



Council of the
European Union

Brussels, 15 March 2017
(OR. en)

7306/17

FIN 188

COVER NOTE

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 05/2017 within Section III - Commission - of the general budget for 2017

Delegations will find attached Commission document DEC 05/2017.

Encl.: DEC 05/2017



BRUSSELS, 14/03/2017

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

TRANSFER OF APPROPRIATIONS N° DEC 05/2017

FROM

CHAPTER - 4002 Reserves for financial interventions

ARTICLE - 40 02 42 Emergency aid reserve

Commitments	-20 000 000,00
Payments	-16 000 000,00

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
Payments	16 000 000,00

I. DECREASE

I.1

a) Heading

40 02 42 - Emergency aid reserve

b) Figure at 06/03/2017

	Commitments	Payments
1 Appropriation in budget (Initial Budget + AB)	315 000 000,00	315 000 000,00
2 Transfers	0,00	0,00
3 Final appropriation for the year (1+2)	315 000 000,00	315 000 000,00
4 Utilisation of final appropriation	0,00	0,00
5 Amount not used/available (3-4)	315 000 000,00	315 000 000,00
6 Requirements up to year-end	295 000 000,00	299 000 000,00
7 Proposed decrease	20 000 000,00	16 000 000,00
8 Decrease as percentage of appropriation in budget (7/1)	6,35 %	5,08 %
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 06/03/2017	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 06/03/2017

	Commitments	Payments
1 Appropriation in budget (Initial Budget + AB)	893 100 000,00	1 089 706 885,00
2 Transfers	0,00	0,00
3 Final appropriation for the year (1+2)	893 100 000,00	1 089 706 885,00
4 Utilisation of final appropriation	687 500 000,00	71 501 231,38
5 Amount not used/available (3-4)	205 600 000,00	1 018 205 653,62
6 Requirements up to year-end	225 600 000,00	1 034 205 653,62
7 Proposed increase	20 000 000,00	16 000 000,00
8 Increase as percentage of appropriation in budget (7/1)	2,24 %	1,47 %
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	484 791,50	3 147 073,32
2 Appropriations available on 06/03/2017	284 791,50	0,00
3 Rate of utilisation [(1-2)/1]	41,25 %	100,00 %

d) Detailed grounds for the transfer

Two years after the beginning of the conflict, Yemen represents the biggest humanitarian crisis in the world in terms of absolute number of people in need of assistance (18,8 million, two thirds of the total population, including 10,3 million in acute need). Over 3 million people have been internally displaced since March 2015; more than 2 million of them remain displaced.

The United Nations estimates that at least 10 000 people have been killed and some 40 000 injured as a direct consequence of the conflict. In addition, civilians are dying due to lack of basic food commodities, medicines and safe water or restricted access to medical facilities. The Food and Agriculture Organisation (FAO) estimates that the existing supplies of wheat will only last until the end of March.

The 2017 Humanitarian Response Plan for Yemen calls for USD 2,1 billion to deliver aid to 12 million people and is currently funded at only 2,1%. Additional funding in the amount of EUR 20 million in commitment appropriations is requested in addition to the initial EUR 26 million allocated for this crisis in 2017. EUR 16 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. However, at this stage of the year no available funds have been identified. The Commission therefore presents a request for the mobilisation of the Emergency Aid Reserve (EAR) for EUR 20 million in commitment appropriations, as well as and EUR 16 million in payment appropriations for the above mentioned crisis.

(For more information, see Annex 1).

ANNEX 1

Yemen

2016	
Total amount committed for this crisis	EUR 70 000 000
2017	
Amount committed through the current year's initial Humanitarian Implementation Plan (HIP) relating to this crisis	EUR 26 000 000
Funds already committed this year for this crisis from the:	
- Operational Reserve	0
- Education in Emergencies	0
Total amount from EU Budget committed this year (i.e. total revised HIP and/or Emergency Decisions)	EUR 26 000 000
Other EU funding (Development cooperation, etc.)	EUR 8 000 000
Other donors (source Financial Tracking Service (FTS) 14/11/2016)	USD 36 858 116

Additional needs	
Total needs	EUR 20 000 000

Timing	
April 2017	

Why the additional funding is needed?
<p>Two years after the beginning of the conflict, Yemen represents the biggest humanitarian crisis in the world in terms of absolute number of people in need of assistance (18,8 million, two third of the population, including 10,3 million in acute need). Over 3 million people have been internally displaced since March 2015; more than 2 million of them remain displaced.</p> <p>As of mid-January, the UN estimates that at least 10 000 people have been killed and some 40 000 injured as a direct consequence of the conflict. These figures however do not capture the thousands "silent deaths" - civilians who are dying due to the indirect consequences of the conflict, as they lack basic food commodities, medicines and safe water or can no longer access medical facilities.</p> <p>According to the preliminary findings of the 2016 Yemen Emergency Food Security and Nutrition Assessment (EFSNA), 65% of Yemeni households are food insecure (of which nearly 30% severely food insecure); this represents nearly a 60 % increase compared to pre-crisis period. Overall, the total food insecure population exceeds 17 million. Furthermore, the Food and Agriculture Organisation (FAO) estimates that the existing stocks of wheat will only last until the end of March. As stressed by the Under-Secretary-General and Emergency Relief Coordinator S. O'Brien, Yemen is currently "the largest food security emergency in the world" and unless immediate action is taken, famine is a likely scenario for 2017.</p>

Fighting along the western coast has sharply intensified in recent weeks, further aggravating the humanitarian situation. At least 34 000 people have been forced to flee Mokha district and the number of civilian casualties is on the rise. Further displacements are expected as the offensive moves northward towards Hodeidah.

What will it be used for?

The recent major military offensive has led to new displacement of people from the western coast of Yemen. The additional funding will allow humanitarian aid partners present on the ground and with adequate operational capacity and access to provide life-saving assistance to these and other conflict affected populations. Additional top-ups may be needed later in the year.

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
	Total of Proposals	36.394.634	98.605.366	83.258.000
	Remainder	278.605.366	0	231.742.000
	Total remainder of commitment appropriations	278.605.366		