

Annexe 1 Costs and benefits, accompanying the web page, The financial impact of EU COVID-19 measures on the Netherlands

The costs and benefits to the Netherlands shown in table below are the outcome of measures taken by the EU. More information on the measures is available at: <https://english.rekenkamer.nl/topics/european-union/frequently-asked-questions/european-union/how-has-the-eu-responded-to-the-impact-of-the-covid-19-crisis>

This annexe was compiled using information from European Commission websites, the government report on the extraordinary European Council of 17-21 July 2020, as forwarded to the House of Representatives on 24 July 2020, and Assessment Framework for high risk government schemes – COVID-19 crisis measure: Recovery Instrument / Next Generation Europe, Ministry of Finance Budget, Annexe 1.

Benefits to the Netherlands of EU measures to combat the COVID-19 crisis (as at 28 May 2021)

Type of benefit		Component	Financial value to the Netherlands	Duration	Note
Financial	Direct	Horizon 2020 grants for research to combat COVID-19	€44.13 million	To end-MFF 2014-2020	The EU's Horizon 2020 research programme has released funding to combat the COVID-19 pandemic, e.g. by developing vaccines and new treatment methods. Source: Annexe 2 of this page.
		Corona Response Investment Initiative (CRII and CRII+)	Approx. €25 million	To end-MFF 2014-2020	From the unspent pre-financing of the European Structural and Investment Funds, €37 billion in total is available to support SMEs, healthcare, vulnerable sectors and the labour market. The Netherlands will receive approx. €25 million
		Next Generation EU recovery plan, part loans, part grants	Circa €6.75 billion in grants	2021-2024	The European Council agreed on 21 July 2020 to a new recovery instrument, Next Generation EU, worth €750 billion: €390 billion in grants/gifts, €360 billion in loans to member states. The Netherlands will receive €6.76 billion, mainly for : <ul style="list-style-type: none"> • Recovery and resilience facility: circa €5,6 billion; • React-EU: circa € 417 million; • Just Transition Fund: €324 million.
		ECB's purchase of public sector securities under the <i>Pandemic Emergency Purchase Programme</i> (PEPP)	€49 billion	To the end of March 2022	Under the <i>Pandemic Emergency Purchase Programme</i> (PEPP), the ECB has been providing financial support to EU member states since 24 March 2020 by purchasing public sector securities, up to a maximum of €1,850 billion.
		<i>European Globalisation Adjustment Fund (EGF)-grant</i>	€5,02 million		In May 2021 subsidies were granted to approx. 1800 employees of KLM who lost their jobs because of the COVID-19 crisis.
		Suspension of remittance of customs duties on medical equipment	Unknown	Unknown	EU member states need not levy customs duties on medical equipment imported from outside the EU as from 3 April 2020.

	Indirect	Activation of general escape clause of the Stability and Growth Pact: budget deficit > 3% and public debt > 60% temporarily permitted	In 2020, 5.9 % and 58.6% respectively	Unknown	The European Council agreed on 20 March 2020 to the general escape clause of the preventive arm of the Stability and Growth Pact (SGP). This does not suspend operation of the SGP but temporarily offers increased budgetary capacity.
		European Commission temporarily permits more state aid	€34.1 billion.	To end-December 2020	The European Commission has provided a temporary support framework since 19 March 2020 allowing member states to make maximum use of more flexible state aid rules to support the economy during the COVID-19 pandemic. Source: Annexe 2 of this page.
		Purchase by ECB of public sector securities under the <i>Pandemic Emergency Purchase Programme</i> (PEPP)	€ 49 billion	To end March 2022	Purchase of public securities by ECB since march 2020 up to a possible maximum of €1.850 billion.
		European Stability Mechanism (ESM) Pandemic Crisis Support programme	Up to 2% of GDP	To end-2022	Under the Pandemic Crisis Support programme, the ESM is providing eurozone members with €540 billion for emergency credit for national financing of healthcare, treatment and prevention.
Non-financial		Right to purchase corona vaccines	Unknown	Unknown	The European Commission is concluding contracts with corona vaccine manufacturers on behalf of the member states. The Netherlands is entitled to buy 3.89% of the total number of doses. At present, this is equal to more than 50 million doses.
		Repatriation flights under the EU Civil Protection Mechanism: 5,929 Dutch nationals repatriated.	Unknown	Unknown	The EU Civil Protection Mechanism had repatriated 5,929 Dutch nationals as at 22 June 2020, more than 1,000 on aircraft from EU member states and the remainder on Dutch aircraft.

Costs to the Netherlands of EU measures to combat the COVID-19 crisis (28-05-2021)

Type of cost	Component	Financial cost to the Netherlands	Duration	Note
EU contribution	Next Generation EU recovery plan.	€1 billion per annum higher contribution as from 2028, declining to €0.8 billion in 2058	2028-2058	The European Council agreed on 21 July 2020 to a new recovery instrument, Next Generation EU, worth €750 billion. To finance it, the European Commission is raising loans on the capital market that must be repaid by the member states. The Netherlands' contribution will decline over time as the interest expense declines.

Guarantees	Support to mitigate Unemployment Risks in an Emergency (SURE): guarantee	€5.76 billion, plus up to €1.4 billion for a bilateral guarantee	To 2053	SURE: €100 billion loan guarantee instrument to help member states protect jobs. Guarantees are invoked in proportion to each member state's relative share in the EU's gross national income (Netherlands: ca. 5.8%). The European Commission can also ask the member states to issue an additional bilateral guarantee totalling €25 billion.
	European Investment Bank (EIB): guarantee	€1.3 billion	Unknown	EIB Group has established a guarantee fund to generate funds for SMEs: €25 billion in new guarantees that can mobilise €200 billion on financial markets. With a voting right in the EIB of 5.21%, the Netherlands is guaranteeing €1.3 billion.
	Next Generation EU recovery plan: guarantee	Up to €27.4 billion	To 2058	The European Council agreed on 21 July 2020 to a new recovery instrument, Next Generation EU, worth € 750 billion To finance it, the European Commission is raising loans on the capital market. The maximum lending capacity (current prices) is €385.9 billion. The Netherlands' share in this is €22.4 billion. Its share in the interest expense is estimated at €5.0 billion. The Netherlands is therefore guaranteeing €27.4 billion in total.