

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

Performance audit

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[FULL REPORT \(FR\)](#)



What we assessed and why

In March 2020, the Belgian National Security Council implemented a public health strategy to curb the spread of COVID-19, together with complementary socio-economic measures to support 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.

The Walloon Region adopted 145 socio-economic measures in 2020, worth an estimated €1.6 billion. These measures focused mainly on the economy, healthcare, social care and support, employment and mobility.

We assessed 20 % of the Walloon support measures, selecting those that, in our view, posed a higher implementation risk.

What we found

While a consultation and coordination system was set up between the various public authorities to manage the public health crisis, no such system was created to manage the socio-economic aspects. This led to a lack of consistency between support measures at the different levels of government. It also increased the risk of excessive or insufficient subsidies.

Given the exceptional circumstances, the Walloon government rapidly adopted support measures. In particular, knowledge of target group needs was limited, and there was significant lobbying and media pressure from certain professional organisations. The government also had limited budgetary capacity. The legislative process was adapted in particular by the granting of special powers to the Walloon government to create the flexibility needed to handle the crisis.

The way the target audience was defined led to unequal treatment of beneficiaries, *which was not sufficiently justified by the public policy objectives being pursued*. Some measures were also disproportionate to, for example, the duration of the crisis or the losses incurred. As it was possible to receive aid under more than one measure, subsidies could exceed the losses incurred.





Moreover, lengthy, inflexible procedures led to delays in accessing data from authentic sources, which in turn delayed checks and some aid payments. Insufficient data quality and the absence of certain data, together with unclear eligibility criteria, further complicated checks. Due to a lack of data and resources for carrying out checks, but also due to policy decisions, aid was largely granted based on trust.

Fraud risk control was partly based on ex post checks, which were delayed.

The lack of coordination and data sharing between administrations sometimes made it impossible to check for aid duplication.

Lastly, we found that the approach to evaluating and monitoring the socio-economic support measures was neither systematic nor structured. Weaknesses in monitoring also made it impossible to keep track, centrally and on an individual basis, of the results achieved and to ensure transparency in the way funds were used.

What we concluded

The Walloon Region reacted quickly to the COVID-19 pandemic by taking a number of socio-economic support measures following the adoption of public health measures by the Federal Government.

In order to properly address our findings, we made a number of recommendations on the inventory, coordination, development, regulatory framework, control, monitoring, and evaluation of socio-economic support measures.