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COVER NOTE

From: Mr Andris PIEBALGS, Member of the European Commission
date of receipt: 9 July 2014
To: Mr Enrico ZANETTI, President of the Council of the European Union

Subject: Transfer of appropriations No DEC 13/2014 within Section III - Commission
- of the general budget for 2014

Delegations will find attached Commission document DEC 13/2014.

Encl.: DEC 13/2014



BRUSSELS, 08/07/2014

GENERAL BUDGET - 2014
SECTION III - COMMISSION TITLES 04, 40

TRANSFER OF APPROPRIATIONS N° DEC 13/2014

EUR

FROM

CHAPTER - 0404 European Globalisation Adjustment Fund (EGF)

ARTICLE - 04 04 01 European Globalisation Adjustment Fund (EGF) Payments - 330 000

CHAPTER - 4002 Reserves for financial interventions

ARTICLE - 40 02 43 Reserve for the European Globalisation Adjustment Fund Commitments - 330 000

TO

CHAPTER - 0401 Administrative expenditure of the 'Employment, Social Affairs and Inclusion' policy area

ITEM - 04 01 04 04 Support expenditure for European Globalisation Adjustment Fund (EGF) Non-Diff. 330 000

INTRODUCTION

The rules applicable to the European Globalisation Adjustment Fund (EGF) are laid down in Regulation (EU) No 1309/2013 of the European Parliament and of the Council of 17 December 2013 on the European Globalisation Adjustment Fund (2014-2020) and repealing Regulation (EC) No 1927/2006 (the 'EGF Regulation').

Point 13 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management sets the budgetary provisions related to the EGF.

The total budget available for EGF in 2014 is EUR 159 million. In accordance with Article 11(1) of the EGF Regulation, a maximum of 0.5% of the annual maximum amount of the EGF may be made available each year for technical assistance at the initiative of the Commission.

I. INCREASE

a) Heading

04 01 04 04 - Support expenditure for European Globalisation Adjustment Fund (EGF)

b) Figures at 12/06/2014

	Non-Diff.
1A. Appropriation in budget (initial budget + AB)	p.m.
1B. Appropriation in budget (EFTA)	0
2. Transfers	0
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3. Final appropriation for the year (1A+1B+2)	0
4. Utilisation of final appropriation	0
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5. Amount not used/available (3-4)	0
6. Requirements up to year-end	330 000
7. Increase proposed	330 000
8. Increase as percentage of appropriation in budget (7/1A)	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) and (c) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application	n/a

c) Receipts arising from recovery (carried over) (C5)

	Non-Diff.
1. Appropriation available at start of year	0
2. Appropriation available on the 12/06/2014	0
3. Rate of utilisation $[(1-2)/1]$	n/a

d) Detailed grounds for the increase

In 2014 the amount of EUR 330 000 is requested in order to cover the technical assistance related to the EGF (i.e. EUR 466 000 below the maximum amount).

The measures to be supported are as foreseen in Articles 11(1) and (4), and 12(2), (3) and (4) of the EGF Regulation and include:

- Monitoring and data gathering: the Commission will collect data on applications received, paid and wound up, and measures proposed and implemented. This data will be made available on the web site and in the form of an updated Statistical Portrait. Building on the work of recent years, most of this can be done with the Commission's normal administrative resources, but some external expertise will be required to improve and secure the functionalities of the EGF database in accordance with the findings of the Commission's Internal Audit. The cost of these items is estimated at EUR 20 000.

- Information: the web site on the EGF, which the Commission is maintaining as required under Article 12(2) of the EGF Regulation, will be regularly updated and expanded, with each new element also being translated into all EU languages. Information on the new EGF Regulation will be produced, and the necessary guidance provided. General awareness of the EGF and its visibility will be encouraged. A small print run of the EGF ex-post evaluation will be made available together with an online publication. The EGF will be covered in various Commission publications and audio-visual activities as provided for in Article 11(4) of the EGF Regulation. The costs of all these items are estimated at EUR 20 000 in 2014.
- Creation of a knowledge base/application interface: the Commission is continuing its work with a view to setting up an electronic application form and standardised procedures for EGF applications, which will allow applications under the new Regulation to be simplified, their processing to be speeded up and reports to be more easily extracted for varying needs. Preparations are ongoing with a view to integrating the EGF into the System for Fund Management in the European Community (SFC). Standardisation of final reports is continuing, with the objective of easing the administrative burden for the Member States. The cost of these items is estimated at EUR 100 000.
- Administrative and technical support: the Expert Group of Contact Persons of the EGF, with one member from each Member State, will be holding two meetings (end of 2014/first half of 2015), together estimated at EUR 70 000.
- In addition, the Commission will be organising networking among the Member States, with two seminars of EGF implementing bodies in the Member States around the same dates, focusing on issues arising from the interpretation of the new EGF Regulation, particularly with regard to the possible inclusion of young people not in employment, education or training (NEETs) in the measures. The cost of these items is estimated at EUR 120 000.

The above-mentioned measures aim to facilitate the application procedure as well as enabling better access to and easier proceeding of the relevant data.

II. DECREASE

II.A

a) Heading

04 04 01 - European Globalisation Adjustment Fund (EGF)

b) Figures at 12/06/2014

	Payments
1A. Appropriation in budget (initial budget + AB)	50 000 000
1B. Appropriation in budget (EFTA)	0
2. Transfers	0
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3. Final appropriation for the year (1A+1B+2)	50 000 000
4. Utilisation of final appropriation	0
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5. Amount not used/available (3-4)	50 000 000
6. Requirements up to year-end	49 670 000
7. Proposed decrease	330 000
8. Decrease as percentage of appropriation in budget (7/1A)	0.66%
9. Decrease, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 26(1)(b) and (c) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application	n/a

c) Receipts arising from recovery (carried over) (C5)

	Payments
1. Appropriation available at start of year	0
2. Appropriation available on the 12/06/2014	0
3. Rate of utilisation [(1-2)/1]	n/a

d) Detail grounds for the transfer

The line for technical assistance from the EGF at the Commission's initiative (budget line: 04 01 04 04) is used for this measure and must therefore be provided with commitment and payment appropriations. Some of the payment appropriations available on the EGF line 04 04 01 will be used to cover this amount.

II.B

a) Heading

40 02 43 - Reserve for the European Globalisation Adjustment Fund

b) Figures at 12/06/2014

	Commitments
1A. Appropriation in budget (initial budget + AB)	159 181 000
1B. Appropriation in budget (EFTA)	0
2. Transfers	-5 815 392
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3. Final appropriation for the year (1A+1B+2)	153 365 608
4. Utilisation of final appropriation	0
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5. Amount not used/available (3-4)	153 365 608
6. Requirements up to year-end	n/a
7. Proposed decrease	330 000
8. Decrease as percentage of appropriation in budget (7/1A)	0.21%
9. Decrease, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 26(1)(b) and (c) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application	n/a

c) Receipts arising from recovery (carried over) (C5)

	Commitments
1. Appropriation available at start of year	0
2. Appropriation available on the 12/06/2014	0
3. Rate of utilisation [(1-2)/1]	n/a

d) Detail grounds for the transfer

Under point 13 of the Interinstitutional Agreement of 2 December 2013 on budgetary discipline and sound financial management, the Commission shall present to the European Parliament and the Council a proposal for a transfer of appropriations from the reserve for the EGF to the relevant budgetary line in parallel to the proposal for a decision to mobilise the EGF.

