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To:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union
No. Cion doc.:	C(2018) 776 final - ANNEXES 1 to 4
Subject:	Annexes to the Commission Decision on non-automatic carryover of appropriations and decommitted appropriations to be made available again from 2017 to 2018

Delegations will find attached document C(2018) 776 final - ANNEXES 1 to 4.

Encl.: C(2018) 776 final - ANNEXES 1 to 4



EUROPEAN
COMMISSION

Brussels, 7.2.2018

C(2018) 776 final

ANNEXES 1 to 4

ANNEXES

to the

COMMISSION DECISION

**ON NON-AUTOMATIC CARRYOVER OF APPROPRIATIONS AND
DECOMMITTED APPROPRIATIONS TO BE MADE AVAILABLE AGAIN FROM
2017 TO 2018**

ANNEX I
CARRYOVER OF NON-DIFFERENTIATED APPROPRIATIONS

A. Overview

N°	2017 Budget	Heading	2018 Budget	Regulation (EU, Euratom) N°966/2012	Amount to be Carried over (in EUR)
1	05 03 09	Reimbursement of direct payments to farmers from appropriations carried-over in relation to financial discipline	05 03 09	Article 169(3)	450 500 000,00
		Heading 2 - Total			450 500 000,00
		Grand Total			450 500 000,00

B. Amounts in euros to be carried over for each line and justifications

1. 05 03 09 Reimbursement of direct payments to farmers from appropriations carried-over in relation to financial discipline

Appropriation authorised 2017	450 500 000,00
Commitments made at 31.12.2017	0,00
Amount not used at 31.12.2017	450 500 000,00
Carryover	450 500 000,00

Based on Article 169(3) of Regulation (EU, Euratom) No 966/2012 and Article 26 of Regulation (EU) No 1306/2013 of the European Parliament and of the Council¹, non-committed appropriations of the European Agricultural Guarantee Fund (EAGF) under shared management may be carried over to the following financial year, respecting the limit of 2% of the initial appropriations or the amount of the adjustment of direct payments for financial discipline as referred to in Articles 25 and 26 of Regulation (EU) No 1306/2013 which was applied during the preceding financial year. In accordance with Article 26(5) of Regulation (EU) No 1306/2013, this amount will be reimbursed to the final recipients who are subject, in the financial year to which the appropriations are carried over, to the adjustment rate. A total amount of EUR 450 500 000 of non-committed appropriations has been transferred from article 05 03 10 - Reserve for crises in the agricultural sector, to article 05 03 09 – Reimbursement of direct payments to farmers from appropriations carried-over in relation to financial discipline. Commission Implementing Regulation (EU) 2017/2197² sets the amounts that each Member State is to reimburse to farmers and determines that expenditure in relation to this reimbursement is only to be eligible for Union financing if the amounts have been paid to the beneficiaries before 16 October 2018. These amounts correspond to the financial discipline applied during financial year 2017 for a total amount of EUR 433 300 000. Romania is not included in the Regulation at this stage. An amount will be made available for reimbursement in Romania through an amendment to that Regulation after the competent authorities of Romania have provided reliable figures allowing the Commission to calculate the exact amount in due time. The amount of EUR 450 500 000 from article 05 03 09 needs to be carried over to budget 2018 and made available to the Member States for the reimbursement, covering also a potential reimbursement to Romania at a later stage.

¹ Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008 (OJ L 347, 20.12.2013, p. 549).

² Commission Implementing Regulation (EU) 2017/2197 of 27 November 2017 on the reimbursement, in accordance with Article 26(5) of Regulation (EU) No 1306/2013 of the European Parliament and of the Council, of the appropriations carried over from financial year 2017 (OJ L 312, 28.11.2017, p. 86).

ANNEX II
CARRYOVER OF COMMITMENT APPROPRIATIONS

A. Overview

N°	2017 Budget	Heading	2018 Budget	Regulation (EU, Euratom) N°966/2012	Amount to be Carried over (in EUR)
1	09 03 04	WiFi4EU -- Support the deployment of free local wifi	09 03 04	Article 13(2)(b)	4 050 000,00
		Heading 1.a - Total			4 050 000,00
2	13 03 64 01	European Regional Development Fund (ERDF) -- European territorial cooperation	13 03 64 01	Article 13(2)(a)	21 626 831,00
3	13 05 63 01	Cross-border cooperation (CBC) -- Contribution from Heading 1b	13 05 63 01	Article 13(2)(a)	1 441 028,00
		Heading 1.b - Total			23 067 859,00
4	18 02 01 03	Establishing an Entry/Exit System (EES) to register data on the entry, exit and refusal of entry of third country nationals crossing the external borders of the Member States of the European Union	18 02 01 03	Article 13(2)(b)	40 000 000,00
5	18 03 01 01	Strengthening and developing the common European asylum system and enhancing solidarity and responsibility-sharing between the Member States	18 03 01 01	Article 13(2)(a)	157 441 008,28
6	18 03 01 02	Supporting legal migration to the Union and promoting the effective integration of third-country nationals and enhancing fair and effective return strategies	18 03 01 02	Article 13(2)(a)	49 111 969,23
		Heading 3 - Total			246 552 977,51
7	13 05 63 02	Cross-border cooperation (CBC) -- Contribution from Heading 4	13 05 63 02	Article 13(2)(a)	1 441 028,00
8	21 02 77 31	Pilot project -- Santé pour tous -- Health for All -- A joint project carried out by Aimes-Afrique (Togo) and Aktion PiT-Togohilfe e.V. (Germany)	21 02 77 31	Article 13(2)(a)	500 000,00
		Heading 4 - Total			1 941 028,00
9	40 02 42	Emergency aid reserve	40 02 42	Article 13(2)(c)	61 705 366,00
		Heading 9 - Total			61 705 366,00
		Grand Total			337 317 230,51

B. Amounts in euros to be carried over for each line and justifications

1. 09 03 04 WiFi4EU -- Support the deployment of free local wifi

Appropriation authorised 2017	19 910 000,00
Commitments made at 31.12.2017	15 859 656,34
Amount not used at 31.12.2017	4 050 343,66
Carryover	4 050 000,00

The legal basis, Regulation (EU) 2017/1953 of the European Parliament and of the Council³, was only adopted on 25 October 2017. Therefore, it was not possible to commit and sign all the contracts before the end of the year and EUR 4 050 000 are proposed to be carried over based on Article 13(2)(b) of Regulation (EU, Euratom) No 966/2012. This budget article ensures the financing of the "WiFi4EU" initiative, which aims at providing free access to wireless internet in local communities. The largest part of the 2017 commitment has already been committed and will be devoted to WiFi4EU vouchers for local communities in the first call for proposals under this initiative, which is planned for the first half of 2018. The amount proposed to be carried over to 2018 will finance the development of a new Digital Service Infrastructure, which will reinforce the remote monitoring system set up by the Commission and allow users to register only once to any WiFi4EU hotspot, so that they are then automatically authenticated and able to use all other Wifi4EU networks throughout Europe.

2. 13 03 64 01 European Regional Development Fund (ERDF) -- European territorial cooperation

Appropriation authorised 2017	1 757 285 371,00
Commitments made at 31.12.2017	1 735 658 540,00
Amount not used at 31.12.2017	21 626 831,00
Carryover	21 626 831,00

The adoption process for the operational programmes Interreg V-A Spain-Portugal (2014TC16RFCB005) and Interreg V-A Greece-Cyprus (2014TC16RFCB055) could not be finalised before the 2017 year-end. The consultation of the departments concerned has been closed with a positive opinion and therefore the condition that most of the preparatory stages of the commitment procedure had to be completed by 31 December is fulfilled. The corresponding amount in commitment appropriations is proposed to be carried over based on Article 13(2)(a) of Regulation (EU, Euratom) No 966/2012.

³

Regulation (EU) 2017/1953 of the European Parliament and of the Council of 25 October 2017 amending Regulations (EU) No 1316/2013 and (EU) No 283/2014 as regards the promotion of internet connectivity in local communities (OJ L 286, 01.11.2017, p. 1).

3. 13 05 63 01 Cross-border cooperation (CBC) -- Contribution from Heading 1b

Appropriation authorised 2017	55 551 660,00
Commitments made at 31.12.2017	54 110 632,00
Amount not used at 31.12.2017	1 441 028,00
Carryover	1 441 028,00

The adoption process for the cross-border cooperation programme Greece-Albania 2014-2020 (2014TC16I5CB010) could not be finalised before the 2017 year-end. The consultation of the departments concerned has been closed with a positive opinion and therefore the condition that most of the preparatory stages of the commitment procedure had to be completed by 31 December is fulfilled. The corresponding contribution from Heading 1b in commitment appropriations is proposed to be carried over based on Article 13(2)(a) of Regulation (EU, Euratom) No 966/2012.

4. 18 02 01 03 Establishing an Entry/Exit System (EES) to register data on the entry, exit and refusal of entry of third country nationals crossing the external borders of the Member States of the European Union

Appropriation authorised 2017	40 000 000,00
Commitments made at 31.12.2017	0,00
Amount not used at 31.12.2017	40 000 000,00
Carryover	40 000 000,00

Due to the adoption of the new Entry-Exit System Regulation (EU) 2017/2226 only on 30 November 2017, the appropriations could not be committed before the end of the year. As already announced in Draft Amending Budget 6/2017⁴, the carryover of the corresponding amount on line 18 02 01 03 is proposed in accordance with Article 13(2)(b) of Regulation (EU, Euratom) No 966/2012.

⁴ COM(2017) 597 final of 9 October 2017

5. 18 03 01 01 Strengthening and developing the common European asylum system and enhancing solidarity and responsibility-sharing between the Member States

Appropriation authorised 2017	946 027 438,07
Commitments made at 31.12.2017	788 586 429,79
Amount not used at 31.12.2017	157 441 008,28
Carryover	157 441 008,28

The proposed carryover corresponds to the Asylum, Migration and Integration Fund (AMIF) and the revision of the national programmes aiming at adding new resettlement pledges and the corresponding budget to the national programmes. On 4 July 2017, a pledging exercise was launched for the Member States to indicate the number of persons they intend to resettle in accordance with Article 1(2) of Commission Implementing Regulation (EU) No 801/2014⁵. The deadline for the pledges to be submitted was initially set on 15 September 2017. However, following the adoption of the Commission Recommendation of 27 September 2017 on enhancing legal pathways for persons in need of international protection⁶, Member States were invited to increase the pledges they already made to support the resettlement of 50 000 persons in total. Member States were asked to inform the Commission about their intention to increase or not their pledge by 31 October 2017. Due to their internal procedures, Estonia, Finland, Lithuania, Malta, Portugal, Romania, Spain, the Netherlands and the United Kingdom requested to submit their formal pledges only late November/early December, thus making it impossible for the Commission to complete the revision process of the national programmes and to commit the corresponding budget before the end of the year. The consultation of the departments concerned has been closed with a positive opinion and therefore the condition that most of the preparatory stages of the commitment procedure had to be completed by 31 December is fulfilled. Therefore, it is proposed to carry over the corresponding commitment appropriations in accordance with Article 13(2)(a) of Regulation (EU, Euratom) No 966/2012.

⁵ Commission Implementing Regulation (EU) No 801/2014 of 24 July 2014 setting out the timetable and other implementing conditions related to the mechanism for the allocation of resources for the Union Resettlement Programme under the Asylum, Migration and Integration Fund (OJ L 219, 25.07.2014, p. 19).

⁶ C(2017) 6504 final of 3 October 2017

6. 18 03 01 02 Supporting legal migration to the Union and promoting the effective integration of third-country nationals and enhancing fair and effective return strategies

Appropriation authorised 2017	665 960 561,00
Commitments made at 31.12.2017	616 848 320,59
Amount not used at 31.12.2017	49 112 240,41
Carryover	49 111 969,23

The request for carryover corresponds to the Asylum, Migration and Integration Fund (AMIF) and the revision of the national programmes aiming at adding new resettlement pledges and the corresponding budget to the national programmes. As described in the justification for carryover for line 18 03 01 01, on 4 July 2017 a pledging exercise was launched for the Member States to indicate the number of persons they intend to resettle in accordance with Article 1(2) of Commission Implementing Regulation (EU) No 801/2014. The deadline for the pledges to be submitted was initially set on 15 September 2017. However, following the adoption of the Commission Recommendation of 27 September 2017 on enhancing legal pathways for persons in need of international protection (C(2017) 6504), Member States were invited to increase the pledges they already made to support the resettlement of 50 000 persons in total. Member States were asked to inform the Commission about their intention to increase or not their pledge by 31 October 2017. For some of the Member States, the delay in the submission of formal pledges had an impact as well on the modification of their national programmes for actions on Integration and Return (line 18 03 01 02). Hence, the corresponding budget could not be committed before the end of the year. The consultation of the departments concerned has been closed with a positive opinion and therefore the condition that most of the preparatory stages of the commitment procedure had to be completed by 31 December is fulfilled. Therefore, it is proposed to carry over the corresponding commitment appropriations in accordance with Article 13(2)(a) of Regulation (EU, Euratom) No 966/2012.

7. 13 05 63 02 Cross-border cooperation (CBC) -- Contribution from Heading 4

Appropriation authorised 2017	55 551 660,00
Commitments made at 31.12.2017	54 110 632,00
Amount not used at 31.12.2017	1 441 028,00
Carryover	1 441 028,00

The adoption process for the cross-border cooperation programme Greece-Albania 2014-2020 (2014TC16I5CB010) could not be finalised before the 2017 year-end. The consultation of the departments concerned has been closed with a positive opinion and therefore the condition that most of the preparatory stages of the commitment procedure had to be completed by 31 December is fulfilled. Therefore, a carryover of the corresponding contribution from Heading 4 in commitment appropriations is proposed based on Article 13(2)(a) of Regulation (EU, Euratom) No 966/2012.

8. 21 02 77 31 Pilot project -- Santé pour tous -- Health for All -- A joint project carried out by Aimes-Afrique (Togo) and Aktion PiT-Togohilfe e.V. (Germany)

Appropriation authorised 2017	500 000,00
Commitments made at 31.12.2017	0,00
Amount not used at 31.12.2017	500 000,00
Carryover	500 000,00

The pilot project is managed by the Togo Delegation. Since this Delegation has no expertise in health, the conception of this project has taken additional time. Moreover, the lack of information concerning the link between the European and the Congolese Non-Governmental Organisations (NGOs) implementing the project required numerous exchanges to finalise the action document before the Inter-Service Consultation could be launched, provoking further delays. The consultation of the departments concerned has been closed with a positive opinion and therefore the condition that most of the preparatory stages of the commitment procedure had to be completed by 31 December is fulfilled. Therefore, it is proposed to carry over the corresponding commitment appropriations on the basis of Article 13(2)(a) of Regulation (EU, Euratom) No 966/2012.

9. 40 02 42 Emergency aid reserve

Appropriation authorised 2017	61 705 366,00
Commitments made at 31.12.2017	0,00
Amount not used at 31.12.2017	61 705 366,00
Carryover	61 705 366,00

Council Regulation (EU, Euratom) No 1311/2013⁷ provides that the annual amount of the Emergency Aid Reserve may be used up to year N+1 in accordance with Regulation (EU, Euratom) No 966/2012. Therefore, a carryover of the unused amount of the Emergency Aid Reserve is proposed based on Article 13(2)(c) of Regulation (EU, Euratom) No 966/2012.

⁷ Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 (OJ L 347, 20.12.2013, p. 884).

ANNEX III
CARRYOVER OF PAYMENT APPROPRIATIONS

A. Overview

N°	2017 Budget	Heading	2018 Budget	Regulation (EU, Euratom) N°966/2012	Amount to be Carried over (in EUR)
1	18 04 01 02	European citizens' initiative	18 04 01 02	Article 13(3)	191 000,00
2	23 03 01 01	Disaster prevention and preparedness within the Union	23 03 01 01	Article 13(3)	4 632 443,00
		Heading 3 - Total			4 823 443,00
3	23 03 01 02	Disaster prevention and preparedness in third countries	23 03 01 02	Article 13(3)	1 800 318,00
4	23 04 01	EU Aid Volunteers initiative -- Strengthening the Union's capacity to respond to humanitarian crises	23 04 01	Article 13(3)	392 792,13
		Heading 4 - Total			2 193 110,13
5	25 01 77 04	Pilot project -- New technologies and information and communication technology (ICT) tools for the implementation and simplification of European Citizens-- Initiatives (ECI)	25 01 77 04	Article 13(3)	148 000,00
6	26 03 77 04	Pilot project -- Union institutions-- encrypted electronic communications	26 03 77 04	Article 13(3)	564 344,82
7	26 03 77 06	Preparatory action -- Governance and quality of software code -- Auditing of free and open-source software	26 03 77 06	Article 13(3)	157 246,52
		Heading 5 - Total			869 591,34
		Grand Total			7 886 144,47

B. Amounts in euros to be carried over for each line and justifications

1. 18 04 01 02 European citizens' initiative

Appropriation authorised 2017	640 000,00
Payments made at 31.12.2017	448 349,86
Amount not used at 31.12.2017	191 650,14
Carryover	191 000,00

Due to a delay in the implementation of 2017 commitment appropriations, payments planned in 2017 were also delayed. As the legal obligations contracted in 2017 impose the payments at the beginning of 2018, the payment appropriations currently available will not be sufficient to meet the total payment needs of 2018. A carryover of the unused payment appropriations to 2018 is proposed based on Article 13(3) of Regulation (EU, Euratom) No 966/2012 to allow all the recently signed contracts related to the IT development and communication to be paid in 2018.

2. 23 03 01 01 Disaster prevention and preparedness within the Union

Appropriation authorised 2017	27 670 277,00
Payments made at 31.12.2017	22 015 066,84
Amount not used at 31.12.2017	5 655 210,16
Carryover	4 632 443,00

The tendering and grant awarding processes were integrated in the corporate IT tool (SYGMA/COMPASS) in 2017. This entailed adopting new processes, for instance the validation of beneficiaries. The transition to this new implementation mode led to delays. Consequently, several grants could not be signed in time to allow the processing of the pre-financing in 2017, which as a result will only take place at the beginning of 2018. Therefore, a carryover of EUR 4 632 443 of the unused 2017 payment appropriations is proposed based on Article 13(3) of Regulation (EU, Euratom) No 966/2012. Without this carryover the payment appropriations in the 2018 budget would not be sufficient to cover final payments of ongoing contracts and of grant agreements or the pre-financing of grant agreements finalised at the end of 2017.

3. 23 03 01 02 Disaster prevention and preparedness in third countries

Appropriation authorised 2017	4 785 937,00
Payments made at 31.12.2017	1 995 374,26
Amount not used at 31.12.2017	2 790 562,74
Carryover	1 800 318,00

The same delays stemming from the introduction of the use of the corporate IT tool SYGMA/COMPASS for the grant awarding process apply also for budget line 23 03 01 02. Therefore, it is proposed to carry over EUR 1 800 318 based on Article 13(3) of Regulation (EU, Euratom) No 966/2012, as the available 2018 payment appropriations would not be sufficient to cover the new obligations (2018 commitments), the final payments of ongoing contracts and of grant agreements, as well as the pre-financing of grant agreements finalised at the end of 2017 and to be paid in early 2018.

4. 23 04 01 EU Aid Volunteers initiative -- Strengthening the Union's capacity to respond to humanitarian crises

Appropriation authorised 2017	15 970 942,00
Payments made at 31.12.2017	15 541 609,87
Amount not used at 31.12.2017	429 332,13
Carryover	392 792,13

Payment of pre-financing on one grant agreement has been postponed to early 2018 due to prolonged negotiation. Following assessment of the payment needs for 2018, it is estimated that the available 2018 payment appropriations would not be sufficient to cover the new obligations (2018 commitments), the final payments of ongoing grant agreements and the pre-financing and therefore it is proposed to carry over EUR 392 792.

5. 25 01 77 04 Pilot project -- New technologies and information and communication technology (ICT) tools for the implementation and simplification of European Citizens--Initiatives (ECI)

Appropriation authorised 2017	250 000,00
Payments made at 31.12.2017	101 250,90
Amount not used at 31.12.2017	148 749,10
Carryover	148 000,00

The launching and set-up of the pilot project has been slower than expected and amounts disbursed have been lower than the appropriations allocated in the budget. Commitments concluded in 2017 and commitments under the new appropriations in 2018 are expected to be disbursed above the payment appropriations available in the budget 2018 (EUR 500 000). Therefore, a carryover of EUR 148 000 is proposed to allow to pay all legal commitments in 2018.

6. 26 03 77 04 Pilot project -- Union institutions-- encrypted electronic communications

Appropriation authorised 2017	750 000,00
Payments made at 31.12.2017	185 655,18
Amount not used at 31.12.2017	564 344,82
Carryover	564 344,82

The 2017 payment execution was delayed since the contractors initially respected neither deadlines nor expected quality, as they were not familiar with the project. In 2018, the teams will already be in place ensuring full implementation of the project. All remaining payments are expected in 2018. Since the 2018 voted appropriations (EUR 250 000) will not be sufficient to honour all commitments, it is proposed to carry over the 2017 balance.

**7. 26 03 77 06 Preparatory action -- Governance and quality of software code --
Auditing of free and open-source software**

Appropriation authorised 2017	200 000,00
Payments made at 31.12.2017	42 753,48
Amount not used at 31.12.2017	157 246,52
Carryover	157 246,52

The late adoption of the financial decision linked to this new preparatory action delayed the launch of its implementation. As a consequence, most of the actions will be launched as from 2018 and, accordingly, most of the related payments will take place in 2018. The available payment appropriations would not be sufficient to pay all the legal commitments in 2018 and therefore a carryover of EUR 157 247 is proposed based on Article 13(3) of Regulation (EU, Euratom) No 966/2012.

ANNEX IV
DECOMMITTED APPROPRIATIONS TO BE MADE AVAILABLE AGAIN

A. Overview

N°	2017 Budget	Heading	2018 Budget	Regulation (EU, Euratom) N°966/2012	Amount to be made available again
1	13 03 16	Completion of European Regional Development Fund (ERDF) -- Convergence	13 03 03	Article 178(2)	96 322 723,98
		Heading 1.b - Total			96 322 723,98
		Grand Total			96 322 723,98

B. Amounts in euros to be made available again for each line and justifications

In accordance with Article 178 of Regulation (EU, Euratom) No 966/2012, the Commission is automatically to decommit appropriations that have been committed as provided for in the Regulations referred to in Article 175. However, the decommitted appropriations may be made available again in the event of a manifest error attributable solely to the Commission. One such case arises in respect of 2017.

1. 13 03 16 Completion of European Regional Development Fund (ERDF) -- Convergence

Decommitments made in 2017	1 367 688 706,95
Amount to be made available again	96 322 723,98

This reconstitution of appropriations corresponds to the impact of the annulled Commission Decision C(2008)8465 by the General Court order T-97/09 of 13 September 2017 for the operational programme 1994DE161PO004 Sachsen Objective 1. Part of the amount due has already been reconstituted using assigned revenues deriving from new financial corrections for the Funds concerned in accordance with Article 21(3)(c) of Regulation (EU, Euratom) No 966/2012. Due to the limited net financial corrections currently available and expected shortly, the assigned revenues are insufficient in the near future to cover the full amounts at stake after the General Court orders. The Commission considers it has to proceed with the full reimbursement. It is therefore proposed to reconstitute the necessary commitment appropriations following decommitments made in 2017 concerning other operational programmes of Structural Funds related to other programming periods that can be re-used in accordance with article 178(2) of Regulation (EU, Euratom) No 966/2012. On this basis, it is proposed that EUR 96 322 724 be made available again.