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COVER NOTE

From:	Ms Kristalina GEORGIEVA, Vice-president of the European Commission
date of receipt:	5 July 2016
To:	Mr Peter KAŽIMÍR, President of the Council of the European Union
Subject:	Proposal for transfer of appropriations No DEC 18/2016 within Section III - Commission - of the general budget for 2016

Delegations will find attached Commission document DEC 18/2016.

Encl.: DEC 18/2016



BRUSSELS, 05/07/2016

GENERAL BUDGET - 2016
SECTION III - COMMISSION TITLES: 23, 40

TRANSFER OF APPROPRIATIONS N° DEC 18/2016

FROM

CHAPTER - 4002 Reserves for financial interventions

ARTICLE - 40 02 42 Emergency aid reserve

Commitments	-55 000 000,00
Payments	-44 000 000,00

TO

CHAPTER - 2302 Humanitarian aid, food aid and disaster preparedness

ARTICLE - 23 02 01 Delivery of rapid, effective and needs-based humanitarian aid and food aid

Commitments	55 000 000,00
Payments	44 000 000,00

I. DECREASE

I.1

a) Heading

40 02 42 - Emergency aid reserve

b) Figure at 15/06/2016

	Commitments	Payments
1A Appropriation in budget (Initial Budget + AB)	309 000 000,00	309 000 000,00
1B Appropriation in budget (EFTA)	0,00	0,00
2 Transfers	0,00	0,00
3 Final appropriation for the year (1A+1B+2)	309 000 000,00	309 000 000,00
4 Utilisation of final appropriation	0,00	0,00
5 Amount not used/available (3-4)	309 000 000,00	309 000 000,00
6 Requirements up to year-end	254 000 000,00	265 000 000,00
7 Proposed decrease	55 000 000,00	44 000 000,00
8 Decrease as percentage of appropriation in budget (7/1A)	17,80 %	14,24 %
9 Decrease, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 26(1)(b) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application	n/a	n/a

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

	Commitments	Payments
1 Appropriations available at start of the year	0,00	0,00
2 Appropriations available on 15/06/2016	0,00	0,00
3 Rate of utilisation $[(1-2)/1]$	n/a	n/a

d) Detailed grounds for the transfer

According to article 9 of the Multiannual Financial Framework the Emergency Aid Reserve (EAR) is intended to allow for a rapid response to specific aid requirements of third countries following events which could not be foreseen when the budget was established; first and foremost for humanitarian operations, but also for civil crisis management and protection, and situations of particular pressure resulting from migratory flows at the Union's external borders, where circumstances so require.

II. INCREASE

II.1

a) Heading

23 02 01 - Delivery of rapid, effective and needs-based humanitarian aid and food aid

b) Figure at 15/06/2016

	Commitments	Payments
1A Appropriation in budget (Initial Budget + AB)	1 061 821 941,00	1 428 753 205,00
1B Appropriation in budget (EFTA)	0,00	0,00
2 Transfers	0,00	0,00
3 Final appropriation for the year (1A+1B+2)	1 061 821 941,00	1 428 753 205,00
4 Utilisation of final appropriation	934 105 000,00	779 948 201,09
5 Amount not used/available (3-4)	127 716 941,00	648 805 003,91
6 Requirements up to year-end	182 716 941,00	692 805 003,91
7 Proposed increase	55 000 000,00	44 000 000,00
8 Increase as percentage of appropriation in budget (7/1A)	5,18 %	3,08 %
9 Increase, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 26(1)(b) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application	n/a	n/a

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

	Commitments	Payments
1 Appropriations available at start of the year	306 860,31	20 141,75
2 Appropriations available on 15/06/2016	306 860,31	0,00
3 Rate of utilisation [(1-2)/1]	0,00 %	100,00 %

d) Detailed grounds for the transfer

Turkey is hosting some 3.1 million Syrian refugees. Between 1 February and 15 March 2016, the number of out-of-camp Syrian refugees has increased by 162 346. The total of those living out-of-camp but under temporary protection is 2 747 946 (nearly 90% of the Syrians in Turkey).

Most of the support provided so far by the Turkish government (EUR 7 billion) goes for the camps hosting only 10% of the Syrian refugees. The Commission is therefore focusing on the more vulnerable who live with host communities and have so far received limited assistance.

Additional EUR 75 million is needed to help reach the total contribution from the Humanitarian aid to the Facility for Refugees in Turkey (FRT) (EUR 165 million in 2016). Part of that amount (EUR 20 million) will be covered from the Operational Reserve (OR) for Humanitarian aid.

As of 1 June, the overall implementation rate in commitment appropriations of the humanitarian aid chapter was at 89% (and 89% for the main line "Humanitarian aid and food assistance" 23 02 01). In payment appropriations it was at 49% for the humanitarian chapter and 48% for the main line. The balance in the OR for Humanitarian aid, after taking into account all pending requests, including EUR 20 million for FRT, will be at EUR 85 million. This amount is needed to cover crises and natural disasters until the end of the year.

The Commission has also considered possibilities for redeployment from other policy areas in Heading 4. However, at this stage of the year no such availabilities could be identified.

The Commission therefore presents a request for the mobilisation of the Emergency Aid Reserve in the amount of EUR 55 million in commitment and EUR 44 million in payment appropriations for the above mentioned crisis.

(For more information, see Annex).

TURKEY (SYRIA REGIONAL CRISIS)

Key financial information related to this crisis	
Total amount committed in 2015 for this crisis (including European Development Fund (EDF))	EUR 35.85 million
Amount committed through 2016 initial Humanitarian Implementation Plan related to this crisis Frontloading from 2015	EUR 40 million EUR 40 million
Funds already committed this year for this crisis from: - Operational Reserve - Emergency Aid Reserve - Small Scale Response	0 EUR 10 million 0
Total amount committed in 2016	EUR 90 million
Other donors (Appeal for Syria Regional Crisis and Turkish government)	EUR 8.23 billion

Additional needs
EUR 55 million

When the funds are needed?
June 2016

Why additional funding is needed?
<p>Since the beginning of the refugee crisis in 2015 the EU and the Turkish government have engaged in firm commitments to ensure that the needs of Syrian refugees under temporary protection in Turkey are met. The strategic focus of EU's humanitarian aid in 2016 is on the Syrian refugees in Turkey and it is fully aligned with the EU-Turkey Joint Action Plan (JAP) and ensuing political commitments at Heads of State level.</p> <p>EU-Turkey Joint Action Plan of 15 October 2015 states:</p> <p><i>"The EU side intends to:</i></p> <p>2. ... continue, by way of close cooperation with the Turkish authorities, to provide immediate and principled humanitarian assistance via relevant humanitarian organisations in Turkey to address the most urgent humanitarian needs on the basis on their vulnerability in parallel and complementary to bilateral cooperation programmes aimed at addressing the needs created by the protracted refugee crisis."</p> <p>The Facility for Refugees in Turkey (FRT) was established with Commission Decision of 24 November 2015 and amending decision of 10 February 2016 for 2016-2017. EUR 3 billion will be provided from the EU to improve the living conditions of refugees</p>

in Turkey, while Turkey agreed to assist in stemming the flows of refugees to the EU.

The sources of financing will be: EUR 1 billion to be provided by the EU budget and EUR 2 billion by the Member States. The Steering Committee of the Facility agreed in principle that roughly EUR 1 billion would be disbursed for humanitarian assistance for 2016-2017 and the rest of longer-term interventions under other instruments (MADAD Trust Fund, IPA, IcSP, etc.).

Following current agreement, at least EUR 600 million will be required for Humanitarian aid in 2016 and EUR 400 million in 2017, including Member States' contributions. Consequently, HUMA's contribution to the FRT will amount to EUR 165 million in 2016, with the additional EUR 435 million to come from Member States.

So far EUR 90 million has been committed from HUMA 2016, including a previous mobilisation of the EAR for EUR 10 million. In order to meet the remaining funding requirement of EUR 75 million, the Commission proposes the mobilization of the EAR for EUR 55 million. An additional EUR 20 million will be used from the Humanitarian aid Operational Reserve.

Additional needs

Turkey is host to some 3.1 million refugees. Between 1 February and 15 March 2016, the numbers of out-of-camp Syrian refugees have risen by 162 346 according to official Government figures (Ministry of Foreign Affairs). The total of those living out-of-camp but under temporary protection is 2 747 946. This represents nearly 90% of Syrians in Turkey. Approximately 10% of the Syrians are living in camps, or temporary protection centres. So far most of the support provided by the Turkish Government (EUR 7 billion) has been disbursed for Syrian refugees in camps. With assistance there deemed largely of high quality, the Commission is now focusing its attention on the more vulnerable, who live with host communities and who have so far received limited assistance.

What will it be used for?

The first tranche of funds (EUR 90 million) allowed increasing the support to core humanitarian operations in Turkey. It prepared the ground for the future Emergency Social Safety Net (ESSN) by stepping up funding to the World Food Programme for the conceptualisation of the ESSN and consolidated the cash-based assistance and protection components of the Non-Governmental Organisations.

The additional funds will be geared towards the core component for humanitarian assistance such as protection, health, etc., education in emergencies and to roll-out the ESSN, using the most appropriate modality that of the multi-purpose cash transfers on a much larger scale.

COMMISSION TRANSFER PROPOSALS RELATED TO THE EMERGENCY AID RESERVE IN 2016

The table below shows the transfer proposals transmitted to the Budgetary Authority to date during 2016 which relate to the Emergency Aid Reserve (EAR), and the remaining amount of the EAR reserve following the approval of these proposals.

Transfer Ref	Content	Commitment Appropriations from 2016 Reserve (EUR)	Commitment Appropriations from Reserve carried-over (EUR)	Payment Appropriations from 2016 Reserve (EUR)
DEC 05	Mobilisation of the EAR for additional humanitarian aid for the Syria crisis		150.000.000	
DEC 15	Mobilisation of the EAR for additional humanitarian aid for Sudan and South Sudan		40.000.000	27.000.000
DEC 16	Mobilisation of the EAR for additional humanitarian aid for Yemen	622.134	29.377.866	24.000.000
DEC 17	Mobilisation of the EAR for additional humanitarian aid for Iraq	30.000.000		23.000.000
DEC 18	Mobilisation of the EAR for additional humanitarian aid for Turkey	55.000.000		44.000.000
	Total of Proposals	85.622.134	219.377.866	118.000.000
	Remainder	223.377.866	0	191.000.000
	Total remainder of commitment appropriations	223.377.866		