

COVID-19: Council reaches political agreement on temporary support to mitigate unemployment risks in an emergency (SURE)

As part of its emergency support package to tackle the economic impact of the COVID-19 crisis, the EU is setting up a temporary instrument to help workers keep their jobs during the crisis.

EU ambassadors today reached a political agreement on SURE, a temporary scheme which can provide up to €100 billion of loans under favourable terms to member states. The instrument will enable member states to request EU financial support to help finance the sudden and severe increases of national public expenditure, as from 1 February 2020, related to national short-time work schemes and similar measures, including for self-employed persons, or to some health-related measures, in particular at the work place in response to the crisis.

SURE is one of the three safety nets, worth €540 billion, for jobs and workers, businesses and member states, agreed by the Eurogroup on 9 April 2020. EU leaders endorsed the agreement on 23 April and called for the package to be operational by 1 June 2020.



The COVID-19 pandemic constitutes an exceptional challenge for Europe, as it puts many lives and livelihoods at risk. Beyond the public health implications, the outbreak has also caused massive economic and social disruption with many companies having to rely on public support to preserve employment. SURE will be a vital safety net to protect jobs and workers as it will ensure that member states have the necessary means to finance measures to tackle unemployment and loss of income, as well as some health-related measures.

Zdravko Maric, Deputy Prime Minister and Minister of finance of Croatia

In order to provide requesting member states with financial assistance at favourable terms, the Commission will raise funds on international capital markets on behalf of the EU. SURE loans will be backed by the EU budget and guarantees provided by member states according to their share in the EU's GNI. The total amount of guarantees will be €25 billion.

While all member states will be able to make use of the instrument, SURE will act as a particularly important safety net for workers in the hardest-hit economies. Formally, the financial assistance will be granted by a decision adopted by the Council on a proposal from the Commission.

SURE will become available after all member states have provided their guarantees. The instrument will then be operational until 31 December 2022. On the proposal from the Commission, the Council may decide to extend the period of availability of the instrument, each time for a further 6-month period, if the severe economic disturbances caused by the COVID-19 outbreak persist.

The regulation will now need to be formally adopted by the Council, by written procedure. The adoption is foreseen by 19 May.

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