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To:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union
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Subject:	ANNEXES to the Commission Decision on non-automatic carryover of appropriations from 2020 to 2021

Delegations will find attached document C(2021) 320 final / ANNEXES 1 to 3.

Encl.: C(2021) 320 final / ANNEXES 1 to 3



EUROPEAN
COMMISSION

Brussels, 25.1.2021
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ANNEXES 1 to 3

ANNEXES

to the

COMMISSION DECISION

on non-automatic carryover of appropriations from 2020 to 2021

ANNEX I

CARRYOVER OF NON-DIFFERENTIATED APPROPRIATIONS

A. Overview

N°	2020 Budget	Heading	2021 Budget	Regulation (EU, Euratom) 2018/1046	Amount to be Carried over (in EUR)
1	10 01 05 14	Other expenditure for new major research infrastructures -- Euratom programme	01 01 02 13	Article 12(2)(a)	11 878 091,64
		Heading 1.a - Total			11 878 091,64
2	05 03 09	Reimbursement of direct payments to farmers from appropriations carried-over in relation to financial discipline	08 02 05 12	Article 12(2)(d)	475 004 165,00
		Heading 2 - Total			475 004 165,00
		Grand Total			486 882 256,64

B. Amount in euros to be carried over for each line and reasons

1 10 01 05 14 - Other expenditure for new major research infrastructures -- Euratom programme

Appropriation authorised 2020	20 018 830,00
Commitments made at 31.12.2020	8 140 738,36
Amount not used at 31.12.2020	11 878 091,64
Carryover	11 878 091,64

The Karlsruhe Site of the Joint Research Centre (JRC) is constructing a new laboratory building (Wing M). The European Parliament and the Council have approved the project in May 2016, the works started in September 2016 and the project was supposed to be completed by the beginning of 2020. The construction is taking place within the framework of an overall modernisation, upgrade of the safety and security, environmental performance and rationalisation of the nuclear site of Karlsruhe. Delays in implementation are mainly due to the non-performance of one of the contractors in charge of the technical installations. The JRC is in close contact with the Legal Service of the Commission to solve the conflict and find a sustainable solution. Most of the preparatory stages for the contract related to the technical installations have been completed but cannot be finalised before a decision is taken towards the contractor. It is expected that the agreement with the contractor will be reached early in 2021. Therefore, based on point (a) of the first subparagraph of Article 12(2) of Regulation (EU, Euratom) 2018/1046, the amount of EUR 11 878 091,64 is to be carried-over to allow the commitment for this building project before end 2021.

2 05 03 09 - Reimbursement of direct payments to farmers from appropriations carried-over in relation to financial discipline

Appropriation authorised 2020	478 000 000,00
Commitments made at 31.12.2020	0,00
Amount not used at 31.12.2020	478 000 000,00
Carryover	475 004 165,00

Based on point (d) of the first subparagraph of Article 12(2) of Regulation (EU, Euratom) No 2018/1046, non-committed appropriations of the European Agricultural Guarantee Fund (EAGF) under shared management may be carried over to the following financial year, respecting the limit of 2% of the initial appropriations or the amount of the adjustment of direct payments for financial discipline as referred to in Articles 25 and 26 of Regulation (EU) No 1306/2013 of the European Parliament and of the Council¹ which was applied during the preceding financial year. In accordance with Article 26(5) of Regulation (EU) No 1306/2013, this amount will be reimbursed to the final recipients who are subject, in the financial year to which the appropriations are carried over, to the adjustment rate.

A total amount of EUR 478 000 000 of non-committed appropriations has been transferred from item 05 03 10 - Reserve for crises in the agricultural sector, to item 05 03 09 - Reimbursement of direct payments to farmers from appropriations carried-over in relation to financial discipline.

Commission Implementing Regulation (EU) 2020/1769² sets the amounts that each Member State has to reimburse to farmers and determines that expenditure in relation to this reimbursement shall only be eligible for Union financing if the amounts have been paid to the beneficiaries before 16 October 2021. These amounts correspond to the financial discipline applied by EU-27 during financial year 2020 for an amount of EUR 433 620 887. The United Kingdom applied financial discipline for an amount of EUR 41 383 287. Therefore, a total amount of EUR 475 004 165 is to be carried over from item 05 03 09 to budget 2021 and made available to the Member States for the reimbursement in the EU-27 and for the financial settlement with the United Kingdom.

¹ Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008 (OJ L 347, 20.12.2013, p. 549)

² Commission Implementing Regulation (EU) 2020/1769 of 25 November 2020 on the reimbursement, in accordance with Article 26(5) of Regulation (EU) No 1306/2013 of the European Parliament and of the Council, of the appropriations carried over from financial year 2020 (OJ L 398, 27.11.2020, p. 4-5)

ANNEX II

CARRYOVER OF COMMITMENT APPROPRIATIONS

A. Overview

N°	2020 Budget	Heading	2021 Budget	Regulation (EU, Euratom) 2018/1046	Amount to be Carried over (in EUR)
1	01 04 77 03	Pilot project -- Model social impact approaches to social housing and empowerment of Roma: testing the use of innovative financial instruments for better social outcomes	PP 02 20 01	Article 12(2)(a)	1 000 000,00
2	04 03 15	European Labour Authority (ELA)	07 10 09	Article 12(2)(a)	640 720,43
		Heading 1.a – Total			1 640 720,43
3	04 02 62	European Social Fund -- More developed regions -- Investment for growth and jobs goal	07 02 99 01	Article 12(2)(a)	8 228 685,00
		Heading 1.b – Total			8 228 685,00
		Grand Total			9 869 405,43

B. Amount in euros to be carried over for each line and reasons

1 01 04 77 03 Pilot project -- Model social impact approaches to social housing and empowerment of Roma: testing the use of innovative financial instruments for better social outcomes

Appropriation authorised 2020	1 000 000,00
Commitments made at 31.12.2020	0,00
Amount not used at 31.12.2020	1 000 000,00
Carryover	1 000 000,00

Most of the preparatory stages for the commitment procedure have been completed. The Council of Europe Development Bank (CEB), Europe's social development bank, has been selected as beneficiary of the grant (and implementing partner for the pilot) and a Contribution Agreement is being prepared on the basis of the Financial Framework Partnership Agreement signed with CEB in June 2020. For reasons of CEB internal organisation (Covid-19-related increase of CEB's workload, delayed internal governance procedures designed to enable CEB to receive funds), the CEB was not able to sign the Contribution Agreement by 31 December 2020. The CEB's internal procedures are however sufficiently advanced to allow committing the appropriations by 31 March 2021. Therefore, based on point (a) of the first subparagraph of Article 12(2) of Regulation (EU, Euratom) 2018/1046, the amount of EUR 1 000 000 is to be carried-over.

2 04 03 15 European Labour Authority (ELA)

Appropriation authorised 2020	12 577 525,00
Commitments made at 31.12.2020	11 666 181,99
Amount not used at 31.12.2020	911 343,01
Carryover	640 720,43

The European Labour Authority is currently managed by the Commission and will become autonomous in the course of 2021. Three individual commitments on a framework contract (FWC) could not be finalised by 31 December 2020. They concern the request for service under FWC for audio visual and meeting rooms equipment for ELA's premises in Bratislava. ELA has received the approval needed as part of the standard procedure under this FWC on 18/12/2020. There was not sufficient time left to proceed with the related commitments before year-end. Therefore, based on point (a) of the first subparagraph of Article 12(2) of Regulation (EU, Euratom) 2018/1046, the amount of EUR 640 720,43 is to be carried over.

3 04 02 62 European Social Fund -- More developed regions -- Investment for growth and jobs goal

Appropriation authorised 2020	4 040 986 197,00
Commitments made at 31.12.2020	4 031 101 951,00
Amount not used at 31.12.2020	9 884 246,00
Carryover	8 228 685,00

The decision process for the amendment of the operational programme "Trento 2014IT05SFOP018" could not be finalised in 2020. However, the adoption procedure is sufficiently advanced and the inter service consultation was closed without negative opinion. Therefore, in order to maintain the overall amount of the Italian national allocation for the European Social Fund, and based on point (a) of the first subparagraph of Article 12(2) of Regulation (EU, Euratom) 2018/1046, the amount of EUR 8 228 685 is to be carried over.

ANNEX III

CARRYOVER OF PAYMENT APPROPRIATIONS

A. Overview

N°	2020 Budget	Heading	2021 Budget	Regulation (EU, Euratom) 2018/1046	Amount to be Carried over (in EUR)
1	01 04 77 03	Pilot project -- Model social impact approaches to social housing and empowerment of Roma: testing the use of innovative financial instruments for better social outcomes	PP 02 20 01	Article 12(2)(c)	250 000,00
		Heading 1.a - Total			250 000,00
2	18 07 01	Emergency support within the Union	06 07 01	Article 12(2)(c)	378 772 302,98
3	33 03 05	European Public Prosecutor's Office (EPPO)	07 10 08	Article 12(2)(c)	1 957 681,26
		Heading 3 - Total			380 729 684,24
4	23 03 02 02	Rapid and efficient emergency response interventions in the event of major disasters in third countries	06 05 99 02	Article 12(2)(c)	16 609 282,47
		Heading 4 - Total			16 609 282,47
5	26 03 77 06	Preparatory action -- Governance and quality of software code -- Auditing of free and open-source software	PA 20 17 01	Article 12(2)(c)	45 000,00
		Heading 5 - Total			45 000,00
		Grand Total			397 634 266,71

B. Amount in euros to be carried over for each line and reasons

1 01 04 77 03 Pilot project -- Model social impact approaches to social housing and empowerment of Roma: testing the use of innovative financial instruments for better social outcomes

Appropriation authorised 2020	250 000,00
Payments made at 31.12.2020	0,00
Amount not used at 31.12.2020	250 000,00
Carryover	250 000,00

The commitment appropriations for this pilot project are proposed to be carried over. Therefore, the related pre-financing initially expected in 2020 needs to follow the commitment appropriations. As the 2021 voted payment appropriations (EUR 950 000) will not be sufficient to honour the full amount of commitments, and based on point (c) of the first subparagraph of Article 12(2) of Regulation (EU, Euratom) 2018/1046, the amount of EUR 250 000 is to be carried over.

2 18 07 01 Emergency support within the Union

Appropriation authorised 2020	2 610 000 000,00
Payments made at 31.12.2020	2 231 227 697,02
Amount not used at 31.12.2020	378 772 302,98
Carryover	378 772 302,98

Due to delays in the reception of relevant supporting documents or in the finalisation of the contracts, some major payments initially foreseen in 2020 are postponed to 2021:

- the second down payment of one of the Covid-19 vaccines files where the technical report submitted in 2020 was not considered satisfactory;
- in the framework of the reimbursement of cargo operations by the Member States, beneficiaries of larger grants have reported delays, as they must wait for a Certificate on Financial Statement prepared by an independent auditor;
- rapid antigen test, for which specific contracts and donation agreements are expected to be signed in January.

A large number of these payments will take place in the early months of 2021. On top of them, several payments will be due in 2021 for other initiatives, including the interoperability of tracing applications, disinfection robots, the healthcare facilities for migrants and local communicates on the Greek islands, as well as remaining actions to be paid under the health-related initiatives.

The 2021 voted payment appropriations (EUR 90 000 000) will not be sufficient to honour all these outstanding commitments. Therefore, based on point (c) of the first subparagraph of Article 12(2) of Regulation (EU, Euratom) 2018/1046, the amount of EUR 378 772 302,98 is to be carried over.

3 33 03 05 European Public Prosecutor's Office (EPPO)

Appropriation authorised 2020	11 672 000,00
Payments made at 31.12.2020	9 714 318,74
Amount not used at 31.12.2020	1 957 681,26
Carryover	1 957 681,26

The European Public Prosecutor's Office will become autonomous in 2021, with its own 2021 budget of EUR 44 952 790 in commitment and payment appropriations. As the EU budget will have to contribute those appropriations in 2021, and since, on top, it has commitments made in 2020 still to be paid in 2021 (RAL), the 2021 voted payment appropriations on the EU budget line will be insufficient. Therefore, based on point (c) of the first subparagraph of Article 12(2) of Regulation (EU, Euratom) 2018/1046, the amount of EUR 1 957 681,26 is to be carried over.

4 23 03 02 02 Rapid and efficient emergency response interventions in the event of major disasters in third countries

Appropriation authorised 2020	34 812 437,26
Payments made at 31.12.2020	18 203 154,79
Amount not used at 31.12.2020	16 609 282,47
Carryover	16 609 282,47

Due to delays in the submission by the Member States of requests for reimbursement of repatriations flights, some payments initially expected in 2020 are postponed to 2021. Therefore, as the 2021 voted payment appropriations (EUR 22 368 874) will not be sufficient to honour these commitments, and based on point (c) of the first subparagraph of Article 12(2) of Regulation (EU, Euratom) 2018/1046, the amount of EUR 16 609 282,47 is to be carried over.

5 26 03 77 06 Preparatory action -- Governance and quality of software code -- Auditing of free and open-source software

Appropriation authorised 2020	472 081,50
Payments made at 31.12.2020	426 856,50
Amount not used at 31.12.2020	45 225,00
Carryover	45 000,00

Due to the Covid-19, some activities planned in 2020 for this preparatory action were delayed and the final payment is postponed to 2021. Therefore, as no payment appropriations are available under the 2021 voted budget for this action, and based on point (c) of the first subparagraph of Article 12(2) of Regulation (EU, Euratom) 2018/1046, the amount of EUR 45 000 is to be carried over.