Basic information

2012/2057(BUD) BUD - Budgetary procedure	Procedure completed
Amending budget 2/2012: mobilisation of the EU Solidarity Fund for Italy **Subject** 3.70.11 Natural disasters, Solidarity Fund 8.70.60 Previous annual budgets **Geographical area** Italy	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDG Budgets	BALZANI Francesca (S&D)	29/03/2012

Committee for opinion	Rapporteur for opinion	Appointed
REGI Regional Development	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
Economic and Financial Affairs ECOFIN	3167	2012-05-15

European Commission

Commission DG	Commissioner
Budget	LEWANDOWSKI Janusz

Key events

Date	Event	Reference	Summary
16/03/2012	Commission draft budget published	COM(2012)0125	Summary
15/05/2012	Council position on draft budget published	09916/2012	Summary
15/05/2012	Draft budget approved by Council		
22/05/2012	Committee referral announced in Parliament		
31/05/2012	Vote in committee		
05/06/2012	Budgetary report tabled for plenary	A7-0181/2012	Summary

12/06/2012	Decision by Parliament	T7-0232/2012	Summary
12/06/2012	Results of vote in Parliament		
12/06/2012	End of procedure in Parliament		
10/08/2012	Final act published in Official Journal		

Technical information

Procedure reference	2012/2057(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/7/09159

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE489.481	11/05/2012	
Budgetary report tabled for plenary, 1st reading		A7-0181/2012	05/06/2012	Summary
Budgetary text adopted by Parliament		T7-0232/2012	12/06/2012	Summary

Council of the EU

Document type	Reference	Date	Summary
Council position on draft budget	09916/2012	15/05/2012	Summary

European Commission

Document type	Reference	Date	Summary
Commission draft budget	COM(2012)0125	16/03/2012	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2012/0455
OJ L 214 10.08.2012, p. 0001 Summary

Amending budget 2/2012: mobilisation of the EU Solidarity Fund for Italy

2012/2057(BUD) - 16/03/2012 - Commission draft budget

PURPOSE: to present Draft Amending Budget (DAB) No 2 for the year 2012 covering the mobilisation of the EU Solidarity Fund relating to flooding in Italy (Liguria and Tuscany) in October 2011.

CONTENT: Draft Amending Budget (DAB) No 2 for the year 2012 covers the mobilisation of the EU Solidarity Fund for an amount of **EUR 18 061 682** in commitment and payment appropriations relating to flooding in Italy (Liguria and Tuscany) in October 2011.

On 25 October 2011, an extreme weather system centred over north-west Italy led to a vast amount of rain falling within just a few hours. Worst affected, were the provinces of La Spezia in Liguria and Massa Carrara in Tuscany. As a result of the deluge, many small upland rivers burst their banks, carrying enormous quantities of water, mud and debris to the valleys below, and causing two major rivers – the Vara and the Magra – to flood several towns. Also severely hit, was the nearby area of Cinque Terre, in the province of La Spezia. The resulting disaster caused serious damage to residential homes, businesses and agriculture and the disruption of major transport links and essential public infrastructure networks.

Subsequently, Italy submitted an application for financial assistance from the European Union Solidarity Fund.

The Commission services have carried out a thorough examination of the application in accordance with Council Regulation (EC) No 2012/2002 and in particular with Articles 2, 3 and 4 thereof. The most important elements of the assessment can be summarised as follows:

- the disaster is of natural origin and falls within the field of application of the Solidarity Fund;
- for the designated disaster zone comprising neighbouring parts of Liguria and Tuscany the Italian authorities estimated total direct damage at EUR 722 467 299. This amount represents 20,43 % of the normal threshold of EUR 3,536 billion applicable to Italy in 2011 for mobilising the Solidarity Fund (i.e. EUR 3 billion in 2002 prices);
- as total damage remains below the normal threshold for mobilising the Solidarity Fund the application was examined on the basis of the criteria for so-called extraordinary regional disasters" laid down in Article 2(2), final subparagraph, of Regulation (EC) No 2012/2002 setting out the conditions for mobilising the Solidarity Fund "under exceptional circumstances";
- one of the for the exceptional mobilisation of the Solidarity Fund is that the major part of the population in the region to which the application relates must be affected. The Italian application states that a total of 28 858 inhabitants in 20 municipalities were directly affected by the disaster out of a total population of 52 251. The evidence provided appears plausible. It can therefore be concluded that **the major part of the population was directly affected and that this condition is met**;
- as regards the requirement to demonstrate serious and lasting repercussions on the living conditions and the economic stability of the region, the application highlights the destruction and interruption of the utility networks and other infrastructures (such as in the fields of transport, water and electricity), the impact of the floods on the natural environment, the effects on businesses and tourism as well as the destruction of residential homes.

The Commission states that the cost of operations eligible under Article 3(2) of Regulation (EC) No 2012/2002 is estimated at **EUR 511.4 million** and broken down into 4 categories: A) immediate restoration to working conditions of infrastructure, B) temporary accommodation and rescue services, C) preventive infrastructures and immediate protection of cultural heritage and D) cleaning up of disaster stricken areas/zones. The highest costs are estimated for the restoration of transport and preventive infrastructures as well as for cleaning up. It concludes that the **flooding disaster referred to in the application can be considered to be extraordinary** within the meaning of the Regulation and to meet the conditions set out by Article 2(2), last subparagraph, of Regulation (EC) No 2012/2002 for exceptionally mobilising the Solidarity Fund.

Financing: the total annual budget available for the Solidarity Fund is EUR 1 billion. 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, according to previous practice, the portion of the damage exceeding the threshold (0.6% of the GNI or EUR 3 billion in 2002 prices, whichever is the lower amount) should give rise to higher aid intensity than damage up to the threshold. The rate applied in the past for defining the allocations for major disasters is 2.5% of total direct damage under the threshold for mobilising the Fund and 6% above.

It is proposed to apply the same percentages in this case and to grant the following aid amounts:

- **Italy** - Liguria and Tuscany flooding 2011: direct damage accepted: EUR 722.467 million
- **EU aid**: **EUR 18 061 682 million**.

Amending budget 2/2012: mobilisation of the EU Solidarity Fund for Italy

2012/2057(BUD) - 15/05/2012 - Council position on draft budget

On 16 March 2012, the Commission forwarded to the Council draft amending Budget (DAB) No 2 to the general budget for 2012, regarding the mobilisation of the EU Solidarity Fund for a total amount of **EUR 18 061 682** in commitment and payment appropriations.

Its objective is to provide a financial assistance to the regions of Liguria and Tuscany in Italy, affected by heavy rainfall and flooding in October 2011.

The corresponding appropriations are to be recorded under Article 13 06 01 (EU Solidarity Fund - Member States).

In a letter dated 20 April 2012, the Commission informed about the expected under-implementation of payment appropriations related to Energy projects to aid economic recovery and proposed to use the available amount inter alia to finance the mobilisation of the EU Solidarity Fund related to flooding in Italy.

The Council reached an agreement **on the Commission's proposal** as modified by letter of 20 April 2012.

On 15 May 2012, the Council adopted its position on draft amending budget No 2 of the European Union for the financial year 2012 as set out in the technical annex to the explanatory memorandum of this draft Council budget.

Amending budget 2/2012: mobilisation of the EU Solidarity Fund for Italy

2012/2057(BUD) - 05/06/2012 - Budgetary report tabled for plenary, 1st reading

The Committee on Budgets adopted the report drafted by Francesca BALZANI (S&D, IT) on the Council position on Draft amending budget No 2/2012 of the European Union for the financial year 2012, Section III – European Commission.

Members recall that this draft amending budget relates to the mobilisation of the EU Solidarity Fund (EUSF) for an amount of **EUR 18 061 682** in commitment and payment appropriations to mitigate the effects of flooding in Italy (Liguria and Tuscany) in October 2011.

They state that the draft amending budget No 2/2012, as presented by the Commission, proposed an increase in the level of payment appropriations, in the absence of **any source of possible redeployment of the required payment appropriations at this early stage in the year**.

Members take note:

- of the fact that the Council amended Commission's proposal following the identification by the latter of possible sources for redeployments for the required amount;
- of the draft amending budget No 2/2012, as presented by the Commission, and the Council's position on it.

Members consider of great importance the quick release of financial assistance through the EU Solidarity Fund (EUSF) for those affected by natural catastrophes. They greatly deplore, for the specific case addressed by Draft amending Budget No 2/2012, that the other branch of the budgetary authority has awaited **8 weeks** before taking its position. Members call on all involved parties in the Member States, i.e. both at local and regional level, and national authorities to improve assessment of needs and the coordination for future potential applications to the EUSF in a view to **accelerate, as much as possible, the mobilisation of the EUSF**.

At the same time, the committee approved the Council position on Draft amending budget No 2/2012.

Amending budget 2/2012: mobilisation of the EU Solidarity Fund for Italy

2012/2057(BUD) - 12/06/2012 - Budgetary text adopted by Parliament

The European Parliament adopted by 647 votes to 7, with 16 abstentions, a resolution approving, unamended, the Council position on Draft amending budget No 2/2012 of the European Union for the financial year 2012, Section III – European Commission.

Parliament recalls that this draft amending budget relates to the mobilisation of the EU Solidarity Fund (EUSF) for an amount of **EUR 18 061 682** in commitment and payment appropriations to mitigate the effects of flooding in Italy (Liguria and Tuscany) in October 2011. It states that the draft amending budget No 2/2012, as presented by the Commission, proposed an increase in the level of payment appropriations, in the absence of **any source of possible redeployment of the required payment appropriations at this early stage in the year** and takes note of the Council position as regards this issue.

Parliament considers of great importance the quick release of financial assistance through the EU Solidarity Fund (EUSF) for those affected by natural catastrophes. It greatly deplores that the other branch of the budgetary authority has awaited **8 weeks** before taking its position. Parliament calls on all involved parties in the Member States, i.e. both at local and regional level, and national authorities to improve assessment of needs and the coordination for future potential applications to the EUSF in a view to **accelerate, as much as possible, the mobilisation of the EUSF**.

Amending budget 2/2012: mobilisation of the EU Solidarity Fund for Italy

2012/2057(BUD) - 12/06/2012 - Final act

PURPOSE: the definitive adoption of amending budget No 2 of the European Union for the financial year 2012.

LEGISLATIVE ACT: Decision 2012/455/UE, Euratom.

CONTENT: the European Parliament has definitively adopted amending budget 2/2012 of the European Union, in accordance with its resolution of 12 June 2012 (please refer to the summary of the resolution).

This amending budget relates to the mobilisation of of the EU Solidarity Fund for an amount of **EUR 18 061 682** in commitment and payment appropriations relating to flooding in Liguria and Tuscany (Italy) in October 2011.