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PROPOSAL

From:	Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director
date of receipt:	30 May 2017
To:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2017) 271 final
Subject:	Proposal for a decision of the European Parliament and of the Council on the mobilisation of the Flexibility Instrument to finance immediate budgetary measures to address the on-going challenges of migration, refugee inflows and security threats

Delegations will find attached document COM(2017) 271 final.

Encl.: COM(2017) 271 final



Brussels, 30.5.2017
COM(2017) 271 final

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the mobilisation of the Flexibility Instrument to finance immediate budgetary measures to address the on-going challenges of migration, refugee inflows and security threats

EXPLANATORY MEMORANDUM

The Council Regulation (EU, EURATOM) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020¹ allows for the mobilisation of the Flexibility Instrument to allow the financing of clearly identified expenditure which could not be financed within the limits of the ceilings available for one or more headings of the multiannual financial framework. The Commission proposed amendment of Council Regulation No 1311/2013². The proposal, as amended by the Council, has received broad political agreement in the Council and the consent of the European Parliament³. It is expected that the mid-term revision package will be adopted by the Council soon after the presentation of the Draft Budget 2018. For this reason it appears appropriate proposing the Draft Budget 2018 and this mobilisation decision which is to be presented together while taking into account the expected amendments to the Council Regulation No 1311/2013. Nevertheless, should the formal adoption of the revision of the MFF Regulation be further delayed, this proposal will be amended to respect the provisions of the MFF Regulation in force at the time the adoption of the Budget for 2018.

In accordance with Article 11 of Council Regulation No 1311/2013 and point 12 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management⁴, after having examined all possibilities for re-allocating appropriations and exhausted any unallocated margin under the expenditure heading *Security and Citizenship* (heading 3), the Commission proposes to mobilise the Flexibility Instrument in 2018 for an amount of EUR 817,1 million.

The availability of the Flexibility Instrument after the revision of the MFF Regulation is as follows: an annual amount available of EUR 600 million (2011 prices) corresponding to EUR 689 million in current prices increased by lapsed amounts from the European Union Solidarity Fund and the European Globalisation Adjustment Fund (the amount lapsing at the end of 2016 was EUR 646 million). Taking into account also an unallocated amount of the 2017 annual portion (corresponding to the increase of the annual amount from EUR 471 million to EUR 600 million) of EUR 129 million in 2011 prices corresponding to EUR 146 million in current prices, the overall availability of the Flexibility Instrument is EUR 1 481 million.

This mobilisation concerns an amount of EUR 817,1 million over and above the ceiling of heading 3 of the multiannual financial framework, and is intended to finance support for measures for managing the challenges of migration, refugee inflows and security threats.

Should the formal adoption of the revision of the MFF Regulation be further delayed, this proposal could be amended as follows: the amount mobilised would be decreased to EUR 541 million and a proposal to mobilise the Contingency Margin would be presented in order to provide the remaining amounts needed to finance the migration and security expenditure in heading 3 over and above the ceiling (EUR 276,1 million with offsetting foreseen in heading 2 in the same year).

¹ OJ L347, 20.12.2013, p.884.

² COM(2016) 604, 14.9.2016.

³ P8_TA(2017)0111, 5.4.2017.

⁴ OJ C 373, 20.12.2013, p. 1.

The indicative payment appropriations corresponding to the proposed mobilisation of the Flexibility Instrument have been calculated on the basis of the rules applicable to pre-financing, clearance of pre-financing and final payments for the various types of measures to be financed, and are presented in the table below:

(in million EUR, at current prices)

Year	Payment appropriations related to the mobilisation of the flexibility instrument for measures for managing the refugee crisis in 2018
2018	452,9
2019	207,6
2020	123,3
2021	33,3
Total	817,1

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on the mobilisation of the Flexibility Instrument to finance immediate budgetary measures to address the on-going challenges of migration, refugee inflows and security threats

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management¹, and in particular point 12 thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The Flexibility Instrument is intended to allow the financing of clearly identified expenditure which could not be financed within the limits of the ceilings available for one or more other headings.
- (2) The ceiling on the annual amount available for the Flexibility Instrument is EUR 600 000 000 (2011 prices), as laid down in Article 11 of Council Regulation (EU, EURATOM) No 1311/2013².
- (3) In order to address the ongoing challenges of migration, refugee inflows and security threats, it is necessary to mobilise significant additional amounts to finance such measures as a matter of urgency.
- (4) Having examined all possibilities for re-allocating appropriations under the expenditure ceiling for heading 3 (Security and citizenship), it is necessary to mobilise the Flexibility Instrument to supplement the financing available in the general budget of the Union for the financial year 2018, beyond the ceilings of heading 3 by the amount of EUR 817 056 198 to finance measures in the field of migration, refugees and security. This amount includes amounts lapsed in the previous years of the European Union Solidarity Fund and of the European Globalisation Adjustment Fund in accordance with of Article 11(1) of Regulation (EU, Euratom) No 1331/2013.

¹ OJ C 373, 20.12.2013, p. 1.

² 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).

- (5) On the basis of the expected payment profile, the payment appropriations corresponding to the mobilisation of the Flexibility Instrument should be distributed over several financial years.

HAVE ADOPTED THIS DECISION:

Article 1

1. For the general budget of the Union for the financial year 2018, the Flexibility Instrument shall be mobilised to provide the amount of EUR 817 056 198 in commitment appropriations in heading 3 (Security and Citizenship).

The amount referred to in the first subparagraph shall be used to finance measures to address the ongoing challenges of migration, refugee inflows and security threats.

2. The payment appropriations corresponding to the mobilisation of the Flexibility Instrument in accordance with paragraph 1 shall be distributed as follows:

- (a) EUR 452 952 126 in 2018;
- (b) EUR 207 556 299 in 2019;
- (c) EUR 123 308 626 in 2020;
- (d) EUR 33 339 147 in 2021.

However, the specific amounts of payment appropriations referred to in the first subparagraph may be adjusted for each financial year and shall be authorised in accordance with the annual budgetary procedure.

Article 2

This Decision shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

Done at Brussels,

For the European Parliament
The President

For the Council
The President