



Council of the European Union  
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**LIMITE**

**ECOFIN**

**WORKING PAPER**

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**NOTE**

From:	Presidency
To:	Delegations
Subject:	Informal videoconference of the Economy and Finance Ministers on 16.04.2020 - Flash

Delegations will find attached the Presidency Flash note for the informal videoconference of the Economy and Finance Ministers on 16.04.2020.

## **Informal videoconference of the “ECOFIN ministers”, 16 April 2020**

### **- Economic impact of the COVID-19 crisis and policy response**

*Ministers will be invited to exchange views based on the Commission’s presentation of their latest assessment of the economic impact of the COVID-19. Presidency will present the state of play and further work plans on the legislative proposals that are part of the recently presented packages of socio-economic measures for the coordinated response to the COVID-19 outbreak crisis.*

The Commission will present their latest assessment of the economic impact of the COVID-19. Also, the Commission, ECB and EIB will report on the implementation of the measures taken so far and give an overview of the planned initiatives for the policy response to COVID-19 crisis in the upcoming period. Ministers will be invited to exchange views on the measures and policy response taken by the EU institutions, as well as on the Presidency work plan with regard to the recently presented packages of socio-economic measures for the coordinated response to the COVID-19 outbreak crisis.

In order to be properly prepared for the upcoming discussions on a coordinated plan for a rapid and sustainable economic recovery of EU economies, the ministers are invited to engage in the first exchange of views on future policy actions and measures.

### **- Statement on continuing bank lending for households and corporates experiencing temporary difficulties, and on maintaining a well-functioning insurance sector, amid the COVID-19 pandemic**

*Ministers will be invited to endorse the Statement prepared by the FSC and the EFC, as agreed by COREPER.*

The preservation of the flow of bank credit to the households and corporates, including the SMEs, is one of the most significant means for the EU to tackle the socio-economic consequences of the COVID-19 outbreak. Therefore, the Statement gives political support to the EU institutions and supervisory agencies in their approach to the questions of applying prudential and accounting rules, while safeguarding the level playing field in the EU at the same time. The Statement supports the notion of a flexible application of the prudential and accounting rules in the banking sector in order to mitigate negative consequences and to explore the full potential of the exceptional measures the Member States and the EU are undertaking to incentivise banks to continue to finance the economy. Furthermore, in the Statement ministers are inviting banks to refrain from distributions of dividends and insurance companies to preserve their capital position.

- **Preparation of the IMF Spring meeting in April**

*IMFC statement prepared by the SCIMF and the EFC, endorsed by COREPER.*

The IMFC Statement will be delivered by Deputy Prime Minister and Minister of Finance of Croatia Mr Zdravko Marić, in his capacity as President of the ECOFIN Council, at the IMFC Annual Meeting that will take place in Washington, DC, on 17/18 April 2020 (via videoconference).

- **European Semester**

*Information point*

According to the mandate given to the EFC and the Commission to find a pragmatic approach regarding this year's cycle of the European Semester, the EFC chair will report to the ministers on the progress made at EFC level (and also confirmed at COREPER).

Upon request of EU-27 ministers of finance at the informal meeting of 23 March, the Commission has provided guidelines on the forthcoming submission of the National Reform Programmes (NRPs) and Stability or Convergence Programmes (SCPs). In order to keep essential milestones of the current Semester cycle, these guidelines propose streamlined approach in preparation of NRPs and SCPs, at the same time taking into account exceptional economic circumstances and the severe constraints that Member States are currently working under. At the EFC level, the Commission and Member States agreed to proceed on a very simplified basis this year in order to minimize administrative burden while allowing for a coordinated response.