



**European Committee
of the Regions**

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OPINION

Experiences and lessons learned by regions and cities during the COVID-19 crisis

THE EUROPEAN COMMITTEE OF THE REGIONS

- is convinced that the question of EU competences in the field of health should be discussed during the debate on the future of Europe;
- calls on the European institutions and national governments to involve local and regional authorities in the preparation of the national and EU-level Recovery and Resilience plans;
- is convinced that the EU must address medicine shortages and reduce its dependency on third countries by bringing back the production of certain medicines, critical substances, including vaccines, and protective equipment to European soil;
- calls for further measures to increase the flexibility of the EU budget, State Aid framework as well as de minimis regime;
- warns of the risk of "digital divide" and calls for policies and funding that support high digital connectivity especially in rural areas;
- asks for development of sustainable mobility linkages between rural, intermediate and urban areas;
- asks for local and regional authorities to be involved in setting up the new EU instruments, such as the Next Generation EU recovery plans and the food crisis response mechanism proposed by the Commission in the Farm to Fork Strategy.

Rapporteur

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**Opinion of the European Committee of the Regions –
Experiences and lessons learned by regions and cities during the COVID-19 crisis**

I. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

Introductory comments

1. notes that the COVID-19 health crisis has required a large-scale and comprehensive response, considering not only national but also international and cross-border situations as well as local and regional needs;
2. affirms its commitment to working closely with European cities and regions and their networks, Member States, EU institutions and international organisations to take stock of the lessons learnt on the management of the COVID-19 crisis and recovery at all levels of governance in order to improve the response capacities of the EU in future pandemics and other kinds of crises;
3. notes that the role of local and regional governments cannot be underestimated in this case. They have the advantage of proximity to the citizens, which ensures that they understand local needs, and are also the first line of response. Also, various forms of civil society engagement play a very important role in ensuring the connection with the citizens and delivering services to them;
4. points out that 19 of the 27 Member States assign primary and/or sole responsibility for public health to local and regional authorities;
5. stresses that local and regional authorities have been – and continue to be – on the frontline in the fight against COVID-19, responding, as the level closest to the citizens, to the health, social and economic emergencies affecting their communities and leading our society towards sustainable and resilient recovery;
6. is convinced that more coordination between all levels of governance is needed to ensure a coherent and efficient response to future crises. This applies not only to areas such as the procurement of medical equipment, but also to cross-border arrangements, border closures and movement of people, to economic support as well as to information sharing and foresight activities that support better preparedness;
7. is also convinced that the question of deepening the EU competences in the field of health (Article 168, TFEU) in order to improve coordination, cooperation and an efficient response to future health threats, should be discussed during the Conference on the future of Europe. Enhanced European cooperation must be developed, taking account of the subsidiarity principle;
8. reiterates that border regions have been particularly hit hard by the pandemic, because of their situation. Because measures in neighbouring countries are not unambiguous, this leads to a lot of uncertainty and inconvenience for residents and entrepreneurs of border areas. More

consultation is therefore needed on, among other things, border closures, restrictions on the free movement of persons, economic support measures and other regulations. Border regions can actually serve as testing grounds for a better European approach;

9. welcomes the measures taken and the new proposals put forward by the European Union in the context of the fight against COVID-19 and to support the recovery from the crisis across the whole of the EU; proposes that their effectiveness on the ground be thoroughly evaluated based on experiences from rural areas, cities and regions;
10. takes stock of the Committee of the Regions' 2020 Barometer of Regions and Cities¹, which provides detailed evidence on the impacts of COVID-19 locally and regionally and presents concrete examples of best practices as well as challenges experienced by cities and regions, including rural areas and less developed regions;
11. calls on the European institutions and national governments to involve local and regional authorities in the preparation of the national and EU-level Recovery and Resilience plans in the context of COVID-19 and possible future pandemics; is convinced that these measures need a local and regional dimension to be effective;

A crisis affecting regional health systems

12. highlights the responsibilities of local and regional authorities in the field of public health in many Member States; commends the actions taken by municipalities, cities and regions in protecting the health of their citizens, managing essential health care services, supporting health care workers and investing in health systems in their territories, working in close cooperation with civil society and other actors and under immense pressure during this severe health emergency;
13. is convinced that with regard to the creation of a future European Health Union and the announced discussion on health competences in the context of the Conference on the Future of the EU, that it is necessary to involve local and regional authorities in these discussions about deepening the health competences of the EU in line with the principle of subsidiarity;
14. draws attention to the existing regional disparities in health systems and bottlenecks in emergency preparedness as highlighted by the CoR 2020 Barometer of Regions and Cities; urges national governments and EU institutions to take measures to reduce these disparities based on cities' and regions' recent experiences on the ground. The European Semester should better address the utmost importance of public investments in health systems;
15. stresses that EU-level reporting on healthcare performance and data for better preparedness should include a local and regional dimension and not only be based on data at the national level. This is particularly important in order to preserve freedom of movement for individuals,

¹ European Committee of the Regions: 2020 Barometer of Regions and Cities available at: [EU Annual Regional and Local Barometer \(europa.eu\)](https://ec.europa.eu/economy_finance/eu-annual-regional-and-local-barometer)

in particular for cross-border workers, in areas in which the virus's dissemination is under control;

16. calls for a strong and reinforced EU vaccine strategy that demonstrates solidarity. It is important for quality and safety reasons to maintain the common EU supply process for COVID-19 vaccines. Highlights that EU should maintain and defend the common market for vaccines and protective equipment. No country should be able to stop deliveries or sign its own contracts with vaccine manufacturers. It is important that the agreements signed at EU level are transparent and impose clear requirements on the delivery of vaccines, as the EU spends large sums on development and production facilities;
17. is convinced that the EU must address shortages and reduce its dependency on third countries by encouraging the Member States and businesses to bring back the production of certain medicines, critical substances, including vaccines, and protective equipment to European soil in order to ensure the EU's strategic autonomy and increase preparedness and resilience in normal circumstances and in a crisis;
18. is convinced that it is imperative for European regions to collect high quality, secure data relevant to health, demographic and socioeconomic factors of the population with the aim of identifying vulnerable groups and facilitating effective healthcare policies. This needs to be properly financed on a sustainable footing;
19. points out that all levels will need to invest in the training and resilience of their local health workforce, bolstering areas with the biggest shortages in this regard and providing budgetary justification for these measures;
20. stresses that cross-border cooperation should be part of all emergency plans. Europe needs to increase solidarity between its Member States and regions and include bottom-up approaches. Cooperation is also required at international level with the most disadvantaged as we have learnt that we will either emerge together from the health crisis or not at all. Common investments can be a lot more effective, as was clearly demonstrated in the area of health when regions and countries took over patients across borders. Furthermore, the purchase of protective equipment, and a common approach to knowledge gathering and research on all topics related to the pandemic, would have provided major added value. Europe needs to boost and protect its research capacity and internal production in terms of vaccines as well as materials and equipment for this and potential future pandemics, ensuring that it is self-sufficient and not dependent on external markets;
21. calls for actions to increase the credibility, accountability and mutual respect between the different levels of governance by correctly dividing responsibilities between the different levels and assuring good communication; better coordination among policy levels, in formal and informal settings, could be achieved by establishing effective working groups between the national, regional and local levels, and by adequate support for local actors, both financially and in terms of frameworks and guidelines;
22. firmly believes that European regions need to carry out a specific assessment of the impact of the pandemic on the mental health of the general population, particularly in the most vulnerable

groups, to step up investment in mental health and to devise strategies to protect children and young people during the health crisis;

Impacts of the pandemic on rural areas

23. points out that the pandemic has exacerbated many of the known problems in rural areas and highlighted once more the vulnerability of these regions. Stresses, however, that rural areas, specifically farmers, have played a crucial role in strengthening the resilience of the European food systems during the pandemic, and to continue ensuring that European food remains plentiful, affordable and accessible farmers will need help in mitigating current and future threats. The latest innovative farming methods and technologies could play a key role here;
24. stresses that, in general, policy is made from the perspective of cities and urban areas. This policy is not always well adapted to the different context, needs and opportunities of rural areas; urges the European Commission to take measures to better consider the rural context. In the current context, identifies the risk that, due to the emergency nature of the crisis, the recovery plan and other EU policies could be implemented in a way more favourable to cities and urban areas. If the recovery plan does not involve regions in its drafting and implementation, some needs and opportunities for rural areas will not be taken into account. Furthermore, it is important to stress that rural policy goes beyond agricultural policy and includes social policy and policy on the management of services in rural areas; these areas are often marginal in terms of production but are central as regards the environment, landscape and protection of biodiversity. More attention must be paid to business development, services, innovation, wildlife and landscape protection and accessibility in rural areas;
25. welcomes the European Commission's consultation on a new long-term vision for rural areas; points out that to tackle the different challenges, it is important that the European Commission set specific targets and indicators for these challenges. To avoid parallel systems, such targets and indicators should be part of the follow-up and development that takes place within regional development. This would make it a less voluntary document and encourage the Member States and policy makers to reflect on how these targets can best be reached. Based on the reports by the different Member States on the specific targets and indicators, it would be possible to monitor the progress and, where necessary, provide extra budget or support. Concrete examples are:
 - digital transition – targets for infrastructure for high-speed internet, adapted approach for smart villages/countryside, targets on digital skills;
 - quality and delivery of health services, education, skills training and broadband;
 - outreach approach to social and environmental wellbeing, by actively detecting and meeting the needs of the population;
26. observes that the pandemic has not necessarily had only negative consequences for rural areas. Remote working is likely to have long-term implications for the labour market, with both companies and employees seeing new opportunities to work outside towns and cities. If rural areas are connected by having access to fast broadband and can also offer key public services, they can be even more feasible places for people to choose to make their future in;

27. is convinced that the twin digital and green transitions can provide opportunities to support rural recovery;
28. highlights the crucial role women have played in rural areas during the pandemic by caring for the environment and people; urges the European Commission to ensure gender mainstreaming in any policies dedicated to rural areas;
29. stresses that in quickly changing situations, the lack of information to enable well-informed decisions becomes even more apparent. Sharing data between regions and Member States can help tackle this challenge. To enable this, certain technologies and infrastructure need to be put into place. Data sharing platforms can help make data quickly available. Existing systems can be adapted based on new information. This applies to the health sector, but is also very valuable for other systems that were highly influenced by logistical challenges, changes in the workforce, etc. It is imperative to create new forms of coordination in supply chains (materials, natural resources, waste management, etc.), rebuild the agri-food chain and develop more circular and interconnected ways of thinking;
30. points out that the flexibility to use uncommitted EAFRD funds to address COVID-19 related liquidity problems for farmers and SMEs in rural areas benefitted Member States that had a low absorption rate of these funds, whereas those Member States that had already used their allocated funding were not able to benefit from this measure²;
31. recommends investment in strengthening the resilience of agri-food supply chains, both local and global, with an emphasis on sustainable production, circular supply chains and possibly retaining local value. From a resilience perspective, emphasising diversity in suppliers and customers and creating buffers and reserves and redundancy in supply chains would seem to be promising avenues, but they can also be costly actions for individual businesses;
32. considers that the pandemic could be seen as an opportunity to accelerate the green transition in our rural areas, for instance by implementing local or regional food systems and more rapidly reaching the quantitative targets of the Farm to Fork Strategy and, more generally, the objectives of the European Green Deal provided that this does not hamper the economic security of European farmers and businesses;
33. notes that the European Commission proposes to assess the resilience of the food system and to develop a contingency plan to ensure food supply and food security in times of crisis. The plan will set up a food crisis response mechanism coordinated by the European Commission and involving the Member States. It will comprise various sectors (such as agriculture, fisheries, food safety, the workforce, health, transport, alternative sources of energy and farming for energy) depending on the nature of the crisis. It will be important to ensure that LRAs in rural areas are also able to provide input to this mechanism;
34. supports the creation of new opportunities for citizen participation, together with public and private sector organisations, and enhancing the role of communities in co-creation aimed at

² Ibid.

developing solutions for contemporary problems in urban and rural areas, for example through the creation of rural and urban commons;

35. emphasises the role that solidarity networks and the collaborative economy have played during the pandemic in rural communities, as well as linking rural and urban areas;
36. is convinced that in order to tackle the challenges of the COVID-19 crisis in rural areas, it is useful to support and strengthen the LEADER initiative and to draw attention in all Member States to the development of relevant community and business activities, to step away from the narrow focus on agriculture and to explore the concept of smart villages as a way to enable more flexibility. There is a need to adapt the administrative requirements in such a way that volunteers or groups of residents can also participate in the programme. A more flexible bottom-up approach will also be necessary to find a balance between solving short-term needs of local people and introducing innovation on a local level. This can be done for example by linking the Local Action Groups to networks of innovators;
37. stresses that an effective agricultural crisis reserve is clearly an essential part of the toolkit to respond to any future pandemic emergency, and it needs to be properly financed on a sustainable footing;
38. asks for local and regional authorities, including those of the outermost regions, to be involved in setting up the new EU instruments, such as the Next Generation EU recovery plans and the food crisis response mechanism proposed by the Commission in the Farm to Fork Strategy;
39. stresses that the instrument of EIP-AGRI Operational Groups is a good tool for supporting agricultural innovation. A similar mechanism should be brought forward to stimulate rural innovation beyond the agricultural sector. This approach should include all relevant actors with knowledge and expertise on a specific rural challenge and support the creation of networks of knowledge brokers for innovation in rural areas, for example on topics like health or education;
40. highlights the importance of the regional level in defining the critical points in food systems in order to improve the understanding of local food systems to make better use of the capacity of local actors; stresses the need to look at local food systems in a holistic way, not only focusing on short supply chains, but also involving large retailers, for example by encouraging supermarkets to share information and data on food originating both from inside and outside of the region; stresses the need to develop local food strategies, making use of the crisis as an opportunity to rebuild production processes in a more sustainable way; supports measures to move food production closer to the territories and involving cities and rural areas in food governance;

Recommendations on European Commission rural aid schemes during the crisis

41. notes that the EU enabled support by national governments in two ways. First, it created a new instrument, SURE, to provide up to EUR 100 billion in loans to countries, backed by guarantees provided by Member States. Farmers, food-processing companies and other rural enterprises such as those in the hospitality sector have benefitted from these schemes, which ensure that workers receive an income and businesses keep their staff. Second, it relaxed the conditions and

thresholds for Member States to provide state aid to affected businesses. The latter was most significant, as it enabled billions of euros of support to be provided to farmers and fishers during the pandemic;

42. underlines that facilitating the movement of seasonal workers and of agricultural goods across borders were the two direct measures taken at the EU level to avoid the disruption of agri-food supply chains; In the long term, to ensure European food safety, it would be more efficient to develop a territorial food system. Underlines that a revision of the competition regulations could be necessary in order to develop short and local food supply chains;
43. considers that rural development policy must be recognised as a discrete policy area alongside agricultural policy, and should be explicitly coordinated with and integrated into regional policy. The development of rural areas does not just concern agricultural businesses and farmland management, but also involves measures to support broader business development, tourism, services in rural areas, broadband roll-out, accessibility and communications, which must be central to rural development policy;
44. suggests that measures to increase the flexibility of the EU budget need to be explored. As an example, the usefulness of the Single Margin Instrument would be improved by eliminating the requirement that amounts mobilised over and above the respective annual ceilings must be offset against the corresponding margin for current or future years. Another option would be increasing the permitted maximum size of the Flexibility Instrument;
45. stresses that an effective agricultural crisis reserve is clearly an essential part of the toolkit to respond to any future pandemic emergency, and it needs to be properly financed on a sustainable footing;
46. notes that a key element in the EU response to the COVID-19 crisis was to enable national responses. This was done through flexibility in competition and in particular state aid rules. Flexibility in state aid rules played a pivotal role in defining public authorities' leeway to support companies and households and thus their ability to cushion the impact of the current pandemic. Suggests that support by national governments should be carefully monitored so as to prevent distortions between Member States;
47. advocates that there should be a mechanism in place to engage policy dialogues within Member States among all the relevant stakeholders (including, but not limited to, regional authorities, the business community and civil society). For LRAs in particular, it is essential that their investment needs, including for rural areas, be fully reflected in Member States' recovery plans;
48. recommends investment in strengthening the resilience of agri-food supply chains, both local and global. From a resilience perspective, it is necessary to regulate markets, strengthen the position of farmers vis-à-vis other stakeholders in the sector, change the international agricultural trade rules so as to encourage greater fairness and solidarity in trade relations and develop territorial food systems;

Unforeseen pressure on local and regional public finances

49. highlights that the implementation of the various emergency measures has had a dramatic impact on public finances and local and regional economies, the organisation of public services and on the operations of local and regional authorities both in the short and in the long term. At the same time, local and regional authorities are facing an increased demand for health, sanitary and social services for citizens, public transport, education and other public services, as well as for economic incentives to local businesses and for the implementation of actions towards sustainability and climate neutrality;
50. calls for more resources for local and regional authorities from central governments and the European Union to boost their health and care systems and emergency preparedness now and in the long term;
51. points out that that businesses in rural areas must have access to credit and capital. Banks are abandoning the countryside just as physical offices are being transformed into virtual offices. By investing in venture capital, the EU can ensure accessibility so that businesses in rural areas can have the same opportunities to develop as those in more densely populated areas;
52. calls on the European institutions to ensure that there is sufficient clarity with regard to the interplay between the different new financing and funding mechanisms, including the Recovery and Resilience Facility, and existing national and EU schemes, to avoid additional complexity and potentially low absorption rates at the local and regional levels³. Encourage Member states and the European Commission to better involve local and regional levels in the overall recovery effort. Their role at the frontline of the pandemic, in public investment, and in these twin transitions, must be part of the core recovery plan;
53. highlights the findings of its recent implementation report on state aid; notes that the current regional state aid maps and framework do not adequately capture the true situation in the EU regions due to the new challenges emerging from the COVID-19 pandemic and its short- and medium-term economic effects; stresses that experiences on the ground point to the need for more flexible approaches and instruments to help public authorities effectively address the impact felt at regional and local level;
54. highlights that social investment should be strengthened as a key priority for a fair, equal and inclusive recovery with the emphasis on accessible social infrastructure and social services at local and regional level to improve economic, social and territorial cohesion, with the right policy mix and financial resources for implementing the European Pillar of Social Rights and the SDG agenda. There is also a need to further boost digital transition and social innovation in this regard;

³ European Committee of the Regions: 2020 Barometer of Regions and Cities available at: [EU Annual Regional and Local Barometer \(europa.eu\)](https://ec.europa.eu/economy_finance/eu-annual-regional-and-local-barometer)

55. emphasises that the EU recovery plan should be directed towards environmentally friendly and sustainable development, which is so important for both people and the environment, and which will lead to a new normal recovery. The pandemic showed us the need for more green infrastructure, climate-friendly mobility and sustainable tourism;

Recommendations in relation to State Aid Rules

56. underlines the fact that for some Member States, massive State support equates to increasing government deficits and their public-debt levels at a time of shrinking tax revenues and higher unemployment benefits payments, something that might prove particularly risky especially for those Member States particularly hit by the pandemic that happen to be also the largest Eurozone economies. On the other hand, the fear of rising debt levels may lead some Member States to postpone investments or spending in crucial sectors for the recovery, which will most likely also result in widening the economic divergences within the Single Market;
57. raises awareness about the fact that excessive and very strict rules and conditions framing the control by the Commission may hinder the ability of public authorities to effectively fulfil their role in all these missions while, on the other hand, a very broad flexibility in State aid comes with the risk of resulting in further increasing regional inequalities within the EU. It seems that the new reality after the coronavirus pandemic obliges all of the parties concerned to redefine the right balance between the two limits;
58. welcomes the extension of the Temporary State Aid Framework to December 2021. If a new outbreak or revival of restrictive lockdown measures were to take place after the summer, the economic damage will be much higher and the temporary exceptional support will be even more necessary and needed for longer to prevent intrinsically sound companies from going bust. Hence an extension of the Temporary Framework until the end of the corona pandemic would be something to aspire to, particularly when it comes to the regions hardest hit by the crisis;
59. stresses the need to adapt various rules. It is noted, for instance, that on top of the recent amendment of the GBER in relation to companies in difficulty, a more flexible criterion for companies in difficulty is needed, especially for the start-ups and scale-ups sector, which often have regular funding rounds and thus become technically companies in difficulty, even when they are intrinsically sound and fast-growing companies. Accordingly, more flexibility in relation to the *de minimis* regime is urgent, while it would be desirable to complement the scope of Regulation (EU) No 651/2014 by providing, in addition to aid to compensate the damage caused by natural disasters (Article 50), also aid to make good the damage caused by pandemic events. An "adaptation" of the rules on accumulating would be useful as in circumstances such as the existing ones, accumulation between aid under *de minimis* or under GBER with aid granted under the TF must be allowed, taking into account the intensity thereof, also on those eligible costs;
60. favours shifting the burden of proof in such a way that the complainant and/or the European Commission have to show that a local service poses a threat to intra-Community trade. It is argued that having the burden of proof lie with the Commission would increase legal certainty and willingness to act on the part of local decision-makers and reduce the number of complaints. It is claimed that there is an urgent need to change the current situation, as a sword of Damocles

regarding the recovery of funds hangs over a large number of measures, since individual aid beneficiaries are unable to provide extensive evidence. In this context, it could also be useful to expand the criterion of harm to trade or to specify the term 'local' in greater detail;

61. notes that regions and cities are facing a new reality framed by the socioeconomic challenges triggered by the coronavirus pandemic. This new reality requires more flexible policy approaches and instruments that help public authorities effectively address the impact felt at regional and local level. In light of this, the current regional aid maps (programming period 2014-2020) do not adequately capture the true situation in the EU regions due to the new challenges emerging from the COVID-19 pandemic and its short- and medium-term economic effects. In a similar vein, the overall population coverage, the maximum permissible levels of aid and the type of investments provided for in the Regional State aid framework should be increased/broadened in order to meet the new socio-economic challenges in the EU regions as a result of the pandemic;
62. warns that the regional aid maps to be adopted before the end of 2021, which will be drawn up on the basis of statistical data from before 2020, may hinder the economic recovery of the most disadvantaged regions until the 2024 mid-term review is adopted. In effect, as they use statistical data from before 2020, these maps will not accurately reflect the economic situation of regions which are 'a' or 'c' areas and may cause difficulties when it comes to the economic recovery of these regions, by reducing the maximum aid intensity applicable or by laying down particular restrictions on the granting of aid to large enterprises following the change in the status of certain regions. The Committee of the Regions therefore calls on the European Commission to take account of this situation and to adopt measures going beyond a mid-term review in 2024 to ensure that the most disadvantaged regions which are 'a' or 'c' areas are not adversely affected by changes in their status making it difficult for them to recover;
63. recognises the need to assess the impact of the pandemic at regional level with a view to reflecting this in the regional aid maps through a mid-term review in 2024. In a similar vein, increased economic inequalities and unfair distribution of the benefits of the Single Market triggered by asymmetrical State intervention across the EU also have to be assessed in light of the risk that some citizens/MS may not continue to favour a Single Market whose benefits are distributed unfairly. Thus, it would be useful if the Commission, which has oversight of those measures and of the amounts, conducted an analysis of their impact on the single market and on regional inequalities. This will inform policy-making and ensure a better targeting of all relevant EU policies on the specific needs of EU territories;
64. considers that general principles of State aid rules, such as the incentive effect, must not be a barrier to the implementation of EU recovery funds. In this regard, calls on the European Commission to consider the incentive effect to be present when the aid leads to one or more of the following outcomes: a considerable increase in the size of the project or activity; a considerable increase in the geographical scope of the project or activity; a considerable increase in the amount invested by the beneficiary of the project or activity; or a considerable increase in the speed of implementation of the project or activity;
65. notes that the application of State aid rules is intrinsically intertwined with the use of Cohesion policy instruments. It has also been recommended that the use of Simplified Cost Options

referred to in the GBER be transposed into the Regional Aid Guidelines as well and not be limited to operations co-financed from ESIF only. These provisions offer an interesting compromise between the necessary monitoring of public money and a reasonable and accessible administrative burden. In addition, the relocation provisions, in particular those relating to Cohesion policy, have been identified as not sufficiently defined and unclear. A suggestion that State aid exemptions be granted immediately in connection with the approval of operational programmes confirms the close links between the Competition and Cohesion policy rules;

Supporting the digital transition in rural areas

66. takes note of the findings of the CoR 2020 Barometer of Regions and Cities⁴ stating that the new digital solutions adopted by local and regional authorities in response to the COVID-19 crisis could bolster the ongoing digital transition, but also risk exacerbating the "digital divide", including between rural and urban areas;
67. points out that the future of rural areas depends on them being provided with sufficient basic services and infrastructure and, of course, on the digital divide being tackled. Underlines their crucial importance of the transition towards a sustainable and climate-neutral economy and society. Sustainable resource-efficient business models with a focus on the circular economy and increased use of bio-based materials open up new opportunities that need to be seized via EU instruments;
68. calls for policies and funding that support high digital connectivity for all EU regions and local authorities – including rural areas – to ensure that people and companies can adapt to the crisis and the changing world of work; observes that an increased use of teleworking may cause demographic and economic shifts from the cities towards intermediate or rural areas. Notes, nevertheless, that such a shift would only be possible with the development of sustainable mobility linkages between rural, intermediate and urban areas;
69. calls for investment in the provision of high-speed internet everywhere, with specific attention to rural and less developed areas. Next to that, it will be important to develop strategies for providing (rural) households with the necessary affordable and decent hardware. A very specific action could be for Europe to give incentives to companies to donate hardware to people. Setting specific targets for rural areas in terms of provision of rural broadband, hardware and skills is necessary. The current DESI report (Digital Economy and Society Index) should provide this information;
70. highlights the need for digital education and training aimed at people who need better digital skills, considering different age groups, income levels and specific target groups such as farmers. Schools, along with other centres where people live together or meet socially, can play an important role in digitalisation projects (for all age groups), but other agencies and enterprises can also do so;

⁴ Ibid.

71. asks that the Digital Europe Programme, with its network of European Digital Innovation Hubs, pay specific attention to the needs of rural areas and offer adapted services through platforms that have a thorough understanding of their specific needs, with a close link to local communities;
72. regarding the flexibility measures introduced by the EU in the implementation of ESI funds to help tackle the crisis, highlights the fact that an actual reduction of structural and cohesion funding for rural areas was observed in many Member States. The ability to increase the EU co-financing rate had the adverse effect of reducing overall transfers to rural areas because it allowed a reduction in national co-financing;

Wellbeing, poverty and quality of life

73. emphasises that there are different factors influencing poverty and wellbeing in cities and in rural areas. The approach to tackle the issues is often based on urban realities. Furthermore, there is not much comparative research on the different aspects of wellbeing, which makes it difficult to adapt the approach to the rural context;
74. highlights the need to invest in (comparative) research on rural wellbeing, poverty and quality of life to have more insight into the specific challenges that rural areas face;
75. stresses that volunteers are central to quality of life and wellbeing and have played an important role in responding to the COVID-19 crisis. Volunteers and volunteer organisations are often organised at a very local level, in neighbourhoods or on a street. This proximity has enabled them to help where necessary, by communicating measures to people or by providing them with groceries and/or social care and healthcare. It is recommended that local and regional authorities tap into these existing volunteer networks to find new ways to reach people who experience poverty or who have wellbeing problems. To unlock the potential that lies in these volunteer organisations, EU funds might allow a different kind of co-financing for these organisations. For example, allowing the use of volunteer hours as co-financing would enable these organisations to apply more easily for EU funding;
76. points out that all levels of government need to consciously prepare a communication strategy to ensure that people understand the existing risks and guide them to adopt correct behaviours. The consistency of messages, providing reliable and accessible information sources and using good visuals are important aspects of this strategy. There is a need to train teams of communicators who can directly reach the people and to train officials and experts in communication; stresses the need to recognise the role of local authorities in this communication strategy, who can help to create a bridge between the policy makers, the experts and the public;
77. highlights the importance of monitoring respect for the subsidiarity principle. Emergency measures cannot lead to the centralisation of powers by national governments – thus limiting the role of the national parliaments and of local and regional authorities;
78. stresses that some vulnerable workers such as digital platform workers, delivery workers or drivers, along with workers who provide care or assistance for dependent persons, are essential

to our economy and should be better recognised in our society. Moreover, workers in teleworking must be guaranteed a right to disconnect;

79. notes that the crisis is estimated to have made approximately an extra 900 000 people unemployed in the first three months of the crisis based on Eurostat data. This is why the EU's recovery efforts must have a strong social dimension, in order to protect social security systems, safeguard workers' jobs and avoid wrongful dismissals;
80. highlights that the crisis has aggravated gender inequalities and gender-based violence. Cases of domestic violence rose by a third in some EU countries following lockdown. Moreover, the COVID-19 crisis has a clear gender dimension. At the same time, the pandemic has exacerbated Europe's existing inequalities, marginalisation and discrimination, and has reinforced structural racism. Similarly, it has had a harmful impact on the most vulnerable groups, including older people and people with disabilities;
81. points out that cities and regions and the EU leaders can build a stronger social Europe by working together in a renewed strategic partnership; points out, moreover, that urban-rural cooperation has particularly great potential for the recovery ("joining forces");
82. highlights that social investment should be strengthened as a key priority for a fair and inclusive recovery. We have the chance to do more than temporarily undo the effects of the pandemic crisis and start up where we left off. We can build back better. We should make sure all Europeans have access to affordable healthcare of good quality. We should create more quality jobs with fair working conditions, more inclusive education paths and skills training, ensure decent and affordable housing, provide active support for the most vulnerable and equal opportunities for all people. To achieve this, we need strong investment in social infrastructure and social services at local and regional level, with the right policy mix and financial resources for implementing the European Pillar of Social Rights and the SDG agenda;
83. highlights the need for a cross-border strategy and cross-border coordination on communication, measures and recovery. Notes that Solidarity between local and regional municipalities across State borders has been remarkably strengthened (in the sharing of medical equipment, charity actions, etc.). At the same time, due to the different and sometimes alienating national level measures, ordinary people's perception on the other side of the border has become suspicious or fearful. Even in cases of such strong integration as in the Benelux and the Nordic Council's states, many conflicts have appeared and the recovery of trust will need time;
84. stresses that transparency is a fundamental issue in a crisis situation: citizens need to know who is in charge of what. In some ways, the pandemic has deeply affected the way in which policy-making is done; notes that the overall quality of a democracy can be assessed in such a pandemic;
85. draws attention to the fact that good communication requires speaking the language of the people. This language is not only a matter of words, but also the way people express them and can understand messages, cultural differences and opinions; notes that communication to anti-vaxers poses a specific challenge in this regard, just like refuting fake news.

86. if this crisis has revealed anything, it is the interdependence between all people on the planet and the importance of keeping a close eye on the real problems, with local and global efforts reinforcing each other. We have learned that we are facing a global crisis that requires a global and solidarity-based response. This requires greater international cooperation to help meet the needs of poorer regions as well, preventing the virus from circulating freely with the risk of more dangerous mutations. It is now clear that decentralised cooperation between our regions and cities has proved a key instrument in European international cooperation to help the most disadvantaged regions address the challenges of ensuring universal, high-quality access to much-needed public services, with a view to achieving the end goal of all emerging from this global crisis and doing so together.

Brussels, 7 May 2021

The President
of the European Committee of the Regions

Apostolos Tzitzikostas

The Secretary-General
of the European Committee of the Regions

Petr Blížkovský

II. PROCEDURE

Title	Experiences and lessons learned by regions and cities during the COVID-19 crisis
Reference(s)	
Legal basis	Article 307 TFEU
Procedural basis	Referral, outlook opinion (Rule 41a)
Date of Council/EP referral/Date of Commission letter	2 July 2020
Date of Bureau/President's decision	19 August 2020
Commission responsible	Commission for Natural Resources (NAT)
Rapporteur	Joke Schauvliege (BE/EPP), vice-president of the Flemish Parliament
Analysis	5 October 2020
Discussed in commission	23 November 2020
Date adopted by commission	22 March 2021
Result of the vote in commission (majority, unanimity)	Majority
Date adopted in plenary	7 May 2021
Previous Committee opinions	
Date of subsidiarity monitoring consultation	