



Council of the
European Union

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COVER NOTE

From:	Mr Johannes HAHN, Member of the European Commission
date of receipt:	14 October 2020
To:	Ms Bettina HAGEDORN, President of the Council of the European Union

Subject:	Proposal for transfer of appropriations No DEC 21/2020 within Section III - Commission - of the general budget for 2020
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Delegations will find attached Commission document DEC 21/2020.

Encl.: DEC 21/2020



BRUSSELS, 14/10/2020

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

TRANSFER OF APPROPRIATIONS N° **DEC 21/2020**

FROM

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	Payments	-19 000 000,00
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CHAPTER - 4002 Reserves for financial interventions

ARTICLE - 40 02 42 Emergency aid reserve	Commitments	-74 102 116,00
	Payments	-55 000 000,00

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	74 102 116,00
	Payments	74 000 000,00

I. DECREASE

I.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 08/10/2020

	Payments
1 Appropriations in budget (Initial Budget + AB)	10 500 000,00
2 Transfers	55 789 900,00
3 Total appropriations for the year (1+2)	66 289 900,00
4 Appropriations already used	5 996 162,46
5 Appropriations available (3-4)	60 293 737,54
6 Decrease proposed	19 000 000,00
7 Total appropriations up to year end (5-6)	41 293 737,54
8 Decrease as percentage of appropriations in budget (6/1)	180,95 %
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 08/10/2020	0,00
3 Implementation rate [(1-2)/1]	n/a

d) Detailed grounds for the decrease

The earlier budgetary reinforcements on this budget line aimed at fulfilling the requests from Member States of reimbursement of the Covid-19 repatriation flights. However, at this stage a surplus of EUR 30 million in payment appropriations has been identified, which is proposed to be used in the transfer proposal DEC 20/2020 (EUR 11 million) and in the present transfer requesting the mobilisation of the Emergency Aid Reserve for Afghanistan, South Sudan and the Rohingyas' crises (EUR 19 million).

The surplus is triggered by an updated needs assessment made on the basis of the grants signed and corresponding payment obligations. The request from a Member State covering two thirds of the total budget cannot be contracted at this stage due to lack of information, and the related payment is thus postponed.

I.2

a) Heading

40 02 42 - Emergency aid reserve

b) Figures at 08/10/2020

	Commitments	Payments
1 Appropriations in budget (Initial Budget + AB)	358 500 000,00	358 500 000,00
2 Transfers	-284 397 884,00	-303 500 000,00
3 Total appropriations for the year (1+2)	74 102 116,00	55 000 000,00
4 Appropriations already used	0,00	0,00
5 Appropriations available (3-4)	74 102 116,00	55 000 000,00
6 Decrease proposed	74 102 116,00	55 000 000,00
7 Total appropriations up to year end (5-6)	0,00	0,00
8 Decrease as percentage of appropriations in budget (6/1)	20,67 %	15,34 %
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 08/10/2020	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 08/10/2020

	Commitments	Payments
1 Appropriations in budget (Initial Budget + AB)	1 527 234 779,00	1 212 000 000,00
2 Transfers	353 297 884,00	258 210 100,00
3 Total appropriations for the year (1+2)	1 880 532 663,00	1 470 210 100,00
4 Appropriations already used	1 845 232 384,00	1 406 812 756,68
5 Appropriations available (3-4)	35 300 279,00	63 397 343,32
6 Increase requested	74 102 116,00	74 000 000,00
7 Total appropriations up to year end (5+6)	109 402 395,00	137 397 343,32
8 Increase as percentage of appropriations in budget (6/1)	4,85 %	6,11 %
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	1 024 638,59	643 655,90
2 Appropriations available on 08/10/2020	993 638,59	0,00
3 Implementation rate [(1-2)/1]	3,03 %	100,00 %

d) Detailed grounds for the increase

Afghanistan – EUR 30 million

Due to the Covid-19 pandemic, persisting political insecurities and increasing violence, the humanitarian situation in Afghanistan has deteriorated far beyond the projections on which the budget allocations for 2020 were based on in terms of health, food insecurity/malnutrition and protection. According to the World Bank, close to 90% of the population live in absolute poverty. The situation is expected to worsen because of the impact of the Covid-19 pandemic on the weak healthcare system and on import restrictions on food, but also because of the escalating conflict, in the context of the ongoing withdrawal of US troops.

EUR 30 million in commitment and in payment appropriations is requested in addition to the EUR 39 million already programmed for this crisis for 2020. The additional funding will focus on;

- (i) health, by scaling-up health assistance which is currently deprioritised;
- (ii) food security and nutrition, by providing targeted food security and nutrition support in areas of high prevalence of acute malnutrition; and
- (iii) supporting the humanitarian frontline actors to address the urgent needs of Afghans returning from Iran since the beginning of the Covid-19 pandemic.

South Sudan – EUR 24 million

The Greater Horn of Africa region is facing a sharp deterioration of the humanitarian situation. It is estimated that the number of severely food insecure people will increase from 27 million to 49 million by the end of 2020. The South Sudan conflict remains one of the key drivers of humanitarian needs in the region. Uganda continues to be largest refugee hosting country in Africa with over 1,4 million individuals, mostly from South Sudan and the Democratic Republic of Congo, and is likely going to receive new refugees once borders reopen. The capacity to cope is overwhelmed as they are also facing an unprecedented “triple threat” linked to floods, the locust outbreak and the Covid-19 pandemic.

EUR 24 million in commitment and in payment appropriations is requested in addition to the EUR 67,5 million already programmed for this crisis for 2020. The additional funding will be used for:

- (i) emergency food assistance in South Sudan for a new urban caseload of food insecure, as a consequence of the combined effects of the Covid-19 pandemic, widespread local violence, and floods, and in other countries with continued provision of unconditional and unrestricted cash grants to avoid further cuts in the rations;
- (ii) life-saving health and nutrition services, protection assistance to the most vulnerable (notably women and children); and
- (iii) humanitarian logistic services in South Sudan, to enable the scale-up of the response in light of increased costs of operations.

Rohingya crisis – EUR 20 million

The humanitarian situation of stateless Rohingya in Bangladesh, Myanmar and other countries of the region has severely deteriorated in 2020. New challenges have arisen due to the Covid-19 pandemic, the intensifying conflict in Rakhine State and increased maritime movements of Rohingya refugees in the Bay of Bengal and Andaman Sea.

EUR 20 million in commitment and in payment appropriations is requested in addition to the EUR 31 million already programmed for this crisis for 2020. The additional resources will be used in Bangladesh to finance:

- (i) the sectors of health, food assistance and nutrition including water, sanitation and hygiene (WASH);
- (ii) protection services;
- (iii) the education sector; and
- (iv) to mitigate tensions between refugee population and host community, who are likewise impacted by the consequences of the Covid-19 pandemic.

At the regional level, a small allocation will enhance the protection environment of the Rohingya (mainly women and children) rescued by the Indonesian authorities at the end of June.

As of the end of September 2020, the overall implementation rate of commitment appropriations of the humanitarian aid chapter 23 02 was at 98,1% of available appropriations and the implementation in payment appropriations was at 93,6%. The Operational Reserve for Humanitarian aid currently stands at EUR 33,5 million and needs 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 available resources in Heading 4, other than EUR 19 million in payment appropriations. Therefore it requests the mobilisation of the Emergency Aid Reserve for a total of **EUR 74,1 million** in commitment and **EUR 55 million** in payment appropriations for the crises in Afghanistan and South Sudan and for the Rohingya crisis.

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
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
DEC 21	Mobilisation of the EAR for Afghanistan, South Sudan and Rohingya crisis	-	74 102 116	55 000 000
	Total transfer proposals	45 602 116	358 500 000	358 500 000
	Remainder	0	0	0
	Total remainder of commitment appropriations	0		