



Council of the
European Union

Brussels, 4 September 2017
(OR. en)

11813/17

BUDGET 27

EXPLANATORY MEMORANDUM

Subject: Draft amending budget No 4 to the general budget for 2017 accompanying the proposal to mobilise the European Union Solidarity Fund to provide assistance to Italy
– *Council position of 4 September 2017*

I. INTRODUCTION

On 27 June 2017, the Commission submitted to the Council draft amending budget (DAB) No 4 to the general budget for 2017 regarding the mobilisation of the EU Solidarity Fund for a total amount of EUR 1 166 797 579 in commitment (c/a) and payment appropriations (p/a).

The objective of this proposal is to provide financial assistance to Italy in response to a series of earthquakes that took place between August 2016 and January 2017 in the regions Abruzzo, Lazio, Marche and Umbria.

The corresponding appropriations are to be recorded under Article 13 06 01 (*EU Solidarity Fund - Assistance to Member States in the event of a major natural disaster with serious repercussions on living conditions, the natural environment or the economy*), after the deduction of the advance already paid in 2016 (EUR 30 million). The Commission proposes to finance the necessary p/a from the surplus identified in some completion lines related to the European Regional Development Fund (-EUR 981 150 000) and the Cohesion Fund (-EUR 256 050 013). Furthermore, the negative reserve activated in amending budget No 1/2017 is replenished (+EUR 70 402 434).

II. CONCLUSION

On 4 September 2017, the Council adopted its position on DAB No 4 to the general budget for 2017 as set out in the ANNEX.

TECHNICAL ANNEX

VOLUME 3
SECTION III — COMMISSION

EXPENDITURE

Figures

Title	Heading	Budget 2017		Council position on DAB No 4/2017		New amount	
		Commitments	Payments	Commitments	Payments	Commitments	Payments
01	Economic and financial affairs	3 086 394 801	2 840 247 301			3 086 394 801	2 840 247 301
02	Internal market, industry, entrepreneurship and SMEs	2 455 727 091	2 260 420 906			2 455 727 091	2 260 420 906
03	Competition	108 427 562	108 427 562			108 427 562	108 427 562
04	Employment, social affairs and inclusion	14 313 326 529	10 725 565 124			14 313 326 529	10 725 565 124
05	Agriculture and rural development	57 537 879 867	54 110 140 315			57 537 879 867	54 110 140 315
06	Mobility and transport	3 783 964 054	1 815 351 093			3 783 964 054	1 815 351 093
07	Environment	472 838 520	388 338 137			472 838 520	388 338 137
08	Research and innovation	6 192 803 780	5 911 660 897			6 192 803 780	5 911 660 897
09	Communications networks, content and technology	2 008 048 360	2 164 759 630			2 008 048 360	2 164 759 630
10	Direct research	401 736 330	401 569 370			401 736 330	401 569 370
11	Maritime affairs and fisheries	1 090 330 395	752 871 678			1 090 330 395	752 871 678
		14 809 522	14 809 522			14 809 522	14 809 522
		1 105 139 917	767 681 200			1 105 139 917	767 681 200
12	Financial stability, financial services and capital markets union	85 913 287	88 425 287			85 913 287	88 425 287
		4 856 000	3 267 000			4 856 000	3 267 000
		90 769 287	91 692 287			90 769 287	91 692 287
13	Regional and urban policy	38 658 542 242	26 838 474 702	1 166 797 579	-70 402 434	39 825 339 821	26 768 072 268
		23 625 000	12 375 000			23 625 000	12 375 000
		38 682 167 242	26 850 849 702			39 848 964 821	26 780 447 268
14	Taxation and customs union	178 361 995	161 007 995			178 361 995	161 007 995
15	Education and culture	3 366 357 284	3 146 029 354			3 366 357 284	3 146 029 354
16	Communication	211 571 438	210 059 438			211 571 438	210 059 438
17	Health and food safety	564 254 603	541 521 603			564 254 603	541 521 603
18	Migration and home affairs	3 419 137 519	3 075 013 252			3 419 137 519	3 075 013 252
		40 000 000	28 000 000			40 000 000	28 000 000
		3 459 137 519	3 103 013 252			3 459 137 519	3 103 013 252
19	Foreign policy instruments	738 187 747	699 292 859			738 187 747	699 292 859
20	Trade	113 201 323	111 701 323			113 201 323	111 701 323
21	International cooperation and development	3 702 842 929	3 339 435 538			3 702 842 929	3 339 435 538
22	Neighbourhood and enlargement negotiations	4 508 080 400	3 856 253 509			4 508 080 400	3 856 253 509
23	Humanitarian aid and civil protection	1 052 651 277	1 254 755 387			1 052 651 277	1 254 755 387
24	Fight against fraud	82 246 700	80 192 081			82 246 700	80 192 081
25	Commission's policy coordination and legal advice	232 305 442	232 055 442			232 305 442	232 055 442
26	Commission's administration	1 065 512 732	1 063 133 732			1 065 512 732	1 063 133 732
		4 644 253	4 644 253			4 644 253	4 644 253
		1 070 156 985	1 067 777 985			1 070 156 985	1 067 777 985

Title	Heading	Budget 2017		Council position on DAB No 4/2017		New amount	
		Commitments	Payments	Commitments	Payments	Commitments	Payments
27	Budget	76 142 758	76 142 758			76 142 758	76 142 758
28	Audit	19 227 094	19 227 094			19 227 094	19 227 094
29	Statistics	143 533 663	127 573 663			143 533 663	127 573 663
30	Pensions and related expenditure	1 796 802 000	1 796 802 000			1 796 802 000	1 796 802 000
31	Language services	407 877 123	407 877 123			407 877 123	407 877 123
32	Energy	1 643 319 742	1 316 740 381			1 643 319 742	1 316 740 381
33	Justice and consumers	270 997 258	238 117 353			270 997 258	238 117 353
34	Climate action	146 724 470	102 431 675			146 724 470	102 431 675
40	Reserves	571 858 775	307 693 341		70 402 434	571 858 775	378 095 775
	Total	154 507 127 090	130 569 308 903	1 166 797 579		155 673 924 669	130 569 308 903
	Of which Reserves: 40 01 40, 40 02 41	87 934 775	63 095 775			87 934 775	63 095 775

TITLE 13 — REGIONAL AND URBAN POLICY

Figures

Title Chapter	Heading	FF	Budget 2017		Council position on DAB No 4/2017		New amount	
			Commitments	Payments	Commitments	Payments	Commitments	Payments
13 01	Administrative expenditure of the 'Regional and urban policy' policy area		89 356 102	89 356 102			89 356 102	89 356 102
			1 125 000	1 125 000			1 125 000	1 125 000
			90 481 102	90 481 102			90 481 102	90 481 102
13 03	European Regional Development Fund and other regional operations		29 218 751 321	20 321 105 381		-981 150 000	29 218 751 321	19 339 955 381
13 04	Cohesion Fund (CF)	1	9 080 135 577	6 004 299 508		-256 050 013	9 080 135 577	5 748 249 495
13 05	Instrument for Pre-Accession Assistance — Regional development and regional and territorial cooperation		115 060 568	264 279 412			115 060 568	264 279 412
13 06	Solidarity Fund	9	120 402 434	120 402 434	1 166 797 579	1 166 797 579	1 287 200 013	1 287 200 013
13 07	Aid Regulation	4	34 836 240	39 031 865			34 836 240	39 031 865
13 08	Structural Reform Support Programme (SRSP) – Operational technical assistance		p.m.	p.m.			p.m.	p.m.
			22 500 000	11 250 000			22 500 000	11 250 000
			22 500 000	11 250 000			22 500 000	11 250 000
	Title 13 — Total		38 658 542 242	26 838 474 702	1 166 797 579	-70 402 434	39 825 339 821	26 768 072 268
			23 625 000	12 375 000			23 625 000	12 375 000
	Total including reserves		38 682 167 242	26 850 849 702			39 848 964 821	26 780 447 268

CHAPTER 13 03 — EUROPEAN REGIONAL DEVELOPMENT FUND AND OTHER REGIONAL OPERATIONS

Figures

Title Chapter Article Item	Heading	FF	Budget 2017		Council position on DAB No 4/2017		New amount	
			Commitments	Payments	Commitments	Payments	Commitments	Payments
13 03	European Regional Development Fund and other regional operations							
13 03 01	<i>Completion of European Regional Development Fund (ERDF) — Objective 1 (2000 to 2006)</i>	1.2	p.m.	p.m.			p.m.	p.m.
13 03 02	<i>Completion of the special programme for peace and reconciliation in Northern Ireland and the border counties of Ireland (2000 to 2006)</i>	1.2	p.m.	p.m.			p.m.	p.m.
13 03 03	<i>Completion of European Regional Development Fund (ERDF) — Objective 1 (prior to 2000)</i>	1.2	p.m.	p.m.			p.m.	p.m.
13 03 04	<i>Completion of European Regional Development Fund (ERDF) — Objective 2 (2000 to 2006)</i>	1.2	p.m.	p.m.			p.m.	p.m.
13 03 05	<i>Completion of European Regional Development Fund (ERDF) — Objective 2 (prior to 2000)</i>	1.2	p.m.	p.m.			p.m.	p.m.
13 03 06	<i>Completion of Urban (2000 to 2006)</i>	1.2	p.m.	p.m.			p.m.	p.m.
13 03 07	<i>Completion of earlier programmes — Community initiatives (prior to 2000)</i>	1.2	p.m.	p.m.			p.m.	p.m.
13 03 08	<i>Completion of European Regional Development Fund (ERDF) — Technical assistance and innovative measures (2000 to 2006)</i>	1.2	p.m.	p.m.			p.m.	p.m.
13 03 09	<i>Completion of European Regional Development Fund (ERDF) — Technical assistance and innovation measures (prior to 2000)</i>	1.2	p.m.	p.m.			p.m.	p.m.
13 03 12	<i>Union contribution to the International Fund for Ireland</i>	1.1	p.m.	p.m.			p.m.	p.m.
13 03 13	<i>Completion of Interreg III Community initiative (2000 to 2006)</i>	1.2	p.m.	p.m.			p.m.	p.m.
13 03 14	<i>Support for regions bordering candidate countries — Completion of earlier programmes (2000 to 2006)</i>	1.2	p.m.	p.m.			p.m.	p.m.
13 03 16	<i>Completion of European Regional Development Fund (ERDF) — Convergence</i>	1.2	p.m.	1 367 611 177		-915 477 000	p.m.	452 134 177
13 03 17	<i>Completion of European Regional Development Fund (ERDF) — PEACE</i>	1.2	p.m.	p.m.			p.m.	p.m.
13 03 18	<i>Completion of European Regional Development Fund (ERDF) — Regional competitiveness and employment</i>	1.2	p.m.	129 851 990		-23 165 000	p.m.	106 686 990
13 03 19	<i>Completion of European Regional Development Fund (ERDF) — European territorial cooperation</i>	1.2	p.m.	68 093 650		-42 508 000	p.m.	25 585 650
13 03 20	<i>Completion of European Regional Development Fund (ERDF) — Operational technical assistance</i>	1.2	p.m.	1 610 747			p.m.	1 610 747
13 03 31	<i>Completion of technical assistance and dissemination of information on the European Union strategy for the Baltic Sea region and an improved knowledge of macro-regions strategy (2007 to 2013)</i>	1.2	p.m.	154 965			p.m.	154 965
13 03 40	<i>Completion of risk-sharing instruments financed from the European Regional Development Fund (ERDF) Convergence envelope (2007 to 2013)</i>	1.2	p.m.	p.m.			p.m.	p.m.
13 03 41	<i>Completion of risk-sharing instruments financed from the European Regional Development Fund (ERDF) Regional competitiveness and employment envelope (2007 to 2013)</i>	1.2	p.m.	p.m.			p.m.	p.m.

Title Chapter Article Item	Heading	FF	Budget 2017		Council position on DAB No 4/2017		New amount	
			Commitments	Payments	Commitments	Payments	Commitments	Payments
13 03 60	<i>European Regional Development Fund (ERDF) — Less developed regions — Investment for growth and jobs goal</i>	1.2	18 775 111 553	12 457 677 000			18 775 111 553	12 457 677 000
13 03 61	<i>European Regional Development Fund (ERDF) — Transition regions — Investment for growth and jobs goal</i>	1.2	3 719 489 334	2 204 431 000			3 719 489 334	2 204 431 000
13 03 62	<i>European Regional Development Fund (ERDF) — More developed regions — Investment for growth and jobs goal</i>	1.2	4 622 273 189	3 043 052 000			4 622 273 189	3 043 052 000
13 03 63	<i>European Regional Development Fund (ERDF) — Additional allocation for outermost and sparsely populated regions — Investment for growth and jobs goal</i>	1.2	222 029 433	139 873 000			222 029 433	139 873 000
13 03 64	<i>European Regional Development Fund (ERDF) — European territorial cooperation</i>							
13 03 64 01	European Regional Development Fund (ERDF) — European territorial cooperation	1.2	1 731 601 443	783 299 000			1 731 601 443	783 299 000
13 03 64 02	Participation of candidate countries and potential candidates in ERDF ETC— Contribution from Heading 4 (IPA II)	4	9 396 205	1 312 500			9 396 205	1 312 500
13 03 64 03	Participation of European neighbourhood countries in ERDF ETC — Contribution from Heading 4 (ENI)	4	1 459 650	231 000			1 459 650	231 000
	<i>Article 13 03 64 — Subtotal</i>		1 742 457 298	784 842 500			1 742 457 298	784 842 500
13 03 65	<i>European Regional Development Fund (ERDF) — Operational technical assistance</i>							
13 03 65 01	European Regional Development Fund (ERDF) — Operational technical assistance	1.2	74 000 000	69 400 000			74 000 000	69 400 000
13 03 65 02	European Regional Development Fund (ERDF) — Operational technical assistance managed by the Commission at the request of a Member State	1.2	p.m.	1 028 043			p.m.	1 028 043
	<i>Article 13 03 65 — Subtotal</i>		74 000 000	70 428 043			74 000 000	70 428 043
13 03 66	<i>European Regional Development Fund (ERDF) — Innovative actions in the field of sustainable urban development</i>	1.2	53 090 514	42 472 411			53 090 514	42 472 411
13 03 67	<i>Macro-regional strategies 2014-2020 — European strategy for the Baltic Sea region — Technical assistance</i>	1.2	p.m.	p.m.			p.m.	p.m.
13 03 68	<i>Macro-regional strategies 2014-2020 — European Union strategy for the Danube region — Technical assistance</i>	1.2	p.m.	500 000			p.m.	500 000
13 03 77	<i>Pilot projects and preparatory actions</i>							
13 03 77 01	Pilot project — Pan-European coordination of Roma integration methods	1.2	p.m.	p.m.			p.m.	p.m.
13 03 77 03	Preparatory action — Promoting a more favourable environment for micro-credit in Europe	1.2	p.m.	p.m.			p.m.	p.m.
13 03 77 06	Preparatory action — Enhancing regional and local cooperation through the promotion of Union regional policy on a global scale	1.2	p.m.	p.m.			p.m.	p.m.
13 03 77 07	Preparatory action — The definition of governance model for the European Union Danube region — better and effective coordination	1.2	p.m.	p.m.			p.m.	p.m.
13 03 77 08	Pilot project — Towards a common regional identity, reconciliation of nations and economic and social cooperation including a pan-European expertise and excellence platform in the Danube macro-region	1.2	p.m.	322 551			p.m.	322 551

Title Chapter Article Item	Heading	FF	Budget 2017		Council position on DAB No 4/2017		New amount	
			Commitments	Payments	Commitments	Payments	Commitments	Payments
13 03 77 09	Preparatory action on an Atlantic Forum for the European Union Atlantic strategy	1.2	p.m.	p.m.			p.m.	p.m.
13 03 77 10	Preparatory action — Supporting Mayotte, or any other territory potentially affected, with the switchover to outermost-region status	1.2	p.m.	p.m.			p.m.	p.m.
13 03 77 12	Preparatory action — Towards a common regional identity, reconciliation of nations and economic and social cooperation including a pan-European expertise and excellence platform in the Danube macro-region	1.2	p.m.	1 234 347			p.m.	1 234 347
13 03 77 13	Pilot project — Cohesion policy and the synergies with the research and development funds: the 'stairway to excellence'	1.2	p.m.	600 000			p.m.	600 000
13 03 77 14	Preparatory action — A regional strategy for the North Sea region	1.2	p.m.	p.m.			p.m.	p.m.
13 03 77 15	Preparatory action — World cities: EU-third countries cooperation on urban development	1.2	p.m.	750 000			p.m.	750 000
13 03 77 16	Preparatory action — The actual and desired state of the economic potential in regions outside the Greek capital Athens	1.2	p.m.	p.m.			p.m.	p.m.
13 03 77 17	Preparatory action — EU-CELAC cooperation on territorial cohesion	1.2	2 000 000	1 700 000			2 000 000	1 700 000
13 03 77 18	Preparatory action — Cohesion policy and synergies with the research and development funds: the stairway to excellence — the way forward	1.2	1 500 000	1 000 000			1 500 000	1 000 000
13 03 77 19	Preparatory action — Support for growth and governance in regions whose development is lagging behind	1.2	1 000 000	1 000 000			1 000 000	1 000 000
13 03 77 20	Preparatory action — The economic competitive advantages and potential for smart specialisation at regional level in Romania	1.2	p.m.	1 000 000			p.m.	1 000 000
13 03 77 21	Pilot project —European Strategy for the Adriatic and Ionian Region (EUSAIR): generation and preparation of initiatives and projects with genuine added value for the region as a whole	1.2	1 300 000	650 000			1 300 000	650 000
13 03 77 22	Preparatory action — Macro-regional strategy 2014-2020: EU strategy for the Alpine Region	1.2	2 000 000	1 000 000			2 000 000	1 000 000
13 03 77 23	Preparatory action — Urban agenda for the EU	1.2	2 500 000	1 250 000			2 500 000	1 250 000
	<i>Article 13 03 77 — Subtotal</i>		10 300 000	10 506 898			10 300 000	10 506 898
	Chapter 13 03 — Total		29 218 751 321	20 321 105 381		-981 150 000	29 218 751 321	19 339 955 381

Remarks

Article 175 of the Treaty on the Functioning of the European Union provides that the objectives of economic, social and territorial cohesion set out in Article 174 shall be supported by the action it takes through the Structural Funds, which includes the European Regional Development Fund (ERDF). In accordance with Article 176, the ERDF is intended to help redress the main regional imbalances in the Union. The tasks, priority objectives and the organisation of the Structural Funds are defined in accordance with Article 177.

Article 80 of the Financial Regulation provides for financial corrections in the event of expenditure incurred in breach of applicable law.

Article 39 of Regulation (EC) No 1260/1999, Articles 100 and 102 of Regulation (EC) No 1083/2006 and Articles 85, 144 and 145 of Regulation (EU) No 1303/2013 on criteria for financial corrections by the Commission provide for specific rules on financial corrections applicable to the ERDF.

Any revenue from the financial corrections carried out on that basis is entered in Article 6 5 1, 6 5 2, 6 5 3 or 6 5 4 of the statement of revenue and constitutes assigned revenue in accordance with point (c) of Article 21(3) of the Financial Regulation.

Article 177 of the Financial Regulation lays down the conditions for the repayment in full, or in part, of prefinancing payments in respect of a given operation.

Article 82 of Regulation (EC) No 1083/2006 provides for specific rules on repayment of prefinancing applicable to the ERDF.

Prefinancing amounts repaid shall constitute internal assigned revenue in accordance with Article 21(4) of the Financial Regulation and shall be entered in Item 6 1 5 0 or 6 1 5 7.

Measures to combat fraud are funded from Article 24 02 01.

Legal basis

Treaty on the Functioning of the European Union, and in particular Articles 174, 175, 176 and 177 thereof.

Council Regulation (EC) No 1260/1999 of 21 June 1999 laying down general provisions on the Structural Funds (OJ L 161, 26.6.1999, p. 1) and in particular Article 39 thereof.

Regulation (EC) No 1783/1999 of the European Parliament and of the Council of 12 July 1999 on the European Regional Development Fund (OJ L 213, 13.8.1999, p. 1).

Regulation (EC) No 1080/2006 of the European Parliament and of the Council of 5 July 2006 on the European Regional Development Fund and repealing Regulation (EC) No 1783/1999 (OJ L 210, 31.7.2006, p. 1).

Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999 (OJ L 210, 31.7.2006, p. 25) and in particular Articles 82, 83, 100 and 102 thereof.

Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1), and in particular Article 21(3) and (4) and Articles 80 and 177 thereof.

Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347, 20.12.2013, p. 320).

Reference acts

Conclusions of the Berlin European Council of 24 and 25 March 1999.

Conclusions of the Brussels European Council of 15 and 16 December 2005.

Conclusions of the European Council of 7 and 8 February 2013.

Article 13 03 16 — Completion of European Regional Development Fund (ERDF) — Convergence

Figures

Budget 2017		Council position on DAB No 4/2017		New amount	
Commitments	Payments	Commitments	Payments	Commitments	Payments
p.m.	1 367 611 177		-915 477 000	p.m.	452 134 177

Remarks

This appropriation is intended to cover commitments remaining to be settled for programmes under the ERDF objective of the convergence in the 2007-2013 programming period. This objective is aimed at speeding up the convergence of the least-developed Member States and regions by improving conditions for growth and employment.

Part of this appropriation is intended to be used to address intra-regional disparities so as to ensure that the overall state of development of a given region does not hide poverty loops and disadvantaged territorial units.

In accordance with Article 105a(1) of Regulation (EC) No 1083/2006 as modified by point 7 of Annex III to the Treaty concerning the Accession of the Republic of Croatia to the European Union (OJ L 112, 24.4.2012), programmes and major projects which, on the date of accession of Croatia, have been approved under Regulation (EC) No 1085/2006 and the implementation of which has not been completed by that date, shall be considered to have been approved by the Commission under Regulation (EC) No 1083/2006, with the exception of the programmes approved under the components referred to in points (a) and (e) of Article 3(1) of Regulation (EC) No 1085/2006.

Legal basis

Regulation (EC) No 1080/2006 of the European Parliament and of the Council of 5 July 2006 on the European Regional Development Fund and repealing Regulation (EC) No 1783/1999 (OJ L 210, 31.7.2006, p. 1).

Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999 (OJ L 210, 31.7.2006, p. 25).

Article 13 03 18 — Completion of European Regional Development Fund (ERDF) — Regional competitiveness and employment

Figures

Budget 2017		Council position on DAB No 4/2017		New amount	
Commitments	Payments	Commitments	Payments	Commitments	Payments
p.m.	129 851 990		-23 165 000	p.m.	106 686 990

Remarks

This appropriation is intended to cover commitments remaining to be settled for the programmes under the ERDF objective of the regional competitiveness and employment in the 2007-2013 programming period. This objective shall, outside the least developed regions, be aimed at strengthening regions' competitiveness and attractiveness as well as employment by taking into consideration the goals set in the Europe 2020 strategy.

Legal basis

Regulation (EC) No 1080/2006 of the European Parliament and of the Council of 5 July 2006 on the European Regional Development Fund and repealing Regulation (EC) No 1783/1999 (OJ L 210, 31.7.2006, p. 1).

Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999 (OJ L 210, 31.7.2006, p. 25).

Article 13 03 19 — Completion of European Regional Development Fund (ERDF) — European territorial cooperation

Figures

Budget 2017		Council position on DAB No 4/2017		New amount	
Commitments	Payments	Commitments	Payments	Commitments	Payments
p.m.	68 093 650		-42 508 000	p.m.	25 585 650

Remarks

This appropriation is intended to cover commitments remaining to be settled for the programmes under the ERDF objective of European territorial cooperation in the 2007-2013 programming period. This objective shall be aimed at strengthening territorial cooperation and macro-regional cooperation and exchange of experience at the appropriate level.

In accordance with Article 105a(1) of Regulation (EC) No 1083/2006 as modified by point 7 of Annex III to the Treaty concerning the Accession of the Republic of Croatia to the European Union (OJ L 112, 24.4.2012), programmes and major projects which, on the date of accession of Croatia, have been approved under Regulation (EC) No 1085/2006 and the implementation of which has not been completed by that date, shall be considered to have been approved by the Commission under Regulation (EC) No 1083/2006, with the exception of the programmes approved under the components referred to in points (a) and (e) of Article 3(1) of Regulation (EC) No 1085/2006.

Legal basis

Regulation (EC) No 1080/2006 of the European Parliament and of the Council of 5 July 2006 on the European Regional Development Fund and repealing Regulation (EC) No 1783/1999 (OJ L 210, 31.7.2006, p. 1).

Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999 (OJ L 210, 31.7.2006, p. 25).

CHAPTER 13 04 — COHESION FUND (CF)

Figures

Title Chapter Article Item	Heading	FF	Budget 2017		Council position on DAB No 4/2017		New amount	
			Commitments	Payments	Commitments	Payments	Commitments	Payments
13 04	Cohesion Fund (CF)							
13 04 01	Completion of Cohesion Fund projects (prior to 2007)	1.2	p.m.	p.m.			p.m.	p.m.
13 04 02	Completion of Cohesion Fund (2007 to 2013)	1.2	p.m.	329 335 976		-256 050 013	p.m.	73 285 963
13 04 03	Completion of risk-sharing instruments financed from the Cohesion Fund envelope (2007 to 2013)	1.2	p.m.	p.m.			p.m.	p.m.
13 04 60	Cohesion Fund — Investment for growth and jobs goal	1.2	9 055 827 791	5 651 952 000			9 055 827 791	5 651 952 000
13 04 61	Cohesion Fund — Operational technical assistance							
13 04 61 01	Cohesion Fund — Operational technical assistance	1.2	24 307 786	22 300 000			24 307 786	22 300 000
13 04 61 02	Cohesion Fund — Operational technical assistance managed by the Commission at the request of a Member State	1.2	p.m.	711 532			p.m.	711 532
	<i>Article 13 04 61 — Subtotal</i>		24 307 786	23 011 532			24 307 786	23 011 532
	Chapter 13 04 — Total		9 080 135 577	6 004 299 508		-256 050 013	9 080 135 577	5 748 249 495

Remarks

Article 177, second paragraph, of the Treaty on the Functioning of the European Union provides that a Cohesion Fund is to be set up to support projects in the fields of the environment and trans-European networks in the area of transport infrastructure.

Article H of Annex II to Regulation (EC) No 1164/94, Articles 100 and 102 of Regulation (EC) No 1083/2006, and Articles 85, 144 and 145 of Regulation (EU) No 1303/2013 on criteria for financial corrections by the Commission provide for specific rules on financial corrections applicable to the Cohesion Fund.

Article 80 of the Financial Regulation provides for financial corrections in the event of expenditure incurred in breach of applicable law. Any revenue from the financial corrections carried out on that basis is entered in Article 6 5 1, 6 5 2, 6 5 3 or 6 5 4 of the statement of revenue and constitutes assigned revenue in accordance with point (c) of Article 21(3) of the Financial Regulation.

Article 177 of the Financial Regulation lays down the conditions for the repayment in full, or in part, of prefinancing payments in respect of a given operation.

Article 82 of Regulation (EC) No 1083/2006 provides for specific rules on repayment of prefinancing applicable to the Cohesion Fund.

Prefinancing amounts repaid shall constitute internal assigned revenue in accordance with Article 21(4) of the Financial Regulation and shall be entered in Item 6 1 5 0 or 6 1 5 7. Anti-fraud operations will be financed under Article 24 02 01.

Legal basis

Treaty on the Functioning of the European Union, and in particular Article 177 thereof.

Council Regulation (EC) No 1164/94 of 16 May 1994 (OJ L 130, 25.5.1994, p. 1), establishing a Cohesion Fund (OJ L 130, 25.5.1994, p. 1).

Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999 (OJ L 210, 31.7.2006, p. 25) and in particular Articles 82, 100 and 102 thereof.

Council Regulation (EC) No 1084/2006 of 11 July 2006 establishing a Cohesion Fund and repealing Regulation (EC) No 1164/94 (OJ L 210, 31.7.2006, p. 79).

Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1), and in particular Article 21(3) and (4) and Articles 80 and 177 thereof.

Regulation (EU) No 1300/2013 of the European Parliament and of the Council of 17 December 2013 on the Cohesion Fund and repealing Council Regulation (EC) No 1084/2006 (OJ L 347, 20.12.2013, p. 281).

Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347, 20.12.2013, p. 320).

Reference acts

Conclusions of the Brussels European Council of 15 and 16 December 2005.

Conclusions of the European Council of 7 and 8 February 2013.

Article 13 04 02 — Completion of Cohesion Fund (2007 to 2013)

Figures

Budget 2017		Council position on DAB No 4/2017		New amount	
Commitments	Payments	Commitments	Payments	Commitments	Payments
p.m.	329 335 976		-256 050 013	p.m.	73 285 963

Remarks

This appropriation is intended to cover commitments to be settled for the Cohesion Fund from the 2007-2013 programming period.

This appropriation is also intended to cover commitments remaining to be settled from the preparatory, monitoring, administrative and technical support, evaluation, audit and inspection measures necessary for implementing Regulation (EC) No 1083/2006, as provided for in Article 45 of that Regulation. In particular, it may be used to cover:

- support expenditure (representation expenses, training, meetings),
- information and publishing expenditure,
- expenditure on information technology and telecommunications,
- contract for the provision of services and studies,
- grants.

This appropriation is also intended to cover commitments remaining to be settled for measures approved by the Commission in the context of the preparation of the 2014-2020 programming period.

In accordance with Article 105a(1) of Regulation (EC) No 1083/2006 as modified by point 7 of Annex III to the Treaty concerning the Accession of the Republic of Croatia to the European Union (OJ L 112, 24.4.2012), programmes and major projects which, on the date of accession of Croatia, have been approved under Regulation (EC) No 1085/2006 and the implementation of which has not been completed by that date, shall be considered to have been approved by the Commission under Regulation (EC) No 1083/2006, with the exception of the programmes approved under the components referred to in points (a) and (e) of Article 3(1) of Regulation (EC) No 1085/2006.

Legal basis

Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999 (OJ L 210, 31.7.2006, p. 25).

Council Regulation (EC) No 1084/2006 of 11 July 2006 establishing the Cohesion Fund (EC) (OJ L 210, 31.7.2006, p. 79).

Reference acts

Treaty establishing the European Community, and in particular Articles 158 and 161 thereof.

Treaty on the Functioning of the European Union, and in particular Articles 174 and 177 thereof.

CHAPTER 13 06 — SOLIDARITY FUND

Figures

Title Chapter Article Item	Heading	FF	Budget 2017		Council position on DAB No 4/2017		New amount	
			Commitments	Payments	Commitments	Payments	Commitments	Payments
13 06	Solidarity Fund							
13 06 01	<i>Assistance to Member States in the event of a major natural disaster with serious repercussions on living conditions, the natural environment or the economy</i>	9	120 402 434	120 402 434	1 166 797 579	1 166 797 579	1 287 200 013	1 287 200 013
13 06 02	<i>Assistance to countries negotiating for accession in the event of a major natural disaster with serious repercussions on living conditions, the natural environment or the economy</i>	9	p.m.	p.m.			p.m.	p.m.
Chapter 13 06 — Total			120 402 434	120 402 434	1 166 797 579	1 166 797 579	1 287 200 013	1 287 200 013

Article 13 06 01 — Assistance to Member States in the event of a major natural disaster with serious repercussions on living conditions, the natural environment or the economy

Figures

Budget 2017		Council position on DAB No 4/2017		New amount	
Commitments	Payments	Commitments	Payments	Commitments	Payments
120 402 434	120 402 434	1 166 797 579	1 166 797 579	1 287 200 013	1 287 200 013

Remarks

This article is intended to record appropriations resulting from the mobilisation of the European Union Solidarity Fund in the event of major or regional disasters in the Member States. Assistance should be provided in connection with natural disasters to the Member States concerned, with a deadline being laid down for use of the financial assistance awarded and provision being made for beneficiary states to substantiate the use made of the assistance they receive. Assistance received which is subsequently offset by third-party payments, under the ‘polluter pays’ principle, for example, or received in excess of the final valuation of damage should be recovered.

With the exception of advance payments, the allocation of the appropriations will be carried out by transfers of appropriations from the reserve or, in case of insufficient appropriations in the reserve, by an amending budget simultaneously to the mobilisation decision of the European Union Solidarity Fund.

Legal basis

Council Regulation (EC) No 2012/2002 of 11 November 2002 establishing the European Union Solidarity Fund (OJ L 311, 14.11.2002, p. 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), and in particular Article 10 thereof.

TITLE 40 — RESERVES

Figures

Title Chapter	Heading	FF	Budget 2017		Council position on DAB No 4/2017		New amount	
			Commitments	Payments	Commitments	Payments	Commitments	Payments
40 01	Reserves for administrative expenditure	5	5 769 253	5 769 253			5 769 253	5 769 253
40 02	Reserves for financial interventions	9	566 089 522	372 326 522			566 089 522	372 326 522
40 03	Negative reserve	8	p.m.	-70 402 434		70 402 434	p.m.	p.m.
	Title 40 — Total		571 858 775	307 693 341		70 402 434	571 858 775	378 095 775

CHAPTER 40 03 — NEGATIVE RESERVE

Figures

Title Chapter Article Item	Heading	FF	Budget 2017		Council position on DAB No 4/2017		New amount	
			Commitments	Payments	Commitments	Payments	Commitments	Payments
40 03	Negative reserve							
40 03 01	Negative reserve	8	p.m.	-70 402 434		70 402 434	p.m.	p.m.
	Chapter 40 03 — Total		p.m.	-70 402 434		70 402 434	p.m.	p.m.

Article 40 03 01 — Negative reserve

Figures

Budget 2017		Council position on DAB No 4/2017		New amount	
Commitments	Payments	Commitments	Payments	Commitments	Payments
p.m.	-70 402 434		70 402 434	p.m.	p.m.

Remarks

The principle of a negative reserve is provided for in Article 47 of the Financial Regulation. This reserve must be drawn upon before the end of the financial year by means of transfer in accordance with the procedure laid down in Articles 26 and 27 of the Financial Regulation.

Legal basis

Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1).
