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To: Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of
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2002-2017

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COMMISSION STAFF WORKING DOCUMENT
EXECUTIVE SUMMARY OF THE EVALUATION
of the
EUROPEAN UNION SOLIDARITY FUND 2002-2017

{SWD(2019) 186 final}

EXECUTIVE SUMMARY

This Staff Working Document includes the results of the evaluation of the European Union Solidarity Fund (EUSF), covering the Fund's implementation and performance since its introduction in 2002 and until 2017. The issues analysed include the effectiveness and time efficiency of the approval, implementation and closure of EUSF interventions, the role of the Fund's revision in 2014, the synergies between EUSF and other EU policy instruments for disaster risk management, and the stakeholders' perceptions of the EU added value of this policy instrument and its role in inspiring further policy developments in national systems for disaster risk management.

The evaluation follows the Commission's principles of Better Regulation, providing evidence for the five evaluation criteria: effectiveness, efficiency, coherence, relevance and EU added value. In addition, it also considers the instrument specific evaluation criterion of EU solidarity. The evaluation was carried out between September 2018 and March 2019.

Background information

The European Union Solidarity Fund is a policy instrument created in 2002 to support EU interventions in situations of large disasters in EU Member States and accession countries such as floods, earthquakes, volcanic eruptions, forest fires, drought and other natural disasters. The Fund can be mobilised upon an application from the concerned country provided that the disaster event has a dimension justifying intervention at European level.

Between 2002 and 2017, the EUSF mobilised EUR 5.24 billion for interventions in 84 disaster events in 23 Member States and 1 accession country. Around 90% of these resources were allocated to disasters generating significant damage at national level, primarily for assistance with earthquakes, floods and storms. The types of operations for which the Fund can provide financial assistance include: i) restoring damaged essential infrastructure in the field of energy, water and waste water, telecommunications, transport, health and education, ii) providing temporary shelter for displaced population and contributing to rescue operations, iii) securing preventive infrastructure and protecting cultural heritage, and iv) cleaning up of disaster stricken-areas.

In 2014 the regulatory framework of the Fund was revised, such that the EUSF operations are now regulated by Council Regulation (EC) No 2002/2012 as amended by Regulation (EU) No 661/2014 of the European Parliament and of the Council. The 2014 reform introduced a number of changes in the activity of the Fund, of which important changes refer to the clarification of admissibility criteria for applications for regional disasters, the extension of the regulatory deadline for applications, the extension of the implementation period, and the introduction of advance payments.

In terms of financial resources available, the Fund operates on the basis of an annual budgetary ceiling which, starting with 2014, has been EUR 500 million in 2011 prices, with the possibility to carry over to the following year the resources not used in the current year.

Main evaluation findings

Effectiveness

Based on the analysis on how the Fund responds to requests for assistance with large scale natural disasters at national and regional level, we find that EUSF is effective in responding to major disasters at national level, with an approval rate of 100% for such applications. As regards disasters at regional level, the Fund's capacity to intervene also has improved as a result of the clarification of admissibility criteria for the mobilisation of the Fund for regional disasters introduced by the 2014 reform. Since 2014, the approval rate of applications for regional disasters has increased from 31% to 85%.

By design, due to the budgetary mechanism of dynamic allocation introduced in 2014, the Fund has the capacity to adapt even to catastrophic circumstances, as witnessed by the record support of EUR 1.2 billion allocated for the earthquakes in Italy in 2016/2017. In addition to introducing this flexibility in the allocation of resources as needed, the 2014 reform also introduced advance payments so that Member States have now the possibility to access the Fund much earlier, well before the time when the full support is mobilised and deployed.

As regards implementation on the ground, the Fund provides flexibility to beneficiary States as eligible operations can be reimbursed throughout the period since the first date of disaster and until the end of the implementation (i.e. a period close to 3 years on average). In terms of eligible operations, however, the evaluation finds that their scope is not fully aligned with the principle of 'Building Back Better' for disaster risk management, and it recommends that further consideration be given to adapting the instrument to the most recent principles guiding the practices of post-disaster reconstruction.

The evaluation finds also that the effectiveness of implementation of the Fund is contingent upon a number of factors, of which two are instrumental. First, the capacity of the applicant countries to provide timely and complete estimates of the total direct damage produced by the disaster has an impact on the timing and size of the financial assistance provided. Second, the country's preparedness for coping with disasters in terms of governance structures and institutional coordination are critical for a swift response and effective use of resources available. In this respect, the Commission can play an important coordination role in supporting further development of robust methodologies for damage estimation, and in promoting good practices for governance structures and institutional coordination in disaster situations.

Efficiency

As for the time needed to mobilise the Fund, the evaluation finds that the streamlining of the decision-making process achieved by the 2014 reform helped reduce the time between the submission of application and the payment of the support by 12%. Nevertheless, given the institutional context in which the Fund operates, the time taken to deploy the full grant on the ground remains, on average, at about 1 year, with limited scope for further improvements. On this basis, the evaluation concludes that the Fund is not an instrument for rapid intervention in disaster situations, and further consideration should be given to additional solutions which could help address this issue.

As regards administrative burden and costs, evidence from case studies indicates that they are likely to be perceived as proportionate, especially by beneficiaries in countries with an effective implementation system.

Relevance

Qualitative evidence from case studies suggests that EUSF support is welcomed in the face of tight budget constraints experienced by public authorities confronted with a natural disaster. In addition, experience with the Fund's implementation is likely to benefit policy learning and development for disaster risk management in countries concerned in terms of acquired experience with damage estimation, management of operations, introduction of institutional changes and coordination mechanisms, as well as promotion of EU standards in accession countries.

Coherence

The evaluation finds significant synergies between EUSF and the funds of Cohesion Policy (ERDF and Cohesion Fund). While EUSF addresses interventions in specific situations of natural disasters in the short to medium term, Cohesion Policy takes a more long-term perspective of strategic planning and investments for civil protection, preventive infrastructure, and preparedness, prevention and management of disaster risks. Moreover, given their similar mode of shared management, national authorities can capitalise on the experience gained in managing the cohesion funds for the implementation of EUSF, including the delivery mechanism, the monitoring systems, and financial management and control.

In addition, EUSF interventions are complementary to the immediate response to disaster situations provided through the Union Civil Protection Mechanism (UCPM). The evaluation finds that 11 countries receiving EUSF support also activated the emergency assistance from UCPM in 26% of the cases supported between 2002 and 2016.

EU Added Value

Qualitative evidence elicited through stakeholders' consultations indicates that EUSF is considered most useful for relieving the financial burden of local authorities which are confronted with significant damages caused by natural disasters. The Fund is valued also for its potential to emulate learning at institutional and operational levels, especially in small municipalities with less experience of EU financed projects. The Fund's policy and political dimensions, however, receive more modest ratings, indicating weaker links between the activity of the Fund, on the one hand, and changes in domestic policies for disaster management and enhanced visibility of the EU, on the other hand.

EU Solidarity

The evaluation looked at both effective and perceived solidarity of EUSF in terms of the extent to which the Fund fulfils its mission to support eligible States in coping with the consequences of natural disasters, and the perception of the general public of the assistance received. With respect to effective solidarity, the Fund fulfils its mission to ensure EU solidarity with countries in need, as witnessed by its interventions in numerous large-scale natural disasters of devastating nature. Nevertheless, the extent to which the Fund contributes to the post-disaster efforts in the disaster-stricken areas is contingent upon the country's preparedness to mobilise quickly and effectively in response to the disaster situation.

As for perceived solidarity, the evaluation finds that although 60% of the EU population may be broadly aware that there is a European Solidarity Fund to respond to disaster situations, at most 15% of them are likely to have specific accurate knowledge on the activity of the EUSF. This limited specific knowledge is most likely due to fact the Fund often reimburses projects already implemented by the time the full support is paid to the beneficiary country, but also

due to limited communication activities on the implementation of EUSF support in beneficiary countries.

In sum, the evaluation concludes that the European Union Solidarity Fund is a valuable instrument in the EU toolkit for interventions in disaster situations, bringing EU added value to the post-disaster response in Member States and accession countries. The evaluation also calls for further consideration to be given to policy actions that increase the potential for the Fund to intervene.