
COVID-19 Coronavirus: Centeno (Eurogroup), economic strategy on four pillars. Three “safety nets” plus the Recovery Fund

An “ambitious and far-reaching” strategy - this is what Eurogroup President Mario Centeno presented today in a letter to the President of the European Council, Charles Michel, ahead of the next meeting of EU Heads of State and Government on 23 April, which will finalise the EU’s economic strategy for the months to come. “The strategy rests on four building blocks”, Centeno explains, namely “three safety nets” that have to be “set up immediately” to shield workers, businesses and states “from the short-term economic consequences of the COVID-19 crisis”. And the fourth pillar, the “Recovery Fund”, which is meant to “ensure that once the immediate health crisis is over, the ensuing economic recovery is strong, balanced and inclusive”. It will “mobilise future-oriented investment and help spread the costs of the extraordinary crisis over time through appropriate financing”. There is, however, disagreement, in that “some members” think the Recovery Fund “should be based on common debt issuance”, while others advocate “alternative solutions, in particular in the context of the multi-annual financial framework”. The Eurogroup has worked “intensively over the past two weeks” and will continue to do so in light of the “guidance” that will come from the Summit. The fact remains that “we are driven by a sense of urgency to set up the Recovery Fund in the context of a comprehensive recovery plan”. According to Centeno, “it is a proof of strong European solidarity in face of the enormous challenge our economies face and, I believe, it will help us build a common and prosperous future”.

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