



Council of the  
European Union

**Brussels, 23 April 2020  
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**FIN 230**

**COVER NOTE**

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From:	Mr Johannes HAHN, Member of the European Commission
date of receipt:	22 April 2020
To:	Mr Zdravko MARIĆ, President of the Council of the European Union
Subject:	Proposal for transfer of appropriations No DEC 08/2020 withing Section III - Commission - of the general budget for 2020

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Delegations will find attached Commission document DEC 08/2020.

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Encl.: DEC 08/2020



BRUSSELS, 22/04/2020

GENERAL BUDGET - 2020  
SECTION III - COMMISSION TITLES: 01, 05, 13, 22, 23

TRANSFER OF APPROPRIATIONS N° **DEC 08/2020**

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**FROM**

**CHAPTER** - 0103 International economic and financial affairs

ARTICLE - 01 03 02 Macro-financial assistance Commitments -19 000 000,00

**CHAPTER** - 0506 International aspects of the 'Agriculture and rural development' policy area

ARTICLE - 05 06 01 International agricultural agreements Commitments -500 000,00

**CHAPTER** - 1305 Instrument for Pre-Accession Assistance -- Regional development and regional and territorial cooperation

ITEM - 13 05 63 02 Cross-border cooperation (CBC) -- Contribution from Heading 4 Commitments -5 184 814,00

**CHAPTER** - 2204 European Neighbourhood Instrument (ENI)

ITEM - 22 04 03 01 Cross-border cooperation (CBC) -- Contribution from Heading 4 Commitments -2 460 116,00

**TO**

**CHAPTER** - 2303 The Union Civil Protection Mechanism

ITEM - 23 03 02 02 Rapid and efficient emergency response interventions in the event of major disasters in third countries Commitments 27 144 930,00

## I. DECREASE

### I.1

#### a) Heading

**01 03 02 - Macro-financial assistance**

#### b) Figures at 15/04/2020

	<b>Commitments</b>
1 Appropriations in budget (Initial Budget + AB)	20 000 000,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	20 000 000,00
4 Appropriations already used	70 205,00
<b>5 Appropriations available (3-4)</b>	<b>19 929 795,00</b>
<b>6 Decrease proposed</b>	<b>19 000 000,00</b>
<b>7 Total appropriations up to year end (5-6)</b>	<b>929 795,00</b>
8 Decrease as percentage of appropriations in budget (6/1)	95,00 %
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 15/04/2020	0,00
3 Implementation rate [(1-2)/1]	n/a

#### d) Detailed grounds for the decrease

The current pipeline of macro-financial assistance (MFA) operations indicates that no new MFA operations including a grant will materialize this year, which implies that EUR 19 million in commitment appropriations can be made available from the MFA grants budget article.

This is due to the following:

- the inherent nature of MFA, as a short-term crisis management instrument mobilised in response to development in third countries, which is in general exogenous and require a response tailored to the specific country needs. As such, the amounts and loan-grant mix of each MFA operation cannot be predicted in advance and are to be determined on an ad hoc and urgent basis, based on the specific macroeconomic circumstances of the beneficiary country;
- the exceptional nature of the grant component: MFA shall generally take the form of a loan, whilst a grant component can be considered on the basis of objective criteria concerning the level of economic development of the beneficiary (as measured by the per capita income and poverty ratios) and its ability to repay (drawing on debt sustainability analyses). In addition, when determining the form of assistance, the Commission should also take into account practices employed by other international organisations, most notably the International Financial Institutions, in determining countries' eligibility to their concessional windows. This approach has been reiterated by the co-legislators in the Joint Declaration on MFA operations adopted on 12 August 2013.

## **I.2**

### **a) Heading**

#### **05 06 01 - International agricultural agreements**

### **b) Figures at 15/04/2020**

	<b>Commitments</b>
1 Appropriations in budget (Initial Budget + AB)	6 300 000,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	6 300 000,00
4 Appropriations already used	3 937 713,26
<b>5 Appropriations available (3-4)</b>	<b>2 362 286,74</b>
<b>6 Decrease proposed</b>	<b>500 000,00</b>
<b>7 Total appropriations up to year end (5-6)</b>	<b>1 862 286,74</b>
8 Decrease as percentage of appropriations in budget (6/1)	7,94 %
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 15/04/2020	0,00
3 Implementation rate [(1-2)/1]	n/a

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

Due to the decision of the Council of Members of the International Olive Council (IOC) to limit the implementation of certain activities and following the accession of one new Member to IOC (Georgia), the EU's contribution was reduced. Therefore, the amount of EUR 0,5 million in commitment appropriations can be made available to cover the urgent needs under Heading 4.

### **I.3**

#### **a) Heading**

**13 05 63 02 - Cross-border cooperation (CBC) -- Contribution from Heading 4**

#### **b) Figures at 15/04/2020**

	<b>Commitments</b>
1 Appropriations in budget (Initial Budget + AB)	34 795 045,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	34 795 045,00
4 Appropriations already used	29 610 230,07
<b>5 Appropriations available (3-4)</b>	<b>5 184 814,93</b>
<b>6 Decrease proposed</b>	<b>5 184 814,00</b>
<b>7 Total appropriations up to year end (5-6)</b>	<b>0,93</b>
8 Decrease as percentage of appropriations in budget (6/1)	14,90 %
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 15/04/2020	0,34
3 Implementation rate [(1-2)/1]	n/a

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

An amount of EUR 5,2 million in commitment appropriations can be made available for other needs under Heading 4 as a corresponding amount of internal assigned revenue originating from recoveries from previous programming periods has been used instead.

## **I.4**

### **a) Heading**

**22 04 03 01 - Cross-border cooperation (CBC) -- Contribution from Heading 4**

### **b) Figures at 15/04/2020**

	<b>Commitments</b>
1 Appropriations in budget (Initial Budget + AB)	96 299 260,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	96 299 260,00
4 Appropriations already used	93 839 144,00
<b>5 Appropriations available (3-4)</b>	<b>2 460 116,00</b>
<b>6 Decrease proposed</b>	<b>2 460 116,00</b>
<b>7 Total appropriations up to year end (5-6)</b>	<b>0,00</b>
8 Decrease as percentage of appropriations in budget (6/1)	2,55 %
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 15/04/2020	0,00
3 Implementation rate [(1-2)/1]	n/a

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

All commitments for 2020 have already been made under this budget line. However, the initially foreseen commitment under the Technical Assistance Facility could not be made. Therefore, an amount of EUR 2,5 million in commitment appropriations can be made available for other needs under Heading 4.

## **II. INCREASE**

### **II.1**

#### **a) Heading**

**23 03 02 02 - Rapid and efficient emergency response interventions in the event of major disasters in third countries**

#### **b) Figures at 15/04/2020**

	<b>Commitments</b>
1 Appropriations in budget (Initial Budget + AB)	12 700 000,00
2 Transfers	16 389 900,00
3 Total appropriations for the year (1+2)	29 089 900,00
4 Appropriations already used	11 250 000,00
<b>5 Appropriations available (3-4)</b>	<b>17 839 900,00</b>
<b>6 Increase requested</b>	<b>27 144 930,00</b>
<b>7 Total appropriations up to year end (5+6)</b>	<b>44 984 830,00</b>
8 Increase as percentage of appropriations in budget (6/1)	213,74 %
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	0,00
2 Appropriations available on 15/04/2020	0,00
3 Implementation rate [(1-2)/1]	n/a

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

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 and a pandemic on 11 March 2020. Although initially centred in China, the COVID-19 has been spreading quickly, affecting more than 200 countries across all regions of the world, with a total of 1,9 million detected cases and 119 000 deaths as of 14 April 2020.

The COVID-19 outbreak represents a severe public health emergency for citizens, societies and economies with infection spreading very rapidly in all Member States. Member States need to repatriate a large number of EU nationals stranded in third countries and face shortages of medical countermeasures and personal protective equipment essential to fight the disease.

The additional funding of EUR 27,1 million in commitment appropriations will be used for EU citizens' repatriation flights and will complement the budgetary reinforcement made through the Draft Amending Budget 1/2020. Repatriation flights via the Union Civil Protection Mechanism (UCPM) are a mechanism of 'last resort', meaning that commercial repatriation options need to be explored and exhausted by each MS concerned. This support is available for multi-national flights only, i.e. those taking on board citizens from various MS.

As part of the EU's response to the COVID-19 outbreak, and according to the information provided by the Member States, the UCPM has so far facilitated the repatriation of 37 452 people (including 33 052 EU citizens) to Europe on 157 flights.

As of 14 April, a total of 378 repatriation flights for an estimated 80 000 EU citizens have been requested under the UCPM, at an estimated cost (following a 75% co-financing rate) of EUR 104,4 million. Further requests are still expected.

A reinforcement of EUR 45 million has been proposed under DAB 1/2020. With the present transfer, the total commitment appropriations on this budget line will reach EUR 84,2 million for 2020.