



Brussels, 3 April 2017  
(OR. en)

7003/17

## BUDGET 2

### EXPLANATORY MEMORANDUM

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Subject: Draft amending budget No 1 to the general budget for 2017 accompanying the proposal to mobilise the European Union Solidarity Fund to provide assistance to the United Kingdom, Cyprus and Portugal  
– *Council position of 3 April 2017*

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#### I. INTRODUCTION

On 26 January 2017, the Commission submitted to the Council draft amending budget (DAB) No 1 to the general budget for 2017 regarding the mobilisation of the the EU Solidarity Fund for a total amount of EUR 71 524 810 in commitment (c/a) and payment appropriations (p/a).

The objective of this proposal is to provide financial assistance to the United Kingdom, Cyprus and Portugal in response to natural disasters that hit those countries in 2015 and 2016.

The corresponding appropriations are to be recorded under Article 13 06 01 (*EU Solidarity Fund - Assistance to Member States in the event of a major natural disaster with serious repercussions on living conditions, the natural environment or the economy*). The Commission proposes to finance the necessary p/a by making use of the negative reserve, as provided for in Article 47 of the Financial Regulation.

## II. CONCLUSION

On 3 April 2017, the Council adopted its position on DAB No 1 to the general budget for 2017 as set out in the ANNEX.

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# TECHNICAL ANNEX

**VOLUME III**  
**SECTION III**  
**COMMISSION**

# EXPENDITURE

## Figures

Title	Heading	Budget 2017		Council position on DAB No 1/2017		New amount	
		Commitments	Payments	Commitments	Payments	Commitments	Payments
01	Economic and financial affairs	3 086 394 801	2 840 247 301			3 086 394 801	2 840 247 301
02	Internal market, industry, entrepreneurship and SMEs	2 455 727 091	2 260 420 906			2 455 727 091	2 260 420 906
03	Competition	108 427 562	108 427 562			108 427 562	108 427 562
04	Employment, social affairs and inclusion	13 813 326 529	10 725 565 124			13 813 326 529	10 725 565 124
05	Agriculture and rural development	57 537 879 867	54 110 140 315			57 537 879 867	54 110 140 315
06	Mobility and transport	3 783 964 054	1 815 351 093			3 783 964 054	1 815 351 093
07	Environment	472 838 520	388 338 137			472 838 520	388 338 137
08	Research and innovation	6 192 803 780	5 911 660 897			6 192 803 780	5 911 660 897
09	Communications networks, content and technology	2 008 048 360	2 164 759 630			2 008 048 360	2 164 759 630
10	Direct research	401 736 330	401 569 370			401 736 330	401 569 370
11	Maritime affairs and fisheries	1 090 330 395	752 871 678			1 090 330 395	752 871 678
		14 809 522	14 809 522			14 809 522	14 809 522
		1 105 139 917	767 681 200			1 105 139 917	767 681 200
12	Financial stability, financial services and capital markets union	85 913 287	88 425 287			85 913 287	88 425 287
		4 856 000	3 267 000			4 856 000	3 267 000
		90 769 287	91 692 287			90 769 287	91 692 287
13	Regional and urban policy	38 588 139 808	26 768 072 268	70 402 434	70 402 434	38 658 542 242	26 838 474 702
		23 625 000	12 375 000			23 625 000	12 375 000
		38 611 764 808	26 780 447 268			38 682 167 242	26 850 849 702
14	Taxation and customs union	178 361 995	161 007 995			178 361 995	161 007 995
15	Education and culture	3 366 357 284	3 146 029 354			3 366 357 284	3 146 029 354
16	Communication	211 571 438	210 059 438			211 571 438	210 059 438
17	Health and food safety	564 254 603	541 521 603			564 254 603	541 521 603
18	Migration and home affairs	3 419 137 519	3 075 013 252			3 419 137 519	3 075 013 252
		40 000 000	28 000 000			40 000 000	28 000 000
		3 459 137 519	3 103 013 252			3 459 137 519	3 103 013 252
19	Foreign policy instruments	738 187 747	699 292 859			738 187 747	699 292 859
20	Trade	113 201 323	111 701 323			113 201 323	111 701 323
21	International cooperation and development	3 702 842 929	3 339 435 538			3 702 842 929	3 339 435 538
22	Neighbourhood and enlargement negotiations	4 508 080 400	3 856 253 509			4 508 080 400	3 856 253 509
23	Humanitarian aid and civil protection	1 052 651 277	1 254 755 387			1 052 651 277	1 254 755 387
24	Fight against fraud	82 246 700	80 192 081			82 246 700	80 192 081
25	Commission's policy coordination and legal advice	232 305 442	232 055 442			232 305 442	232 055 442
26	Commission's administration	1 065 512 732	1 063 133 732			1 065 512 732	1 063 133 732
		4 644 253	4 644 253			4 644 253	4 644 253
		1 070 156 985	1 067 777 985			1 070 156 985	1 067 777 985
27	Budget	76 142 758	76 142 758			76 142 758	76 142 758
28	Audit	19 227 094	19 227 094			19 227 094	19 227 094
29	Statistics	143 533 663	127 573 663			143 533 663	127 573 663
30	Pensions and related expenditure	1 796 802 000	1 796 802 000			1 796 802 000	1 796 802 000
31	Language services	407 877 123	407 877 123			407 877 123	407 877 123
32	Energy	1 643 319 742	1 316 740 381			1 643 319 742	1 316 740 381
33	Justice and consumers	270 997 258	238 117 353			270 997 258	238 117 353
34	Climate action	146 724 470	102 431 675			146 724 470	102 431 675
40	Reserves	571 858 775	378 095 775		-70 402 434	571 858 775	307 693 341
	<b>Total</b>	<b>153 936 724 656</b>	<b>130 569 308 903</b>	<b>70 402 434</b>		<b>154 007 127 090</b>	<b>130 569 308 903</b>
	<b>Of which Reserves: 40 01 40, 40 02 41</b>	<b>87 934 775</b>	<b>63 095 775</b>			<b>87 934 775</b>	<b>63 095 775</b>

## TITLE 13 — REGIONAL AND URBAN POLICY

### Figures

Title Chapter	Heading	FF	Budget 2017		Council position on DAB No 1/2017		New amount	
			Commitments	Payments	Commitments	Payments	Commitments	Payments
13 01	Administrative expenditure of the 'Regional and urban policy' policy area		89 356 102	89 356 102			89 356 102	89 356 102
			1 125 000	1 125 000			1 125 000	1 125 000
			90 481 102	90 481 102			90 481 102	90 481 102
13 03	European Regional Development Fund and other regional operations		29 218 751 321	20 321 105 381			29 218 751 321	20 321 105 381
13 04	Cohesion Fund (CF)	1	9 080 135 577	6 004 299 508			9 080 135 577	6 004 299 508
13 05	Instrument for Pre-Accession Assistance — Regional development and regional and territorial cooperation		115 060 568	264 279 412			115 060 568	264 279 412
13 06	Solidarity Fund	9	50 000 000	50 000 000	70 402 434	70 402 434	120 402 434	120 402 434
13 07	Aid Regulation	4	34 836 240	39 031 865			34 836 240	39 031 865
13 08	Structural Reform Support Programme (SRSP) – Operational technical assistance		p.m.	p.m.			p.m.	p.m.
			22 500 000	11 250 000			22 500 000	11 250 000
			22 500 000	11 250 000			22 500 000	11 250 000
	Title 13 — Total		38 588 139 808	26 768 072 268	70 402 434	70 402 434	38 658 542 242	26 838 474 702
			23 625 000	12 375 000			23 625 000	12 375 000
	Total including reserves		38 611 764 808	26 780 447 268			38 682 167 242	26 850 849 702

## CHAPTER 13 06 — SOLIDARITY FUND

### Figures

Title Chapter Article Item	Heading	FF	Budget 2017		Council position on DAB No 1/2017		New amount	
			Commitments	Payments	Commitments	Payments	Commitments	Payments
13 06	Solidarity Fund							
13 06 01	<i>Assistance to Member States in the event of a major natural disaster with serious repercussions on living conditions, the natural environment or the economy</i>	9	50 000 000	50 000 000	70 402 434	70 402 434	120 402 434	120 402 434
13 06 02	<i>Assistance to countries negotiating for accession in the event of a major natural disaster with serious repercussions on living conditions, the natural environment or the economy</i>	9	p.m.	p.m.			p.m.	p.m.
	Chapter 13 06 — Total		50 000 000	50 000 000	70 402 434	70 402 434	120 402 434	120 402 434

### *Article 13 06 01 — Assistance to Member States in the event of a major natural disaster with serious repercussions on living conditions, the natural environment or the economy*

### Figures

Budget 2017		Council position on DAB No 1/2017		New amount	
Commitments	Payments	Commitments	Payments	Commitments	Payments
50 000 000	50 000 000	70 402 434	70 402 434	120 402 434	120 402 434

### Remarks

This article is intended to record appropriations resulting from the mobilisation of the European Union Solidarity Fund in the event of major or regional disasters in the Member States. Assistance should be provided in connection with natural disasters to the Member States concerned, with a deadline being laid down for use of the financial assistance awarded and provision being made for beneficiary states to substantiate the use made of the assistance they receive. Assistance received which is subsequently offset by third-party payments, under the "polluter pays" principle, for example, or received in excess of the final valuation of damage should be recovered.

With the exception of the advance payments, the allocation of the appropriations will be decided on by transfers of appropriations from the reserve or by an amending budget in case of insufficient appropriations in the reserve, simultaneously to the mobilisation decision of the European Union Solidarity Fund.

### *Legal basis*

Council Regulation (EC) No 2012/2002 of 11 November 2002 establishing the European Union Solidarity Fund (OJ L 311, 14.11.2002, p. 3).

Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 (OJ L 347, 20.12.2013, p. 884), and in particular Article 10 thereof.

## **TITLE 40 — RESERVES**

### *Figures*

Title Chapter	Heading	FF	Budget 2017		Council position on DAB No 1/2017		New amount	
			Commitments	Payments	Commitments	Payments	Commitments	Payments
40 01	Reserves for administrative expenditure	5	5 769 253	5 769 253			5 769 253	5 769 253
40 02	Reserves for financial interventions	9	566 089 522	372 326 522			566 089 522	372 326 522
40 03	Negative reserve	8	p.m.	p.m.		-70 402 434	p.m.	-70 402 434
<b>Title 40 — Total</b>			<b>571 858 775</b>	<b>378 095 775</b>		<b>-70 402 434</b>	<b>571 858 775</b>	<b>307 693 341</b>

## **CHAPTER 40 03 — NEGATIVE RESERVE**

### *Figures*

Title Chapter Article Item	Heading	FF	Budget 2017		Council position on DAB No 1/2017		New amount	
			Commitments	Payments	Commitments	Payments	Commitments	Payments
40 03	Negative reserve							
40 03 01	Negative reserve	8	p.m.	p.m.		-70 402 434	p.m.	-70 402 434
<b>Chapter 40 03 — Total</b>			<b>p.m.</b>	<b>p.m.</b>		<b>-70 402 434</b>	<b>p.m.</b>	<b>-70 402 434</b>

### *Article 40 03 01 — Negative reserve*

### *Figures*

Budget 2017		Council position on DAB No 1/2017		New amount	
Commitments	Payments	Commitments	Payments	Commitments	Payments
p.m.	p.m.		-70 402 434	p.m.	-70 402 434

### *Remarks*

The principle of a negative reserve is provided for in Article 47 of the Financial Regulation. This reserve must be drawn upon before the end of the financial year by means of transfer in accordance with the procedure laid down in Articles 26 and 27 of the Financial Regulation.

*Legal basis*

Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1).

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