



Council of the  
European Union

Brussels, 2 July 2019  
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**COVER NOTE**

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From:	Mr Günther OETTINGER, Member of the European Commission
date of receipt:	2 July 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 06/2019 within Section III - Commission - of the general budget for 2019
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Delegations will find attached Commission document DEC 06/2019.

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Encl.: DEC 06/2019



BRUSSELS, 02/07/2019

GENERAL BUDGET - 2019  
SECTION III - COMMISSION TITLES: 04, 40

TRANSFER OF APPROPRIATIONS N° DEC 06/2019

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**FROM**

**CHAPTER - 0404** European Globalisation Adjustment Fund (EGF)

ARTICLE - 04 04 01 EGF -- to support workers and self-employed persons whose activity has ceased as a result of globalisation	Payments	-610 000,00
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**CHAPTER - 4002** Reserves for financial interventions

ARTICLE - 40 02 43 Reserve for the European Globalisation Adjustment Fund	Commitments	-610 000,00
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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 the European Globalisation Adjustment Fund	Non-Diff	610 000,00
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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'). This Regulation covers applications for the mobilisation of the EGF submitted to the Commission after 1 January 2014.

Point 13 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and sound financial management sets the budgetary provisions related to the EGF.

The total budget for EGF in 2019 is EUR 175 748 000 in accordance with Article 11(1) of the EGF Regulation and up to 0,5% of this 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) Figures at 13/05/2019**

	<b>Payments</b>
1 Appropriations in budget (Initial Budget + AB)	10 000 000,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	10 000 000,00
4 Appropriations already used	0,00
<b>5 Appropriations available (3-4)</b>	<b>10 000 000,00</b>
<b>6 Decrease proposed</b>	<b>610 000,00</b>
<b>7 Total appropriations up to year end (5-6)</b>	<b>9 390 000,00</b>
8 Decrease as percentage of appropriations in budget (6/1)	6,10 %
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>Payments</b>
1 Appropriations available at start of the year	15 626 143,16
2 Appropriations available on 13/05/2019	15 626 143,16
3 Implementation rate [(1-2)/1]	0,00 %

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

The line for technical assistance from the EGF at the Commission's initiative (budget line 04 01 04 04) is used for this measure and must therefore be provided with commitment and payment appropriations. Some of the payment appropriations available on the EGF line 04 04 01 will be used to cover this amount.

## **I.2**

### **a) Heading**

#### **40 02 43 - Reserve for the European Globalisation Adjustment Fund**

### **b) Figures at 13/05/2019**

	<b>Commitments</b>
1 Appropriations in budget (Initial Budget + AB)	175 748 000,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	175 748 000,00
4 Appropriations already used	0,00
<b>5 Appropriations available (3-4)</b>	<b>175 748 000,00</b>
<b>6 Decrease proposed</b>	<b>610 000,00</b>
<b>7 Total appropriations up to year end (5-6)</b>	<b>175 138 000,00</b>
8 Decrease as percentage of appropriations in budget (6/1)	0,35 %
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	0,00
2 Appropriations available on 13/05/2019	0,00
3 Implementation rate [(1-2)/1]	n/a

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

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 the European Globalisation Adjustment Fund**

#### **b) Figures at 13/05/2019**

	<b>Non-Diff</b>
1 Appropriations in budget (Initial Budget + AB)	0,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	0,00
4 Appropriations already used	0,00
<b>5 Appropriations available (3-4)</b>	<b>0,00</b>
<b>6 Increase requested</b>	<b>610 000,00</b>
<b>7 Total appropriations up to year end (5+6)</b>	<b>610 000,00</b>
8 Increase as percentage of appropriations in budget (6/1)	n/a
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>Non-Diff</b>
1 Appropriations available at start of the year	0,00
2 Appropriations available on 13/05/2019	0,00
3 Implementation rate $[(1-2)/1]$	n/a

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

In 2019 the amount of EUR 610 000 is requested in order to cover the technical assistance related to the EGF, i.e. EUR 268 740 below the maximum amount allowed by Article 11 of the EGF Regulation. The contribution will be used for expenditure mentioned in Article 11(1) and (4) as well as Article 12(2), (3) and (4) of the EGF Regulation, as detailed hereunder.

Monitoring and data gathering: The Commission will collect data on applications received, funded and wound up, and measures proposed and implemented. This data will be made available on the website of the European Commission and compiled in appropriate form for the Biennial Report of 2021. Based on the experience of recent years, costs for this activity are estimated at EUR 20 000.

Information: The Commission has set up and maintains a webpage on the European Globalisation Adjustment Fund, as required under Article 12(2) of the EGF Regulation. The webpage will be regularly updated and expanded, and the new elements will be translated into all EU official 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 to be EUR 20 000.

Electronic data exchange system: The Commission is continuing its work on developing standardised procedures for EGF applications and case management, using the functionalities of SFC2014 (System for Fund Management in the European Union). This allows the simplification of applications under the EGF Regulation, a faster processing, and easier reporting. An interface between SFC and the Commission's accounting and financial information system ABAC facilitates the financial operations of the EGF. The contribution of EUR 80 000 covers the regular maintenance and further development of the SFC applications and the integration of new reporting tools.

Administrative and technical support - Expert Group meetings: The Expert Group of Contact Persons of the EGF, with one member from each Member State, will be holding two meetings (second half of 2019 / first half of 2020). The total costs of these two meetings are estimated at EUR 70 000.

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

Evaluation: A public procurement for the ex-post evaluation will be launched in 2019, with a view to concluding the evaluation by 31 December 2021, as required by Article 20(1)(b) of the EGF Regulation. EUR 300 000 will be needed for this purpose.

## ANNEX

### TRANSFERS RELATED TO THE EUROPEAN GLOBALISATION ADJUSTMENT FUND COMMISSION PROPOSALS ON 02/07/2019

The table below shows the transfer proposals transmitted to the Budgetary Authority to date during 2019, which relate to the European Globalisation Adjustment Fund (EGF), and the remaining amount of the EGF reserve that will remain should these proposals be approved.

Transfer Ref	Submission date	Content	Commitment Appropriations 2019 Reserve (EUR)
		<b>Initial appropriations</b>	<b>175 748 000</b>
DEC 06	02/07/2019	EGF/2019/000 TA 2019 – Technical Assistance	610 000
		<b>Total transfer proposals</b>	<b>610 000</b>
		<b>Remainder</b>	<b>175 138 000</b>

**At this stage, the levels of internal assigned revenue available payment appropriations (current year and carried-over from previous year) are as follows:**

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

Amounts in EUR	
Internal assigned revenue – current year	7 200 510
Internal assigned revenue – carried-over from previous year	15 626 143

*Line 04 04 51: Completion of the European Globalisation Adjustment Fund (2007 to 2013)*

Amounts in EUR	
Internal assigned revenue – current year	-
Internal assigned revenue – carried-over from previous year	-