



Council of the
European Union

**Brussels, 18 September 2014
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COVER NOTE

From:	Mr Jacek DOMINIK, Member of the European Commission
date of receipt:	17 September 2014
To:	Mr Enrico ZANETTI, President of the Council of the European Union
Subject:	Transfer of appropriations No DEC 33/2014 within Section III - Commission - of the general budget for 2014

Delegations will find attached Commission document DEC 33/2014.

Encl.: DEC 33/2014



BRUSSELS, 15/09/2014

GENERAL BUDGET - 2014
SECTION III - COMMISSION TITLES 19, 22

TRANSFER OF APPROPRIATIONS N° **DEC 33/2014**

EUR

FROM

CHAPTER - 2202 Enlargement process and strategy

ITEM - 22 02 03 01 Support for political reforms and progressive alignment with and adoption, implementation and enforcement of the 'acquis communautaire'

Payments - 10 000 000

TO

CHAPTER - 1903 Common foreign and security policy (CFSP)

ITEM - 19 03 01 04 Other crisis management measures and operations

Payments 10 000 000

I. INCREASE

a) Heading

19 03 01 04 - Other crisis management measures and operations

b) Figures at 04/09/2014

	Payments
1A. Appropriation in budget (initial budget + AB)	75 750 000
1B. Appropriation in budget (EFTA)	0
2. Transfers	-30 450 459
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3. Final appropriation for the year (1A+1B+2)	45 299 541
4. Utilisation of final appropriation	37 642 101
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5. Amount not used/available (3-4)	7 657 440
6. Requirements up to year-end	17 657 440
7. Increase proposed	10 000 000
8. Increase as percentage of appropriation in budget (7/1A)	13.20%
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)

	Payments
1. Appropriation available at start of year	6 984 020
2. Appropriation available on the 04/09/2014	0
3. Rate of utilisation [(1-2)/1]	100.00%

d) Detailed grounds for the increase

The security situation in Ukraine is constantly deteriorating as result of the continuing conflict between pro-Russian separatists and the government forces in the eastern part of the country. The local security structures need reform in order to meet the growing security concerns.

Both the Council and the European Parliament have expressed strong support for the sovereignty and territorial integrity of Ukraine. On 17 July the European Parliament adopted a resolution in support of the peace plan by Ukrainian President Petro Poroshenko and his decisive actions to guarantee the unity, sovereignty and territorial integrity of the country.

During the Foreign Affairs Council of 23 June 2014, the Council agreed to establish a Common Security and Defence Policy (CSDP) mission to assist Ukraine in the field of civilian security sector reform, including police and the rule of law.

Consequently, on 22 July, the Council adopted Decision 2014/486/CFSP on the establishment of an EU Assistance Mission (EUAM) in Ukraine with a mandate to:

- Support Ukraine's security sector reform through providing mentoring and advice to the relevant Ukrainian bodies in the elaboration of renewed security strategies and in the implementation of relevant reform efforts.
- Assist in a comprehensive civilian security sector reform planning process, supporting rapid preparation and implementation of the reform measures.

A two-phase approach (establishment and launch) has been adopted for the mission in accordance with crisis management procedures as approved by Member States. The necessary funding for the establishment phase from 1 August until 30 November 2014 (EUR 2.68 million) has been covered from available funds in the CFSP budget.

The Council is seeking to adopt in November 2014 a second Council Decision launching the mission and providing for an additional financing for the period from 1 December 2014 until 30 November 2015. Based on current estimates, the financial reference amount is estimated at around EUR 12 million.

The implementation of the CFSP budget chapter 19 03 as of 1 September stands at: 37.2% in commitment and 94.3% in payment appropriations.

II. DECREASE

a) Heading

22 02 03 01 - Support for political reforms and progressive alignment with and adoption, implementation and enforcement of the 'acquis communautaire'

b) Figures at 04/09/2014

	Payments
1A. Appropriation in budget (initial budget + AB)	19 174 167
1B. Appropriation in budget (EFTA)	0
2. Transfers	0
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3. Final appropriation for the year (1A+1B+2)	19 174 167
4. Utilisation of final appropriation	0
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5. Amount not used/available (3-4)	19 174 167
6. Requirements up to year-end	9 174 167
7. Proposed decrease	10 000 000
8. Decrease as percentage of appropriation in budget (7/1A)	52.15%
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 04/09/2014	0
3. Rate of utilisation [(1-2)/1]	n/a

d) Detail grounds for the transfer

The actual 2014 needs for payment appropriations diverge from the estimations which were made in 2013 when the 2014 Budget was prepared, at a time when the overall strategic programming for the 2014-2020 period was still under preparation. The late adoption of the IPA (Instrument for Pre-Accession Assistance) II Regulation (as well as of the related Common Implementing Regulation for all European External Action Instruments) has led to delays in the strategic programming for the year 2014. The priorities established by the indicative country strategy papers were translated into detailed actions covered by annual and multi-annual as well as country action programmes. Most of these action programmes are being adopted.

The procedural delays will impact on some of the IPA II beneficiaries (enlargement countries and entities delegated to implement some actions) to contract and pay in full the indicative allocation for 2014. Given this combination of factors, EUR 10 000 000 can be made available for transfer to chapter 19 03.