



Council of the  
European Union

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**COVER NOTE**

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From:	Mr Johannes HAHN, Member of the European Commission
date of receipt:	17 August 2020
To:	Mr Bettina HAGEDORN, President of the Council of the European Union

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Subject:	Proposal for transfer of appropriations No DEC 15/2020 within Section III - Commission - of the general budget for 2020
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Delegations will find attached Commission document DEC 15/2020.

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Encl.: DEC 15/2020



EUROPEAN COMMISSION

BRUSSELS,

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

TRANSFER OF APPROPRIATIONS N° **DEC 15/2020**

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**FROM**

**CHAPTER** - 4002 Reserves for financial interventions

ARTICLE - 40 02 42 Emergency aid reserve

Commitments	-30 000 000,00
Payments	-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

Commitments	30 000 000,00
Payments	30 000 000,00

## **I. DECREASE**

### **I.1**

#### **a) Heading**

**40 02 42 - Emergency aid reserve**

#### **b) Figures at 11/08/2020**

	<b>Commitments</b>	<b>Payments</b>
1 Appropriations in budget (Initial Budget + AB)	358 500 000,00	358 500 000,00
2 Transfers	-254 397 884,00	-273 500 000,00
3 Total appropriations for the year (1+2)	104 102 116,00	85 000 000,00
4 Appropriations already used	0,00	0,00
<b>5 Appropriations available (3-4)</b>	<b>104 102 116,00</b>	<b>85 000 000,00</b>
<b>6 Decrease proposed</b>	<b>30 000 000,00</b>	<b>30 000 000,00</b>
<b>7 Total appropriations up to year end (5-6)</b>	<b>74 102 116,00</b>	<b>55 000 000,00</b>
8 Decrease as percentage of appropriations in budget (6/1)	8,37 %	8,37 %
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)**

	<b>Commitments</b>	<b>Payments</b>
1 Appropriations available at start of the year	0,00	0,00
2 Appropriations available on 11/08/2020	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, 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 11/08/2020

	<b>Commitments</b>	<b>Payments</b>
1 Appropriations in budget (Initial Budget + AB)	1 527 234 779,00	1 212 000 000,00
2 Transfers	323 297 884,00	228 210 100,00
3 Total appropriations for the year (1+2)	1 850 532 663,00	1 440 210 100,00
4 Appropriations already used	1 811 232 384,00	1 158 808 147,30
<b>5 Appropriations available (3-4)</b>	<b>39 300 279,00</b>	<b>281 401 952,70</b>
<b>6 Increase requested</b>	<b>30 000 000,00</b>	<b>30 000 000,00</b>
<b>7 Total appropriations up to year end (5+6)</b>	<b>69 300 279,00</b>	<b>311 401 952,70</b>
8 Increase as percentage of appropriations in budget (6/1)	1,96 %	2,48 %
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)

	<b>Commitments</b>	<b>Payments</b>
1 Appropriations available at start of the year	1 024 638,59	643 655,90
2 Appropriations available on 11/08/2020	993 638,59	0,00
3 Implementation rate [(1-2)/1]	3,03 %	100,00 %

#### d) Detailed grounds for the increase

The humanitarian situation in Lebanon is quickly deteriorating, following the devastating explosions that took place at the port of Beirut on 4 August 2020.

Lebanon was already in an extremely fragile situation, with a spiralling financial and economic crisis, social unrests and the Covid-19 pandemic. The country recently defaulted for the first time on its debt, as its foreign currency reserves are insufficient to cover the import of basic goods.

As result of the explosions, there are, as of 11th August, 200 people dead, more than 6 000 injured and around 300 000 people displaced, having lost their homes and businesses. The destruction of the port of Beirut, through which around 90 % of imports transit, will have a devastating impact on the supplies of goods. Wheat stocks were also lost, resulting in immediate rationing of sales to bakeries.

Multiple medical facilities sustained severe damage. Hospitals, already struggling to manage the Covid-19 crisis, do not have the capacity to treat all the injured. There is an urgent need for field hospitals, intensive care unit (ICU) capacity, mobile medical units, ambulances and nurses.

Based on an analysis of the needs, the Commission requests a reinforcement of the humanitarian aid budget by EUR 30 million in commitment and payment appropriations. The funds will be used to support emergency health interventions, shelter, water and sanitation, food assistance, protection and education.

As of beginning of August, the overall implementation rate of the humanitarian aid chapter 23 02 is at 97.19 % in commitment appropriations and 86.69 % in payment appropriations.

The Operational Reserve for Humanitarian aid currently stands at EUR 51 million and needs to be preserved to cater for other, smaller humanitarian emergencies or sudden disasters until the end of the year.

The Commission has not been able to identify redeployments within Heading 4. It therefore requests the mobilisation of the Emergency Aid Reserve for a total of **EUR 30 million** in commitment and payment appropriations.

## 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)
	<b>Initial appropriations</b>	<b>45 602 116</b>	<b>358 500 000</b>	<b>358 500 000</b>
DEC 02	Mobilisation of the EAR for COVID-19 outbreak crisis	30 000 000	0	24 000 000
DEC 03	Mobilisation of the EAR for Venezuela and East Africa	15 602 116	74 397 884	90 000 000
DEC 07	Mobilisation of the EAR for COVID-19 outbreak crisis	-	50 000 000	29 500 000
DEC 12	Mobilisation of the EAR for Yemen, Sahel, Sudan	-	130 000 000	130 000 000
DEC 15	Mobilisation of the EAR for Lebanon		30 000 000	30 000 000
	<b>Total transfer proposals</b>	<b>45 602 116</b>	<b>284 397 884</b>	<b>303 500 000</b>
	<b>Remainder</b>	<b>0</b>	<b>74 102 116</b>	<b>55 000 000</b>
	<b>Total remainder of commitment appropriations</b>	<b>74 102 116</b>		