Basic information

2014/2073(BUD) BUD - Budgetary procedure	Procedure completed
Amending budget 4/2014: mobilisation of the EU Solidarity Fund for Italy, Greece, Slovenia and Croatia **Subject** 8.70.60 Previous annual budgets	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDG Budgets	DEPREZ Gérard (ALDE)	09/09/2014
	Shadow rapporteur OLBRYCHT Jan (PPE) GARDIAZABAL RUBIAL Eider (S&D)	

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

Council of the European Union

European Commission

Commission DG	Commissioner
Budget	DOMINIK Jacek

Key events

Date	Event	Reference	Summary
08/09/2014	Commission draft budget published	COM(2014)0564	Summary
12/12/2014	Council position on draft budget published	16742/2014	Summary
12/12/2014	Draft budget approved by Council		
15/12/2014	Committee referral announced in Parliament		
15/12/2014	Vote in committee		

15/12/2014	Budgetary report tabled for plenary	A8-0078/2014	Summary
16/12/2014	Debate in Parliament		
17/12/2014	Decision by Parliament	T8-0092/2014	Summary
17/12/2014	Results of vote in Parliament		
18/12/2014	End of procedure in Parliament		
17/03/2015	Final act published in Official Journal		

Technical information

Procedure reference	2014/2073(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/8/01087

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE541.350	10/12/2014	
Budgetary report tabled for plenary, 1st reading		A8-0078/2014	15/12/2014	Summary
Budgetary text adopted by Parliament		T8-0092/2014	17/12/2014	Summary

Council of the EU

Document type	Reference	Date	Summary
Council position on draft budget	16742/2014	12/12/2014	Summary

European Commission

Document type	Reference	Date	Summary
Commission draft budget	COM(2014)0564	08/09/2014	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2015/0368
OJ L 073 17.03.2015, p. 0460 Summary

Amending budget 4/2014: mobilisation of the EU Solidarity Fund for Italy, Greece, Slovenia and Croatia

2014/2073(BUD) - 12/12/2014 - Council position on draft budget

On 8 September 2014, the Commission submitted to the Council draft amending budget (DAB) No 5/2014 regarding the mobilisation of the EU Solidarity Fund, for a total amount of **EUR 46 998 528** in commitment and payment appropriations.

The objective of this proposal is to provide financial assistance to Italy, Greece, Slovenia and Croatia in response to natural disasters that occurred at the end of 2013 and the beginning of 2014.

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

Draft budget: at the trilogue on 8 December 2014, the European Parliament and the Council reached an agreement on a draft package, comprising the new draft budget for 2015 and the outstanding DABs relating to 2014.

According to that agreement, the additional commitment appropriations (EUR 47 million) requested for the EU Solidarity Fund in DAB No 5/2014 are approved, as proposed by the Commission. The corresponding payments are made available in the 2015 budget.

In conclusion, on 12 December 2014, the Council adopted its position on DAB No 5/2014 as set out in the technical annex to this explanatory memorandum (see *ST 16742/2014 ADD 1*).

Amending budget 4/2014: mobilisation of the EU Solidarity Fund for Italy, Greece, Slovenia and Croatia

2014/2073(BUD) - 15/12/2014 - Budgetary report tabled for plenary, 1st reading

The Committee on Budgets adopted the report by Gérard DEPREZ (ADLE, BE) on the Council position on Draft amending budget No 5/2014 of the European Union for the financial year 2014, Section III – Commission.

Members recalled that Draft amending budget No 5/2014 relates to the mobilisation of the EU Solidarity Fund (EUSF) for an amount of EUR 46 998 528 in commitment and payment appropriations in relation to the floods in Italy (Sardinia) during November 2013, an earthquake in Greece (Kefalonia), ice storms in Slovenia, and the same ice storms, followed by floods in Croatia, at end January/beginning February 2014.

The purpose of Draft amending budget No 5/2014 is to formally enter this budgetary adjustment into the 2014 budget.

Members stressed the urgent need to release financial assistance through the EUSF to the countries affected by this natural disaster.

They underlined that the shortage of payment appropriations for 2014, which was the underlying reason for the presentation of Draft amending budget No 3/2014 and the accompanying proposal by the Commission to mobilise the Contingency Margin, excludes a priori the possibility of finding the resources for Draft amending budget No 5/2014 through redeployment.

They called on the Parliament to endorse the Joint conclusions agreed by the Parliament and the Council on 8 December 2014 with the view of approving the additional commitment appropriations amounting to EUR 47 million in budget 2014 and shifting the corresponding payment needs to the 2015 budget.

At the same time, they called on the Parliament to approve the Council position on Draft amending budget No 5/2014.

Amending budget 4/2014: mobilisation of the EU Solidarity Fund for Italy, Greece, Slovenia and Croatia

2014/2073(BUD) - 17/12/2014 - Final act

PURPOSE: definitive adoption of amending budget (AB) No 4/2014.

LEGISLATIVE ACT: Definitive adoption (EU, Euratom) 2015/368 of Amending budget No 4 of the European Union for the financial year 2014.

CONTENT: the European Parliament definitively adopted amending budget No 4 of the European Union for the financial year 2014 in accordance with its resolution of 17 December 2014 (please see the summary of the resolution).

This amending budget (AB) concerns the mobilisation of the European Solidarity Fund (EUSF) for an amount of **EUR 46 998 528 in commitment appropriations**, following natural disasters in Italy, Greece and Slovenia in 2013 and 2014.

The amending budget aims to formally enter this budgetary adjustment into the 2014 budget.

Amending budget 4/2014: mobilisation of the EU Solidarity Fund for Italy, Greece, Slovenia and Croatia

2014/2073(BUD) - 17/12/2014 - Budgetary text adopted by Parliament

The European Parliament adopted by 649 votes to 27, with 13 abstentions, a resolution on the Council position on Draft amending budget No 5/2014 of the European Union for the financial year 2014, Section III – Commission.

Parliament recalled that Draft amending budget No 5/2014 relates to the mobilisation of the EU Solidarity Fund (EUSF) for an amount of EUR 46 998 528 in commitment and payment appropriations in relation to the floods in Italy (Sardinia) during November 2013, an earthquake in Greece (Kefalonia), ice storms in Slovenia, and the same ice storms, followed by floods in Croatia, at end January/beginning February 2014.

The purpose of Draft amending budget No 5/2014 is to formally enter this budgetary adjustment into the 2014 budget.

Parliament stressed the urgent need to release financial assistance through the EUSF to the countries affected by this natural disaster.

Shortage of payments: it underlined that the shortage of payment appropriations for 2014, which was the underlying reason for the presentation of Draft amending budget No 3/2014 and the accompanying proposal by the Commission to mobilise the Contingency Margin, excludes a priori the possibility of finding the resources for Draft amending budget No 5/2014 through redeployment.

Parliament endorsed the Joint conclusions agreed by the Parliament and the Council on 8 December 2014 with the view of approving the additional commitment appropriations amounting to EUR 47 million in budget 2014 and shifting the corresponding payment needs to the 2015 budget.

At the same time, it approved the Council position on Draft amending budget No 5/2014.

Amending budget 4/2014: mobilisation of the EU Solidarity Fund for Italy, Greece, Slovenia and Croatia

2014/2073(BUD) - 08/09/2014 - Commission draft budget

PURPOSE: presentation of draft Amending Budget No 5 in order to mobilise the **EU Solidarity Fund for Italy, Greece, Slovenia, Croatia and Austria** which were affected by natural disasters.

CONTENT: draft Amending Budget (DAB) No 5 for the year 2014 covers the mobilisation of the EU Solidarity Fund for an amount of **EUR 46 998 528** in commitment and payment appropriations. The mobilisation relates to floods in Italy (Sardinia) during November 2013, an earthquake in Greece (Kefalonia), ice storms in Slovenia, and the same ice storms, followed by floods in Croatia, at end January / beginning February 2014.

Different types of natural disasters (floods, earthquakes and ice storms) have caused considerable damage to the applicant EU Member States of Italy, Greece, Slovenia and Croatia.

While 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 entered into force, substantive rules cannot be applied retroactively.

The Commission has therefore carried out a thorough examination of the applications in accordance with the original provisions of Council Regulation (EC) No 2012/2002.

The main points of the assessment are as follows:

- Italy: following extreme flooding in Sardinia, the Italian authorities estimated total direct damage at EUR 652 418 691 which is below the major disaster threshold of EUR 3.8 billion applicable to Italy in 2014 (i.e. EUR 3 billion in 2002 prices) so that the disaster does not qualify as a "major natural disaster" according to the EUSF Regulation.

The application was then examined on the basis of the criteria for "extraordinary regional disasters" as laid down in Article 2(2), last subparagraph, of Regulation (EC) No 2012/2002 setting out the conditions for mobilising the Solidarity Fund "under exceptional circumstances".

Under these criteria, a region may exceptionally benefit from assistance from the Fund where that region has been affected by an extraordinary disaster, mainly a natural one, affecting the major part of its population, with serious and lasting repercussions on living conditions and the economic stability of the region.

- Greece: Kefalonia was affected by a heavy earthquake with a magnitude of 5.8 on the Richter scale, leaving 3 000 people homeless and several casualties. A significant number of houses were severely damaged while people had to be accommodated several nights in tents or in army ships.

The Greek authorities estimated total direct damage at EUR 147 332 790 which is below the major disaster threshold of EUR 1.2 billion applicable to Greece in 2014 (i.e. 0.6% of GNI based on 2012 data) so that the disaster does not qualify as a "major natural disaster" according to the EUSF Regulation.

As total direct damage remains below the major disaster threshold for activating the Solidarity Fund the application was examined on the basis of the criteria for "extraordinary regional disasters" as laid down in Article 2(2), last subparagraph, of Regulation (EC) No 2012/2002 setting out the conditions for mobilising the Solidarity Fund "under exceptional circumstances". Under these criteria, a region may exceptionally benefit from assistance from the Fund where the major part of its population is affected. Plausible evidence provided allows the conclusion that the major part of the region's population was directly affected.

-Slovenia: Slovenia was affected by some of the worst winter blizzards for decades in parts of Europe, affecting several countries including Croatia, Serbia, Romania and Bulgaria. Almost half of Slovenia's forests have been damaged by ice, while one in four homes was left without power, as heavy snow brought down electricity trees and lines. The Slovene authorities estimated total direct damage at EUR 428 733 722. This amount represents 1.23 % of Slovenia's GNI and exceeds the threshold for mobilising the Solidarity Fund of EUR 209.6 million applicable to Slovenia in 2014 (i.e. 0,6 % of GNI based on 2012 data). As the estimated total direct damage exceeds the threshold the disaster qualifies as a "major natural disaster".

- Croatia: Croatia was affected by the same weather phenomenon which led Slovenia to apply for funds from EU

Solidarity Fund. The northwest regions and part of the northern Adriatic were affected. In addition, as of 12 February, the melting ice and snow resulted in flooding which caused additional damage to important public basic infrastructures and private and public property.

The Croatian authorities estimated total direct damage at EUR 291 904 630. This amount represents 0.69 % of Croatia's GNI and exceeds the threshold for mobilising the Solidarity Fund of EUR 254,2 million applicable to Croatia in 2014 (i.e. 0.6 % of GNI based on 2012 data). As the estimated total direct damage exceeds the threshold the disaster qualifies as a “major natural disaster”.

Financing: the Commission takes the view that aid from the Fund should be progressive. This means that, in accordance with previous practice, the portion of the damage exceeding the threshold (i.e. 0.6% of 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 and 6% for the part of the damage above.

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

- **Italy** –flooding : EUR 652 418 691 direct damage: EU aid **EUR 16 310 467**;
- **Geece** –earthquake: EUR 147.332.790 direct damage: EU aid **EUR 3 683 320**;
- **Slovenia** –storms : EUR 428 733 722 direct damage: EU aid **EUR 18.388.478**;
- **Croatia** –flooding : EUR 291 904 630 direct damage: EU aid **EUR 8 616 263** .

Total: EUR **46 998 528.**

As this is the first mobilisation decision of 2014, the total amount of aid proposed above complies with the ceiling provisions of the Multi-Annual Financial Framework (MFF) regulation of EUR 530.6 million (EUR 500 million in 2011 prices) and it is also ensured that the required one quarter of this amount will be available on 1st October 2014 in order to cover needs arising until the end of the year.

In conclusion, it is proposed to mobilise the Solidarity Fund for each of these cases and to enter the corresponding appropriations into budget 2014 on budget item 13 06 01, both in commitment and in payment appropriations.

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