

# Support to mitigate Unemployment Risks in an Emergency (SURE) – SURE financing contributed to preserving jobs during the COVID-19 crisis, but its full impact is not known

Performance

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**FULL REPORT (EN)**



## What we assessed and why

The COVID-19 pandemic caused a severe shock to the European economy and significant disruption to the labour market, putting millions of jobs at risk. Against this background, the EU put in place a temporary instrument, SURE (Support to mitigate Unemployment Risks in an Emergency), to help member states deal with the impact of the pandemic on their labour markets. In particular, the instrument was designed to support member states in implementing new job retention schemes or extending existing ones.

The Council expanded the scope of the scheme as initially proposed by the Commission so that SURE could also be used to support health-related measures. Unlike traditional social policy support funded from the EU budget, SURE provided long-term loans to member states on favourable financial terms. The Commission managed the instrument, and could borrow up to €100 billion on the capital markets. By August 2022, the Council had approved €93.3 billion in financial assistance to 19 member states, of which nearly €92 billion (98 %) had been disbursed.

We audited SURE because it represented a significant volume of financial support (up to €100 billion), and was therefore central to cushioning the impact of the COVID-19 pandemic. We assessed whether the instrument was efficient and effective at mitigating unemployment risks in the EU.

## What we found

- The EU acted quickly and efficiently to help countries safeguard employment.
- The EU was able to pass the SURE legislation and provide funding to member states much more quickly than usual.
- The use of loans – rather than grants – was unusual, but helped limit the risk to the EU budget.
- The arrangements for providing SURE funding, and the obstacles to measuring its impact, make it difficult to know exactly what was achieved in terms of jobs saved.



## What we concluded

Overall, we concluded that the Commission acted quickly and efficiently to help member states protect employment. It was able to grant EU support more quickly than under standard funding procedures. The SURE framework was appropriate to the emergency situation, and limited the financial risk to the EU budget. While there are some indications at aggregate level that SURE support reached millions of people, the lack of comprehensive data from the member states limits the Commission's ability to assess the scheme's impact.

While evaluation is not mandatory under the SURE regulation, we recommended, with a view to learning lessons for potential future emergency instruments, and in line with its commitment in the European Pillar of Social Rights Action Plan, that the Commission should evaluate the experience of SURE by the end of Q3 of 2024. Such an evaluation should encompass assessing the value added by SURE and the national measures it supported across all objectives, including those related to health. Additionally, it should explore whether and how SURE complemented national measures, and evaluate how effective the SURE framework was at minimising the risk of irregularities and fraud, given the cases reported by member states.