

Mobilisation of the Contingency Margin in 2014

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PURPOSE: to mobilise the full amount of the Contingency Margin for 2014 of EUR 4 026,7 million to react to the budgetary impact of unforeseen circumstances.

CONTENT: Article 13 of [Council Regulation 1311/2013](#) laying down the multiannual financial framework for the years 2014-2020 established a Contingency Margin of up to 0.03% of the Gross National Income of the Union.

In accordance with Article 6 of this Regulation, the Commission calculated the absolute amount of this Contingency Margin for 2014.

After having examined all other financial possibilities to react to unforeseen circumstances that have arisen after the multiannual financial framework payment ceiling for 2014 was first established in February 2013, it appears **necessary to mobilise the full amount of the Contingency Margin** available to complement the payment appropriations in the general budget of the European Union for the financial year 2014, above the payment ceiling.

The Commission proposes that for the general budget of the European Union for the financial year 2014, the Contingency Margin shall be used to provide the sum of **EUR 4 026 700 000** in payment appropriations over and above the payment ceiling of the multiannual financial framework (MFF).

That amount shall be used to complement payments in:

- **sub-heading 1a** (EUR 282 000 000) to cover the frontloading of programmes such as Horizon 2020, 'Erasmus+' and 'COSME';
- **sub-heading 1b** (EUR 3 394 700 000) to cover the frontloading of expenditure for the 'Youth Employment Initiative' (YEI) and the corresponding backloading of the Cohesion Fund related part of the 'Connecting Europe Facility' and the 'European Territorial Cooperation' (ETC);
- **heading 2** (EUR 100 000 000) to top-up of co-financing rates for rural development and fisheries;
- **heading 4** (EUR 250 000 000) for the financial package for Ukraine.

Offsetting the contingency margin against the MFF ceilings: the [MFF Regulation](#) requires that amounts made available through the mobilisation of the Contingency Margin shall be fully offset against the margins for the current or future financial years.

Given the uncertainties related to the years 2015 and 2016 (i.e. the level of payment claims outstanding at the end of the previous year and the likelihood of additional unforeseen payment needs occurring), offsetting in either of these years would be imprudent. In 2017 the level of the payment ceiling decreases nominally compared to 2016.

For these reasons it is proposed that the sum of EUR 4 026 700 000 mobilised through the Contingency Margin for the financial year 2014 shall be offset against the Margins under the payment ceilings for the following years:

- 2018: EUR 1 342 300 000,
- 2019: EUR 1 342 200 000,
- 2020: EUR 1 342 200 000.

It should be noted that the two arms of the budgetary authority are reminded that the publication of the Decision in the Official Journal of the European Union shall not intervene later than the publication of the [amending budget No. 3](#) to the general budget of the European Union for the financial year 2014.