Mobilisation of the Flexibility Instrument for Cyprus in 2015

2014/2039(BUD) - 11/06/2014 - Non-legislative basic document

PURPOSE: to mobilise the Flexibility Instrument to complement the financing of the Cypriot Structural Funds programmes under heading 1b (cohesion for growth and employment in the least developed EU countries and regions).

PROPOSED ACT: Decision of the European Parliament and of the Council.

CONTENT: Council Regulation (EU, EURATOM) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 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.

Article 11 of Council Regulation 1311/2013 established a Flexibility instrument of up to EUR 471 million (2011 prices) per year.

After having examined all possibilities for re-allocating appropriations under heading 1b, it appears necessary to mobilise the flexibility instrument to complement the financing in the general budget of the European Union for the financial year 2015, beyond the ceiling of heading 1b, by **EUR 79 785 595** towards the financing of the Cypriot Structural Funds programmes, to grant an additional allocation from the Structural Funds to Cyprus for the year 2015 for a total amount of EUR 100 000 000.

It should be noted that for the financial year 2014, the European Parliament and the Council already mobilised the Flexibility instrument by Decision of 20 November 2013 for the financing of the Cypriot Structural Funds programmes for an amount of EUR 89 330 000 in commitment appropriations only.

The Commission proposes that for the general budget of the European Union for the financial year 2015, the flexibility instrument shall be used to provide the sum of:

- **EUR 79 785 595 in commitment appropriations** in heading 1b,
- **EUR 11 315 595 in payment appropriations**.

The payment appropriations to cover the additional commitment appropriations for Cyprus, mobilised via the Flexibility Instrument in 2014 and 2015, are estimated on the basis of the indicative payment profile as follows:

- **2015**: EUR 11.3 million,
- 2016: EUR 43.7 million,
- 2017: EUR 73.9 million,
- 2018: EUR 40.2 million.

The precise annual amounts for the period 2016-18 will be defined in the draft budget of the related year. These amounts will be counted over and above the annual MFF ceiling for payment appropriations for the purposes of calculating the unallocated margin and the global margin for payments.