


Basic information	
<p><b>2024/0275(COD)</b></p> <p>COD - Ordinary legislative procedure (ex-codecision procedure) Regulation</p>	<p>Procedure completed, awaiting publication in Official Journal</p>
<p>RESTORE – Regional Emergency Support to Reconstruction</p> <p>Amending Regulation 2021/1058 <a href="#">2018/0197(COD)</a> Amending Regulation 2021/1057 <a href="#">2018/0206(COD)</a></p> <p><b>Subject</b></p> <p>3.70.11 Natural disasters, Solidarity Fund 4.10.15 European Social Fund (ESF), Fund for European Aid to the Most Deprived (FEAD) 4.70.07 European Regional Development Fund (ERDF)</p>	


Key players				
European Parliament	<b>Joint committee responsible</b>		<b>Rapporteur</b>	<b>Appointed</b>
	<b>EMPL</b> Employment and Social Affairs		BUA Andrzej (EPP)	15/11/2024
	<b>REGI</b> Regional Development		OMARJEE Younous (The Left)	15/11/2024
			<p>Shadow rapporteur</p> <p>ABADÍA JOVER Maravillas (EPP)</p> <p>ROS SEMPERE Marcos (S&amp;D)</p> <p>MAIJ Marit (S&amp;D)</p> <p>BORRÁS PABÓN Mireia (P/E)</p> <p>NESCI Denis (ECR)</p> <p>ALLIONE Grégory (Renew)</p> <p>KARVAŠOVÁ ubica (Renew)</p> <p>BOSANAC Gordan (Greens /EFA)</p> <p>SØVNDAL Villy (Greens /EFA)</p> <p>BOSSDORF Irmhild (ESN)</p>	
	<b>Committee for budgetary assessment</b>		<b>Rapporteur for budgetary assessment</b>	<b>Appointed</b>
<b>BUDG</b> Budgets		GÓMEZ LÓPEZ Sandra (S&D)	12/11/2024	

Council of the European Union					
European Commission	<table border="1"> <tr> <td><b>Commission DG</b></td> <td><b>Commissioner</b></td> </tr> <tr> <td>Regional and Urban Policy</td> <td>FITTO Raffaele</td> </tr> </table>	<b>Commission DG</b>	<b>Commissioner</b>	Regional and Urban Policy	FITTO Raffaele
	<b>Commission DG</b>	<b>Commissioner</b>			
Regional and Urban Policy	FITTO Raffaele				
European Economic and Social Committee					
European Committee of the Regions					

Key events			
Date	Event	Reference	Summary
21/10/2024	Legislative proposal published	COM(2024)0496 	Summary
13/11/2024	Committee referral announced in Parliament, 1st reading		
13/11/2024	Referral to joint committee announced in Parliament		
13/11/2024	Urgent procedure requested by a committee		
25/11/2024	Vote in committee, 1st reading		
10/12/2024	Committee report tabled for plenary, 1st reading	<a href="#">A10-0031/2024</a>	
16/12/2024	Debate in Parliament	<a href="#">CRE link</a>	
17/12/2024	Decision by Parliament, 1st reading	<a href="#">T10-0059/2024</a>	Summary
18/12/2024	Act adopted by Council after Parliament's 1st reading		
19/12/2024	Final act signed		

Technical information	
<b>Procedure reference</b>	2024/0275(COD)
<b>Procedure type</b>	COD - Ordinary legislative procedure (ex-codecision procedure)
<b>Nature of procedure</b>	Legislation
<b>Legislative instrument</b>	Regulation
	Amending Regulation 2021/1058 <a href="#">2018/0197(COD)</a> Amending Regulation 2021/1057 <a href="#">2018/0206(COD)</a>
<b>Legal basis</b>	Rules of Procedure EP 170 Rules of Procedure EP 58 Treaty on the Functioning of the EU TFEU 178-p1 Treaty on the Functioning of the EU TFEU 175-p3 Treaty on the Functioning of the EU TFEU 164
<b>Mandatory consultation of other institutions</b>	<a href="#">European Economic and Social Committee</a> <a href="#">European Committee of the Regions</a>
<b>Stage reached in procedure</b>	Procedure completed, awaiting publication in Official Journal
<b>Committee dossier</b>	CJ51/10/01255

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary

Amendments tabled in committee		PE765.346	15/11/2024	
Committee opinion	<span style="border: 1px solid red; padding: 2px;">BUDG</span>	PE765.338	22/11/2024	
Committee report tabled for plenary, 1st reading/single reading		A10-0031/2024	10/12/2024	
Text adopted by Parliament, 1st reading/single reading		T10-0059/2024	17/12/2024	Summary
<b>Council of the EU</b>				
<b>Document type</b>	<b>Reference</b>		<b>Date</b>	<b>Summary</b>
Draft final act	00102/2024/LEX		19/12/2024	
<b>European Commission</b>				
<b>Document type</b>	<b>Reference</b>		<b>Date</b>	<b>Summary</b>
Legislative proposal	COM(2024)0496 		21/10/2024	Summary

## RESTORE – Regional Emergency Support to Reconstruction

2024/0275(COD) - 21/10/2024 - Legislative proposal

PURPOSE : to provide additional assistance and further flexibility to Member States affected by natural disasters.

PROPOSED ACT: Regulation of the European Parliament and the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: the recent natural disasters in Central, Eastern and Southern Europe have had a devastating effect on the populations living in these regions. **Extensive reconstruction works will be required** in many cities, towns and villages to repair damaged infrastructure and equipment. Immediate measures will be needed to alleviate the social and economic consequences of such natural disasters.

In order to tackle the devastating effect of natural disasters on people's health, access to healthcare including for people who are not in imminent socio-economic vulnerability should also be allowed. Europe needs to be able to rapidly provide **additional, effective support through the European Regional Development Fund (ERDF) and the European Social Fund Plus (ESF+)** to Member States, regions, local authorities and people severely affected by regional disasters, complementing the resources available from the European Union Solidarity Fund.

CONTENT: in order to provide additional assistance and further flexibility to Member States affected by natural disasters, the Commission proposes to amend Regulation (EU) 2021/1058 on the European Regional Development Fund and on the Cohesion Fund:

- introduce a **new specific objective** under Policy Objective 2 within the existing scope of the ERDF support in response to natural disasters that occur as from 1 January 2024. This would allow Member States to reprogramme under their 2021-2027 programmes under the Investments for Jobs and Growth goal amounts for the reconstruction following natural disasters as defined in Council Regulation (EC) No 2012/2002 establishing the European Union Solidarity Fund or recognised as such by a competent public authority of a Member State;
- allow for the application of a **Union financing rate of up to 100%** from the EU budget for a separate priority established within a programme to support operations linked to reconstruction and repair. Member States should also ensure that support from other national or Union instruments or private insurance schemes is taken into account so that overpayment is excluded;
- provide additional **pre-financing** for this separate priority by applying 30% to the allocation of the priority as set out in the decision approving the programme where the new dedicated priority is established. Where subsequently the allocation for the priority is increased as a result of further natural disasters, the additional pre-financing will only be paid on the amount by which the allocation to the priority is increased;
- allow Member States to select for support operations that have been physically completed or fully implemented before the application for the funding under the programme is duly submitted to the managing authority where they provide a response to a natural disaster occurring as of 1 January 2024;
- set out a deadline of **four months** after the first occurrence of damage as a result of a natural disaster or the entry into force of the amending Regulation where a disaster occurred before that date to submit corresponding programme amendments.

In order to ensure **further flexibility** for Member States in response to natural disasters that occur as from 1 January 2024 it is proposed to amend Regulation (EU) 2021/1057 to:

- provide flexibility for Member States in the implementation of the ESF+, including the additional pre-financing and the Union financing of up to 100%, to alleviate the socio-economic consequences of natural disasters and;

- provide immediate food and/or basic material assistance to people directly affected by natural disasters, as well as short-time work schemes for employees and self-employed without active measures and access to healthcare including for people who are not in imminent socio-economic vulnerability.

In order to safeguard the long-term strategic nature of cohesion policy investments, the total amount allocated to such dedicated priorities cannot exceed 10% of the total initial national allocation of the ERDF, the ESF+ and the Cohesion Fund taken together in a Member State for the 2021-2027 programming period. Member States should also ensure that support from other national or Union instruments or private insurance schemes is taken into account so that overpayment is excluded.

### ***Budgetary implications***

The proposal concerns cohesion policy programmes from the 2021-2027 programming period and does not modify existing budgetary commitments. It remains within the limits of the overall allocation for the period 2021-2027 and is therefore budgetarily neutral.

The proposal will result in additional pre-financing to be paid under the ERDF and ESF+ and will lead to frontloading of payment appropriations.

For 2025, the additional pre-financing was not envisaged in the draft budget. In order to address the urgent needs and provide swift support to the disaster-stricken Member States, the Commission proposed to cover the additional payment needs through an amending letter to the 2025 draft budget. The additional amount for 2025 is **EUR 3 billion** - for the ERDF and the ESF+ taken together - and corresponds to the 30% pre-financing to the estimated allocation (EUR 10 billion) of the dedicated priorities subsequent to the natural disasters having taken place as from 1 January 2024.

## **RESTORE – Regional Emergency Support to Reconstruction**

2024/0275(COD) - 17/12/2024 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 638 votes to 10, with 5 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council RESTORE – Regional Emergency Support to Reconstruction amending Regulation (EU) 2021/1058 and Regulation (EU) 2021/1057.

Parliament adopted its position at first reading following the ordinary legislative procedure by amending the Commission proposal as follows:

### ***Support for investments for reconstruction in response to natural disasters***

In order to alleviate the burden on the budgets of the Member States concerned and to reduce the risk of new territorial disparities, the amending regulation will provide effective support from the **European Social Fund Plus** (ESF+), as well as from the **European Regional Development Fund** (ERDF) and the **Cohesion Fund**, to Member States, regions and local authorities, as well as to people seriously affected by natural disasters occurring **between 1 January 2024 and 31 December 2025**, in addition to the resources available under the European Union Solidarity Fund (EUSF).

To provide additional flexibility to Member States affected by natural disasters, the regulation provides a **new specific objective** under the Investment for jobs and growth goal to channel the financial support of the ERDF and the Cohesion Fund for reconstruction in response to such disasters. In the context of reconstruction in response to natural disasters, operations based on the **"build back better"** principle should be prioritised in the selection process.

Where the natural disaster resulting in direct damage below certain thresholds occurs after the date of entry into force of this amending Regulation, it will be understood to be a natural disaster provided that it is recognised as such by a **competent public authority** of the relevant Member State within 12 weeks of the date of the first occurrence of damage as a consequence of that natural disaster.

### ***Financing***

The ERDF will be able to finance reconstruction projects up to **95%** of their total cost. In order to provide rapid liquidity to those in need, additional pre-financing of up to **25%** of the total amount will also be made available. The proposal will also allow for a more flexible use of European Social Fund Plus funds to finance the immediate provision of food aid and/or basic material assistance to people directly affected by natural disasters, and to finance short-time working schemes for employees and the self-employed, without active measures, as well as access to healthcare.