

Basic information	
2013/0248(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	Procedure completed
EU Solidarity Fund: technical adjustments Amending Regulation (EC) No 2012/2002 2002/0228(CNS) Subject 3.70.11 Natural disasters, Solidarity Fund	

Key players				
European Parliament	Committee responsible		Rapporteur	Appointed
	REGI Regional Development		ESTARÀS FERRAGUT Rosa (PPE)	24/09/2013
			Shadow rapporteur WESTPHAL Kerstin (S&D) CHRYSOGELOS Nikos (Verts/ALE) VLASÁK Oldřich (ECR) OMARJEE Younous (GUE /NGL)	
	Committee for opinion		Rapporteur for opinion	Appointed
	BUDG Budgets		STAVRAKAKIS Georgios (S&D)	05/09/2013
Council of the European Union	Council configuration		Meetings	Date
	General Affairs		3287	2013-12-17
	Economic and Financial Affairs ECOFIN		3310	2014-05-06
European Commission	Commission DG		Commissioner	
	Regional and Urban Policy		HAHN Johannes	
European Economic and Social Committee				
European Committee of the Regions				

Key events			
Date	Event	Reference	Summary
25/07/2013	Legislative proposal published	COM(2013)0522 	Summary
10/09/2013	Committee referral announced in Parliament, 1st reading		
17/12/2013	Debate in Council		
22/01/2014	Vote in committee, 1st reading		
31/01/2014	Committee report tabled for plenary, 1st reading	A7-0078/2014	Summary
16/04/2014	Decision by Parliament, 1st reading	T7-0436/2014	Summary
16/04/2014	Results of vote in Parliament		
16/04/2014	Debate in Parliament		
06/05/2014	Act adopted by Council after Parliament's 1st reading		
15/05/2014	Final act signed		
15/05/2014	End of procedure in Parliament		
27/06/2014	Final act published in Official Journal		

Technical information	
Procedure reference	2013/0248(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Amending Regulation (EC) No 2012/2002 2002/0228(CNS)
Legal basis	Treaty on the Functioning of the European Union TFEU 175-p3 Treaty on the Functioning of the European Union TFEU 212
Other legal basis	Rules of Procedure EP 165
Mandatory consultation of other institutions	European Economic and Social Committee European Committee of the Regions
Stage reached in procedure	Procedure completed
Committee dossier	REGI/7/13488

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Committee draft report		PE524.730	03/12/2013	
Amendments tabled in committee		PE526.240	08/01/2014	
Committee opinion	BUDG	PE524.600	22/01/2014	

Committee report tabled for plenary, 1st reading/single reading		A7-0078/2014	31/01/2014	Summary
Text adopted by Parliament, 1st reading/single reading		T7-0436/2014	16/04/2014	Summary

Council of the EU

Document type	Reference	Date	Summary
Draft final act	00071/2014/LEX	15/05/2014	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2013)0522 	25/07/2013	Summary
Commission response to text adopted in plenary	SP(2014)471	09/07/2014	

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	ES_PARLIAMENT	COM(2013)0522	25/10/2013	
Contribution	PT_PARLIAMENT	COM(2013)0522	28/10/2013	
Contribution	IT_SENATE	COM(2013)0522	16/12/2013	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofR	Committee of the Regions: opinion	CDR6402/2013	28/11/2013	

Additional information

Source	Document	Date
National parliaments	IPEX	
European Commission	EUR-Lex	

Final act

Regulation 2014/0661 OJ L 189 27.06.2014, p. 0143	Summary
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EU Solidarity Fund: technical adjustments

PURPOSE: to amend [Council Regulation \(EC\) No 2012/2002](#) establishing the European Union Solidarity Fund with a view to simplifying its functioning and making it more visible to citizens.

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

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: the EU Solidarity Fund (EUSF) was created in 2002 to enable the EU to respond to major disasters inside the EU and in countries involved in accession negotiations. The instrument is generally meeting its objectives well but is considered not to be sufficiently responsive and visible and as far as certain criteria for its activation are concerned too complicated and not sufficiently clear.

In 2005, the Commission presented a [proposal for a new EUSF Regulation](#). While the proposal was favourably received by the European Parliament, it was not adopted in the Council. The Commission officially withdrew the proposal in June 2012.

In October 2011, the Commission presented a [Communication on the Future of the Solidarity Fund](#) which contains an evaluation of the operations of the current instrument and proposes options for improving its functioning.

This proposal is situated in the context of the new Multiannual Financial Framework for the years 2014-2020.

Moreover, the proposal complements the recent common proposal of the Commission and the High Representative for implementing arrangements of the Solidarity Clause enshrined in Article 222 TFEU which underlines the role of the Solidarity Fund as one of the key Union instruments in applying this provision of the Treaty.

IMPACT ASSESSMENT: no impact assessment was undertaken. However, The 2011 Communication served as a basis for discussions with the Member States and the European Parliament and other stakeholders.

LEGAL BASIS: the third subparagraph of Article 175 and Article 212(2) of the Treaty on the Functioning of the European Union.

CONTENT: the main objective of the proposal is to **improve the functioning of the existing Solidarity Fund instrument by making it quicker to respond and more visible to citizens, simpler to use and its provisions clearer**. This is to be achieved by a **limited number of technical adjustments** to the Regulation.

The **principles of the instrument remain unchanged as do its financing method** outside the multiannual financial framework (MFF) and the likely level of spending.

The proposal contains those adjustments to the EUSF-Regulation that were discussed in the 2011 Communication on the Future of the Solidarity Fund:

Scope: a clearer definition of the scope of the EUSF limited to natural disasters including man-made disaster that are the direct consequence of a natural disaster (cascading effects). This will eliminate existing legal uncertainties about the scope and thus avoid that applications are presented which do not meet the conditions.

Exceptional mobilisation: a new and simple **single criterion** for the exceptional mobilisation of the EUSF for so-called extraordinary regional disasters based on a GDP-related threshold has been introduced. The lack of clarity under the current provisions about the conditions for exceptionally mobilising the EUSF will be eliminated by setting the damage threshold for regional disasters at 1.5% of GDP at NUTS 2 level. This will considerably simplify and speed up the preparation of applications by eligible States and their assessment by the Commission. At the same time it will significantly reduce the number of rejected applications as applicants will know from the outset whether the criterion is met.

Advanced payments: the introduction of the possibility to make **rapid advance payments** upon request of the affected Member State, limited to 10% of the expected amount of the financial aid capped at EUR 30 million. Recoveries from the Member States from the Solidarity Fund and from the Cohesion Instruments (ERDF and Cohesion Fund) up to a maximum annual amount should be made available to the Solidarity Fund as assigned revenue in order to make commitments for advance payments available in the Union budget. In addition to including a specific provision in the Solidarity Fund Regulation this will also require including a provision in the [Common Provisions Regulation](#) relating to the Cohesion Policy Funds and in the transitional provisions relating to the current programming period. It is envisaged that the Commission will present an amending proposal to be adopted at the same time as the present proposal.

Starting dates: the proposal includes a specific provision for **slowly unfolding disasters** such as drought. Defining the start of such disasters as the date at which the public authorities took the first counter-measures will eliminate legal difficulties stemming from the current obligation to submit applications within 10 weeks of the date of the first damage.

Disaster prevention: provisions are included to encourage more effective disaster prevention, including full implementation of relevant Union legislation on prevention, the use of available Union funding for related investments and improved reporting on these actions. In the event that a disaster of the same nature as one for which the Fund was previously mobilised should occur and Union legislation has not been complied with, the Commission will **seriously consider rejecting a new application** or granting a reduced amount of aid only.

Awarding aid: it is proposed to **merge the decision awarding the aid** and the implementation agreements into a **single act**. This administrative measure will help to speed up the processing of applications inside the Commission and therefore allow paying out aid more rapidly.

Moreover, a number of further elements were included in the proposal, such as:

- a specific provision on the eligibility of VAT and the exclusion of Technical Assistance,
- a provision requiring respect for the Union acquis,
- a revised provision to avoid double financing,
- extended ex-post reporting on prevention measures,
- a provision on the use of the Euro and its conversion into national currencies.

Further modifications: a number of modifications are introduced to bring the Regulation in line with the Financial Regulation as amended in 2012. This concerns not only terminology but in particular certain rules and obligations in relation the implementation of the Fund by Member States under the principle of shared management and by eligible candidate countries (countries negotiating the accession to the Union) under the principle of indirect management. In order not to put at risk the objectives of the Fund, i.e. to make financial assistance available as quickly as possible after the occurrence of a major disaster, it is however necessary to derogate from certain provisions of the Financial Regulation, in particular as concerns the normally time-consuming process of designating the implementing authorities, including those for audit and control, as well as regarding the timing of annual reporting.

BUDGETARY IMPLICATIONS: the EUSF is not budgeted. Actual spending will depend on applications for aid submitted by eligible States following the (unpredictable) occurrence of natural disasters and the maximum amount of annual allocation available to the Fund as decided in the IIA. The proposal takes account of the Multi-annual Financial Framework 2014 – 2020 which foresees maintaining the current mechanism whereby the necessary budgetary resources for awarding financial aid are raised over and above the MFF ceilings by a decision of the budget authority within a maximum annual allocation of EUR 500 million (2011 prices).

The decision to express the maximum annual allocation of the Fund in 2011 prices (instead of current prices) is mirrored in the proposal by applying the same basis to the amount of EUR 3 billion which is one of the two damage threshold for defining 'major disasters'. The other threshold defined as 0.6% of gross national income is not affected.

In cases where an advance has been paid its amount will be taken into account when the final contribution from the Fund is paid out.

EU Solidarity Fund: technical adjustments

2013/0248(COD) - 31/01/2014 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Regional Development adopted the report by Rosa ESTARÀS FERRAGUT (EPP, ES) on the proposal for a regulation of the European Parliament and of the Council amending Council Regulation (EC) No 2012/2002 establishing the European Union Solidarity Fund.

The committee recommended that the position adopted by the European Parliament at first reading under the ordinary legislative procedure should amend the Commission's proposal as follows:

Definitions: Members defined:

- a 'major natural disaster' as one that causes **serious damage and/or involves severe disruption of normal living conditions in a given geographic area**, whether caused by natural phenomena or the accidental catastrophic effects of human action, and which requires special attention from public authorities and other humanitarian or social service organisations;
- a regional natural disaster resulting in direct damage in excess of 1% of the region's gross domestic product (GDP) in a region at NUTS 2 level, or in several neighbouring NUTS 3 level regions that together constitute a territory corresponding to the minimum criteria for NUTS 2 level, of a Member State or a country involved in accession negotiations with the Union. Where the disaster concerns several regions that may request assistance from the Fund at NUTS 2 level, or at NUTS 3 level when they constitute a territory equivalent to a NUTS 2 unit, the threshold shall be applied to the weighted average GDP of those regions. The particular situation of **remote isolated regions, such as the insular and outermost regions**, where there is a direct impact on a whole sector of activity or category of infrastructure shall also be considered when assessing the damage.

Certain types of natural disaster, that develop over a longer period of time before their disastrous effects become catastrophic, should be eligible for assistance from the Fund.

Provisions of the future Regulation should allow for **enough flexibility** in defining natural disasters.

Restoring the working order: Members stipulated that restoring the working order of should mean returning to the original condition, where appropriate, or restoration in a form which can improve the capacity to withstand future natural disasters, including the relocation of infrastructure projects which are clearly situated in a place that could be threatened again by a natural disaster.

Members suggested provisions to restore safe conditions for airport and **port** facilities, safe havens and marinas, and measures to protect coastal heritage, as well as creating safe conditions in coastal areas.

Eligibility of technical assistance: contrary to the Commission proposal, technical assistance, including management, monitoring, information and communication, complaint resolution, and control and audit, may be eligible for a contribution from the Fund, provided it is essential for carrying out rehabilitation work and **does not exceed 2% of the total amount of the contribution**.

Application deadline: Members requested that the as soon as possible, and no later than 15 weeks (compared to 10 weeks), after the first occurrence of damage as a consequence of a natural disaster, a State may submit an application for a contribution from the Fund to the Commission.

On the basis of the information received by the Member States concerned, the Commission should assess whether the conditions for mobilising the Fund are met and shall determine the amount of any possible contribution from the Fund as quickly as possible and **no later than 6 weeks after receipt of the application**, counting from the date of receipt of the complete application.

The contribution from the Fund should be used within **18 months** from the date on which the Commission has disbursed the full amount of the assistance (as opposed to 1 year).

Amount of the advance: Members considered that the amount of the advance should not exceed 15% of the amount of the contribution anticipated (instead of 10%) and should in no case exceed **EUR 40 million** (as opposed to EUR 30 million set out in the proposal).

Implementation report: lastly, Members called for the implementation report of the Funds to report on experience gained from the disaster and the measures taken or proposed to ensure **environmental protection** and resilience in relation to climate change and disasters.

EU Solidarity Fund: technical adjustments

2013/0248(COD) - 16/04/2014 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 525 votes to 12 with 41 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Council Regulation (EC) No 2012/2002 establishing the European Union Solidarity Fund.

Parliament adopted its position at first reading under the ordinary legislative procedure. The amendments adopted in plenary were the result of a compromise between Parliament and Council. They amend the Commission's proposal as follows:

Eligible states: the Union should continue to **show solidarity with the third countries** that were involved in accession negotiations with it, and with which an intergovernmental accession conference had been opened.

'Regional natural disaster' : the amended text specified that a 'regional natural disaster' meant any natural disaster resulting, in a region at NUTS level 2 of an eligible State, in direct damage **in excess of 1.5 % of that region's gross domestic product (GDP)**.

Where the natural disaster concerns several regions at NUTS level 2, the threshold shall be applied to the average GDP of those regions weighted according to the share of total damage in each region.

Outermost region: by way of derogation, and in order to better take into account the specific nature of natural disasters which, although having serious repercussions for the economic and social development of the regions concerned, do not reach the minimum scale required to benefit from a financial contribution from the Fund, the criteria for regional natural disasters in **Guadeloupe, French Guiana, Martinique, Réunion, Mayotte, Saint-Martin, the Azores, Madeira and the Canary Islands should be set at 1% of the GDP**.

Restoration of infrastructure: this meant restoring infrastructure and plant to their condition **prior to the occurrence of the natural disaster**. Where it was not legally possible or economically justified to restore the condition prior to the occurrence of the natural disaster, or where the beneficiary State decided to relocate or improve the functionality of the affected infrastructure or plant in order to improve its capacity to withstand future natural disasters, the Fund may contribute to the cost of restoration only up to the estimated cost of returning to its **status quo ante**. Costs in excess of this level should be financed by the beneficiary State from its own or, where possible, from other Union funds.

The text also stated that cleaning up of disaster-stricken areas were also eligible cost, including natural zones, in line with, where appropriate, ecosystem based approaches, as well as immediate restoration of affected natural zones to avoid immediate effects from soil erosion.

Technical assistance: technical assistance for management, monitoring, information and communication, complaint resolution, and control and auditing, **should not be eligible for a financial contribution from the Fund**. Costs relating to the preparation and implementation of operations, including costs relating to essential technical expertise, should be eligible as part of project costs.

Additional information: in justified cases the responsible national authorities may submit additional information after the deadline, in order to complete or update their application.

Access to the Funds: the Commission should issue guidance in order to assist the Member States on how to effectively access and use the Fund, and how to apply the simplest way for assistance from the Fund. It shall prepare guidance by **30 September 2014** and provide detailed information on the procedures for drafting the application, including requirements for the information to be submitted to the Commission. The guidance shall be made public on the websites of the relevant Directorate Generals of the Commission and the Commission shall ensure its wider dissemination to eligible States.

Time-limit for application: this deadline is extended from ten weeks to twelve weeks after the first occurrence of damage as a consequence of a natural disaster.

Time-limit for decision: the Commission shall assess whether the conditions for mobilising the Fund are met and shall determine the amount of any possible financial contribution from the Fund as quickly as possible and no later than **six weeks** after receipt of the application, counting from the date of receipt of the complete application and excluding the time needed for translation, within the limits of the financial resources available.

When the Commission has concluded that the conditions are met for providing a financial contribution from the Fund, it shall without delay submit to the European Parliament and the Council the necessary proposals for mobilisation of the Fund and to authorise the corresponding appropriations. Those proposals shall include:

- all available information ;
- all other relevant information in the possession of the Commission;
- a demonstration that the conditions in the text are met; and
- a justification of the amounts proposed.

The decision to mobilise the Fund shall be taken **jointly by the European Parliament and the Council** as soon as possible after the submission of the proposal by the Commission. Both the Commission, on the one hand, and the European Parliament and the Council, on the other hand, shall endeavour to minimise the time taken to mobilise the Fund.

Implementation deadline: the financial contribution from the Fund shall be used within **eighteen months** from the date on which the Commission has disbursed the full amount of the assistance.

Advance amount: when submitting an application for a financial contribution from the Fund to the Commission, a Member State may request the payment of an advance. The Commission shall make a preliminary assessment of whether the application fulfils the conditions and verify the availability of budgetary resources. Where those conditions are fulfilled and sufficient resources are available, the Commission may adopt a decision, **by means of an implementing act**, awarding the advance and pay it out without delay.

The advance payment must be reimbursed by the Member State as quickly as possible.

When adopting the draft general budget of the Union for a given financial year, the Commission shall propose to the European Parliament and the Council to mobilise the Fund in an amount up to a maximum of EUR 50 000 000 for the payment of advances and propose to enter the corresponding appropriations into the general budget of the Union.

The Commission's proposal stated that the amount of the advance shall not exceed 10 % of the amount of the financial contribution anticipated and shall in no case exceed EUR 30 000 000.

Observance of certain criteria: operations financed by the Fund shall be compatible with the provisions of the Treaty and instruments adopted under it, with Union policies and measures, in particular in the fields of financial management, public procurement, environmental protection, natural disaster risk prevention and management, climate change adaptation including, where appropriate, eco-system based approaches, and with pre-accession assistance instruments. Where applicable, operations financed by the Fund shall contribute to the objectives of Union in those fields.

EU Solidarity Fund: technical adjustments

2013/0248(COD) - 15/05/2014 - Final act

PURPOSE: to amend [Council Regulation \(EC\) No 2012/2002](#) establishing the European Union Solidarity Fund with a view to simplifying its functioning and making it more visible to citizens.

LEGISLATIVE ACT: Regulation (EU) No 661/2014 of the European Parliament and of the Council amending Council Regulation (EC) No 2012/2002 establishing the European Union Solidarity Fund.

CONTENT: the objective of this Regulation is to ensure Union-wide solidarity action to support natural disaster- stricken States and to apply a systematic, regular and equitable method of granting financial support involving all Member States according to their capacity.

Therefore, the Regulation establishing the Solidarity Fund has been amended as follows:

Eligible states: the Union should have at its disposal a sound and flexible instrument to allow it to show solidarity, send a clear political signal and provide genuine assistance to citizens affected by major natural disasters that have serious repercussions on economic and social development. The Union's declared intention to assist candidate countries on the path towards stability and sustainable economic and political development through a clear European perspective should not be set back by the adverse effects of major natural disasters.

Moreover, the Union should also continue to show solidarity with the **third countries** that are involved in accession negotiations with it. **Direct damage** caused as the direct consequence of a natural disaster shall be regarded as part of the damage caused by that natural disaster.

Major natural disaster: a "major natural disaster" means any natural disaster resulting, in an eligible State, in direct damage estimated either at over EUR 3 million in 2011 prices, or more than 0.6% of its gross national income (GNI).

Regional natural disaster: a 'regional natural disaster' means any natural disaster resulting, in a region at NUTS level 2 of an eligible State, in direct damage in **excess of 1.5 % of that region's gross domestic product (GDP)**.

Where the natural disaster concerns several regions at NUTS level 2, the threshold shall be applied to the average GDP of those regions weighted according to the share of total damage in each region.

Outermost region: in order to better take into account the specific nature of natural disasters which, although having serious repercussions for the economic and social development of the regions concerned, do not reach the minimum scale required to benefit from a financial contribution from the Fund, the criteria for regional natural disasters in Guadeloupe, French Guiana, Martinique, Réunion, Mayotte, Saint-Martin, the Azores, Madeira and the Canary Islands should be set at **1% of the GDP**.

Eligible contribution: for each natural disaster a **single financial contribution** shall be awarded to an eligible State.

The aim of the Fund is to complement the efforts of the States concerned and to cover part of their public expenditure in order to help the eligible State to carry out, depending on the type of natural disaster, the following essential emergency and recovery operations:

- **restoring the working order of infrastructure** and plant in the fields of energy, water and waste water, telecommunications, transport, health and education; where it is not legally possible or economically justified to restore the condition prior to the occurrence of the natural disaster, or where the beneficiary State decides to relocate or improve the functionality of the infrastructure or plant affected in order to improve its capacity to withstand future natural disasters, the Fund may contribute to the cost of restoration only **up to the estimated cost of returning to its *status quo ante***. Costs in excess of the level of cost referred to in the second subparagraph shall be financed by the beneficiary State from its own or, where possible, from other Union funds.
- **providing temporary accommodation** and funding rescue services to meet the needs of the population concerned;
- **securing preventive infrastructure** and measures of protection of cultural heritage;
- **cleaning up disaster-stricken areas**, including natural zones, in line with, where appropriate, eco-system based approaches, as well as immediate restoration of affected natural zones to avoid immediate effects from soil erosion.

VAT and technical assistance: value added tax (VAT) shall not constitute eligible expenditure of an operation, unless it is non-recoverable under national VAT legislation. Technical assistance for management, monitoring, information and communication, complaint resolution, and control and auditing, should not be eligible for a financial contribution from the Fund. Costs relating to the preparation and implementation of operations, including costs relating to essential technical expertise, should be eligible as part of project costs.

Time-limit for application: this deadline is extended from 10 weeks to **12 weeks** after the first occurrence of damage as a consequence of a natural disaster.

In justified cases, the responsible national authorities may submit additional information after the deadline, in order to complete or update their application.

Access to the Funds: the Commission shall issue guidance in order to assist the Member States on how to effectively access and use the Fund, and how to apply the simplest way for assistance from the Fund. It shall prepare guidance by **30 September 2014** and provide detailed information on the procedures for drafting the application, including requirements for the information to be submitted to the Commission. The guidance shall be made public on the websites of the relevant Directorate Generals of the Commission and the Commission shall ensure its wider dissemination to eligible States.

Time-limit for decision: the Commission shall assess whether the conditions for mobilising the Fund are met and shall determine the amount of any possible financial contribution from the Fund no later than **six weeks** after receipt of the application.

When the Commission has concluded that the conditions are met for providing a financial contribution from the Fund, it shall without delay submit to the European Parliament and the Council the necessary proposals for mobilisation of the Fund and to authorise the corresponding appropriations.

Those proposals shall include:

- all available information;
- all other relevant information in the possession of the Commission;
- a demonstration that the conditions in the text are met; and
- a justification of the amounts proposed.

The decision to mobilise the Fund shall be taken **jointly by the European Parliament and the Council as soon as possible** after the submission of the proposal by the Commission. Both the Commission, on the one hand, and the European Parliament and the Council, on the other hand, shall endeavour to minimise the time taken to mobilise the Fund.

If the Commission decides on a financial contribution from the Fund based on an application received after **28 June 2014** for a natural disaster falling under the scope of this Regulation, it may reject a further application for a financial contribution relating to a natural disaster of the same nature or reduce the amount to be made available where the Member State is the subject of infringement proceedings and the Court of Justice of the European Union has delivered a final judgment that the Member State concerned has failed to implement Union legislation on disaster risk prevention and management, which is directly linked to the nature of the natural disaster suffered.

Advance amount: when submitting an application for a financial contribution from the Fund to the Commission, a Member State may request the payment of an advance. The Commission shall make a preliminary assessment of whether the application fulfils the conditions and verify the availability of budgetary resources. Where those conditions are fulfilled and sufficient resources are available, the Commission may adopt a decision, by means of an **implementing act**, awarding the advance and pay it out without delay. The payment of an advance shall be made without prejudice to the final decision on the mobilisation of the Fund.

The amount of the advance shall not exceed 10 % of the amount of the financial contribution anticipated and shall in **no case exceed EUR 30 million**.

When adopting the draft general budget of the Union for a given financial year, the Commission shall propose to the European Parliament and the Council to mobilise the Fund in an amount up to a maximum of **EUR 50 million** for the payment of advances and propose to enter the corresponding appropriations into the general budget of the Union.

Deadline for use of funds granted: the financial contribution from the Fund shall be used within eighteen months from the date on which the Commission has disbursed the full amount of the assistance. Any part of the financial contribution remaining unused by that deadline or found to be used for ineligible operations shall be recovered by the Commission from the beneficiary State.

No later than six months after the expiry of the eighteen months period referred to above, the beneficiary State shall present a report on the implementation of the financial contribution from the Fund with a statement justifying the expenditure, indicating any other source of funding received for the operations concerned, including insurance settlements and compensation from third parties.

Implementing acts: detailed provisions on the implementation of the financial contribution from the Fund should therefore be contained, for Member States, in the implementing acts awarding that financial contribution. However, for beneficiary States which are not yet Member States, separate implementation agreements should be maintained for legal reasons.

ENTRY INTO FORCE: 28.06.2014.