



Council of the  
European Union

**Brussels, 15 March 2017  
(OR. en)**

**7304/17**

**FIN 186**

**COVER NOTE**

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From:	Mr Günther OETTINGER, Member of the European Commission
date of receipt:	15 March 2017
To:	Mr Edward SCICLUNA, President of the Council of the European Union
Subject:	Proposal for transfer of appropriations No DEC 03/2017 within Section III - Commission - of the general budget for 2017

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Delegations will find attached Commission document DEC 03/2017.

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Encl.: DEC 03/2017



BRUSSELS, 14/03/2017

GENERAL BUDGET - 2017  
SECTION III - COMMISSION TITLES: 13, 23, 40

**TRANSFER OF APPROPRIATIONS N° DEC 03/2017**

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**FROM**

**CHAPTER - 1305** Instrument for Pre-Accession Assistance -- Regional development and regional and territorial cooperation

ARTICLE - 13 05 02 Instrument for Pre-Accession Assistance (IPA) -- Completion of regional development component (2007 to 2013) Payments -17 323 000,00

ITEM - 13 05 03 02 Completion of cross-border cooperation (CBC) and participation of candidate and potential candidate countries in Structural Funds-- transnational and interregional cooperation programmes -- Contribution from Heading 4 Payments -4 419 000,00

**CHAPTER - 4002** Reserves for financial interventions

ARTICLE - 40 02 42 Emergency aid reserve Payments -17 258 000,00

ARTICLE - 40 02 42 Emergency aid reserve (Carry Over) Commitments -50 000 000,00

**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 Payments 39 000 000,00

ARTICLE - 23 02 01 Delivery of rapid, effective and needs-based humanitarian aid and food aid (Carry Over) Commitments 50 000 000,00

## **I. DECREASE**

### **I.1**

#### **a) Heading**

**13 05 02 - Instrument for Pre-Accession Assistance (IPA) -- Completion of regional development component (2007 to 2013)**

#### **b) Figure at 06/03/2017**

	<b>Payments</b>
1 Appropriation in budget (Initial Budget + AB)	172 258 377,00
2 Transfers	0,00
3 Final appropriation for the year (1+2)	172 258 377,00
4 Utilisation of final appropriation	52 822 770,84
<b>5 Amount not used/available (3-4)</b>	<b>119 435 606,16</b>
<b>6 Requirements up to year-end</b>	<b>102 112 606,16</b>
<b>7 Proposed decrease</b>	<b>17 323 000,00</b>
8 Decrease as percentage of appropriation in budget (7/1)	10,06 %
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)**

	<b>Payments</b>
1 Appropriations available at start of the year	0,00
2 Appropriations available on 06/03/2017	0,00
3 Rate of utilisation [(1-2)/1]	n/a

#### **d) Detailed grounds for the transfer**

The amount can be made available due to the reinforcement of the budget line by Commission internal transfer with the same amount in December 2016, to cover claims for reimbursement that arrived earlier (before end 2016) than expected (2017).

## I.2

### a) Heading

**13 05 03 02 - Completion of cross-border cooperation (CBC) and participation of candidate and potential candidate countries in Structural Funds-- transnational and interregional cooperation programmes -- Contribution from Heading 4**

### b) Figure at 06/03/2017

	<b>Payments</b>
1 Appropriation in budget (Initial Budget + AB)	6 569 630,00
2 Transfers	0,00
3 Final appropriation for the year (1+2)	6 569 630,00
4 Utilisation of final appropriation	2 150 288,08
<b>5 Amount not used/available (3-4)</b>	<b>4 419 341,92</b>
<b>6 Requirements up to year-end</b>	<b>341,92</b>
<b>7 Proposed decrease</b>	<b>4 419 000,00</b>
8 Decrease as percentage of appropriation in budget (7/1)	67,26 %
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)

	<b>Payments</b>
1 Appropriations available at start of the year	0,00
2 Appropriations available on 06/03/2017	0,00
3 Rate of utilisation [(1-2)/1]	n/a

### d) Detailed grounds for the transfer

The amount can be made available due to the reinforcement of the budget line by EUR 8,2 million by Commission internal transfer in the second half of 2016 to cover claims for reimbursement that arrived earlier (before end 2016) than expected (2017).

### **I.3**

#### **a) Heading**

**40 02 42 - Emergency aid reserve**

#### **b) Figure at 06/03/2017**

	<b>Payments</b>
1 Appropriation in budget (Initial Budget + AB)	315 000 000,00
2 Transfers	0,00
3 Final appropriation for the year (1+2)	315 000 000,00
4 Utilisation of final appropriation	0,00
<b>5 Amount not used/available (3-4)</b>	<b>315 000 000,00</b>
<b>6 Requirements up to year-end</b>	<b>297 742 000,00</b>
<b>7 Proposed decrease</b>	<b>17 258 000,00</b>
8 Decrease as percentage of appropriation in budget (7/1)	5,48 %
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)**

	<b>Payments</b>
1 Appropriations available at start of the year	0,00
2 Appropriations available on 06/03/2017	0,00
3 Rate of utilisation [(1-2)/1]	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.

#### **I.4**

##### **a) Heading**

**40 02 42 - Emergency aid reserve (Carry Over)**

##### **b) Figure at 06/03/2017**

	<b>Commitments</b>
1 Appropriation in budget (Carry Over)	98 605 366,00
2 Transfers	0,00
3 Final appropriation for the year (1+2)	98 605 366,00
4 Utilisation of final appropriation	0,00
<b>5 Amount not used/available (3-4)</b>	<b>98 605 366,00</b>
<b>6 Requirements up to year-end</b>	<b>48 605 366,00</b>
<b>7 Proposed decrease</b>	<b>50 000 000,00</b>
8 Decrease as percentage of appropriation in budget (7/1)	50,71 %
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)**

	<b>Commitments</b>
1 Appropriations available at start of the year	0,00
2 Appropriations available on 06/03/2017	0,00
3 Rate of utilisation [(1-2)/1]	n/a

##### **d) Detailed grounds for the transfer**

Same as page 4.

## **II. INCREASE**

### **II.1**

#### **a) Heading**

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

#### **b) Figure at 06/03/2017**

	<b>Payments</b>
1 Appropriation in budget (Initial Budget + AB)	1 089 706 885,00
2 Transfers	0,00
3 Final appropriation for the year (1+2)	1 089 706 885,00
4 Utilisation of final appropriation	71 501 231,38
<b>5 Amount not used/available (3-4)</b>	<b>1 018 205 653,62</b>
<b>6 Requirements up to year-end</b>	<b>1 057 205 653,62</b>
<b>7 Proposed increase</b>	<b>39 000 000,00</b>
8 Increase as percentage of appropriation in budget (7/1)	3,58 %
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)**

	<b>Payments</b>
1 Appropriations available at start of the year	3 147 073,32
2 Appropriations available on 06/03/2017	0,00
3 Rate of utilisation [(1-2)/1]	100,00 %

#### **d) Detailed grounds for the transfer**

In the Lake Chad Basin, drought and massive displacement due to violence from Boko Haram are causing a severe humanitarian crisis. There are currently an estimated more than seven million people at risk of starvation in the insurgency-hit Northeast Nigeria and around Lake Chad.

The crisis has been escalating in scope and severity and most United Nations agencies have significantly stepped up their efforts since the summer of 2016. The increased field presence and recent improvements in access have revealed the dire needs of populations in areas previously not accessible.

The Nigeria 2017 Humanitarian Response Plan (HRP) launched in December 2016 is for USD 1,1 billion - the fourth largest such appeal in the world. Together with the amounts requested for the other three affected countries (Cameroon, Chad and Niger), a total of USD 1,5 billion is needed for this crisis. In addition, a USD 241 million Regional Refugee Response Plan of December 2016 is aiming at assisting some 460 000 refugees and displaced people.

Based on a thorough needs assessment, additional EU assistance in the amount of EUR 50 million in commitment appropriations is needed in addition to the initial EUR 54,9 million allocated for this crisis in 2017. EUR 39 million in payment appropriations are also needed.

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

As of 16 February, the overall implementation rate in commitment appropriations in the Humanitarian aid chapter 23 02 is 78%, whereas for payment appropriations it is 4%. The current balance of EUR 118 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. The Commission therefore presents a request for the transfer of EUR 21,7 million in payment appropriations from the Instrument for Pre-accession (IPA) and the mobilisation of the Emergency Aid Reserve (EAR) for EUR 50 million in commitment appropriations, as well as EUR 17,3 million in payment appropriations for the above mentioned crisis.



## **II.2**

### **a) Heading**

**23 02 01 - Delivery of rapid, effective and needs-based humanitarian aid and food aid (Carry Over)**

### **b) Figure at 06/03/2017**

	<b>Commitments</b>
1 Appropriation in budget (Carry Over)	0,00
2 Transfers	0,00
3 Final appropriation for the year (1+2)	0,00
4 Utilisation of final appropriation	0,00
<b>5 Amount not used/available (3-4)</b>	<b>0,00</b>
<b>6 Requirements up to year-end</b>	<b>50 000 000,00</b>
<b>7 Proposed increase</b>	<b>50 000 000,00</b>
8 Increase as percentage of appropriation in budget (7/1)	n/a
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)**

	<b>Commitments</b>
1 Appropriations available at start of the year	484 791,50
2 Appropriations available on 06/03/2017	284 791,50
3 Rate of utilisation [(1-2)/1]	41,25 %

### **d) Detailed grounds for the transfer**

Same as pages 6 and 7.

(For more information, see Annex 1).

## ANNEX 1

### Lake Chad

2016	
<b>Total amount committed for this crisis (including EDF)</b>	<b>EUR 122 350 000</b>
2017	
Amount committed through the current year's initial Humanitarian Implementation Plan (HIP) relating to this crisis	EUR 54 880 000
Funds already committed this year for this crisis from the:	
- Operational Reserve	0
- Education in Emergencies	0
<b>Total amount from EU Budget committed this year (i.e. total revised HIP and/or Emergency Decisions)</b>	<b>EUR 54 880 000</b>

Additional needs	
Total needs	EUR 50 000 000
Breakdown by country (indicative)	
- Nigeria	EUR 27 000 000
- Niger	EUR 5 000 000
- Chad	EUR 10 000 000
- Cameroon	EUR 8 000 000

Timing	
April 2017	

Why the additional funding is needed?	
<p>The Lake Chad crisis has been escalating - in scope and severity - to such an extent that most UN agencies have internally raised its ranking to an L3 crisis over the summer of 2016 and have since significantly stepped up their operations. Last year also saw an increase in the number and capacity of International Non-Governmental Organisations to respond to the crisis.</p> <p>The increased field presence and recent improvements in access have enabled the assessment of needs of populations in areas which were previously not accessible. Humanitarian actors now discover populations in dire need of assistance, which indicates that the magnitude of the humanitarian crisis in Northeast Nigeria and in neighbouring areas has been underestimated.</p> <p>The Nigeria 2017 Humanitarian Response Plan (HRP) was launched in December 2016 for USD 1,1 billion - the fourth largest such appeal in the world. When adding the amounts requested for the other three affected countries (Cameroon, Chad and Niger), a total of USD 1,5 billion is requested for this crisis. In addition, the UN High Commissioner for the Refugees launched a USD 241 million Regional Refugee Response Plan in December 2016 to assist some 460 000 people.</p>	

The Commission has multiplied its advocacy efforts in 2015 and 2016 to raise awareness about the scale of this emergency and provided EUR 122,4 million from the EU budget in 2016. This has enabled more humanitarian actors to start operations in the region, which resulted in a substantial increase in operational capacity on the ground.

However, despite its growing magnitude, the increase in advocacy and the progressive recognition by the authorities of the size of unmet needs, the crisis remains largely ignored and the current levels of funding are insufficient to adequately address the needs.

The initial 2017 allocation from the Humanitarian aid budget (EUR 55 million, of which EUR 27,5 million for Nigeria) should be increased by EUR 50 million to increase response to the urgent humanitarian needs in Nigeria and the region.

#### **What will it be used for?**

The funds will be used to provide emergency assistance to cover the most urgent humanitarian needs of conflict-affected populations in the four countries of the Lake Chad region, contributing also to strengthening their resilience.

## ANNEX 2

### COMMISSION TRANSFER PROPOSALS RELATED TO THE EMERGENCY AID RESERVE IN 2017

The table below shows the transfer proposals transmitted to the Budgetary Authority to date during 2017 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 2017 Reserve (EUR)	Commitment Appropriations from Reserve carried-over (EUR)	Payment Appropriations from 2017 Reserve (EUR)
DEC 03	Mobilisation of the EAR for additional humanitarian aid for Lake Chad		50.000.000	17.258.000
DEC 04	Mobilisation of the EAR for additional humanitarian aid for the Horn of Africa	16.394.634	48.605.366	50.000.000
DEC 05	Mobilisation of the EAR for additional humanitarian aid for Yemen	20.000.000		16.000.000
	<b>Total of Proposals</b>	36.394.634	98.605.366	83.258.000
	<b>Remainder</b>	278.605.366	0	231.742.000
	<b>Total remainder of commitment appropriations</b>	278.605.366		