



**COUNCIL OF
THE EUROPEAN UNION**

**Brussels, 13 June 2014
(OR. en)**

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FIN 418

PROPOSAL

From:	Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director
date of receipt:	12 June 2014
To:	Mr Uwe CORSEPIUS, Secretary-General of the Council of the European Union

No. Cion doc.:	COM(2014) 349 final
Subject:	Proposal for a Decision of the European Parliament and of the Council on the mobilisation of the Flexibility Instrument

Delegations will find attached document COM(2014) 349 final.

Encl.: COM(2014) 349 final



EUROPEAN
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Brussels, 11.6.2014
COM(2014) 349 final

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the Mobilisation of the Flexibility Instrument

EXPLANATORY MEMORANDUM

The Council Regulation (EU, EURATOM) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020¹ allows for the mobilisation of the Flexibility Instrument to allow the financing of clearly identified expenditure which could not be financed within the limits of the ceilings available for one or more headings of the multiannual financial framework.

In accordance with Article 11 of Council Regulation No 1311/2013 and point 12 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters on and sound financial management², and after having examined all possibilities for re-allocating appropriations under heading 1b, the Commission proposes to mobilise the Flexibility Instrument. This mobilisation will concern an amount of EUR 79 785 595 beyond the ceiling of heading 1b, and is intended to complement the financing in the general budget of the European Union for the financial year 2015 of the Cypriot Structural Funds programmes, which should receive an additional allocation for the year 2015 for a total amount of EUR 100 000 000.

The payment appropriations to cover the additional commitment appropriations for Cyprus, mobilised via the Flexibility Instrument in 2014³ and 2015, are estimated on the basis of the indicative payment profile, presented in the table below:

(in million EUR, at current prices)

Year	Payment appropriations related to the mobilisation of the flexibility instrument for Cyprus in 2014 and 2015
2015	11,3
2016	43,7
2017	73,9
2018	40,2
Total	169,1

The precise annual amounts for the period 2016-18 will be defined in the draft budget of the related year. These amounts will be counted over and above the annual MFF ceiling for payment appropriations for the purposes of calculating the unallocated margin and the global margin for payments.

The two arms of the budgetary authority are reminded that the publication of the Decision in the Official Journal of the European Union shall not intervene later than the publication of the general budget of the European Union for the financial year 2015.

¹ OJ L347, 20.12.2013, p.884.

² OJ C 373, 20.12.2013, p. 1.

³ OJ L 50, 20.2.2014, p. 19. Decision of the European Parliament and of the Council of 20 November 2013 on the mobilisation of the Flexibility instrument.

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the Mobilisation of the Flexibility Instrument

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management⁴, and in particular point 12 thereof,

Having regard to the proposal from the European Commission,

Whereas,

- (1) Article 11 of Council Regulation 1311/2013 laying down the multiannual financial framework for the year 2014-2020⁵ has established a Flexibility instrument of up to EUR 471 millions (2011 prices) per year,
- (2) After having examined all possibilities for re-allocating appropriations under heading 1b, it appears necessary to mobilise the flexibility instrument to complement the financing in the general budget of the European Union for the financial year 2015, beyond the ceiling of heading 1b, by EUR 79 785 595 towards the financing of the Cypriot Structural Funds programmes, to grant an additional allocation from the Structural Funds to Cyprus for the year 2015 for a total amount of EUR 100 000 000,
- (3) For the financial year 2014, the European Parliament and the Council have already mobilised the Flexibility instrument by Decision of 20 November 2013 for the financing of the Cypriot Structural Funds programmes for an amount of EUR 89 330 000 in commitment appropriations only,
- (4) Taking into account the supplementary nature of the Flexibility Instrument, which is mobilised over and above the MFF ceilings after having examined all possibilities for re-allocating appropriations, it is necessary to provide additional payment appropriations to cover the additional commitment appropriations for Cyprus for the two financial years 2014 and 2015 on the basis of the expected payment profile, estimated to EUR 11,3 million in 2015, EUR 43,7 million in 2016, EUR 73,9 million in 2017 and EUR 40,2 million in 2018. The annual amounts for each year of the period 2016-2018 will have to be confirmed by each draft budget presented by the Commission during this period,

⁴ OJ C 373, 20.12.2013, p. 1.

⁵ OJ L 347, 20.12.2013, p. 884.

HAVE ADOPTED THIS DECISION:

Article 1

For the general budget of the European Union for the financial year 2015, the flexibility instrument shall be used to provide the sum of EUR 79 785 595 in commitment appropriations in heading 1b, and EUR 11 315 595 in payment appropriations.

That amount shall be used to complement the financing of the Cypriot Structural Funds programmes under heading 1b.

Payments associated with the financing of the Cypriot Structural Funds through the flexibility instrument in 2014 and 2015 will be EUR 157 800 000 for the period 2016-2018. The exact annual amount will be defined in the draft budget of the year as presented by the Commission.

Article 2

This decision shall be published in the *Official Journal of the European Union*.

Done at Brussels,

*For the European Parliament
The President*

*For the Council
The President*