Basic information

2002/2238(BUD) BUD - Budgetary procedure	Procedure completed
Amending and supplementary budget 5/2002: floods **Subject** 3.70.11 Natural disasters, Solidarity Fund 8.70.60 Previous annual budgets	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDG Budgets	PODESTÀ Guido (PPE-DE)	13/05/2002

Council of the European Union

Council configuration	Meetings	Date
Economic and Financial Affairs ECOFIN	2466	2002-11-25

European Commission

Commission DG	Commissioner
Budget	

Key events

Date	Event	Reference	Summary
13/11/2002	Commission preliminary draft budget published	SEC(2002)1221	Summary
18/11/2002	Vote in committee		Summary
18/11/2002	Budgetary report tabled for plenary	A5-0399/2002	
20/11/2002	Council draft budget published	14296/2002	Summary
21/11/2002	Decision by Parliament	T5-0557/2002	Summary
21/11/2002	Committee referral announced in Parliament		
21/11/2002	Draft budget approved by Council		
21/11/2002	End of procedure in Parliament		
16/12/2002	Final act published in Official Journal		

Technical information

Procedure reference	2002/2238(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Legal basis	Euratom Treaty A 177 EC Treaty (after Amsterdam) EC 272
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/5/16917

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Budgetary report tabled for plenary, 1st reading		A5-0399/2002	18/11/2002	
Budgetary text adopted by Parliament		T5-0557/2002 OJ C 025 29.01.2004, p. 0221-0336 E	21/11/2002	Summary

Council of the EU

Document type	Reference	Date	Summary
Council draft budget	14296/2002	20/11/2002	Summary

European Commission

Document type	Reference	Date	Summary
Commission preliminary draft budget	SEC(2002)1221	13/11/2002	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2002/0955
OJ L 339 16.12.2002, p. 0001-0018 Summary

Amending and supplementary budget 5/2002: floods

2002/2238(BUD) - 21/11/2002 - Budgetary text adopted by Parliament

The European Parliament adopted a resolution by Guido PODESTA (EPP-ED, Italy) and declared itself satisfied with SAB No 5/2002, the purpose of which is to enter the budgetary resources mobilised as part of the European Solidarity Fund in the 2002 budget. It thus approved unamended Draft Supplementary and Amending budget No 5/2002, drawn up by the Council on 20 November 2002.

Amending and supplementary budget 5/2002: floods

2002/2238(BUD) - 13/11/2002 - Commission preliminary draft budget

PURPOSE : presentation of the preliminary draft supplementary and amending budget 5/2002 aiming to finance the needs of the Union's Solidarity Fund for the financial year 2002. CONTENT : after the floods that hit central Europe during august 2002 it was decided to set up a new financial instrument enabling the community to grant emergency aid in the event of major disasters to Member States and countries involved in accession negotiations. The Commission proposed a Council Regulation establishing the European Union Solidarity Fund (EUSF) and an Inter-institutional Agreement, describing how this new instrument was to be financed through a new flexibility mechanism, which would allow up to EUR 1 billion per annum to be made available over and above the appropriate headings of the financial perspective. Political agreement on the two proposals was reached between the European parliament and the agreement on the two proposals was reached between the EP and the Council at conciliation of 22 October 2002. The EUSF regulation contains a specific provision whereby the Fund may retroactively be mobilised for disasters since August of this year. Member States, Parliament and the Commission have declared on several occasions that financial aid from the EUSF should be made available to the countries concerned as a matter of urgency. The Commission has thus decided to propose to the Budgetary Authority this Preliminary Draft Supplementary and Amending Budget on the basis of applications by Germany, Austria and the Czech Republic and France, states that were partly devastated by floods in August and September 2002. As concerns the application relating to the August floods in Austria, Germany and the Czech Republic, the Commission considers that all three applications meet the requirements of the regulation to mobilise the Fund. Total damage exceed by far the quantitative threshold of 0.6% of GNI (Austria, Czech Republic) or EUR 3 billion (Germany). The serious repercussions of the floods on living conditions, the natural environment or the economy are clearly demonstrated. The estimated costs of operations referred to in Article 3 of the regulation make up a considerable share of total damage exceeding in any event the maximum possible grant from the Fund. As concerns the French application, the quantitative criterion is clearly not met as the damage remains below the EUR 3 billion threshold. The Commission has therefore rigorously examined whether the criteria of the EUSF regulation are satisfied. The Commission has come to the conclusion that the sudden damage to the dΘpartement du Gard can be considered as an extraordinary disaster within the terms of the regulation. In reaching this conclusion, the Commission took account of the extensive scale of the damage in terms of the large amount of territory affected (covering 253 communes), the proportion of the population affected in the Gard (94%), the long-term nature of the damage (for example, permanent damage to the quality of agricultural land, the delocalisation of enterprises). Account was also taken of the potential effects on the stability of the economy which, with an unemployment rate of 13.8%, is already in a relatively weak position. It is estimated that making good the physical and financial damage will take at least five years. As solidarity was the central justification for the creation of the Fund, the Commission takes the view that aid from the Fund should be progressive. That means that the portion of the damage exceeding 0,6 % of GNI or EUR 3 billion should give rise to higher aid intensity than damage up to these thresholds. As a consequence, the Commission requests the budgetary authority to allocate EUR 599 million to budget line B2-400 (under heading 3 of the financial perspective) and EUR 129 million to line B7-090 (under heading 7). The necessary pay appropriations will be allocated within the budget 2002 through transfers, using unused payment appropriations, in particular in the field of Structural actions. As soon as the availabilities of payment by the budget line are confirmed, the Commission will propose a transfer to the budgetary authority in due time to allow for payment operations in 2002.

Amending and supplementary budget 5/2002: floods

2002/2238(BUD) - 20/11/2002 - Council draft budget

PURPOSE : presentation of the draft supplementary and amending budget 5/2002 concerning Section III (Commission) as approved by the Council. CONTENT : the Commission sent the Council the preliminary draft supplementary and amending budget (PDSAB) 5/2002 concerning Section III (Commission). Pursuant this Agreement, the Commission presented a proposal for a Decision of the European Parliament and of the Council on the mobilisation of the European Union Solidarity Fund for a sum of EUR 728 million in commitment appropriations. This supplementary and amending budget 5/2002 states that the necessary payment appropriations will be provided by redeploying monies within the 2002 budget by means of transfers of appropriations. The Council has adopted the draft supplementary and amending budget without amendment. According to draft supplementary and amending budget 5/2002, total appropriations for commitments amount to EUR 99 434 354 738 and the appropriations for payments remain unchanged.

Amending and supplementary budget 5/2002: floods

2002/2238(BUD) - 21/11/2002 - Final act

PURPOSE : final adoption of the supplementary and amending budget 5/2002. COMMUNITY MEASURE : 2002/955/EC, Euratom. CONTENT : the European Parliament has finally adopted the supplementary and amending budget No 5 of the European Union for the financial year 2002.