



Council of the
European Union

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COVER NOTE

From:	Ms Kristalina GEORGIEVA, Vice-president of the European Commission
date of receipt:	2 December 2015
To:	Mr Pierre GRAMEGNA, President of the Council of the European Union
Subject:	Proposal for transfer of appropriations No DEC 44/2015 within Section III - Commission - of the general budget for 2015

Delegations will find attached Commission document DEC 44/2015.

Encl.: DEC 44/2015



BRUSSELS, 01/12/2015

GENERAL BUDGET - 2015
SECTION III - COMMISSION TITLES: 19, 23, 40

TRANSFER OF APPROPRIATIONS N° DEC 44/2015

FROM

CHAPTER - 1903 Common Foreign and Security Policy (CFSP)

ITEM - 19 03 01 04 Other crisis management measures and operations	Commitments	-15 000 000,00
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CHAPTER - 4002 Reserves for financial interventions

ARTICLE - 40 02 42 Emergency aid reserve	Payments	-15 000 000,00
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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	15 000 000,00
	Payments	15 000 000,00

I. DECREASE

I.1

a) Heading

19 03 01 04 - Other crisis management measures and operations

b) Figure at 26/11/2015

	Commitments
1A Appropriation in budget (Initial Budget + AB)	85 250 000,00
1B Appropriation in budget (EFTA)	0,00
2 Transfers	0,00
3 Final appropriation for the year (1A+1B+2)	85 250 000,00
4 Utilisation of final appropriation	23 689 445,47
5 Amount not used/available (3-4)	61 560 554,53
6 Requirements up to year-end	46 560 554,53
7 Proposed decrease	15 000 000,00
8 Decrease as percentage of appropriation in budget (7/1A)	17,60 %
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

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

	Commitments
1 Appropriations available at start of the year	8 005 554,53
2 Appropriations available on 26/11/2015	0,00
3 Rate of utilisation [(1-2)/1]	100,00 %

d) Detailed grounds for the transfer

Due to the delay in the adoption of the Council decision for the establishment of the Kosovo Specialist Chambers, there is an amount of EUR 51 million that can be redeployed for other needs. EUR 15 million of that amount can be made available in the context of this transfer.

I.2

a) Heading

40 02 42 - Emergency aid reserve

b) Figure at 26/11/2015

	Payments
1A Appropriation in budget (Initial Budget + AB)	150 000 000,00
1B Appropriation in budget (EFTA)	0,00
2 Transfers	-131 110 746,00
3 Final appropriation for the year (1A+1B+2)	18 889 254,00
4 Utilisation of final appropriation	0,00
5 Amount not used/available (3-4)	18 889 254,00
6 Requirements up to year-end	3 889 254,00
7 Proposed decrease	15 000 000,00
8 Decrease as percentage of appropriation in budget (7/1A)	10,00 %
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

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

	Payments
1 Appropriations available at start of the year	0,00
2 Appropriations available on 26/11/2015	0,00
3 Rate of utilisation [(1-2)/1]	n/a

d) Detailed grounds for the transfer

According to article 9 of the Multiannual Financial Framework the Emergency Aid Reserve 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 26/11/2015

	Commitments	Payments
1A Appropriation in budget (Initial Budget + AB)	882 446 000,00	928 182 000,00
1B Appropriation in budget (EFTA)	0,00	0,00
2 Transfers	108 077 134,00	149 264 000,00
3 Final appropriation for the year (1A+1B+2)	990 523 134,00	1 077 446 000,00
4 Utilisation of final appropriation	976 158 134,00	919 244 979,30
5 Amount not used/available (3-4)	14 365 000,00	158 201 020,70
6 Requirements up to year-end	29 365 000,00	173 201 020,70
7 Proposed increase	15 000 000,00	15 000 000,00
8 Increase as percentage of appropriation in budget (7/1A)	1,70 %	1,62 %
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) (C5)

	Commitments	Payments
1 Appropriations available at start of the year	62 508,54	28 512,24
2 Appropriations available on 26/11/2015	0,00	0,00
3 Rate of utilisation [(1-2)/1]	100,00 %	100,00 %

d) Detailed grounds for the transfer

As of 26 November 2015 the overall implementation rate for the humanitarian aid chapter stood at 98% for commitment appropriations and at 84 % for payment appropriations.

The initial amount of the Operational Reserve was set at EUR 176 million but at this point only EUR 18 million in commitment appropriations remains available. However, an amount of EUR 13 million is currently being processed to cope with emergencies in, amongst others, Yemen, Boko Haram affected countries, and in countries of Latin America/Caribbean region affected by the El Niño phenomenon, which are not eligible for funding from the European Development Fund. The remaining balance of EUR 5 million is planned to be used for other critical situations, such as in the region of the Great Lakes.

The humanitarian needs continue to increase for the armed conflict in Yemen, as a result of sustained aerial bombardments, territorial warfare, formation of a plethora of militias and local fighters and difficult access to the population through the ports and across land. The collapse of government services, the reduction in food production and food imports, large-scale displacement of population and massive inflation have further aggravated pre-existing health, food and nutrition crises. The level of global acute malnutrition is exceeding the critical threshold as per the World Health Organisation's categorisation.

Additional EU funds in the amount of EUR 15 million in commitment and payment appropriations are urgently needed to address the most alarming consequences of the crisis, such as displacement and deteriorating nutritional, health and food security conditions of children and the most vulnerable groups.

More information on the crisis is provided in the attached annex.

YEMEN

Total amount committed in 2014 for this crisis	EUR 33 million
Amount committed through the 2015 initial Humanitarian Implementation Plan (HIP) related to this crisis	EUR 25 million
Funds already committed this year for this crisis from the: - Operational Reserve - Emergency Aid Reserve	EUR 8 million + 2 million planned 0
Total amount from EU Humanitarian Aid budget committed in 2015 (i.e. total revised HIP and/or Emergency Decisions)	EUR 35 million
Other EU budget funding 2014-2015 (Development cooperation etc.)	EUR 108 million
Other donors (<i>source Financial Tracking Service as of 10/11/2015</i>)	USD 1.27 billion
Total additional needs	EUR 15 million

Timing
The funds are needed immediately, given the emergency nature of the crisis.

Why the additional funding is needed?
<p>After more than eight months of conflict, humanitarian needs continue to increase as result of sustained aerial bombardments, territorial warfare, formation of a plethora of militias and local fighters and difficult access to the population through the ports and across land. The collapse of government services, a reduction in food production and food imports, large-scale displacement of population and massive inflation have further aggravated pre-existing health, food and nutrition crises. The food security cluster is forecasting a 36% increase in the food insecurity level in parallel to a 30% reduction of crop harvests.</p> <p>Available surveys have shown alarming levels of malnutrition in Al Hodeidah governate according to data collected in August. The level of global acute malnutrition (GAM) is 31%. This is exceeding 15%, which is the ‘critical’ threshold as per the World Health Organisation categorisation. More critically, this level is classified as catastrophe by the Integrated Phase Classification (level 5) since GAM exceeds 30%. The severe acute malnutrition (SAM) was 8.9%, again at a critical level.</p> <p>Commercial imports, which accounted for 90% of Yemen’s food and fuel supplies before the conflict, have decreased dramatically. September data reveals that the level of fuel imports were 1 % of what was required. The United Nations Verification and Inspection Mechanism, aiming to speed up the import of commercial and humanitarian supplies, is not yet up and running and Hodeidah port is not yet fully operational since the earlier</p>

bombardments.

The Yemen Humanitarian Response Plan of USD 1.6 billion is currently 48% funded. The funding from the EU budget is so far at the 2014 levels. However, since the beginning of the crisis in March, the number of people in need have increased by 5.2 million (33% increase). Considering that Yemen became a Level 3 crisis in July 2015 and that 21.2 million people are now in need of assistance, additional funding is critically needed.

What will be the increase used for?

Additional funds are urgently needed to address the most alarming consequences of the crisis, such as displacement and deteriorating nutritional, health and food security conditions of children and the most vulnerable groups.

Priorities of intervention: areas affected by conflict displacements; response in the sectors of health and nutrition, water, sanitation and hygiene, food security.