



Council of the
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PROPOSAL

From: Secretary-General of the European Commission,
signed by Mr Jordi AYET PUIGARNAU, Director

date of receipt: 14 September 2016

To: Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of
the European Union

No. Cion doc.: COM(2016) 607 final

Subject: Proposal for a DECISION OF THE EUROPEAN PARLIAMENT AND OF
THE COUNCIL amending Decision (EU) 2015/435 on the mobilisation of
the Contingency Margin

Delegations will find attached document COM(2016) 607 final.

Encl.: COM(2016) 607 final



Brussels, 14.9.2016
COM(2016) 607 final

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
amending Decision (EU) 2015/435 on the mobilisation of the Contingency Margin

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

The European Parliament and the Council decided on 17 December 2014 to mobilise the Contingency margin in 2014 in order to react to unforeseen circumstances that had arisen after the multiannual financial framework (MFF) payment ceiling for 2014 was first established in February 2013 and to complement the payment appropriations in the general budget of the European Union for the financial year 2014 above the payment ceiling.

The Decision offsets the amount mobilised in 2014 against the margins under the payment ceilings for the years 2018 to 2020. The Draft Budget for 2017 shows a large margin available under the 2017 payment ceiling, whilst the mid-term payments forecast until 2020, presented by the Commission in the context of the MFF mid-term review¹, foresees a mounting pressure on payment ceilings for the years 2018-2020. The Commission, therefore, proposes to amend the above mentioned Decision by offsetting the amount mobilised in 2014 against the margins available under the payment ceiling in 2017.

When mobilising the Contingency margin in 2014, the institutions included an amount of EUR 350 million in the mobilisation decision but without this amount being offset, pending an agreement on the treatment of payments of special instruments, and invited the Commission to present a proposal in a timely manner. The mid-term payments forecast shows that the sufficiency of payment ceilings depends on an agreement confirming that payment appropriations related to special instruments are entered into the budget over and above the ceilings the same way as the commitments from which they stem. It is, therefore, proposed not to offset this amount.

¹ COM(2016)603 of 14.09.2016.

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Decision (EU) 2015/435 on the mobilisation of the Contingency Margin

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to 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 on sound financial management², and in particular the second subparagraph of point 14 thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) Article 13 of Council Regulation (EU, Euratom) No 1311/2013³ has established a Contingency Margin of up to 0,03 % of the Gross National Income of the Union.
- (2) In accordance with Article 6 of Regulation (EU, Euratom) No 1311/2013, the Commission had calculated the absolute amount of the Contingency Margin for 2014⁴.
- (3) By Decision (EU) 2015/435⁵, the European Parliament and the Council mobilised the Contingency Margin in 2014 to allow the financing over and above the payment ceiling of EUR 3 168 233 715. An amount of EUR 350 million in payment appropriations was included in the mobilisation of the Contingency Margin pending an agreement on the treatment of payments for special instruments. It was decided to offset an amount of EUR 2 818 233 715 over the period 2018-2020 and to invite the Commission to present in a timely manner a proposal concerning the remaining amount of EUR 350 million.
- (4) Payment appropriations related to the use of the special instruments are entered in the budget over and above the relevant payment ceilings of the multiannual financial framework. As a consequence the mobilisation of the Contingency Margin in 2014 is only necessary for a total amount of EUR 2 818 233 715 in payment appropriations, with no need to include and offset the additional amount of EUR 350 million.

² OJ C 373, 20.12.2013, p. 1.

³ Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 (OJ L 347, 20.12.2013, p. 884).

⁴ Communication from the Commission to the Council and the European Parliament of 20 December 2013 on the technical adjustment of the financial framework for 2014 in line with movements in GNI (COM(2013) 928).

⁵ Decision (EU) 2015/435 of the European Parliament and of the Council of 17 December 2014 on the mobilisation of the Contingency Margin (OJ L 72, 17.3.2015, p. 4).

- (5) According to the medium-term payment forecast presented in the context of the Mid-Term Review, pressure on the annual payment ceilings in the years 2018-2020 is to be expected.
- (6) The draft budget for the year 2017 shows a margin below the payment ceiling of EUR 9,6 billion, allowing for the offsetting of the full amount mobilised in 2014.
- (7) Decision (EU) 2015/435 should therefore be amended accordingly,

HAVE ADOPTED THIS DECISION:

Article 1

Decision (EU) 2015/435 is amended as follows:

- (1) Article 1 is replaced by the following:

"Article 1

For the general budget of the European Union for the financial year 2014, the Contingency Margin shall be mobilised in the sum of EUR 2 818 233 715 in payment appropriations over and above the payment ceiling of the multiannual financial framework.";

- (2) Article 2 is replaced by the following:

"Article 2

The sum of EUR 2 818 233 715 shall be offset against the margin under the payment ceiling for the year 2017.".

Article 2

This Decision shall enter into force on the twentieth day of its publication in the *Official Journal of the European Union*.

Done at Brussels,

For the European Parliament
The President

For the Council
The President