

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

Performance audit

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FULL REPORT (NL)



PRESS RELEASE (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 socio-economic 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 socio-economic support measures. We therefore drew up our own inventory of all aid measures adopted in 2020. This [interactive online inventory](#) can be consulted online for a limited time only. Users can filter data based on the available categories and generate graphs. A static version of the inventory will be included as an annex to the audit report in due course.

We identified 81 aid measures established by the Flemish government in 2020, with an estimated €3.05 billion in additional expenditure. The Flemish government mainly opted for direct aid in the form of grants and subsidies (44 % of all measures) and benefits (14 %). Its measures focused on grants for businesses forced to close and losing income, as well as the 'Flemish protection schemes' (COVID-19 grants), totalling €1.77 billion. The main measure for individuals comprised benefits to help temporarily unemployed people pay for water and energy, with an allocation of €168 million.

Flanders responded to the crisis quickly and in close cooperation with relevant stakeholder groups. Due to insufficient policy documentation, we were often unable to obtain a more detailed understanding of the actual policy preparation process. Policy choices were driven by the need for rapid action and were meant to be adjusted later. A roadmap and underlying plans were not available.

Flanders' COVID-19 grants were mainly intended as a rapid response to prevent bankruptcies. However, the initial grants lacked efficiency and were based on flat rates, meaning aid was not always commensurate with lost income. The government later switched to variable remuneration to compensate businesses for a share of their fixed costs, allowing it to target support better.





The decree governing benefits to help temporarily unemployed people pay for water and energy was well documented. However, the desire to make payments quickly resulted in broad eligibility conditions and the use of flat rates, which were not always commensurate with lost income.

For the various other Flemish support measures, coordination within Flanders was adequate and stakeholder organisations were generally consulted. The success of some of the measures was undermined by competing measures taken by the government at the same or another level.

The tools used to apply for COVID-19 grants were launched very quickly, and application procedures were simple as they took place online, some data was collected automatically and conditions were fairly simple. However, the number of applications was very high. Problems also arose from the legal procedures governing data exchange, as well as privacy rules, technical obstacles and a lack of up-to-date data. Although the process was highly automated, many applications had to be processed manually. Due to staffing limitations, not all high-risk cases could be checked, meaning a lot of unduly paid aid may not be recovered.

In the case of other aid measures, government bodies showed flexibility in the granting of aid, which was often based on declarations of honour. This meant that compliance with the conditions was not monitored until the inspection phase. Inspectors generally had a good knowledge of the target groups and could therefore limit their inspections to random samples. Some government bodies indicated that they would not be checking a number of cases.

The Flemish government generally monitored the various support measures fairly well, albeit mainly financial rather than performance aspects. It adjusted some aid measures, which suggests that informal evaluations took place. Most aid measures had not yet been formally evaluated as several were still being implemented.

What we concluded

The Flemish government's crisis response was appropriate, meaning aid was allocated rapidly. However, there is a need for smoother monitoring and data exchange. There is also a need for more systematic coordination and planning with other levels of government in Belgium. The monitoring of the measures focuses on their financial impact rather than their performance.