



Council of the
European Union

Brussels, 5 October 2022
(OR. en)

13059/22

FIN 1015

COVER NOTE

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	5 October 2022
To:	Mr Jiří GEORGIEV, President of the Council of the European Union
Subject:	Proposal for transfer of appropriations No DEC 18/2022 within Section III - Commission - of the general budget for 2022

Delegations will find attached Commission document DEC 18/2022.

Encl.: DEC 18/2022



EUROPEAN COMMISSION

BRUSSELS,

GENERAL BUDGET - 2022
SECTION III - COMMISSION TITLES: 14, 30

TRANSFER OF APPROPRIATIONS N° **DEC 18/2022**

FROM

CHAPTER - 3004 Solidarity mechanisms (special instruments)

ARTICLE - 30 04 01 Solidarity and emergency aid reserve (SEAR)

Commitments	-395 047 592,56
Payments	-395 047 592,56

TO

CHAPTER - 1403 Humanitarian Aid

ARTICLE - 14 03 01 Humanitarian aid

Commitments	395 047 592,56
Payments	395 047 592,56

Following Russia's invasion of Ukraine on 24 February 2022, the humanitarian situation in Ukraine has reached a level of gravity never seen in Europe since the Second World War. Beyond the extreme humanitarian challenges in Ukraine and Moldova, the consequences of the aggression are also witnessed across a very large number of other countries where food security is being severely affected and threatens often fragile stability. In addition, in Pakistan, the widespread flooding and landslides heavily affected the life of 33 million people. Additional funding is requested urgently to alleviate the massive humanitarian needs.

The present transfer proposes to reinforce the Humanitarian Aid by EUR 395 million in commitment and payment appropriations to support:

1) the global food crisis intervention (EUR 210 million)

The consequences of the war in Ukraine stretch far beyond its borders. Both Russia and Ukraine are major food exporters: before the war they provided one third of global cereal supply. On top of the disruption of the energy sector, the war has therefore had a direct impact on food availability and prices in a context of already high food insecurity. The mid-year update of the Global Report on Food Crises shows that the number of people in acute food insecurity has increased by 21% since the 2021 report. This number continues to rise: as of mid-August 2022, with an all-time high of 205 million people now estimated to be in need of food assistance. More and more countries are on the brink of famine, notably Somalia, where a famine is forecast for October.

2) vulnerable populations in Ukraine and in Moldova as a result of the Ukraine crisis (EUR 175 million)

In Ukraine and Moldova, the funds are needed to keep supporting millions of people with winterised shelter, food and non-food items, cash assistance for basic needs, water and sanitation, health, protection, including child protection, gender-based violence and sexual and reproductive health. Particular attention will be paid to the provision of urgent winterised shelter as well as education in emergencies, where significant funds will be earmarked to support immediate repairs of Ukrainian schools damaged by the war as part of Ukraine's Fast Recovery Plan for schools.

3) the most vulnerable people in Pakistan, including refugees, in the floods-affected areas (EUR 10 million)

In Pakistan, three months of incessant rain have caused widespread flooding and landslides, and destroyed infrastructure, crops and livelihoods, with 30% of the country still being under water and at least 33 million people affected (equivalent to nearly 15% of the population). As of 14 September, the National Disaster Management Authority (NDMA) of Pakistan reported that at least 1,486 people had died and 12,749 people had been injured since 14 June. Nearly 2 million houses have been fully or partially destroyed and 3.7 million acres of crops and arable land affected. UN agencies estimate that the floods will aggravate the food security and malnutrition situation by 60%.

This third mobilisation under the external actions will use the remaining EUR 70 million pre-allocated in the first 8 months of the year to the internal strand and the 25% end-of-year cushion which became available to all strands on 1 October (as detailed in annex). The remaining amounts available under SEAR are foreseen to be mobilised for the EUSF strand for the natural disasters that occurred in 2021.

I. DECREASE

I.1

a) Heading

30 04 01 - Solidarity and emergency aid reserve (SEAR)

b) Figures at 23/09/2022

	Commitments	Payments
1 Appropriations in budget (Initial Budget + AB)	1 248 919 000,00	1 248 919 000,00
2 Transfers	-185 388 646,44	-185 388 646,44
3 Total appropriations for the year (1+2)	1 063 530 353,56	1 063 530 353,56
4 Appropriations already used	0,00	0,00
5 Appropriations available (3-4)	1 063 530 353,56	1 063 530 353,56
6 Decrease proposed	395 047 592,56	395 047 592,56
7 Total appropriations up to year end (5-6)	668 482 761,00	668 482 761,00
8 Decrease as percentage of appropriations in budget (6/1)	31,63 %	31,63 %
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	n/a

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

	Commitments	Payments
1 Appropriations available at start of the year	0,00	0,00
2 Appropriations available on 23/09/2022	0,00	0,00
3 Implementation rate [(1-2)/1]	n/a	n/a

d) Detailed grounds for the decrease

According to article 9 of the Multiannual Financial Framework Regulation, the Solidarity and Emergency Aid Reserve (SEAR) is intended to allow for :

- (a) assistance to respond to emergency situations resulting from major disasters that are covered by the European Union Solidarity Fund, the objectives and scope of which are set out in Council Regulation (EC) No 2012/2002 (6); and
- (b) rapid responses to specific emergency needs within the Union or in third countries following events which could not be foreseen when the budget was established, in particular for emergency responses and support operations following natural disasters not covered by point (a), man-made disasters, humanitarian crises in cases of large-scale public health, veterinary or phytosanitary threats, as well as in situations of particular pressure at the Union's external borders resulting from migratory flows, where circumstances so require.

II. INCREASE

II.1

a) Heading

14 03 01 - Humanitarian aid

b) Figures at 23/09/2022

	Commitments	Payments
1 Appropriations in budget (Initial Budget + AB)	1 717 901 913,00	2 008 851 440,00
2 Transfers	239 806 559,56	168 806 559,56
3 Total appropriations for the year (1+2)	1 957 708 472,56	2 177 657 999,56
4 Appropriations already used	1 923 708 472,56	1 752 975 715,83
5 Appropriations available (3-4)	34 000 000,00	424 682 283,73
6 Increase requested	395 047 592,56	395 047 592,56
7 Total appropriations up to year end (5+6)	429 047 592,56	819 729 876,29
8 Increase as percentage of appropriations in budget (6/1)	23,00 %	19,67 %
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	1 906 535,33	79 890,92
2 Appropriations available on 23/09/2022	1 896 535,33	0,00
3 Implementation rate [(1-2)/1]	0,52 %	100,00 %

d) Detailed grounds for the increase

Global Food Crisis

The consequences of the war in Ukraine stretch far beyond its borders. Both Russia and Ukraine are major food exporters: before the war they provided one third of global cereal supply. On top of the disruption of the energy sector, the war has therefore had a direct impact on food availability and prices in a context of already high food insecurity. The mid-year update of the Global Report on Food Crises shows that the number of people in acute food insecurity has increased by 21% since the 2021 report. This number continues to rise: as of mid-August 2022, with an all-time high of 205 million people now estimated to be in need of food assistance. More and more countries are on the brink of famine, notably Somalia, where a famine is forecast for October.

EUR 210 million in commitment and payment appropriations will be used to support the global food crisis intervention.

Ukraine and Moldova

In Ukraine and Moldova, the funds are needed to keep supporting millions of people with winterised shelter, food and non-food items, cash assistance for basic needs, water and sanitation, health, protection, including child protection, gender-based violence and sexual and reproductive health. Particular attention will be paid to the provision of urgent winterised shelter as well as education in emergencies, where significant funds will be earmarked to support immediate repairs of Ukrainian schools damaged by the war as part of Ukraine's Fast Recovery Plan for schools.

EUR 175 million in commitment and payment appropriations will be used to support vulnerable populations in Ukraine and in Moldova as a result of the Ukraine crisis.

Pakistan

In Pakistan, three months of incessant rain have caused widespread flooding and landslides, and destroyed infrastructure, crops and livelihoods, with 30% of the country still being under water and at least 33 million people affected (equivalent to nearly 15% of the population). As of 14 September, the National Disaster Management Authority (NDMA) of Pakistan reported that at least 1,486 people had died and 12,749 people had been injured since 14 June. Nearly 2 million houses have been fully or partially destroyed and 3.7 million acres of crops and arable land affected. UN agencies estimate that the floods will aggravate the food security and malnutrition situation by 60%.

EUR 10 million in commitment and payment appropriations will be used to assist the most vulnerable people in Pakistan, including refugees, in the floods-affected areas.

As of mid-September 2022, the overall implementation rate of commitment appropriations of the humanitarian aid chapter 14 03 was at 99.6% of available appropriations and the implementation in payment appropriations was at 77.2%.

The Commission has not been able to identify available resources in Heading 6. Therefore it requests the mobilisation of the Solidarity and Emergency Aid Reserve for a total of EUR 395 million in commitment and in payment appropriations to support Ukraine, the global food crisis intervention worldwide and Pakistan.

ANNEX

COMMISSION TRANSFER PROPOSALS RELATED TO THE SOLIDARITY AND EMERGENCY AID RESERVE IN 2022

The table below shows the transfer proposals transmitted to the Budgetary Authority to date during 2022, which relate to the Solidarity and Emergency Aid Reserve (SEAR), and the remaining amount under the SEAR reserve following the approval of these proposals.

Commitment Appropriations 2022 Reserve (EUR)

Transfer Ref	Content	TOTAL	carried over	voted budget	Internal (excluding EUSF)	EUSF	External*	End-of-Year Cushion (25%)
	General Budget 2022 - Initial appropriations	1.339.695.273	40.776.273	1.298.919.000	152.244.828	507.482.761	355.237.934	324.729.750
	General Budget 2022 - EUSF advances (Article 4a EUSF Regulation)	-50.000.000		-50.000.000		-50.000.000		
DEC 09	Mobilisation of the SEAR for humanitarian aid for the crisis in Ukraine and neighbouring countries	38.933.440	38.933.440				38.933.440	
DEC 11	Mobilisation of the SEAR for financing reception costs of Ukrainian refugees	52.231.479	1.842.833	50.388.646	52.231.479			
DEC 14	Mobilisation of the SEAR for humanitarian aid for the crisis in Ukraine	105.000.000		105.000.000			105.000.000	
DEC 15	Mobilisation of the SEAR to reinforce UCPM for the crisis in Ukraine	30.000.000		30.000.000	30.000.000			
DEC 18	Mobilisation of the SEAR for an urgent humanitarian initiative for Ukraine, the linked global	395.047.593		395.047.593	70.013.349		304.494	324.729.750
	Total DEC transfer proposals	621.212.512	40.776.273	580.436.239	152.244.828	0	144.237.934	324.729.750
	Remainder	668.482.761	0	668.482.761	0	457.482.761	211.000.000	0

* of which EUR 211 million earmarked for natural disasters