



Council of the
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COVER NOTE

From:	Ms Kristalina GEORGIEVA, Vice-president of the European Commission
date of receipt:	26 February 2016
To:	Mr Jeroen DIJSSELBLOEM, President of the Council of the European Union
Subject:	Proposal for transfer of appropriations No DEC 03/2016 within Section III - Commission - of the general budget for 2016

Delegations will find attached Commission document DEC 03/2016.

Encl.: DEC 03/2016



BRUSSELS, 22/02/2016

GENERAL BUDGET - 2016
SECTION III - COMMISSION TITLES: 04, 40

TRANSFER OF APPROPRIATIONS N° DEC 03/2016

FROM

CHAPTER - 0404 European Globalisation Adjustment Fund

ARTICLE - 04 04 01 EGF -- to support workers and self-employed persons whose activity has ceased as a result of globalisation	Payments	-380 000,00
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CHAPTER - 4002 Reserves for financial interventions

ARTICLE - 40 02 43 Reserve for the European Globalisation Adjustment Fund	Commitments	-380 000,00
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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	Non-Diff	380 000,00
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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 for EGF in 2016 is EUR 165 612 000. In accordance with Article 11(1) of the EGF Regulation, up to 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. DECREASE

I.1

a) Heading

04 04 01 - EGF -- to support workers and self-employed persons whose activity has ceased as a result of globalisation

b) Figure at 09/02/2016

	Payments
1A Appropriation in budget (Initial Budget + AB)	30 000 000,00
1B Appropriation in budget (EFTA)	0,00
2 Transfers	0,00
3 Final appropriation for the year (1A+1B+2)	30 000 000,00
4 Utilisation of final appropriation	0,00
5 Amount not used/available (3-4)	30 000 000,00
6 Requirements up to year-end	29 620 000,00
7 Proposed decrease	380 000,00
8 Decrease as percentage of appropriation in budget (7/1A)	1,27 %
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 from previous year)

	Payments
1 Appropriations available at start of the year	32 193 881,06
2 Appropriations available on 09/02/2016	32 193 881,06
3 Rate of utilisation [(1-2)/1]	0,00 %

d) Detailed grounds for the transfer

EUR 380 000 of the payment appropriations available on the EGF line 04 04 01 will be used to cover the technical assistance requirements on budget line 04 01 04 04. The decrease from line 04 04 01 will not affect significantly the payment availabilities on this budget line, as the remaining appropriations will be sufficient to cover the operational needs until the end of the year.

I.2

a) Heading

40 02 43 - Reserve for the European Globalisation Adjustment Fund

b) Figure at 09/02/2016

	Commitments
1A Appropriation in budget (Initial Budget + AB)	165 612 000,00
1B Appropriation in budget (EFTA)	0,00
2 Transfers	0,00
3 Final appropriation for the year (1A+1B+2)	165 612 000,00
4 Utilisation of final appropriation	0,00
5 Amount not used/available (3-4)	165 612 000,00
6 Requirements up to year-end	165 232 000,00
7 Proposed decrease	380 000,00
8 Decrease as percentage of appropriation in budget (7/1A)	0,23 %
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 from previous year)

	Commitments
1 Appropriations available at start of the year	0,00
2 Appropriations available on 09/02/2016	0,00
3 Rate of utilisation [(1-2)/1]	n/a

d) Detailed 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.

II. INCREASE

II.1

a) Heading

04 01 04 04 - Support expenditure for European Globalisation Adjustment Fund

b) Figure at 09/02/2016

	Non-Diff
1A Appropriation in budget (Initial Budget + AB)	0,00
1B Appropriation in budget (EFTA)	0,00
2 Transfers	0,00
3 Final appropriation for the year (1A+1B+2)	0,00
4 Utilisation of final appropriation	0,00
5 Amount not used/available (3-4)	0,00
6 Requirements up to year-end	380 000,00
7 Proposed increase	380 000,00
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) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application	n/a

c) Receipts arising from recovery (carried over from previous year)

	Non-Diff
1 Appropriations available at start of the year	0,00
2 Appropriations available on 09/02/2016	0,00
3 Rate of utilisation [(1-2)/1]	n/a

d) Detailed grounds for the transfer

In 2016, the amount of EUR 380 000 is requested in order to cover the technical assistance related to the EGF (i.e. EUR 448 060 below the maximum amount).

The measures to be supported are as foreseen in Article 11(1) and (4), as well as Article 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. These data will be made available on the EGF website and compiled in appropriate form for the Biennial Report of 2017. Building on the work of recent years, costs for this activity will be EUR 20 000.

- Information: the webpage on the EGF, which the Commission has set up within its own Employment, Social Affairs and Inclusion website, and it maintains 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. General awareness of the EGF will be increased and its visibility promoted. The EGF will be covered in various Commission publications and audio-visual activities as provided for in Article 11(4) of the EGF Regulation. Costs of all these items are estimated at EUR 20 000 in 2016.

- Creation of a knowledge base/application interface: the Commission continues its work setting up standardised procedures for EGF applications and management, using the functionalities of the Structural Funds Communication system (SFC), into which it is being integrated. This allows applications under the EGF Regulation to be simplified, their

processing to be speeded up and reports to be more easily extracted for varying needs. Preparation and fine tuning of the module for final reports closing the implementation of each EGF case will be the priority of the year, with the objective of easing the administrative burden for the Member States and the integration of the EGF cases under the current Regulation into SFC from beginning to end. The cost of these items is estimated at EUR 100 000, corresponding the EGF contribution to the development of SFC and its regular maintenance.

- 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 2016/first half of 2017), together estimated at EUR 70 000.

- In addition, in order to promote networking among the Member States, the Commission will organise two seminars with the participation of EGF implementing bodies and social partners. To the extent possible, these will be scheduled to take place around the same dates as the Expert Group meetings and will focus on issues arising from the practical implementation of the EGF Regulation at grassroots level. The cost of these seminars is estimated at EUR 120 000.

- Evaluation: the public procurement for the mid-term evaluation was completed in 2015, with a view to concluding the evaluation by 30 June 2017 (as required by Article 20(1)(a) of the EGF Regulation). In 2016, EUR 50 000 are budgeted to allow finalisation, translations and publication of the report in time for presentation in mid-2017.

**TRANSFERS RELATED TO THE EUROPEAN GLOBALISATION ADJUSTMENT FUND COMMISSION
PROPOSALS AS OF 22/02/2016**

The table below shows the transfer proposals transmitted to the Budgetary Authority to date during 2016 which relate to the European Globalisation Adjustment Fund, and the amount of the EGF reserve which will remain should these proposals be approved.

Transfer Ref	Date sent to B.A.	Content	Amount EUR (Commitments from Reserve)
DEC 01	20/01/16	EGF/2015/007 BE/Hainaut-Namur Glass	1.095.544
DEC 02	16/02/16	EGF/2015/009 SE/Volvo Trucks	1.793.710
DEC 03	22/02/16	EGF/2016/000/TA - Technical Assistance	380.000
Total of Proposals			3.269.254
Remainder			162.342.746