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COVER NOTE

From:	Ms Kristalina GEORGIEVA, Vice-President of the European Commission
date of receipt:	29 November 2016
To:	Mr Peter KAZIMIR, President of the Council of the European Union
Subject:	Proposal for transfer of appropriations No DEC 37/2016 within Section III - Commission - of the general budget for 2016

Delegations will find attached Commission document DEC 37/2016.

Encl.: DEC 37/2016



EUROPEAN COMMISSION

BRUSSELS, 25/11/2016

GENERAL BUDGET - 2016
SECTION III - COMMISSION TITLES: 01, 23

TRANSFER OF APPROPRIATIONS N° DEC 37/2016

FROM

CHAPTER - 0103 International economic and financial affairs

ARTICLE - 01 03 02 Macro-financial assistance

Commitments

-20 000 000,00

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

20 000 000,00

I. DECREASE

I.1

a) Heading

01 03 02 - Macro-financial assistance

b) Figure at 17/11/2016

	Commitments
1A Appropriation in budget (Initial Budget + AB)	79 669 000,00
1B Appropriation in budget (EFTA)	0,00
2 Transfers	-51 500 000,00
3 Final appropriation for the year (1A+1B+2)	28 169 000,00
4 Utilisation of final appropriation	71 085,00
5 Amount not used/available (3-4)	28 097 915,00
6 Requirements up to year-end	8 097 915,00
7 Proposed decrease	20 000 000,00
8 Decrease as percentage of appropriation in budget (7/1A)	25,10 %
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

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 17/11/2016	0,00
3 Rate of utilisation [(1-2)/1]	n/a

d) Detailed grounds for the transfer

The forthcoming Commission proposal for a Macro-financial assistance (MFA) operation for Moldova has experienced delays and will not be proposed in time to allow for adoption by the legislative authority in 2016. This, together with the absence of other proposals for MFA grants this year, means that, in total, EUR 27,8 million in commitment appropriations can be made available for redeployment. This is the last remaining part of 2016 MFA commitment appropriations being proposed for redeployment. EUR 51,5 million were previously redeployed through DEC 30/2016 in response to the Syrian crisis. Out of the above-mentioned total amount, EUR 20 million can be redeployed through the current transfer proposal.

II. INCREASE

II.1

a) Heading

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

b) Figure at 17/11/2016

	Commitments
1A Appropriation in budget (Initial Budget + AB)	1 061 821 941,00
1B Appropriation in budget (EFTA)	0,00
2 Transfers	175 622 134,00
3 Final appropriation for the year (1A+1B+2)	1 237 444 075,00
4 Utilisation of final appropriation	1 155 727 134,00
5 Amount not used/available (3-4)	81 716 941,00
6 Requirements up to year-end	101 716 941,00
7 Proposed increase	20 000 000,00
8 Increase as percentage of appropriation in budget (7/1A)	1,88 %
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

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

	Commitments
1 Appropriations available at start of the year	306 860,31
2 Appropriations available on 17/11/2016	81 882,28
3 Rate of utilisation [(1-2)/1]	73,32 %

d) Detailed grounds for the transfer

After five years of conflict in Syria, Jordan continues to be one of the countries most affected by the mass displacement of people, hosting more than 657 000 Syrian refugees - equivalent to around 10% of its population. Jordan is currently the second largest refugee hosting country in proportionate terms after Lebanon.

Despite the continued support from the EU and other donors and the signature of a "Compact agreement" between the EU and the Government of Jordan, the humanitarian situation of Syrian refugees in Jordan continues to deteriorate. The 2016 Jordan Response Plan (JRP) requests for USD 2,7 billion. To-date it has received only USD 614 million, 20,5% of its funding requirement.

Based on a thorough needs assessment and in line with the commitments undertaken by the EU at the London Conference, additional EU assistance in the amount of EUR 20 million is needed.

The magnitude of the identified needs for this crisis exceeds the current availabilities in the Humanitarian aid instrument.

As of 1 November, the overall implementation rate in commitment appropriations of the humanitarian aid chapter was at 95% (and 95% for the main line "Humanitarian aid and food assistance" 23 02 01). In payment appropriations it was at 78% for the humanitarian chapter and 78% for the main line 23 02 01. The current balance of EUR 18 million in commitment appropriations in the Operational Reserve (OR) for Humanitarian aid 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. Identified commitment appropriations from Micro-financial assistance (MFA) are proposed to be used in the current request.

No payment appropriations are needed, as the currently available amounts in the Humanitarian aid budget will be sufficient to cover payment needs for the contracts signed in 2016.

The Commission therefore presents a request for the redeployment of EUR 20 million in commitment appropriations for the above mentioned crisis.

(For more information, see the annex).

ANNEX

SYRIA REGIONAL CRISIS (Jordan)

Key data on funds allocated	
2015	
Total amount committed in previous year for this crisis (Jordan)	EUR 58 000 000
2016	
Amount committed through the current year's initial Humanitarian Implementation Plan (HIP)	EUR 20 000 000
Increases from the: - Emergency Aid Reserve	EUR 33 000 000
Total amount from EU Budget in 2016	EUR 53 000 000
Other EU funding (European Neighbourhood Instrument, Madad Trust Fund etc.)	EUR 118 000 000
Other donors (source Financial Tracking Service (FTS) 14/11/2016)	USD 633 136 970
Total additional needs	EUR 20 000 000

Timing
November/December 2016

Why the additional funding is needed? (What is new?)
<p>After five years of conflict in Syria, Jordan continues to be one of the countries most affected by the mass displacement of people, hosting more than 657 000 Syrian refugees - equivalent to around 10% of its population. Jordan is currently the second largest refugee hosting country in proportionate terms after Lebanon.</p> <p>In mid-2016, Jordan has tightened its border policy leading to a total closure of the borders with Syria after an attack targeting Jordanian Armed Forces took place at a border point in the berm. As result, around 75 000 refugees, mostly women and children, have been stranded there for the past six months without adequate access to humanitarian aid. With the situation in Syria strongly deteriorating and fighting likely to resume in Southern Syria, the situation in the berm is not likely to improve any soon.</p> <p>Despite the continued support from the EU following the London Conference in early 2016 and the signature of a "Compact agreement" between the EU and the Government of Jordan, the humanitarian situation of Syrian refugees in Jordan continues to deteriorate. There are cases of forced return of refugees to camps or to Syria and dismantling of informal tented settlements.</p> <p>The 2016 Jordan Response Plan (JRP) requests USD 2,7 billion. To-date it has received only</p>

USD 614 million, 20,5% of its funding requirement.

The Commission is working with humanitarian partners that are in a position to continue support at the North Eastern border. They have proved to be able to develop flexible strategies in response to the deteriorating humanitarian situation, focusing on the most vulnerable (including unregistered refugees). Whilst a number of principled pre-conditions apply, these partners have prioritized towards using the most dignifying, cost efficient and cost effective solutions for providing aid (cash/voucher modalities, complementarity of programs) and have so far enhanced the geographical and sectorial coordination between stakeholders, as well as the mechanisms for identifying the most vulnerable refugees who are in need of urgent care (accountable referral mechanisms).

The requested funding will allow bringing additional support to bridge the funding gap until 2017 EU humanitarian funding becomes available. It should also allow for a timely response in the berm area. It is in line with the commitments undertaken by the EU at the London Conference and should cover part of the response as described in the Humanitarian Implementation Plan (HIP) 2017 and its technical annexes.

What will it be used for?

The additional EU funding will allow ensuring timely, adequate and appropriate provision of humanitarian assistance to new arrivals, persons stranded in border areas and refugees living in camps or with hosting communities. The funds will help provide much needed life-saving humanitarian interventions (basic needs, including winterization; health and protection) for the most vulnerable people as defined by the Vulnerability Assessment Framework (VAF). In camps, improved access to health care is urgently needed. Outside the camps, basic needs, health and protection remain in the focus of EU's assistance. Whilst phasing out from water, sanitation and hygiene (WASH) capital investments, the Commission continues to respond to needs to ensure emergency thresholds are met with life-saving, integrated WASH response.