



Support measures for businesses and individuals in the context of the COVID-19 crisis – Support measures taken by the Federal Government

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FULL REPORT (FR-NL)



PRESS RELEASE (FR-NL)



SUMMARY (EN)



What we assessed and why

In March 2020, the Belgian National Security Council implemented a health strategy to curb the spread of COVID-19. This strategy was accompanied by socioeconomic measures to provide support for affected businesses and individuals. We carried out a cross-cutting audit of all socio-economic support measures adopted by federal and regional authorities.

The audit covered the implementation, monitoring and evaluation of these measures, as well as the organisation of both the regulatory framework and checks on the proper granting of aid.

What we found

The Belgian authorities did not publish a comprehensive and detailed inventory of socioeconomic support measures. We therefore drew up our own inventory of all aid measures adopted in 2020.

We identified 103 aid measures established by the Federal Government in 2020, with an estimated €19.40 billion in additional expenditure. Measures introduced in the first half of 2021 account for a further €1.15 billion. The largest aid initiatives concerned the economy, social security, taxation and social protection.

No structure was set up for consultation and coordination between Belgium's different levels of government. The Federal Government adopted its own separate support measures within its area of responsibility, without systematic coordination with other levels of government.

These federal measures were, however, fairly well coordinated with one another. This can be attributed to clearly delimited policy areas, cooperation between these areas and the involvement of statutory consultation bodies representing social partners. The use of temporary powers to pass, abolish or amend legislation by royal decree did not pose any limitations in this respect. However, the consultations that normally form part of the policy preparation process may have been affected by time pressure. For example, the abridged procedure before the Council of State was requested in almost all cases, the reasoning behind choices made was often lacking, and specific objectives were not always set for aid measures.



There were various (often retroactive) extensions and adjustments of measures in response to developments in the pandemic, which made legislation complex. The legislation was also interpreted very broadly in some cases in order to reach certain target groups. This increased the risk of unequal treatment and unlawful granting of aid, despite considerable efforts to explain to all stakeholders how the legislation would be applied. The conditions for the granting of aid - an important part of this legislation – were not so well chosen at the outset, which is understandable given the urgency of the measures. However, it is less clear why this remained the case as the pandemic progressed and more information became available. In some cases, measures were not adjusted as circumstances changed. Also, examples of best practice were not exchanged.

The speed with which the government had to act led to flexible aid application rules and shifts in the approach used to monitor the aid measures, but also to a lack of monitoring in some cases. Although the proper granting of aid could not have been checked ex ante, we consider that this should be done ex post. Greater use should be made of data and risk analysis, which will require the exchange of high-quality data for subsequent mining and matching. The higher monitoring workload will also require greater technical and human resources, which should be deployed where they are needed most.

Finally, with some exceptions, the monitoring of measures mainly covered financial rather than performance aspects. There were few evaluations leading to adjustments.

What we concluded

A lack of systematic consultation and coordination led to a lack of consistency between support measures at the different levels of government. It also increased the risk of excessive or insufficient support. Time pressure may have had an impact on the preparation of the aid measures. The regulatory framework became very complex and in some cases was not adjusted to changing circumstances. There is room for improvement in the approach used to monitor the aid measures.

In order to properly address our findings, we made specific recommendations in our report.