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COVER NOTE

From:	Mr Johannes HAHN, Member of the European Commission
date of receipt:	16 April 2020
To:	Mr Zdravko MARIĆ, President of the Council of the European Union
Subject:	Proposal for transfer of appropriations No DEC 04/2020 within Section III - Commission - of the general budget for 2020

Delegations will find attached Commission document DEC 04/2020.

Encl.: DEC 04/2020



BRUSSELS, 16/04/2020

GENERAL BUDGET - 2020
SECTION III - COMMISSION TITLES: 04, 40

TRANSFER OF APPROPRIATIONS N° DEC 04/2020

FROM

CHAPTER - 0404 European Globalisation Adjustment Fund (EGF)

ARTICLE - 04 04 01 EGF -- to support workers and self-employed persons whose activity has ceased as a result of globalisation	Payments	-345 000,00
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CHAPTER - 4002 Reserves for financial interventions

ARTICLE - 40 02 43 Reserve for the European Globalisation Adjustment Fund	Commitments	-345 000,00
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TO

CHAPTER - 0401 Administrative expenditure of the `Employment, social affairs and inclusion` policy area

ITEM - 04 01 04 04 Support expenditure for the European Globalisation Adjustment Fund	Non-Diff	345 000,00
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The rules applicable to the European Globalisation Adjustment Fund (EGF) are laid down in Regulation (EU) No 1309/2013 of the European Parliament and of the Council of 17 December 2013 on the European Globalisation Adjustment Fund (2014-2020) and repealing Regulation (EC) No 1927/2006 (the 'EGF Regulation'). This Regulation covers applications for the mobilisation of the EGF submitted to the Commission after 1 January 2014.

Point 13 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and sound financial management sets the budgetary provisions related to the EGF.

The total budget for EGF in 2020 is EUR 179 263 000 in accordance with Article 11(1) of the EGF Regulation and up to 0,5 % of this annual maximum amount of the EGF may be made available for technical assistance at the initiative of the Commission.

I. DECREASE

I.1

a) Heading

04 04 01 - EGF -- to support workers and self-employed persons whose activity has ceased as a result of globalisation

b) Figures at 13/03/2020

	Payments
1 Appropriations in budget (Initial Budget + AB)	10 000 000,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	10 000 000,00
4 Appropriations already used	0,00
5 Appropriations available (3-4)	10 000 000,00
6 Decrease proposed	345 000,00
7 Total appropriations up to year end (5-6)	9 655 000,00
8 Decrease as percentage of appropriations in budget (6/1)	3,45 %
9 Decrease, as a percentage of the final appropriations for the year, in the sum of transfers referred to in Article 30(1)(b) of the Financial Regulation	n/a

c) Receipts arising from recovery (carried over from previous year)

	Payments
1 Appropriations available at start of the year	8 093 263,80
2 Appropriations available on 13/03/2020	8 093 263,80
3 Implementation rate [(1-2)/1]	0,00 %

d) Detailed grounds for the decrease

The line for technical assistance from the EGF at the Commission's initiative (budget line 04 01 04 04) is used for this measure and must therefore be provided with commitment and payment appropriations. Some of the payment appropriations available on the EGF line 04 04 01 will be used to cover this amount.

I.2

a) Heading

40 02 43 - Reserve for the European Globalisation Adjustment Fund

b) Figures at 13/03/2020

	Commitments
1 Appropriations in budget (Initial Budget + AB)	179 263 000,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	179 263 000,00
4 Appropriations already used	0,00
5 Appropriations available (3-4)	179 263 000,00
6 Decrease proposed	345 000,00
7 Total appropriations up to year end (5-6)	178 918 000,00
8 Decrease as percentage of appropriations in budget (6/1)	0,19 %
9 Decrease, as a percentage of the final appropriations for the year, in the sum of transfers referred to in Article 30(1)(b) of the Financial Regulation	n/a

c) Receipts arising from recovery (carried over from previous year)

	Commitments
1 Appropriations available at start of the year	0,00
2 Appropriations available on 13/03/2020	0,00
3 Implementation rate [(1-2)/1]	n/a

d) Detailed grounds for the decrease

Under point 13 of the Interinstitutional Agreement of 2 December 2013 on budgetary discipline and sound financial management, the Commission shall present to the European Parliament and the Council a proposal for a transfer of appropriations from the reserve for the EGF to the relevant budgetary line in parallel to the proposal for a decision to mobilise the EGF.

II. INCREASE

II.1

a) Heading

04 01 04 04 - Support expenditure for the European Globalisation Adjustment Fund

b) Figures at 13/03/2020

	Non-Diff
1 Appropriations in budget (Initial Budget + AB)	0,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	0,00
4 Appropriations already used	0,00
5 Appropriations available (3-4)	0,00
6 Increase requested	345 000,00
7 Total appropriations up to year end (5+6)	345 000,00
8 Increase as percentage of appropriations in budget (6/1)	n/a
9 Increase, as a percentage of the final appropriations for the year, in the sum of transfers referred to in Article 30(1)(b) of the Financial Regulation	n/a

c) Receipts arising from recovery (carried over from previous year)

	Non-Diff
1 Appropriations available at start of the year	0,00
2 Appropriations available on 13/03/2020	0,00
3 Implementation rate $[(1-2)/1]$	n/a

d) Detailed grounds for the increase

In 2020, the amount of EUR 345 000 is requested in order to cover the technical assistance related to the EGF, i.e. EUR 551 315 below the maximum amount allowed by Article 11 of the EGF Regulation. The contribution will be used for expenditure mentioned in Article 11(1) and (4) as well as Article 12(2), (3) and (4) of the EGF Regulation, as detailed hereunder.

Administrative support - EUR 210 000:

- The Expert Group of Contact Persons of the EGF, with two members from each Member State, will be holding its two regular meetings (second half of 2020 and first half of 2021);
- In order to promote networking among the Member States, the Commission will organise two seminars with the participation of EGF implementing bodies and social partners. These will possibly take place back to back with the Expert Group meetings. The seminars will focus on the EGF ex-post evaluation and on the implementation of the post-2020 EGF Regulation;
- The website on the EGF, which the Commission is maintaining as required under Article 12(2) of the EGF Regulation, will be regularly updated and expanded, with each new element also being translated into all EU languages. Awareness of the EGF will be increased and its visibility promoted. The EGF will be covered in various Commission publications and audio-visual activities as provided for in Article 11(4) of the EGF Regulation.

Technical support - EUR 135 000:

- Maintenance and updating of an electronic data exchange system. The Commission is continuing its work on standardised procedures for EGF applications and management, using the functionalities of the Shared Fund Management Common System (SFC), into which the EGF is being integrated. This allows applications under the EGF Regulation to be simplified, their processing to be speeded up and reports to be more easily extracted for varying needs. The SFC interface is also facilitating the EGF financial operations;
- Development of the post-2020 interface in SFC which will require additional funds for creation of new functionalities and adjustments to possible changes in the post-2020 EGF Regulation;
- Monitoring and data gathering. The Commission will collect data on applications received, paid and wound up, and measures proposed and implemented. This data will be made available on the website and compiled in appropriate form for the Biennial Report of 2021.

ANNEX

TRANSFERS RELATED TO THE EUROPEAN GLOBALISATION ADJUSTMENT FUND COMMISSION PROPOSALS ON 16/04/2020

The table below shows the transfer proposals transmitted to the Budgetary Authority to date during 2020, which relate to the European Globalisation Adjustment Fund (EGF), and the remaining amount of the EGF reserve that will remain should these proposals be approved.

Transfer Ref	Submission date	Content	Commitment Appropriations 2019 Reserve (EUR)
		Initial appropriations	179 263 000
DEC 04	16/04/2020	EGF/2020/000 TA 2020 – Technical Assistance	345 000
		Total transfer proposals	345 000
		Remainder	178 918 000

At this stage, the levels of internal assigned revenue available payment appropriations (current year and carried-over from previous year) are as follows:

Line 04 04 01: EGF – to support workers and self-employed persons whose activity has ceased as a result of the globalisation

	Amounts in EUR
Internal assigned revenue – current year	417 964
Internal assigned revenue – carried-over from previous year	8 093 264

Line 04 04 51: Completion of the European Globalisation Adjustment Fund (2007 to 2013)

	Amounts in EUR
Internal assigned revenue – current year	-
Internal assigned revenue – carried-over from previous year	-