

Manual of European Environmental Policy

The following pages are a section from the Manual of European Environmental Policy written by the Institute for European Environmental Policy.

The Manual was published by Earthscan/Routledge from 2010 to 2012. It was designed as an on-line interactive reference work and annual printed versions were also produced.

This section is the text of the Manual as published in 2012. It is therefore important to note the following:

- The contents have not been updated since 2012 and no guarantee is given of the accuracy of the contents given potential subsequent developments.
- The sections include links to external websites (e.g. to legal texts). These links continue to work as long as those links are not broken by those websites.
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European Union Solidarity Fund

Formal reference	
Regulation (EC) No 2012/2002 (OJ L311 14.11.2002)	Regulation establishing the European Union Solidarity Fund.
Proposed 18.9.2002 - (COM(2002)514)	
Legal base	Article 175 TFEU (originally Article 352 EEC Treaty)
Binding dates	
Entry into force	15 November 2002

Purpose of the Regulation

The European Union Solidarity Fund, created following the major floods of 2002, was established to ensure rapid financial assistance to Member States and Candidate Countries in the event of major natural, technological and environmental disasters.

Summary of the Regulation

The European Union Solidarity Fund was established through Regulation (EC) No 2012/2002 mainly for dealing with natural disasters. These are major disasters with serious repercussions on living conditions, the natural environment or the economy, resulting in damage estimated either at over €3 billion, or more than 0.6 per cent of a state's Gross National Income. Alternatively, the Fund may be mobilized for extraordinary regional disasters resulting in damage inferior to this threshold, affecting the major part of its population, with serious and lasting repercussions on living conditions and the economic stability of the region.

The Solidarity Fund is intended to be different from the Structural Funds and other existing EU funding instruments by being focused on giving immediate financial assistance to help the people, regions and countries concerned return to living conditions that are as normal as possible. Its scope is therefore intended to be limited to the most urgent needs. The longer-term reconstruction of infrastructure and businesses is to be left to other instruments. The finance provided is intended to provide emergency relief to be complementary to the efforts of the countries concerned and be used to cover a share of the public expenditure caused by the disaster. The amount of support would be related to the size of the disaster but can also take into account other potential sources of finance.

In addition, the Fund should – in accordance with the ‘polluter-pays’ principle – not be used to relieve third parties liable in the first instance for the damage caused by them, or discourage preventive measures at both Member State and EU level. The assistance is given as a grant in order to help States carry out the following operations:

- Immediate restoration to working order of infrastructure and plant in the fields of energy, water and waste water, telecommunications, transport, health and education.
- Providing temporary accommodation and funding rescue services to meet the immediate needs of the population concerned.

- Immediate securing of preventive infrastructures and measures of immediate protection of the cultural heritage.
- Immediate cleaning up of disaster-stricken areas, including natural zones.

The maximum annual amount available to the Solidarity Fund is €1 billion. No non-budgeted portion of the annual amount may be carried over.

The functioning of the Fund

States have to submit applications for assistance from the fund ten weeks after the first damage caused by the disaster, providing all available information on, among other factors: the total damage and impact; the estimated cost of operations; other sources of EU funding; other sources of national or international funding, including public and private insurance coverage. On the basis of this information, the Commission assesses if the conditions for mobilizing the fund are met and determines the proposed amount of any possible grant. Countries affected by disasters from summer 2002 onwards qualify for assistance and the fund is open to both Member States and Candidate Countries. The beneficiary State is responsible for the implementation of the grant. The grant must be used within one year of the date on which it has been disbursed.

Development of the Regulation

As an answer to the flooding in Europe in 2002 the Commission published a communication on ‘The EU response to the flooding in Austria, Germany and several applicant countries – A solidarity-based initiative’ ([COM\(2002\)481](#)). This focused on EU actions to help Member States and applicant countries damaged by the flooding. It also clearly stated the need to reflect on how such a catastrophe came to pass, mentioning the high levels of greenhouse gases emissions and inadequate land-use and water-management policies. It proposed mobilizing financial resources, for example the reallocation of Structural Funds and via the creation of an EU Disaster Relief Fund.

In November 2002 the Council, the European Parliament and the Commission agreed on the financing of the new European Union Solidarity Fund within an annual ceiling of €1 billion intended for financial assistance to Member States and Candidate Countries in the event of major disasters.

Implementation of the Regulation

Allocations of the funds are made in Decisions of the Council and Parliament.

Since 2002, the Commission has received 90 applications for the total budget of €2,414 billion ([COM\(2011\)694](#)). . In 2009, only six applications for aid were made compared to some previous years when up to 19 applications had been presented. Some of these concerned the forest fires in the Attica region of Greece, to storms in Cyprus, to floods on the Greek island of Evia, and to mudslides in Sicily. Two major disasters were also addressed under the EU Solidarity Fund. The L'Aquila earthquake in the Italian Abruzzo region was the biggest disaster since the creation of the Fund and subsequently lead to the highest grant ever, amounting to almost half a billion Euros. Storm Klaus in south-western France was another major disaster with damage considerably above the average ([COM\(2011\)136](#)). In

contrast, 2010 has been the busiest year ever for the Solidarity Fund's in terms of the number of applications received. A total of 17 new applications were submitted to the Commission all concerning flooding disasters ([COM\(2011\)694](#)).

Overall, it is considered that for major disasters the Solidarity Fund works rather satisfactorily because the criteria are clear and simple to assess, and countries do not normally have difficulties preparing an application. However, applications under the rules for so-called extraordinary regional disasters are confronted with serious difficulties in accessing the fund particularly because the eligibility criteria laid down in the Regulation appear complicated. Another issue is that aid is often made available with a great delay sometimes of up to one year ([COM\(2011\)694](#)).

Future developments

The Commission has reflected on the implementation of the EU Solidarity Fund and has put forward a Communication on the Future of the Solidarity Fund on 6 October 2011 ([COM\(2011\)613](#)). This Communication analysed the functioning of the Fund in greater detail, highlights issues and presented possible solutions. The Commission considered that improvements can be achieved by adjusting the current Regulation. The following adjustments were proposed: a more clearly defined scope for the Fund; a new, more simple definition of regional disasters; an introduction of advance payments and a speeding up payments; a clearer framework for responding to slowly unfolding disasters; and an administrative simplification by merging grant decisions and the implementation agreement. The Communication is currently the subject of discussions with stakeholders, in particular with Member States, the European Parliament and regions. Depending on the outcome of the discussions the Commission is planning to present a legislative proposal for the 2014-2020 Regulation on the EU Solidarity Fund.

Related legislation

The EU Solidarity Fund operates alongside the [Community Mechanism for Civil Protection and the Civil Protection Financial Instrument](#). The [Structural and Cohesion Funds](#) can also co-finance the preparation and implementation of measures to prevent and cope with natural risks, as well as reconstruction measures after natural disasters. The [European Agricultural Fund for Rural Development](#), and LIFE+ can be used by the Member States to finance disaster prevention measures.