

International Monetary Fund (IMF)

- Kristalina Georgieva, Managing Director of the IMF, held a call (21/4) with heads of Regional Financing Arrangements (RFAs). In a joint press release they [outlined](#) that they stand ready to cooperate with the aim to achieve a comprehensive approach to mitigate the Impact of COVID-19 on the Global Economy.

Reporters Without Borders

- The [2020 World Press Freedom Index](#), compiled by Reporters Without Borders, has been published and indicates that the coming decade will be decisive for the future of journalism, with the COVID-19 pandemic highlighting and amplifying the many crises that threaten the right to freely reported, independent, diverse and reliable information.

KEY MEMBER STATE UPDATES

Austria

- On Tuesday (21/4), Chancellor Sebastian Kurz [announced](#) that bars and restaurants will be able to re-open by 15 May, although staff will have to wear face masks and new rules will be established regarding group sizes and closing times. Religious services could also resume then. However, he warned tighter restrictions could be re-imposed should infection rates rise again.

Belgium

- The panel of experts responsible for the national exit strategy [is expected](#) to present a first report to the Council of Minister Wednesday afternoon (22/4). The plan suggests a gradual resumption of non-essential activities starting from 4 May such as construction, wholesale, trade and manufacturing industry, while maintaining compulsory teleworking wherever possible. Schools could re-open as of 18 May except for nursery schools, and small shops could be allowed to resume their activities provided they can impose social distancing guidelines.
- On Wednesday (22/4), the Belgian Financial Markets Authority (FSMA) has [warned](#) of heightened risk of fraudulent investment offers in the context of the COVID-19 pandemic.

Croatia

- Prime Minister Andrej Plenkovic and President of the European Council Charles Michel [discussed](#) (21/4) the coming virtual European Council (23/4), and the postponed EU-Western Balkans Zagreb summit, scheduled to be held during the Croatian Presidency of the Council.

Czech Republic

- On Monday (20/4), the Czech Government [proposed](#) measures to extend financial assistance to the self-employed and increase support for state-insured healthcare. Self-employed workers will be eligible for financial assistance up until 8 June, when the final restrictions are planned to be lifted. It also approved a CZK150 billion (approx. €6 billion) state guarantee on loans for SMEs.

Cyprus

- The Cabinet of Ministers [is expected](#) to meet next week to work on a strategy for the gradual lifting of restrictions and the re-opening of the economy. On Tuesday (21/4), President Anastasiades met with business leaders and unions to discuss ways of resuming economic activities and stressed that final decisions will rely entirely on epidemiological data and recommendations from the scientific team.
- Tuesday (21/4), the Cypriot Government published additional [measures](#) to support employees that are currently out of work, including the implementation of a plan for employees starting work in February and March, a minimum amount to be received as Special Unemployment Allowance and the coverage of people of the age of 65 that do not receive a pension but continue to work.

Denmark

- The official Danish Corona-app will be [launched](#) in two phases. In the first phase the app will count how many people have been within two meters of the person for more than 15 minutes. The app is expected to launch within a few weeks.

Estonia

- On Tuesday (21/4), Social Affairs Minister Tanel Kiik [announced](#) that the government is working on a strategy to gradually lift nationwide coronavirus restrictions.
 - Hospitals have been authorized to resume their non-coronavirus related interventions as of Wednesday (22/4). The next relaxation should concern the closure of small shops. However, mass gatherings are likely to be banned until the end of the summer.
 - The current state of emergency which is due to end by next week is likely to be extended by the government on Thursday (23/4) for a duration of a few weeks.
- Following a Global Hackathon, the Estonian government has [launched](#) a digital solution for monitoring the stocks and prognosis of personal protective means. The new platform simplifies the collection of data on personal protective means, inventories, needs and prognosis. The system allows for the user-friendly collection of data throughout the country to help make fast decisions on distribution plans and new procurements.

Finland

- Olli Rehn, Governor of the Central bank of Finland, [called](#) (22/4) on EU Member States to enhance pan-European cooperation to tackle the COVID-19 crisis and prevent long-term damage to the European economy.

France

- Education Minister Jean-Michel Blanquier [detailed](#) on Tuesday (21/4) the gradual return to school for French children from 11 May.
 - As of 11 May, students of first and final classes of primary schools will return to class in groups of maximum fifteen students.

- As of 18 May, classes will resume for students of the first and final classes of middle and high schools.
 - As of 25 May, all the classes will re-open, but will be limited to fifteen students per class.
 - Groups of students will alternate between studies in the classroom, studies at home and sport and cultural activities coordinated by mayors.
 - Teachers will work either in schools or from home in case of vulnerabilities.
- Youths [have clashed](#) with riot police in suburbs around Paris on the fourth consecutive night as strict lockdown rules aimed at tackling the virus have heightened social tensions.
- Bruno Le Maire, Minister of Finance, gave an [interview](#) (21/4) on his proposal for a European Recovery Fund worth €100 billion, funded through common European debt, with a proportionate distribution between Member States, depending on the size of their economy. He also laid out what he views as the [4 main pillars](#) of the recovery plan, including the prioritisation of investments, specific plans for the most impacted sectors, support for demand, and European coordination. The design of the Recovery Fund is to be discussed at Thursday's (23/4) European Council meeting.
- The Ministry of Finance has [announced](#) (22/4) the establishment of a working group aimed at developing an insurance coverage for exceptional risks, and particularly for serious health threats, with the support of the French Insurance Federation (FFA). The group will submit its proposals at the beginning of June.

Germany

- German Health Ministry [submitted](#) a draft bill for a second law 'to protect the population in the event of an epidemic situation of national importance'. The law should include stricter reporting requirements for suspected cases, basis for a strategy of mass testing and measures to protect private health insurers.
- On Tuesday (21/4), the German Federal Ministry of Finance (DE BMF) [published](#) an interview with Finance Minister Olaf Scholz, who discussed Germany's fiscal capabilities with regard to containing the economic impact of the COVID-19 crisis, highlighting frugal budgetary policies of the past years. On a European level, Scholz underlined the help provided to other Member States in the form of both medical aid and the €500 billion crisis package agreed at the Eurogroup meeting of 9 April.
- Today (22/4), the Paul Ehrlich Institute (PEI) [approved](#) the clinical trial of a COVID-19 vaccine by Biontech, a Mainz-based company, in cooperation with Pfizer. PEI president Klaus Cichutek stated that a first approved vaccine will be available this year.
- Today (22/4), the State Governments of North Rhine-Westphalia, Lower Saxony, Rhineland-Palatinate and Saarland [announced](#) the mandatory wearing of masks when in public or using public transport.
- Today (22/4), the Bavarian Government [announced](#) that teachers over the age of 60 as well as teachers and students with pre-existing conditions are exempt from initial participation in lessons as part of the opening of schools deconfinement measure.

Hungary

- On Monday (20/4), Prime Minister Viktor Orbán [announced](#) that the government will discuss details of its recovery plan and exit strategy from restrictive measures on the 3 May.

Iceland

- On Tuesday (22/4) the government [announced](#) a second economic response package worth approx. €387 million. The measures include support loans for SMEs, compensation to companies forced to stop their operations, increased public investment and allowing 2020 losses to be offset in the 2019 income tax.
- The Central Bank of Iceland also [announced](#) (22/4) that it will start purchasing Treasury bonds in the secondary market at the beginning of May. As previously announced, the Bank may purchase assets of up to ISK 150 billion (approx. €950 million).

Ireland

- Taoiseach Leo Varadkar [has said](#) that the Government is working on a plan to gradually re-open the Irish economy and society that should be published on 5 May. Varadkar added the lifting of restrictions was highly dependent on an improvement of the rate of increase in the virus, on the hospitals' capacity to deal with any possible surge of the virus and on the establishment of a nationwide testing and contact tracking strategy.
- Major public gatherings of more than 5,000 people [will remain](#) banned until at least 1 September.
- Minister for Finance, Paschal Donohoe, while [presenting](#) the government's [Stability Programme Update](#) (SPU), [said](#) (21/4) that the Irish GDP is due to shrink by 10.5% this year, with unemployment figures due to hit record figures at 22%.
- Ahead a meeting of European Affairs Ministers (22/4), Minister of State for European Affairs, Helen McEntee, [stressed](#) (22/4) that European solidarity has never been more significant in rising to the challenge of COVID-19, and highlighted that she would be calling for the lifting of national measures and the protection of the Single Market.
- The Central Bank of Ireland has [announced](#) (22/4) regulatory flexibility in relation to the extension of remittance dates for reporting between March and May 2020, while allowing firms to engage directly with their supervisor where they have COVID-19 related difficulties in meeting specific risk mitigation programme (RMP) submission dates.

Italy

- Prime Minister Giuseppe Conte [gave](#) (22/4) more details on the national exit strategy, explaining that it will be based on 5 pillars: social distancing and use of masks; more robust prevention; presence of COVID Hospitals in all the 20 Italian regions; swipes and Covid-19 tests availability; and reliance on the "IMMUNI" app for tracking contagion.

Luxembourg

- On Tuesday (21/4), Finance Minister Pierre Gramegna [signed](#) off the agreement governing the system of state-guaranteed loans with representatives of banking institutions based in Luxembourg.

Netherlands

- During a press conference on Tuesday evening (21/4), Prime Minister Mark Rutte [warned](#) any relaxation of the lockdown carried a risk of a second wave of contamination that could overwhelm the healthcare system. Consequently, most of the current restriction measures will be extended for the time being. However, classes will resume gradually.
 - As of 11 May, nursery and primary schools will re-open. Classes will be held on a rotative basis, meaning that students will alternate between a week of lessons in schools and a week of home study.
 - As of 2 June, high schools will also be allowed to open for part time classes.
 - Teachers will be able to be tested and if necessary, will be exempted from resuming their activities.
 - Restaurants and bars will not be allowed to open until 19 May at least, as well as museums, zoos and most public places.
 - Teleworking will remain the norm, and all major summer events will be banned until 1 September.
- On Tuesday (21/4), Dutch Central Bank (DNB) President Klaas Knot [commented](#) on the economic challenges surrounding the COVID-19 outbreak, stating that they should not be underestimated and that exiting the lockdown will be gradual. Finally, he stressed the need for a pan-European policy response to help the countries that are hit the hardest.

Portugal

- Portugal [extended](#) citizenship rights to refugees and asylum seekers until 1 July, so that they can access public services in a context of coronavirus pandemic. This measure aims at ensuring public health by allowing more people to access services that could reduce the spread of the virus.

Poland

- [According](#) to government spokesperson Piotr Muller, Polish hotels could re-open in May as part of the second phase of the government's exit strategy.

Romania

- On Tuesday (21/4), President Klaus Iohannis [said](#) that provided the rate of infection continues to decrease, the government will ease restriction on movement as of 15 May, when the nationwide state of emergency will come to an end. However, from this date, the wearing of face masks in public spaces [will be](#) mandatory.

Slovakia

- On Wednesday (22/4), the government implemented the first phase of its exit strategy, [lifting](#) restrictions on closures of businesses of up to 300m², public catering through a window, outdoor sports venues, outdoor marketplaces and selling venues for vehicles.

Slovenia

- Slovenia [announced](#) the launch of a survey with a national, random sample of people to learn about asymptomatic infection rates. 3,000 people will be invited to be tested for the coronavirus and to give a blood sample. The results of this survey are expected for the first week of May.
- The government [discussed](#) (22/4) two proposed acts to enhance the government's economic policy response to COVID-19, both on the provision of additional liquidity to firms and to aid citizens.

Spain

- Prime Minister Pedro Sanchez [stated](#) the government was aiming at easing coronavirus lockdown in the second half of May.
- The Spanish government [said](#) it was planning on establishing procedures for setting maximum prices for masks, gloves and alcohol-based sanitizing gel.
- The Spanish Official Bulletin [has published](#) (22/4) the new Decree on urgent complementary measures to support the economy and employment. The new measures focus on reducing the operative costs for SMEs and self-employed workers, strengthening the funding of companies financing, fiscal measures and measure to protect employment and citizens.
- Prime Minister Pedro Sánchez is [inviting](#) the main Spanish employer associations (CEOE and Cepyme) and trade unions (CCOO and UGT) to hold a discussion on 23 April to establish a consensus on the post-COVID-19 recovery measures.

Sweden

- On Wednesday (22/4) the Central Bank of Sweden, Sverige's Riksbank, [announced](#) that the Bank will buy Swedish municipality bonds for SEK 15 billion (appr.ox €1.3 billion),

UK

- On Tuesday (21/04), MPs [approved](#) a motion enabling them to participate in parliamentary sessions by teleconference.
- Boris Johnson, Prime Minister of the UK, [held](#) a telephone call with Donald Trump, President of the U.S, in which the two highlighted the need for a coordinated approach, including through the G7, in order to tackle the COVID-19 pandemic.
- Health Minister Matt Hancock [announced](#) that a research team at the University of Oxford will start their first clinical trial of a vaccine made from a chimpanzee virus. The team hopes to have its vaccine developed by September. The government will make £20 million (€22,76) available to this project and another £22.5 million (€25,60) available to a separate vaccine project [led](#) by the Imperial College of London.

- On Wednesday (22/4), the Bank of England (BoE) [announced](#) an increase to the proportion of gilts held in its Asset Purchase Facility (APF) that are made available to the Debt Management Office, to help ensure functioning of gilt markets while the BoE purchases government bonds, in its efforts to help the economy during the COVID-19 crisis.
- On Tuesday (21/4), John Glen, Economic Secretary, [sent](#) a letter to retail banks, building societies and credit unions thanking staff for providing essential banking services during the COVID-19 pandemic.

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