



**COUNCIL OF  
THE EUROPEAN UNION**

**Brussels, 17 June 2013**

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**FIN 344**

**COVER NOTE**

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from:	Mr Janusz LEWANDOWSKI, Member of the European Commission
date of receipt:	14 June 2013
to:	Mr Brian HAYES, President of the Council of the European Union
Subject:	Transfer of appropriations No DEC 11/2013 within Section III - Commission - of the general budget for 2013

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Delegations will find attached Commission document DEC 11/2013.

Encl.: DEC 11/2013



## EUROPEAN COMMISSION

BRUSSELS, 12/06/2013

GENERAL BUDGET - 2013  
SECTION III - COMMISSION TITLE 18

### TRANSFER OF APPROPRIATIONS N° DEC 11/2013

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EUR

#### **FROM**

**CHAPTER** - 1802 Solidarity - External borders, return, visa policy and free movement of people

ARTICLE - 18 02 06 External Borders Fund

Payments - 30 000 000

#### **TO**

**CHAPTER** - 1805 Security and safeguarding liberties

ARTICLE - 18 05 08 Prevention, preparedness and consequence management of terrorism

Payments 3 000 000

ARTICLE - 18 05 09 Prevention of and fight against crime

Payments 27 000 000

**Justification for the reinforcement of the programmes**  
**“Prevention, preparedness and consequence management of terrorism” (CIPS)**  
**and**  
**“Prevention of and fight against crime” (ISEC)**

“Prevention, preparedness and consequence management of terrorism” (CIPS - budget line 18 05 08) and “Prevention of and fight against crime” (ISEC - budget line 18 05 09) are now both running out of payment appropriations, and therefore emergency reinforcement is required. Reinforcement was initially requested in the framework of Draft Amending Budget 2/2013 (DAB 2/2013), however, the progress of this proposal has been slower than initially foreseen.

The Commission therefore proposes short-term measures in order to honour its contractual obligations, and to avoid generating obligations to pay late interest. Further increases will be necessary later in the year; this request covers the needs only until the end of September 2013.

It has to be noted that the Commission has already taken restrictive measures, wherever possible, to limit the level of payments needed on these budget lines by adapting the signed grant agreements to postpone the payment of pre-financings until September/October, by holding back the signature of grant agreements until payment appropriations are assured, by giving priorities to private entities, and by suspending some payments on Service Level Agreements.

Should these additional payment appropriations not be made available the following consequences will ensue:

- late interests will be due from August/September;
- obligations towards public entities would not be honoured;
- grant agreements of the specific call 2012 will not be signed.

As far as the CIPS is concerned, the implementation on 29 May compared with the voted budget 2013 is 49%. EUR 3.1 million remains available on the line. Payment claims in the pipeline and forecasts until the end of September 2013 include pre-financings on CIPS 2012 calls (EUR 4.5 million), payments on existing procurement commitments (EUR 2.8 million), and final payments on grants (EUR 0.13 million). EUR 5 million out of the EUR 7.4 million needed in total relates to private entities.

The implementation of ISEC on 29 May has reached 94%, leaving availabilities of EUR 1.6 million. Before the end of September, the following payments will have to be honoured: pre-financing on ISEC 2012 calls (EUR 22.5 million), payments on existing procurement commitments (EUR 8 million), and final payments on grants (EUR 1.25 million). EUR 14.5 million out of the EUR 31.75 million needed is due to private entities. The Commission has already suspended more than 20 payments to public entities to give priority to private contractors.

The proposed source of appropriations is the External Borders Fund (budget line 18 02 06), as the adoption of its annual programmes is currently blocked until the lifting of the reserve linked to the Schengen governance issue. This budget line can thus temporarily contribute to finding a solution for both programmes, but will need reinforcement at a later stage, as the voted appropriations do not allow all pre-financings for the 2013 annual programmes to be covered. The corresponding request for additional payment appropriations in Draft Amending Budget 2/2013 for the External Borders Fund remains outstanding.

In conclusion, reinforcement of payment appropriations is urgently needed to cover legal obligations: EUR 3 million for CIPS (18 05 08) and EUR 27 million for ISEC (18 05 09), and this can be made available in the short-term from the External Borders Fund (18 02 06)

## I. INCREASE

### I.A

#### a) Heading

#### **18 05 08 - Prevention, preparedness and consequence management of terrorism**

#### b) Figures at 29/05/2013

	<b>Payments</b>
1A. Appropriation in budget (initial budget + AB)	6 110 248
1B. Appropriation in budget (EFTA)	0
2. Transfers	0
3. Final appropriation for the year (1A+1B+2)	6 110 248
4. Utilisation of final appropriation	3 019 956
5. <b>Amount not used/available (3-4)</b>	<b>3 090 292</b>
6. <b>Requirements up to year-end</b>	<b>6 090 292</b>
7. <b>Increase proposed</b>	<b>3 000 000</b>
8. Increase as percentage of appropriation in budget (7/1A)	49.10%
9. Increase, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 26(1)(b) and (c) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application	n/a

#### c) Receipts arising from recovery (carried over) (C5)

	<b>Payments</b>
1. Appropriation available at start of year	88 987
2. Appropriation available on the 29/05/2013	3 638
3. Rate of utilisation [(1-2)/1]	95.91%

#### d) Detailed grounds for the increase

See introduction

## I.B

### a) Heading

#### 18 05 09 - Prevention of and fight against crime

### b) Figures at 29/05/2013

	Payments
1A. Appropriation in budget (initial budget + AB)	27 594 669
1B. Appropriation in budget (EFTA)	0
2. Transfers	0
3. Final appropriation for the year (1A+1B+2)	27 594 669
4. Utilisation of final appropriation	25 953 635
5. <b>Amount not used/available (3-4)</b>	<b>1 641 034</b>
6. <b>Requirements up to year-end</b>	<b>28 641 034</b>
7. <b>Increase proposed</b>	<b>27 000 000</b>
8. Increase as percentage of appropriation in budget (7/1A)	97.84%
9. Increase, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 26(1)(b) and (c) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application	n/a

### c) Receipts arising from recovery (carried over) (C5)

	Payments
1. Appropriation available at start of year	22 183
2. Appropriation available on the 29/05/2013	0
3. Rate of utilisation [(1-2)/1]	100.00%

### d) Detailed grounds for the increase

See introduction

## II. DECREASE

### a) Heading

#### **18 02 06 - External Borders Fund**

### b) Figures at 29/05/2013

	<b>Payments</b>
1A. Appropriation in budget (initial budget + AB)	174 240 625
1B. Appropriation in budget (EFTA)	0
2. Transfers	0
3. Final appropriation for the year (1A+1B+2)	174 240 625
4. Utilisation of final appropriation	32 787 458
<b>5. Amount not used/available (3-4)</b>	<b>141 453 167</b>
<b>6. Requirements up to year-end</b>	<b>111 453 167</b>
<b>7. Proposed decrease</b>	<b>30 000 000</b>
8. Decrease as percentage of appropriation in budget (7/1A)	17.22%
9. Decrease, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 26(1)(b) and (c) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application	n/a

### c) Receipts arising from recovery (carried over) (C5)

	<b>Payments</b>
1. Appropriation available at start of year	408 687
2. Appropriation available on the 29/05/2013	0
3. Rate of utilisation [(1-2)/1]	100.00%

### d) Detail grounds for the transfer

See introduction