



Council of the
European Union

014686/EU XXVII. GP
Eingelangt am 03/03/20

Brussels, 3 March 2020
(OR. en)

6503/20

FIN 130

COVER NOTE

From:	Mr Johannes HAHN, Member of the European Commission
date of receipt:	2 March 2020
To:	Mr Zdravko MARIĆ, President of the Council of the European Union
Subject:	Proposal for transfer of appropriations No DEC 01/2020 within Section III - Commission - of the general budget for 2020

Delegations will find attached Commission document DEC 01/2020.

Encl.: DEC 01/2020



EUROPEAN COMMISSION

BRUSSELS,

GENERAL BUDGET - 2020

SECTION III - COMMISSION TITLES: 05, 20, 22

TRANSFER OF APPROPRIATIONS N° DEC 01/2020

FROM

CHAPTER - 0505 Instrument for Pre-accession Assistance -- Agriculture and rural development

ITEM - 05 05 04 02 Support for economic, social and territorial development and related progressive alignment with the Union acquis

Commitments	-14 417 497,00
Payments	-1 500 000,00

TO

CHAPTER - 2002 Trade policy

ARTICLE - 20 02 01 External trade relations, including access to the markets of third countries

Commitments	2 000 000,00
Payments	1 500 000,00

CHAPTER - 2204 European Neighbourhood Instrument (ENI)

ITEM - 22 04 01 03 Mediterranean countries -- Confidence building, security and the prevention and settlement of conflicts

Commitments	12 417 497,00
-------------	---------------

I. DECREASE

I.1

a) Heading

05 05 04 02 - Support for economic, social and territorial development and related progressive alignment with the Union acquis

b) Figures at 20/02/2020

	Commitments	Payments
1 Appropriations in budget (Initial Budget + AB)	18 178 364,00	80 000 000,00
2 Transfers	0,00	0,00
3 Total appropriations for the year (1+2)	18 178 364,00	80 000 000,00
4 Appropriations already used	0,00	0,00
5 Appropriations available (3-4)	18 178 364,00	80 000 000,00
6 Decrease proposed	14 417 497,00	1 500 000,00
7 Total appropriations up to year end (5-6)	3 760 867,00	78 500 000,00
8 Decrease as percentage of appropriations in budget (6/1)	79,31 %	1,88 %
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 20/02/2020	71 239 133,45	23 126 212,29
3 Implementation rate [(1-2)/1]	n/a	n/a

d) Detailed grounds for the decrease

Additional appropriations arising from recoveries from projects financed under old pre-accession programmes have become available in 2019 on budget lines 05 05 01 01 – The Sapard pre-accession instrument – Completion of the programme (2000 to 2006) and 05 05 02 - Instrument for Pre-Accession Assistance for Rural Development (IPARD) - Completion of the programme (2007 to 2013).

These appropriations have been automatically carried over to 2020 and transferred to the line of the current pre-accession programme IPARD – Support to Turkey (05 05 04 02 – Support for economic, social and territorial development and related progressive alignment with the Union acquis), where they will be used to finance projects in 2020. Therefore, an amount of EUR 14,4 million in commitment and EUR 1,5 million in payment appropriations of the voted budget can be made available for other needs in Heading 4.

II. INCREASE

II.1

a) Heading

20 02 01 - External trade relations, including access to the markets of third countries

b) Figures at 20/02/2020

	Commitments	Payments
1 Appropriations in budget (Initial Budget + AB)	12 621 000,00	11 800 000,00
2 Transfers	0,00	0,00
3 Total appropriations for the year (1+2)	12 621 000,00	11 800 000,00
4 Appropriations already used	93 455,00	1 100 428,54
5 Appropriations available (3-4)	12 527 545,00	10 699 571,46
6 Increase requested	2 000 000,00	1 500 000,00
7 Total appropriations up to year end (5+6)	14 527 545,00	12 199 571,46
8 Increase as percentage of appropriations in budget (6/1)	15,85 %	12,71 %
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	0,00	0,00
2 Appropriations available on 20/02/2020	0,00	0,00
3 Implementation rate [(1-2)/1]	n/a	n/a

d) Detailed grounds for the increase

Regulation (EU) 2019/452 of the European Parliament and of the Council of 19 March 2019 establishes an EU framework for the screening of foreign direct investment (FDI) into the Union. The Regulation establishes, inter alia, a cooperation mechanism that enables Member States and the Commission to exchange information on inward FDI that can affect security or public order. The co-legislators agreed on a transitional period of 18 months for the full application of the Regulation, which means that the cooperation mechanism will start functioning in October 2020. Based on the current number of FDI operations screened by Member States, it can be estimated that the cooperation will cover at least between 200 and 300 notifications of investment transactions per year. Many of these transactions will be complex and some will be politically sensitive.

The protection of information related to these transactions and exchanged under the cooperation mechanism is a legal obligation foreseen in the Regulation. Its Article 11 mandates the Commission to provide a secure and encrypted IT system for the exchange of confidential information under the Regulation. As the currently available IT systems are not suitable for transmitting information at the required security level, specific IT infrastructure that can meet the required security level needs to be purchased and set up.

An additional EUR 2,0 million in commitment appropriations is therefore needed to purchase at least 37 IT work stations and cover the related equipment, training and consultancy costs. The additional payment needs are estimated to EUR 1,5 million for 2020, with the remainder to be paid in 2021.

II.2

a) Heading

22 04 01 03 - Mediterranean countries -- Confidence building, security and the prevention and settlement of conflicts

b) Figures at 20/02/2020

	Commitments
1 Appropriations in budget (Initial Budget + AB)	421 220 115,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	421 220 115,00
4 Appropriations already used	3 000 000,00
5 Appropriations available (3-4)	418 220 115,00
6 Increase requested	12 417 497,00
7 Total appropriations up to year end (5+6)	430 637 612,00
8 Increase as percentage of appropriations in budget (6/1)	2,95 %
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)

	Commitments
1 Appropriations available at start of the year	0,00
2 Appropriations available on 20/02/2020	0,00
3 Implementation rate [(1-2)/1]	n/a

d) Detailed grounds for the increase

An amount of EUR 12,4 million is needed to reinforce the European Neighbourhood Instrument (ENI). These appropriations will be channelled to the North Africa window of the EU Africa Trust Fund in order to finance part of the pipeline of projects identified for 2020, and will complement the ENI contribution already planned for EUR 80,0 million.

This funding will allow the continuation of a number of projects in North Africa, which include among others emergency support to migrants and stabilisation support to hosting communities in Libya, and support for integrated border management and for the implementation of the national migration strategy of Tunisia.