# Mobilisation of the European Union Solidarity Fund: earthquakes in Italy in 2016 and 2017

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PURPOSE: to mobilise the Solidarity Fund to assist Italy, following a series of earthquakes that hit the country in 2016 and 2017.

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

CONTENT: Council Regulation (EU, Euratom) No 1311/2013 laying down the multiannual financial framework for the years 2014-20204 (MFF regulation), and in particular Article 10 thereof allows for the mobilisation of the EUSF, within an annual ceiling of EUR 500 million (2011 prices).

This decision covers the mobilisation of the European Union Solidarity Fund (EUSF) for an amount of **EUR 1 196 797 579** to provide assistance to Italy further to a series of earthquakes that took place between August 2016 and January 2017 in the regions of **Abruzzo, Lazio, Marche and Umbria**.

This mobilisation is accompanied by Draft Amending Budget (DAB) No 4/2017 that proposes to enter the necessary appropriations in the general budget 2017, both in commitments and payments, after having deducted the advance already paid in 2016 (**EUR 30 million**).

The Commission's services carried out a thorough review of a series of applications relating to the earthquakes: a first application was received on 16 November 2016, followed by a final one on 15 February 2017 which included damages occurred between the 24 August 2016 and 18 January 2017.

**Direct damage**: the Italian authorities estimated the total amount of direct damage caused by the disaster at **EUR 21.9 billion**. This amount corresponds to 1.36 % of Italy’s GNI and exceeds the EUSF threshold for a major disaster applicable to Italy in 2016. As the estimated total direct damage exceeds the 'major disaster' threshold, the disaster qualifies as a “major natural disaster”.

**Damage caused by the disaster**: as regards the **impact and consequences of the disaster**, the earthquake of 24 August 2016 caused **299 casualties** and 390 people were hospitalised. The earthquakes in October did not lead to casualties. The events in January caused **34 further casualties**.

Thousands of people needed to be evacuated, including patients from the hospitals in the Umbria region. The area already severely affected by the events of August and October, was hit by further seismic events on 18 January 2017 and heavy snowfall led to the isolation of numerous villages in the Abruzzo region and caused significant harm to the living conditions of the affected population.

The area affected by the earthquake of 24 August 2016 is mainly characterised by **agricultural and tourism businesses**.

The damage to businesses in Marche and Umbria is quite significant. Furthermore, the seismic events have had very **negative repercussions on the tourism sector** that was thriving in the whole area. For instance, the Amatrice town centre was destroyed after the shocks of 24 August. The earthquake of 30 October destroyed the 14th-century-Basilica of St. Benedict in Norcia.

The Italian authorities estimated the cost of emergency and recovery operations eligible under the EUSF Regulation to be EUR 2 149 363 344. Most of the estimated costs relate to the restoration of **infrastructure**, especially roads, followed by emergency services and temporary accommodation.

**Financing**: on the basis of the application from Italy, the calculation of the aid from the EUSF, based on the estimate of the total direct damage caused, is calculated as follows:

- **Direct damage Italy**: EUR 21.879 billion.
- **Proposed assistance**: EUR 1 196 797 579.

**Total**: **EUR 1 196 797 579**.

The total amount available for the mobilisation of the EUSF at the beginning of 2017 was EUR 1 115 121 612, being the sum of the 2017 allocation of EUR 563 081 210 (i.e. EUR 500 million in 2011 prices), plus the entire 2016 allocation of EUR 552 040 402 (i.e. EUR 500 million in 2011 prices) that remained unspent and was carried over to the following year.

The amount that may be mobilised at this stage of the year 2017 is EUR 902 826 499. This corresponds to the total amount available for the mobilisation of the EUSF at the beginning of 2017 (EUR 1 115 121 612), minus the previous mobilisation (EUR 71 524 810), minus the retained amount of EUR 140 770 303 in order to respect the obligation of keeping aside 25% of the 2017 annual allocation until 1 October 2017.

This amount is not sufficient to cover the full mobilisation of the EUSF for Italy. However, the Commission proposes to cover the difference of EUR 293 971 080 from the annual amount available in 2018.