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COVER NOTE

From:	Mr Günther OETTINGER, Member of the European Commission
date of receipt:	27 June 2017
To:	Mr Edward SCICLUNA, President of the Council of the European Union
Subject:	Proposal for transfer of appropriations No DEC 17/2017 within Section III - Commission - of the general budget for 2017

Delegations will find attached Commission document DEC 17/2017.

Encl.: DEC 17/2017



BRUSSELS, 26/06/2017

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

TRANSFER OF APPROPRIATIONS N° DEC 17/2017

FROM

CHAPTER - 4002 Reserves for financial interventions

ARTICLE - 40 02 42 Emergency aid reserve

Commitments	-64 000 000,00
Payments	-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

Commitments	64 000 000,00
Payments	50 000 000,00

I. DECREASE

I.1

a) Heading

40 02 42 - Emergency aid reserve

b) Figure at 13/06/2017

	Commitments	Payments
1 Appropriation in budget (Initial Budget + AB)	315 000 000,00	315 000 000,00
2 Transfers	-36 394 634,00	-83 258 000,00
3 Final appropriation for the year (1+2)	278 605 366,00	231 742 000,00
4 Utilisation of final appropriation	0,00	0,00
5 Amount not used/available (3-4)	278 605 366,00	231 742 000,00
6 Requirements up to year-end	214 605 366,00	181 742 000,00
7 Proposed decrease	64 000 000,00	50 000 000,00
8 Decrease as percentage of appropriation in budget (7/1)	20,32 %	15,87 %
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 13/06/2017	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 13/06/2017

	Commitments	Payments
1 Appropriation in budget (Initial Budget + AB)	893 100 000,00	1 089 706 885,00
2 Transfers	36 394 634,00	105 000 000,00
3 Final appropriation for the year (1+2)	929 494 634,00	1 194 706 885,00
4 Utilisation of final appropriation	838 644 634,00	561 025 220,90
5 Amount not used/available (3-4)	90 850 000,00	633 681 664,10
6 Requirements up to year-end	154 850 000,00	683 681 664,10
7 Proposed increase	64 000 000,00	50 000 000,00
8 Increase as percentage of appropriation in budget (7/1)	7,17 %	4,59 %
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 13/06/2017	284 791,50	0,00
3 Rate of utilisation [(1-2)/1]	41,25 %	100,00 %

d) Detailed grounds for the transfer

As the Syrian conflict enters in its seventh year, the needs for assistance are overwhelming. Overall, an estimated 13,5 million people in Syria require some form of humanitarian assistance, including 4,6 million people trapped in besieged and hard-to-reach areas. Over half of the Syrians have been forced from their homes: 4,8 million people have sought refuge in the region and beyond and 6,3 million people are internally displaced (IDPs).

The displacement of people continues in 2017 with high intensity. In particular, forced displacements are part of the Government of Syria tactics of local agreements resulting in transfers of armed groups' combatants and civilians and retaking of opposition held areas.

The additional amount of EUR 64 million in commitment appropriations and EUR 50 million in payment appropriations is needed to fully meet the EU humanitarian assistance of EUR 280 million pledged for 2017 at the London Conference in 2016 and reconfirmed in Brussels this year.

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

As of 1 June, the overall implementation rate in commitment appropriations in the Humanitarian aid chapter 23 02 is 89%, whereas for payment appropriations it is 39%. The current balance of EUR 68,8 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 64 million in commitment appropriations and EUR 50 million in payment appropriations for the above-mentioned crisis.

(For more information, see Annex 1).

ANNEX 1

Syria/Syrian Crisis

2016	
Total amount committed for Syria, Jordan and Lebanon:	EUR 280 million
2017	
Amount committed through the initial Humanitarian Implementation Plan (HIP):	EUR 170 million
Additional funds committed from:	
- Operational Reserve	EUR 0
- Education in Emergencies	EUR 0
- Front-loading from 2016	EUR 46 million
Total amount from the Humanitarian aid budget:	EUR 216 million
Other EU funding (source Financial Tracking Service):	EUR 110,2 million
Other donors (source Financial Tracking Service as of February 2017)	USD 2,4 billion

Additional needs	
Total needs:	EUR 64 million

Timing
As soon as possible

Why the additional funding is needed? (what is new?)
<p>As the Syrian conflict enters into its seventh year, the situation remains extremely grave and the needs for assistance are overwhelming. Overall, an estimated 13,5 million people in Syria require some form of humanitarian assistance, including 4,6 million people trapped in besieged and hard-to-reach areas, where they are also under threat. In 2017 the humanitarian needs are expected to continue to grow in scale, severity and complexity.</p> <p>Over half of all Syrians have been forced from their homes since the start of the conflict in 2011: 4,8 million people have sought refuge in the region and beyond, and 6,3 million people are internally displaced (IDP). The intensity of displacement is stronger than ever. 213 919 new IDPs were reported only in March 2017 - the highest number in the last year. Forced displacements continue at an increased rhythm as part of the Government of Syria tactics of local agreements resulting in transfers of armed groups' combatants and civilians and retaking of opposition held areas.</p> <p>There are 643 780 people in 13 besieged areas who are in dire need of humanitarian assistance and are denied basic rights, including freedom of movement and access to adequate food, water and health care. Frequent denial of entry of humanitarian assistance into these areas and blocking urgent medical evacuations result in civilian deaths and</p>

suffering.

The parties to the conflict continue to carry out widespread and systematic violations of human rights, with children and women particularly susceptible to abuse and exploitation. Most recent examples are the chemical weapon attacks on Khan Sheikhoun on 4 April, which killed at least 87 people and the bomb blast in Rashidin, which killed at least 126 people in an attack near buses with evacuees from two besieged government-held towns in the province Idlib.

The UN coordinated response plans for Syria and the region combined require USD 8 billion for 2017. For Syria only, the 2017 UN Humanitarian Response Plan (HRP) requests USD 3,4 billion and it is currently funded only at 14,8% (a funding gap of USD 2,9 billion).

Following the adoption in March 2017 of a *Joint Communication on Elements for an EU Strategy for Syria*, on 5 April 2017 the EU hosted the Ministerial conference ‘Supporting the Future of Syria and the region’, bringing together representatives of 80 countries and international organisations. One of the objectives of the conference was to ensure reconfirming and follow up on the commitments taken in 2016 in London, as well as encouraging new pledges to meet the needs for 2017 and 2018, in response to UN coordinated appeals. A considerable success was achieved: USD 6 billion were pledged for 2017 by all donors present. The EU reconfirmed its 2017 pledge of **EUR 1,3 billion** (for humanitarian and resilience assistance), of which **EUR 525 million (EUR 280 million** for humanitarian assistance) for Syria, Jordan and Lebanon and **EUR 750 million** for the Facility for the Refugees in Turkey (FRT).

A critical need that requires immediate attention is health assistance. This concerns also cross-border operations addressing fast changes in the situation and new developments in Northern Syria. The humanitarian impact of a forthcoming offensive on Raqqa, which will trigger further massive displacement, also needs to be anticipated.

What will it be used for?

The additional funding will allow the EU to pursue its 2017 strategy for Syria and address extremely severe needs in five core sectors: health, food, wash, protection, shelter/Non-Food Items, in addition to the education. The funds will be used to address needs throughout the country (Whole of Syria approach) through a mix of cross-line and cross-border operations. Particular attention will be paid to emergency preparedness and pre-positioning of humanitarian partners to anticipate the impact of massive further displacements from areas controlled by the Islamic State of Iraq and the Levant (ISIL), following military operations in the next months.

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
DEC 15	Mobilisation of the EAR for humanitarian aid for the Horn of Africa	87.700.000		59.500.000
DEC 16	Mobilisation of the EAR for humanitarian aid for Iraq	30.000.000		23.000.000
DEC 17	Mobilisation of the EAR for humanitarian aid for Syria	64.000.000		50.000.000
	Total of Proposals	218.094.634	98.605.366	215.758.000
	Remainder	96.905.366	0	99.242.000
	Total remainder of commitment appropriations	96.905.366		