



Council of the
European Union

Brussels, 3 March 2020
(OR. en)

6504/20

FIN 131

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 02/2020 within Section III - Commission - of the general budget for 2020

Delegations will find attached Commission document DEC 02/2020.

Encl.: DEC 02/2020



BRUSSELS, 02/03/2020

GENERAL BUDGET - 2020
SECTION III - COMMISSION TITLES: 23, 40

TRANSFER OF APPROPRIATIONS N° **DEC 02/2020**

FROM

CHAPTER - 4002 Reserves for financial interventions

ARTICLE - 40 02 42 Emergency aid reserve Payments -24 000 000,00

ARTICLE - 40 02 42 Emergency aid reserve (Approp carried over to commit up to 31/12) 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 Payments 24 000 000,00

ARTICLE - 23 02 01 Delivery of rapid, effective and needs-based humanitarian aid and food assistance (Approp carried over to commit up to 31/12) Commitments 30 000 000,00

INTRODUCTION

On 30 January 2020, the Director General of the World Health Organisation (WHO) declared the COVID-19 outbreak a Public Health Emergency of International Concern. Although the spread of the outbreak is still very centred in China, cases have been reported in several countries in different regions. According to the WHO, there is a high risk that the COVID-19 continues to spread to other parts of the world. The spread of the epidemic to and within countries with weak healthcare systems - notably in Asia and Africa - is a major concern. Africa is the region least prepared for managing epidemics globally. Similar to seasonal influenza, the spread of the COVID-19 is difficult to control. A pandemic spread of the COVID-19 should (and must) be anticipated, in line with the declaration by the WHO, categorizing the current outbreak a Public Health Emergency of International Concern.

To respond to this high risk of spread of the COVID-19, on 5 February 2020, a USD 675 million Strategic Preparedness and Response Plan for the COVID-19 was launched, which defines activities and resources needed by international health organizations globally, including the WHO.

The present transfer proposes to mobilise EUR 30 million in commitment appropriations and EUR 24 million in payment appropriations for this crisis, in addition to EUR 32 million of existing contracts, which will be adapted to redirect part of the funding to preparedness for epidemic surveillance. It will contribute to strengthening epidemic preparedness and response through the WHO Strategic Preparedness and Response Plan (SPRP).

As of the end of February, the overall implementation rate of commitment appropriations of the humanitarian aid chapter 23 02 was at 94,5% of available appropriations and the implementation in payment appropriations was at 9,7%. The Operational Reserve for Humanitarian aid currently stands at EUR 85 million and due to the urgency of this crisis, will be used to front load the funds for this purpose. However, the funds need to be preserved to cater for other, smaller humanitarian emergencies or sudden disasters between now and year end.

The Commission has not been able to identify other available resources in Heading 4. Therefore, it requests the mobilisation of the Emergency Aid Reserve for a total of EUR 30 million in commitment appropriations and EUR 24 million in payment appropriations for the COVID-19 outbreak crisis.

I. DECREASE

I.1

a) Heading

40 02 42 - Emergency aid reserve

b) Figures at 27/02/2020

	Payments
1 Appropriations in budget (Initial Budget + AB)	358 500 000,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	358 500 000,00
4 Appropriations already used	0,00
5 Appropriations available (3-4)	358 500 000,00
6 Decrease proposed	24 000 000,00
7 Total appropriations up to year end (5-6)	334 500 000,00
8 Decrease as percentage of appropriations in budget (6/1)	6,69 %
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)

	Payments
1 Appropriations available at start of the year	0,00
2 Appropriations available on 27/02/2020	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.

I.2

a) Heading

40 02 42 - Emergency aid reserve (Approp carried over to commit up to 31/12)

b) Figures at 27/02/2020

	Commitments
1 Appropriations in budget (Approp carried over to commit up to 31/12)	45 602 116,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	45 602 116,00
4 Appropriations already used	0,00
5 Appropriations available (3-4)	45 602 116,00
6 Decrease proposed	30 000 000,00
7 Total appropriations up to year end (5-6)	15 602 116,00
8 Decrease as percentage of appropriations in budget (6/1)	65,79 %
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 27/02/2020	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 27/02/2020

	Payments
1 Appropriations in budget (Initial Budget + AB)	1 144 000 000,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	1 144 000 000,00
4 Appropriations already used	101 327 136,56
5 Appropriations available (3-4)	1 042 672 863,44
6 Increase requested	24 000 000,00
7 Total appropriations up to year end (5+6)	1 066 672 863,44
8 Increase as percentage of appropriations in budget (6/1)	2,10 %
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)

	Payments
1 Appropriations available at start of the year	643 655,90
2 Appropriations available on 27/02/2020	0,00
3 Implementation rate [(1-2)/1]	100,00 %

d) Detailed grounds for the increase

The mobilisation of EUR 24 million in payment appropriations from the Emergency Aid Reserve is needed to contribute to strengthening epidemic preparedness and response through the WHO Strategic Preparedness and Response Plan to COVID-19 outbreak. The additional funding will be used to provide support to coordination, capacity building, screening, diagnostics and management of cases and awareness raising, sound and appropriately implemented COVID-19 epidemic containment measures in African and Asian countries with weak health systems, information and education of communities at risk, as well as improve the response capacity in countries with weak healthcare systems.

II.2

a) Heading

23 02 01 - Delivery of rapid, effective and needs-based humanitarian aid and food assistance (Approp carried over to commit up to 31/12)

b) Figures at 27/02/2020

	Commitments
1 Appropriations in budget (Approp carried over to commit up to 31/12)	0,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	0,00
4 Appropriations already used	0,00
5 Appropriations available (3-4)	0,00
6 Increase requested	30 000 000,00
7 Total appropriations up to year end (5+6)	30 000 000,00
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)

	Commitments
1 Appropriations available at start of the year	1 024 638,59
2 Appropriations available on 27/02/2020	1 024 638,59
3 Implementation rate [(1-2)/1]	0,00 %

d) Detailed grounds for the increase

The mobilisation of EUR 30 million in commitment appropriations from the Emergency Aid Reserve is needed to contribute to strengthening epidemic preparedness and response through the WHO Strategic Preparedness and Response Plan to COVID-19 outbreak. The additional funding will be used to provide support to coordination, capacity building, screening, diagnostics and management of cases and awareness raising, sound and appropriately implemented COVID-19 epidemic containment measures in African and Asian countries with weak health systems, information and education of communities at risk, as well as improve the response capacity in countries with weak healthcare systems.

ANNEX

COMMISSION TRANSFER PROPOSALS RELATED TO THE EMERGENCY AID RESERVE IN 2020

The table below shows the transfer proposals transmitted to the Budgetary Authority to date during 2020, 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 carried-over Reserve (EUR)	Commitment Appropriations 2020 Reserve (EUR)	Payment Appropriations 2020 Reserve (EUR)
	Initial appropriations	45 602 116	358 500 000	358 500 000
DEC 02	Mobilisation of the EAR for COVID-19 outbreak crisis	30 000 000	0	24 000 000
	Total transfer proposals	30 000 000	0	24 000 000
	Remainder	15 602 116	358 500 000	334 500 000
	Total remainder of commitment appropriations	374 102 116		