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COVER NOTE

From:	Mr Günther OETTINGER, Member of the European Commission
date of receipt:	25 February 2019
To:	Mr Eugen Orlando TEODOROVICI, President of the Council of the European Union

Subject:	Proposal for transfer of appropriations No DEC 04/2019 within Section III - Commission - of the general budget for 2019
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Delegations will find attached document Commission document DEC 04/2019.

Encl.: DEC 04/2019



BRUSSELS, 25/02/2019

GENERAL BUDGET - 2019
SECTION III - COMMISSION TITLES: 22, 23, 40

TRANSFER OF APPROPRIATIONS N° DEC 04/2019

FROM

CHAPTER - 2202 Enlargement process and strategy

ITEM - 22 02 03 02 Support for economic, social and territorial development and related progressive alignment with the Union acquis

Payments -24 000 000,00

CHAPTER - 4002 Reserves for financial interventions

ARTICLE - 40 02 42 Emergency aid reserve

Commitments -30 000 000,00

TO

CHAPTER - 2302 Humanitarian aid, food assistance and disaster preparedness

ARTICLE - 23 02 01 Delivery of rapid, effective and needs-based humanitarian aid and food assistance

Commitments 30 000 000,00

Payments 24 000 000,00

I. DECREASE

I.1

a) Heading

22 02 03 02 - Support for economic, social and territorial development and related progressive alignment with the Union acquis

b) Figures at 20/02/2019

	Payments
1 Appropriations in budget (Initial Budget + AB)	678 080 653,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	678 080 653,00
4 Appropriations already used	6 829 719,53
5 Appropriations available (3-4)	671 250 933,47
6 Decrease proposed	24 000 000,00
7 Total appropriations up to year end (5-6)	647 250 933,47
8 Decrease as percentage of appropriations in budget (6/1)	3,54 %
9 Decrease, as a percentage of the final appropriations for the year, in the sum of transfers referred to in Article 30(1)(b) of the Financial Regulation	n/a

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

	Payments
1 Appropriations available at start of the year	0,00
2 Appropriations available on 20/02/2019	0,00
3 Implementation rate [(1-2)/1]	n/a

d) Detailed grounds for the decrease

Due to delays in the process for a continuation of the direct grant in the field of healthcare, the related payments will be postponed to 2020. Therefore, the initial payment forecast made in spring 2018 for the draft budget 2019 has been revised and EUR 128,0 million of payment appropriations can be made available.

I.2

a) Heading

40 02 42 - Emergency aid reserve

b) Figures at 20/02/2019

	Commitments
1 Appropriations in budget (Initial Budget + AB)	351 500 000,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	351 500 000,00
4 Appropriations already used	0,00
5 Appropriations available (3-4)	351 500 000,00
6 Decrease proposed	30 000 000,00
7 Total appropriations up to year end (5-6)	321 500 000,00
8 Decrease as percentage of appropriations in budget (6/1)	8,53 %
9 Decrease, as a percentage of the final appropriations for the year, in the sum of transfers referred to in Article 30(1)(b) of the Financial Regulation	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 20/02/2019	0,00
3 Implementation rate [(1-2)/1]	n/a

d) Detailed grounds for the decrease

According to article 9 of the Multiannual Financial Framework the Emergency Aid Reserve (EAR) 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 assistance

b) Figures at 20/02/2019

	Commitments	Payments
1 Appropriations in budget (Initial Budget + AB)	1 592 271 335,00	1 540 690 000,00
2 Transfers	0,00	-141 475,00
3 Total appropriations for the year (1+2)	1 592 271 335,00	1 540 548 525,00
4 Appropriations already used	1 211 530 000,00	61 139 462,10
5 Appropriations available (3-4)	380 741 335,00	1 479 409 062,90
6 Increase requested	30 000 000,00	24 000 000,00
7 Total appropriations up to year end (5+6)	410 741 335,00	1 503 409 062,90
8 Increase as percentage of appropriations in budget (6/1)	1,88 %	1,56 %
9 Increase, as a percentage of the final appropriations for the year, in the sum of transfers referred to in Article 30(1)(b) of the Financial Regulation	n/a	n/a

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

	Commitments	Payments
1 Appropriations available at start of the year	93 908,14	3 617 155,06
2 Appropriations available on 20/02/2019	28 001,14	294 094,98
3 Implementation rate [(1-2)/1]	70,18 %	91,87 %

d) Detailed grounds for the increase

The humanitarian crisis in South Sudan has further deteriorated in recent months. This results from years of conflict, which have displaced 4,4 million people inside the country and in the region. Food insecurity is at its highest level since the conflict started in December 2013. According to the World Food Programme figures of February 2019, severe acute food insecurity now affects 6,87 million people, i.e. more than 60 percent of the population. Out of them, about 2 million people are in a humanitarian emergency phase and in risk of famine. Reports of sexual and gender based violence have increased sharply in recent months, with an unprecedented number of victims who need assistance. In addition, new fighting has started in January 2019 with severe consequences for civilians.

The countries that host the South Sudanese refugees are faced with multiple natural and man-made humanitarian crises, which have recently further deteriorated. The situation is particularly critical in:

- Sudan, hosting 846 204 South Sudanese refugees: An additional 5 million people have now fallen into food insecurity due to the economic crisis in 2018. As a result, 50% of the population is now affected by food insecurity. The World Food Programme estimates that an additional 2,3 million people will be severely food insecure in the coming months;
- Ethiopia, hosting 420 000 refugees from South Sudan: Inter-ethnic violence has intensified in the last months in the Gambella region, where most South Sudanese refugees live. There is an increasing political pressure to limit assistance to refugees whose presence is perceived as creating an ethnic imbalance and not benefitting the host population. Violence among refugee groups themselves has also affected the conditions in the camps.

EUR 30,0 million in commitment and EUR 24,0 million in payment appropriations are requested, in addition to the EUR 80,5 million already programmed in late 2018. The assistance will be allocated to South Sudan (EUR 20,0 million), Sudan (EUR 5,0 million) and Ethiopia (EUR 5,0 million).

As of 15 February, the overall implementation rate of commitment appropriations of the humanitarian aid chapter 23 02 was at 93,3% of available appropriations, whereas the implementation in payment appropriations was at 4,9%.

The Operational Reserve for Humanitarian aid is expected to be used during the first semester of the year to cater for other humanitarian crises or sudden onset disasters.

The Commission has identified and proposes the redeployment of EUR 24,0 million in payment appropriations from the Instrument for Pre-accession (IPA). The Commission therefore requests the mobilisation of the Emergency Aid Reserve for EUR 30,0 million in commitment appropriations.

ANNEX

COMMISSION TRANSFER PROPOSALS RELATED TO THE EMERGENCY AID RESERVE IN 2019

The table below shows the transfer proposals transmitted to the Budgetary Authority to date during 2019 which relate to the Emergency Aid Reserve (EAR), and the remaining amount of the EAR reserve following the approval of these proposals.

Transfer Ref	Content	Commitment Appropriations from Reserve carried-over (EUR)	Commitment Appropriations from 2019 Reserve (EUR)	Payment Appropriations from 2019 Reserve (EUR)
	Initial appropriations	34.102.116	351.500.000	351.500.000
DEC 02	Mobilisation of the EAR for additional humanitarian aid for Yemen	34.102.116	45.897.884	
DEC 03	Mobilisation of the EAR for additional humanitarian aid for Venezuela		50.000.000	
DEC 04	Mobilisation of the EAR for additional humanitarian aid for South Sudan		30.000.000	
	Total of Proposals	34.102.116	125.897.884	0
	Remainder	0	225.602.116	351.500.000
	Total remainder of commitment appropriations	225.602.116		