



Council of the  
European Union

Brussels, 8 March 2019  
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**COVER NOTE**

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From:	Mr Günther OETTINGER, Member of the European Commission
date of receipt:	7 March 2019
To:	Mr Eugen Orlando TEODOROVICI, President of the Council of the European Union

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Subject:	Proposal for transfer of appropriations No DEC 05/2019 within Section III - Commission - of the general budget for 2019
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Delegations will find attached Commission document DEC 05/2019.

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Encl.: DEC 05/2019



EUROPEAN COMMISSION

BRUSSELS, 07/03/2019

GENERAL BUDGET - 2019  
SECTION III - COMMISSION TITLES: 19, 21

TRANSFER OF APPROPRIATIONS N° DEC 05/2019

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**FROM**

**CHAPTER** - 1905 Cooperation with third countries under the Partnership Instrument (PI)

ARTICLE - 19 05 01 Cooperation with third countries to advance and promote  
Union and mutual interests

Commitments

-5 000 000,00

**TO**

**CHAPTER** - 2102 Development Cooperation Instrument (DCI)

ARTICLE - 21 02 06 Cooperation with South Africa

Commitments

5 000 000,00

## I. DECREASE

### I.1

#### a) Heading

**19 05 01 - Cooperation with third countries to advance and promote Union and mutual interests**

#### b) Figures at 25/02/2019

	<b>Commitments</b>
1 Appropriations in budget (Initial Budget + AB)	135 667 000,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	135 667 000,00
4 Appropriations already used	0,00
<b>5 Appropriations available (3-4)</b>	<b>135 667 000,00</b>
<b>6 Decrease proposed</b>	<b>5 000 000,00</b>
<b>7 Total appropriations up to year end (5-6)</b>	<b>130 667 000,00</b>
8 Decrease as percentage of appropriations in budget (6/1)	3,69 %
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)

	<b>Commitments</b>
1 Appropriations available at start of the year	1 435 053,74
2 Appropriations available on 25/02/2019	1 435 053,74
3 Implementation rate [(1-2)/1]	0,00 %

#### d) Detailed grounds for the decrease

Annex X of the South Africa-EU Trade Development and Cooperation Agreement, as updated by Article 17 of the Southern African Development Community-EU Economic Partnership Agreement, stipulates that:

“As an additional effort to the main objectives agreed for the development programme for the Republic of South Africa to be funded by the European Community, the European Community will provide assistance of EUR 15,0 million for the restructuring of the South African wines and spirits sector and for the marketing and distribution of South African wines and spirits products”.

In order to fulfil that political commitment, the Commission initially allocated an amount of EUR 10,0 million from the Development Cooperation Instrument (DCI) and of EUR 5,0 million from the Partnership Instrument (PI).

Subsequently, the DCI Annual Action Programme 2018 included a first EUR 10,0 million tranche in the form of budget support, aiming at restructuring the wines and spirits sector through the 'Support Programme to the Transformation of the Wines and Spirits Sector in South Africa'.

It is proposed to transfer EUR 5,0 million from the Partnership Instrument to the Development Cooperation Instrument to complement funding of the current DCI action using the same modality (budget support).

The main objective of the activities covered by this additional amount is to support the marketing and distribution of South African wines and spirits in full respect of the EU Geographical Indicators.

## **II. INCREASE**

### **II.1**

#### **a) Heading**

#### **21 02 06 - Cooperation with South Africa**

#### **b) Figures at 25/02/2019**

	<b>Commitments</b>
1 Appropriations in budget (Initial Budget + AB)	22 293 472,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	22 293 472,00
4 Appropriations already used	0,00
<b>5 Appropriations available (3-4)</b>	<b>22 293 472,00</b>
<b>6 Increase requested</b>	<b>5 000 000,00</b>
<b>7 Total appropriations up to year end (5+6)</b>	<b>27 293 472,00</b>
8 Increase as percentage of appropriations in budget (6/1)	22,43 %
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

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

	<b>Commitments</b>
1 Appropriations available at start of the year	126 522,00
2 Appropriations available on 25/02/2019	126 522,00
3 Implementation rate $[(1-2)/1]$	0,00 %

#### **d) Detailed grounds for the increase**

Annex X of the South Africa-EU Trade Development and Cooperation Agreement, as updated by Article 17 of the Southern African Development Community-EU Economic Partnership Agreement, stipulates that:

“As an additional effort to the main objectives agreed for the development programme for the Republic of South Africa to be funded by the European Community, the European Community will provide assistance of EUR 15,0 million for the restructuring of the South African wines and spirits sector and for the marketing and distribution of South African wines and spirits products”.

In order to fulfil that political commitment, the Commission initially allocated an amount of EUR 10,0 million from the Development Cooperation Instrument (DCI) and of EUR 5,0 million from the Partnership Instrument (PI).

Subsequently, the DCI Annual Action Programme 2018 included a first EUR 10,0 million tranche in the form of budget support, aiming at restructuring the wines and spirits sector through the 'Support Programme to the Transformation of the Wines and Spirits Sector in South Africa'.

It is proposed to transfer EUR 5,0 million from the Partnership Instrument to the Development Cooperation Instrument to complement funding of the current DCI action using the same modality (budget support).

The main objective of the activities covered by this additional amount is to support the marketing and distribution of South African wines and spirits in full respect of the EU Geographical Indicators.