Amending budget 1/2017: mobilisation of the EU Solidarity Fund for the United Kingdom, Cyprus and Portugal

2017/2018(BUD) - 26/01/2017 - Commission draft budget

PURPOSE: presentation of draft amending budget No 1/2017 accompanying the proposal to mobilise the European Union Solidarity Fund to provide assistance to the United Kingdom, Cyprus and Portugal.

CONTENT: draft amending budget (DAB) No 1 for the year 2017 covers the mobilisation of the European Union Solidarity Fund (EUSF) for an **amount of EUR 71 524 810 in commitment and payment appropriations**.

The mobilisation relates to:

- floods in the United Kingdom,
- drought and fires in Cyprus,
- fires in Portugal.

The Commission services carried out a thorough examination of the applications in accordance with Council Regulation (EC) No 2012/2002 establishing the EUSF.

The Solidarity Fund aid amounts may not exceed the estimated total costs of eligible operations for the United Kingdom, Cyprus and Portugal.

In calculating the total amount of the aid under the EUSF, the 2.5% was applied in the cases of the United Kingdom and Portugal as the total direct damage is below their respective major disaster thresholds.

In the case of Cyprus, the 2.5% was applied up to the level of its major disaster threshold while the 6% was applied to the part of the total direct damage above this threshold.

The Commission proposes to mobilise the European Union Solidarity Fund for the three cases and to amend the budget 2017 by increasing budget 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” by **EUR 71 524 810** both in commitment and in payment appropriations.

As the European Union Solidarity Fund is a special instrument as defined in the MFF regulation, **the corresponding appropriations should be budgeted outside the corresponding MFF ceilings**.

The Commission is confident that the amount of EUR 71 524 810 of payment appropriations can be redeployed within the 2017 budget. However, at this early stage of the implementation, the Commission is not yet in the position to identify any precise source. Therefore, the Commission proposes to book in this DAB a negative reserve of payment appropriations on the budget article 40 03 01 for an amount of EUR 71 524 810.

The Commission will reduce the **negative reserve as soon as possible** by means of transfer of appropriations from other budget items.