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PROPOSAL

From:	Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director
date of receipt:	13 March 2020
To:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2020) 114 final
Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Council Regulation (EC) No 2012/2002 in order to provide financial assistance to Member States and countries negotiating their accession to the Union seriously affected by a major public health emergency

Delegations will find attached document COM(2020) 114 final.

Encl.: COM(2020) 114 final

EUROPEAN
COMMISSION

Brussels, 13.3.2020
COM(2020) 114 final

2020/0044 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Council Regulation (EC) No 2012/2002 in order to provide financial assistance to Member States and countries negotiating their accession to the Union seriously affected by a major public health emergency

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• Reasons for and objectives of the proposal

Since the first cases of COVID-19 contagion, the EU has been working tirelessly to support the Member States and their citizens in addressing the crisis.

The ARGUS crisis coordination mechanism of the Commission has been activated and the Crisis Coordination Committee meets regularly to synergise the action of all the relevant departments and services of the Commission and of the EU agencies. The Commission has also established a coordinating response team at political level, composed of the five commissioners responsible for the most affected policies.

Following the EU leaders' videoconference on the response to the COVID-19 outbreak on 10 March 2020, the Commission will further step up its response to the Coronavirus, or COVID-19 outbreak, on all fronts and coordinate Member State actions. The crisis we face because of Coronavirus has both a very significant human dimension, and a potentially major economic impact. It is therefore essential that the EU and its Member States act decisively and collectively, to contain the spread of the virus and help patients, and to counter the economic fallout.

As part of this joint coordinated response, the EU Solidarity Fund (EUSF) can play an important role in showing EU solidarity to Member States in dealing with the emergency situation.

Responding appropriately at EU level to major public health emergencies such as COVID-19 with the existing instrument is currently impossible.

The objective of the present Regulation is therefore to extend the scope of the EUSF to include major public health emergencies and to define specific operations eligible for financing.

The EUSF was created in 2002 to support EU Member States and accession countries in situations of major disasters caused by natural events such as floods, storms, earthquakes, volcanic eruptions, forest fires or drought. The Fund can be mobilised upon an application from the concerned country if the disaster event has a dimension justifying intervention at European level. Its functioning is a tangible expression of a genuine EU solidarity, whereby Member States agree to support each other by making additional financial resources available through the EU budget. The current EUSF is however strictly limited to natural disasters causing physical damage such as floods, storms, earthquakes and similar. It may award financial assistance to eligible States totalling up to EUR 500 million in 2011 prices per year.

• Consistency with existing policy provisions in the policy area

The present proposal aims at modifying Council Regulation (EC) No 2012/2002 of 11 November 2002 establishing the European Union Solidarity Fund (hereafter: “Regulation (EC) No 2012/2002”) in order to extend its scope to cover major public health emergencies.

The main features and differences of substance are the following:

The geographical scope remains unchanged: it is limited to Member States of and countries negotiating their accession to the EU. The thematic scope, however, is enlarged to cover major crisis situations resulting from public health threats.

Advance payments were introduced with the revision of the EUSF Regulation in 2014 and became effective from 2015. The main justification for their introduction was that the procedure necessary to mobilise the EUSF and pay out the full assistance is too lengthy (typically up to one year) and that the serious crisis situation demanded a quicker response. It was also considered that the long delays in providing assistance were bad for the image of the EU.

The level of advances was set at 10% of the expected EUSF contribution, limited to a maximum of EUR 30 million. It turned out that this level was not satisfactory. In case of smaller disasters where the EUSF contribution amounts to a few million euros, the advance is not much more than some hundred thousand euros which hardly make a difference. In the event of very big disasters such as the Abruzzo earthquake with EUR 22 billion in damage and an EUSF contribution of EUR 1.2 billion, an advance of no more than EUR 30 million is totally inadequate. In both scenarios the advance payment is disproportionate to its effects on the ground. The recent ex-post evaluation of the EUSF (2002-2017) confirms this analysis.

The Commission therefore proposes to raise the level of advance payments for individual disasters of all categories to 25% of the expected EUSF contribution, limited to a maximum of EUR 100 million.

The Commission also proposes to increase the total level of appropriations for EUSF advances in the annual budget from EUR 50 million to EUR 100 million.

Mobilisation of the Fund, as under the current procedure, would be possible only upon request of an eligible State. Following the Commission's assessment and proposal to the budget authority of an amount of financial assistance to be awarded, the latter adopts a corresponding supplementary budget. The Commission will then adopt an implementing decision, leading to the payment for the EUSF contribution.

Eligible operations remain limited to public emergency operations. They are extended to include assistance to the population in case of health crises, including medical, and measures to contain the further spreading of an infectious disease.

- **Consistency with other Union policies**

The proposal is part of the measures in response to the current COVID-19 pandemic. It builds on an existing policy instrument. By enlarging the scope of the current EUSF, it closes a gap in current legislation and allows for comprehensive Union action in response to major public health emergencies. Consistency with other Union policies, in particular with cohesion policy, is ensured by a number of legislative provisions which, among others, exclude double financing and require respect for public procurement rules and the principle of sound financial management.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

• Legal basis

As this is a modification of the existing Regulation, it follows the provisions that are the legal basis for Regulation (EC) No 2012/2002, i.e. Article 175 of the Treaty on the Functioning of the European Union (TFEU) and Article 212 TFEU as regards countries currently negotiating their accession to the EU.

• Subsidiarity (for non-exclusive competence)

The proposal aims to extend the scope of the EUSF in order to show European solidarity with the Member States by providing assistance from the Fund to assist the population affected, contribute to a rapid return to normal living conditions in the affected regions and to contain the spreading of infectious diseases.

The EUSF is based on the subsidiarity principle. This means that the EU should intervene only in cases where a Member State is deemed no longer to be able to cope with a crisis alone and requires assistance. The legislator considered that, for natural disasters, such a situation is present when the total direct damage exceeds a certain threshold. Economic follow-on damage is not included as it is considered too complex to determine in a quick, reliable and comparable way. The threshold for natural disasters was therefore set at direct damage exceeding 0.6% of gross national income (GNI) or EUR 3 billion (in 2011 prices), whereby the lower amount applies. This double criterion was chosen because a single fixed amount would not reflect the big differences in economic strength (and therefore budgetary response capacities) of the Member States and lead to great injustices and unequal treatment of Member States. A single percentage rate would lead to either extremely low amounts for the smaller Member States or unattainably high thresholds for the biggest economies.

In the case of major health emergencies, it is hardly possible to estimate the direct damage. The same approach as for natural disasters is therefore not possible. Instead, the Commission proposes to take the financial burden on Member States' budgets in order to face the additional needs. This corresponds largely to the public share of direct damage eligible for funding (such as the cost of recovery of public infrastructure, assistance to the population, rescue services etc.) in the case of natural disasters. This eligible public share of total damage varies greatly depending on the disaster and the country affected. On average, it is around 50% of total damage.

The Commission is therefore proposing to maintain the principles on which access to the EUSF is based. Accordingly, the lower of 0.3% of GNI or EUR 1.5 billion in 2011 prices, i.e. half of that applicable to natural disasters, are defined as the minimum level of public expenditure related to the public financial burden inflicted on the eligible State for emergency response measures.

• Proportionality principle

The proposal respects the proportionality principle. It does not go beyond what is necessary to achieve the objectives already laid down in the current instrument.

• Choice of instruments

It is proposed to modify the existing Regulation (EC) No 2012/2002 to use the established procedures and practices to prepare and assess the applications for assistance and to implement and report the aid.

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

- **Ex-post evaluations/fitness checks of existing legislation**

The Ex Post Evaluation 2002-2017 concluded that the Fund is a valuable instrument in the EU toolkit for interventions in disaster situations, bringing EU added value to the post-disaster response in Member States and accession countries. The evaluation also called for further consideration to be given to policy actions that increase the potential for the Fund to intervene.

- **Stakeholder consultations**

Due to the urgency to prepare the proposal so that it can be adopted on time by the co-legislators, a stakeholder consultation could not be carried out.

- **• Impact assessment**

Due to the urgent nature of the proposal, no impact assessment was carried out.

4. BUDGETARY IMPLICATIONS

The proposal remains consistent with the existing Solidarity Fund by providing financial assistance for immediate assistance after a request from a Member State or candidate country.

The Commission therefore proposes to raise the level of advance payments for individual disasters of all categories to 25% of the expected EUSF contribution, limited to a maximum of EUR 100 million.

The Commission also proposes to increase the total level of appropriations for EUSF advances in the annual budget from EUR 50 million to EUR 100 million. In order to ensure the timely availability of resources where necessary, the Commission will propose to enter additional appropriations for a maximum of EUR 50 million in the budget for 2020.

The financial envelope foreseen for the Fund also follows the existing Solidarity Fund, with an annual amount of EUR 500 million (2011 prices). In each case, the amount of assistance considered necessary is mobilised through an amending budget. As at present, on 1 October each year, at least one-quarter of this annual amount will remain available in order to cover needs which could arise until the end of the year.

5. OTHER ELEMENTS

- **Implementation plans and monitoring, evaluation and reporting arrangements**

Maximum transparency and proper monitoring of the use of the EU financial resources are required. Reporting obligations for the Member States and the Commission will apply as set out in Regulation (EC) No 2012/2002.

2020/0044 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Council Regulation (EC) No 2012/2002 in order to provide financial assistance to Member States and countries negotiating their accession to the Union seriously affected by a major public health emergency

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular the third paragraph of Article 175 and Article 212(2) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee[1],

Having regard to the opinion of the Committee of the Regions[2],

Acting in accordance with the ordinary legislative procedure,

Whereas:

(1) The European Union Solidarity Fund ('the Fund') was established by Council Regulation (EC) No 2012/2002[3]. The Fund was created to provide financial assistance to Member States following major disasters as a concrete sign of European solidarity in situations of distress.

(2) In the event of major public health emergencies, the Union should show its solidarity with the Member States and the population concerned by providing financial assistance to assist the population affected, contribute to a rapid return to normal living conditions in the affected regions and to contain the spreading of infectious diseases.

(3) The Union should also show solidarity in the event of major public health emergencies with the countries negotiating their accession to the European Union.

(4) A major crisis situation may result from public health emergencies, in particular an officially declared virus pandemic. The Fund enables the Union to help in mobilising emergency services to meet people's immediate needs and contribute to the short-term restoration of damaged key infrastructure so that economic activity can resume in the disaster-stricken regions. That Fund is currently however limited to natural disasters

[1] OJ C , , p. .
[2] OJ C , , p. .
[3] OJ L 311, 14.11.2002, p. 3.

causing physical damage and does not include major disasters due to biological hazards. Provision should be made to allow the Union to intervene in the event of major public health emergencies.

(5) The objective of the action to be taken is to complement the efforts of the States concerned in such cases where the effects of a crisis situation are of such gravity that those States cannot tackle the situation with their own means alone. Since this objective cannot be sufficiently achieved by the Member States and can therefore, by reason of the scale of the action, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve those objectives.

(6) In line with the principle of subsidiarity, action under this Regulation should be confined to major public health emergencies. These should be defined depending on the basis of the public expenditure necessary to address them.

(7) Union assistance should be complementary to the efforts of the States concerned and be used to cover a share of the public expenditure committed to dealing with the most essential emergency operations resulting from the emergency situation.

(8) In line with the principle of subsidiarity, Union assistance should only be awarded upon application of the affected State. The Commission should ensure equitable treatment of requests presented by the States.

(9) The Commission should be able to take a rapid decision to commit specific financial resources and to mobilise them as quickly as possible. The existing provisions for making advance payments should therefore be strengthened by increasing their amounts.

(10) This Regulation should enter into force as a matter of urgency on the day following that of its publication in the *Official Journal of the European Union*.

(11) Regulation (EC) No 2012/2002 should therefore be amended accordingly,

HAVE ADOPTED THIS REGULATION:

Article 1

Regulation (EC) No 2012/2002 is amended as follows:

1. Article 2 is replaced by the following:

'Article 2

1. At the request of a Member State or of a country involved in accession negotiations with the Union, hereinafter referred to as "eligible State", assistance from the Fund may be mobilised when serious repercussions on living conditions, human health, the natural environment or the economy occur in one or more regions of that eligible State as a consequence of a major or

regional natural disaster having taken place on the territory of the same eligible State or a major public health emergency having taken place on the territory of the eligible State.

Direct damage caused as the direct consequence of a natural disaster shall be regarded as part of the damage caused by that natural disaster.

2. For the purposes of this Regulation, a "major natural disaster" means any natural disaster resulting, in an eligible State, in direct damage estimated either at over EUR 3 000 000 000 in 2011 prices, or more than 0.6% of its GNI.

3. For the purposes of this Regulation a "major public health emergency" means any life-threatening or otherwise serious hazard to health of biological origin in an eligible State seriously affecting human health and requiring decisive action to contain further spreading resulting in a public financial burden inflicted on the eligible State for emergency response measures estimated at over EUR 1 500 000 000 in 2011 prices, or more than 0.3% of its GNI.

4. For the purposes of this Regulation, a "regional natural disaster" means any natural disaster resulting, in a region at NUTS level 2 of an eligible State, in direct damage in excess of 1.5% of that region's gross domestic product (GDP). By way of derogation from the first subparagraph, where the region concerned, in which a natural disaster has occurred, is an outermost region within the meaning of Article 349 of the Treaty on the Functioning of the European Union, "regional natural disaster" means any natural disaster resulting in direct damage in excess of 1% of that region's GDP. Where the natural disaster concerns several regions at NUTS level 2, the threshold shall be applied to the average GDP of those regions weighted according to the share of total damage in each region.

5. Assistance from the Fund may also be mobilised for any natural disaster in an eligible State which is also a major natural disaster in a neighbouring eligible State.

6. For the purpose of this Article, harmonised statistical data provided by Eurostat shall be used.'.

2. In Article 3, paragraphs 1 and 2 are replaced by the following:

'1. The assistance shall take the form of a financial contribution from the Fund. For each eligible disaster a single financial contribution shall be awarded to an eligible State.

2. The aim of the Fund is to complement the efforts of the States concerned and to cover part of their public expenditure in order to help the eligible State to carry out, depending on the type of eligible disaster, the following essential emergency and recovery operations:

(a) restoring the working order of infrastructure and plant in the fields of energy, water and waste water, telecommunications, transport, health and education;

(b) providing temporary accommodation and funding rescue services to meet the needs of the population concerned;

(c) securing preventive infrastructure and measures of protection of cultural heritage;

(d) cleaning up disaster-stricken areas, including natural zones, in line with, where appropriate, eco-system based approaches, as well as immediate restoration of affected natural zones to avoid immediate effects from soil erosion;

(e) measures aiming at rapidly providing assistance, including medical, to the population affected by a major public health emergency and to protect the population from the risk of being affected, including prevention, monitoring or control of the spread of diseases, combating severe risks to public health or mitigating their impact on public health.

For the purposes of point (a), 'restoring the working order' means restoring infrastructure and plant to their condition prior to the occurrence of the natural disaster. Where it is not legally possible or economically justified to restore the condition prior to the occurrence of the natural disaster, or where the beneficiary State decides to relocate or improve the functionality of the infrastructure or plant affected in order to improve its capacity to withstand future natural disasters, the Fund may contribute to the cost of restoration only up to the estimated cost of returning to its status quo ante.

Costs in excess of the level of cost referred to in the second subparagraph shall be financed by the beneficiary State from its own or, where possible, from other Union funds.

For the purposes of point (b), 'temporary accommodation' means accommodation that lasts until the population concerned are able to return to their original homes following their repair or reconstruction.'.

3. In Article 4a, paragraph 3 is replaced by the following:

'3. The amount of the advance shall not exceed 25% of the amount of the financial contribution anticipated and shall in no case exceed EUR 100 000 000. Once the definitive amount of the financial contribution has been determined, the Commission shall take into account the sum of the advance prior to the balance of the financial contribution being paid. The Commission shall recover unduly paid advances.'.

4. In Article 8, paragraph 3 is replaced by the following:

'3. No later than six months after the expiry of the eighteen months period referred to in paragraph 1, the beneficiary State shall present a report on the implementation of the financial contribution from the Fund with a statement justifying the expenditure, indicating any other source of funding received for the operations concerned, including insurance settlements and compensation from third parties.

The implementation report shall detail, depending on the nature of the eligible disaster:

(a) the preventive measures, taken or proposed by the beneficiary State to limit future damage and to avoid, to the extent possible, a recurrence of similar natural disasters or public health emergencies, including the use of European Structural and Investment Funds for this purpose;

(b) the state of implementation of relevant Union legislation on disaster risk prevention and management;

(c) the experience gained from the disaster and the measures taken or proposed to ensure environmental protection and resilience in relation to climate change, natural disasters and public health emergencies; and

(d) any other relevant information on prevention and mitigation measures taken related to the nature of the natural disaster or public health emergency.

The implementation report shall be accompanied by an opinion of an independent audit body, drawn up in accordance with internationally accepted audit standards, establishing that the statement justifying the expenditure gives a true and fair view and that the financial contribution from the Fund is legal and regular, in line with Article 59(5) and Article 60(5) of Regulation (EU, Euratom) No 966/2012.

At the end of the procedure referred to in the first subparagraph, the Commission shall carry out a closure of the assistance from the Fund.'.

Article 2

This Regulation shall enter into force on the […] day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the European Parliament	*For the Council*
The President	*The President*

LEGISLATIVE FINANCIAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

Proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EC) No 2012/2002 in order to provide financial assistance to Member States and countries negotiating their accession to the Union seriously affected by a major public health emergency

1.2. Policy area(s) concerned

13. Regional policy; 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

1.3. Grounds for the proposal/initiative

1.3.1. Requirement(s) to be met in the short or long term including a detailed timeline for roll-out of the implementation of the initiative

This Regulation shall enter into force on the […] day following that of its publication in the *Official Journal of the European Union*.

1.3.2. Added value of Union involvement (it may result from different factors, e.g. coordination gains, legal certainty, greater effectiveness or complementarities). For the purposes of this point 'added value of Union involvement' is the value resulting from Union intervention which is additional to the value that would have been otherwise created by Member States alone.

The reason for setting up the EU Solidarity Fund (EUSF) was to demonstrate solidarity with Member States affected by a serious crisis induced by the occurrence of a severe natural disaster and deemed to overwhelm the Member State's budgetary response capacity. This proposal extends that logic to the financial burden resulting from a major public health emergency.

1.3.3. Lessons learned from similar experiences in the past

The EUSF has proven to be a very effective instrument in providing assistance to Member States following natural disasters as set out by a major evaluation of the Fund[4].

1.3.4. Compatibility with the Multiannual Financial Framework and possible synergies with other appropriate instruments

This Regulation remains within the maximum allocations provided for the EUSF in the MFF and is therefore compatible with the MFF.

[4] SWD(2019) 187.

1.3.5. Assessment of the different available financing options, including scope for redeployment

This Regulation will not increase the maximum allocation to the EUSF. The Union contribution to the interventions will be financed via the general budget of the Union.

1.4. Duration and financial impact of the proposal/initiative

Proposal of unlimited duration.

The ceiling of the maximum allocation of the EUSF for 2020 totalling is respected (EUR 597.546 million plus EUR 552.978 carried forward from 2019).

1.5. Management mode(s) planned[5]

☐ **Direct management** by the Commission

– ☐ by its departments, including by its staff in the Union delegations;

– ☐ by the executive agencies

X Shared management with the Member States

☐ **Indirect management** by entrusting budget implementation tasks to:

– ☐ third countries or the bodies they have designated;

– ☐ international organisations and their agencies (to be specified);

– ☐ the EIB and the European Investment Fund;

– ☐ bodies referred to in Articles 70 and 71 of the Financial Regulation;

– ☐ public law bodies;

– ☐ bodies governed by private law with a public service mission to the extent that they provide adequate financial guarantees;

– ☐ bodies governed by the private law of a Member State that are entrusted with the implementation of a public-private partnership and that provide adequate financial guarantees;

– ☐ persons entrusted with the implementation of specific actions in the CFSP pursuant to Title V of the TEU, and identified in the relevant basic act.

– *If more than one management mode is indicated, please provide details in the 'Comments' section.*

Comments

[5] Details of management modes and references to the Financial Regulation may be found on the BudgWeb site: https://myintracomm.ec.europa.eu/budgweb/EN/man/budgmanag/Pages/budgmanag.aspx

N/A

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

Specify frequency and conditions.

The same as laid down in Council Regulation (EC) No 2012/2002 (for natural disasters)

2.2. Management and control system(s)

2.2.1. Justification of the management mode(s), the funding implementation mechanism(s), the payment modalities and the control strategy proposed

The same as laid down in Council Regulation (EC) No 2012/2002

2.2.2. Information concerning the risks identified and the internal control system(s) set up to mitigate them

The same as laid down in Council Regulation (EC) No 2012/2002

2.2.3. Estimation and justification of the cost-effectiveness of the controls (ratio of "control costs ÷ value of the related funds managed"), and assessment of the expected levels of risk of error (at payment & at closure)

The same as laid down in Council Regulation (EC) No 2012/2002

2.3. Measures to prevent fraud and irregularities

Specify existing or envisaged prevention and protection measures, e.g. from the Anti-Fraud Strategy.

The same as laid down in Council Regulation (EC) No 2012/2002

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

- Existing budget lines

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number	Diff./Non-diff.[6]	from EFTA countries[7]	from candidate countries[8]	from third countries	within the meaning of Article 21(2)(b) of the Financial Regulation
Heading 9: Special Instruments	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	Differentiated	NO	NO	NO	NO

3.2. Estimated financial impact of the proposal on appropriations

3.2.1. Summary of estimated impact on operational appropriations

☐ This Regulation has no financial impact.

6 Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.
7 EFTA: European Free Trade Association.
8 Candidate countries and, where applicable, potential candidates from the Western Balkans.

X The proposal/initiative requires the use of operational appropriations, remaining within the maximum allocations provided for the EUSF in the MFF.

EUR

Heading of multiannual financial framework	9	Special Instruments

			2019	2020	2021	2022	2023	Subsequent years	**TOTAL**
• Operational appropiation									
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	Commitments	(1a)							
	Payments	(2a)							
TOTAL appropriations	Commitments	=1a+1b +3							
	Payments	=2a+2b +3							

• TOTAL operational appropriations	Commitments	(4)							
	Payments	(5)							
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)							
TOTAL appropriations	Commitments	=4+ 6							

under HEADING 9 of the multiannual financial framework	Payments	=5+ 6							

If more than one operational heading is affected by the proposal / initiative, repeat the section above:

Heading of multiannual financial framework		

This section should be filled in using the 'budget data of an administrative nature' to be firstly introduced in the Annex to the Legislative Financial Statement (Annex V to the internal rules), which is uploaded to DECIDE for interservice consultation purposes.

EUR million (to three decimal places)

		Year **N**	Year **N+1**	Year **N+2**	Year **N+3**	Enter as many years as necessary to show the duration of the impact (see point 1.6)			**TOTAL**
DG: <…….>									
• Human resources									
• Other administrative expenditure									
TOTAL DG <…….>	Appropriations								

TOTAL appropriations under HEADING 5 of the multiannual financial framework	(Total commitments = Total payments)								

EUR million (to three decimal places)

		Year N[9]	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)			TOTAL
TOTAL appropriations under HEADINGS 1 to 5 of the multiannual financial framework	Commitments								
	Payments								

3.2.2. Estimated output funded with operational appropriations

Commitment appropriations in EUR million (to three decimal places)

Indicate objectives and outputs			Year **2020**				Year		Year		Enter as many years as necessary to show the duration of the impact (see point 1.6)						**TOTAL**	
	OUTPUTS																	
⇩	Type[10]	Average cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	Total No	Total cost
SPECIFIC OBJECTIVE No 1[11]…																		
- Output																		
- Output																		
- Output																		
Subtotal for specific objective No 1																		
SPECIFIC OBJECTIVE No 2 ...																		

9 Year N is the year in which implementation of the proposal/initiative starts. Please replace "N" by the expected first year of implementation (for instance: 2021). The same for the following years.

10 Outputs are products and services to be supplied (e.g.: number of student exchanges financed, number of km of roads built, etc.).

11 As described in point 1.4.2. 'Specific objective(s).

- Output																		
Subtotal for specific objective No 2																		
TOTALS																		

3.2.3. Summary of estimated impact on administrative appropriations

- ☒ The proposal does not require the use of appropriations of an administrative nature

- The appropriations required for human resources and other expenditure of an administrative nature will be met by appropriations from the DG that are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

- ☐ The proposal/initiative requires the use of appropriations of an administrative nature, as explained below:

EUR million (to three decimal places)

	Year **N** [12]	Year **N+1**	Year **N+2**	Year **N+3**	Enter as many years as necessary to show the duration of the impact (see point 1.6)			**TOTAL**
HEADING 5 of the multiannual financial framework								
Human resources								
Other administrative expenditure								
Subtotal HEADING 5 of the multiannual financial framework								
Outside HEADING 5[13] **of the multiannual financial framework**								
Human resources								
Other expenditure of an administrative nature								
Subtotal outside HEADING 5 of the multiannual financial framework								
TOTAL								

12 Year N is the year in which implementation of the proposal/initiative starts. Please replace "N" by the expected first year of implementation (for instance: 2021). The same for the following years.

13 Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

3.2.3.1. Estimated requirements of human resources

- ☒ The proposal does not require the use of human resources.

The appropriations required for human resources and other expenditure of an administrative nature will be met by appropriations from the DG that are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

- ☐ The proposal/initiative requires the use of human resources, as explained below:

Estimate to be expressed in full time equivalent units

		Year **N**	Year **N+1**	Year **N+2**	Year **N+3**	Enter as many years as necessary to show the duration of the impact (see point 1.6)		
• Establishment plan posts (officials and temporary staff)								
XX 01 01 01 (Headquarters and Commission's Representation Offices)								
XX 01 01 02 (Delegations)								
XX 01 05 01/11/21 (Indirect research)								
10 01 05 01/11 (Direct research)								
• External staff (in Full Time Equivalent unit: FTE)[14]								
XX 01 02 01 (AC, END, INT from the 'global envelope')								
XX 01 02 02 (AC, AL, END, INT and JPD in the delegations)								
XX 01 04 **yy** [15]	- at Headquarters							
	- in Delegations							
XX 01 05 02/12/22 (AC, END, INT - Indirect research)								
10 01 05 02/12 (AC, END, INT - Direct research)								
Other budget lines (specify)								
TOTAL								

XX is the policy area or budget title concerned.

The human resources required will be met by staff from the DG who are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

Description of tasks to be carried out:

Officials and temporary staff	
External staff	

14 AC= Contract Staff; AL = Local Staff; END= Seconded National Expert; INT = agency staff; JPD= Junior Professionals in Delegations.

15 Sub-ceiling for external staff covered by operational appropriations (former 'BA' lines).

3.2.4. Compatibility with the current multiannual financial framework

The proposal/initiative:

☒ can be fully financed within the relevant heading of the Multiannual Financial Framework (MFF).

requires use of the unallocated margin under the relevant heading of the MFF and/or use of the special instruments as defined in the MFF Regulation.

Explain what is required, specifying the headings and budget lines concerned, the corresponding amounts, and the instruments proposed to be used.

☐ requires a revision of the MFF.

Explain what is required, specifying the headings and budget lines concerned and the corresponding amounts.

3.2.5. Third-party contributions

The proposal/initiative:

X does not provide for co-financing by third parties

☐ provides for the co-financing by third parties estimated below:

Appropriations in EUR

3.3. Estimated impact on revenue

X The proposal has no financial impact on revenue.

The proposal/initiative has the following financial impact:

☐ on own resources

☐ on other revenue

please indicate, if the revenue is assigned to expenditure lines X

EUR

For assigned revenue, specify the budget expenditure line(s) affected.

N/A

Other remarks (e.g. method/formula used for calculating the impact on revenue or any other information).