Basic information

2014/2163(BUD) BUD - Budgetary procedure	Procedure completed
Amending budget 6/2014: mobilisation of the EU Solidarity Fund for Serbia, Croatia and Bulgaria See also 2014/2161(BUD) **Subject** 8.70.60 Previous annual budgets	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	BUDG Budgets	DEPREZ Gérard (ALDE)	24/10/2014
		Shadow rapporteur OLBRYCHT Jan (PPE) GARDIAZABAL RUBIAL Eider (S&D)	
Council of the European Union			
European Commission	**Commission DG**	**Commissioner**	
	Budget	GEORGIEVA Kristalina	

Key events

Date	Event	Reference	Summary
17/10/2014	Commission draft budget published	COM(2014)0650	Summary
12/12/2014	Council position on draft budget published	16744/2014	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	A8-0072/2014	Summary
16/12/2014	Debate in Parliament		
17/12/2014	Decision by Parliament	T8-0095/2014	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	2014/2163(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Amendments and repeals	See also 2014/2161(BUD)
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/8/01839

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE541.423	10/12/2014	
Budgetary report tabled for plenary, 1st reading		A8-0072/2014	15/12/2014	Summary
Budgetary text adopted by Parliament		T8-0095/2014	17/12/2014	Summary

Council of the EU

Document type	Reference	Date	Summary
Council position on draft budget	16744/2014	12/12/2014	Summary

European Commission

Document type	Reference	Date	Summary
Commission draft budget	COM(2014)0650	17/10/2014	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2015/0370
OJ L 073 17.03.2015, p. 0493 Summary

Amending budget 6/2014: mobilisation of the EU Solidarity Fund for Serbia, Croatia and Bulgaria

2014/2163(BUD) - 15/12/2014 - Budgetary report tabled for plenary, 1st reading

The Committee on Budgets adopted the report by Gérard DEPREZ (ALDE, BE) on the Council position on Draft amending budget No 7/2014 of the European Union for the financial year 2014, Section III – Commission.

Members recalled that Draft amending budget No 7/2014 relates to the mobilisation of the EU Solidarity Fund (EUSF) for an amount of EUR 79 726 440 in commitment and payment appropriations in relation to the floods in Serbia and Croatia in May 2014 and the floods in Bulgaria in June 2014. They stressed the urgency to release financial assistance through the EUSF to the countries affected by this natural disaster.

The purpose of Draft amending budget No 7/2014 is to formally enter this budgetary adjustment into the 2014 budget.

Shortage of payments: Members stressed that the shortage of payment appropriations for 2014, which was the underlying reason for the presentation of DAB 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 DAB No 7/2014 through redeployment**.

Members 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 80 million in budget 2014 and shifting the corresponding payment needs to the 2015 budget.

At the same time, they called on the European Parliament to approve the Council position on Draft amending budget No 7/2014.

Amending budget 6/2014: mobilisation of the EU Solidarity Fund for Serbia, Croatia and Bulgaria

2014/2163(BUD) - 12/12/2014 - Council position on draft budget

On 17 October 2014, the Commission submitted to the Council draft amending budget (DAB) No 7/2014 regarding the mobilisation of the EU Solidarity Fund, for a total amount of **EUR 79 726 440** in commitment and payment appropriations.

The objective of this proposal is to provide financial assistance to Serbia, Croatia and Bulgaria in response to natural disasters that occurred in the summer of 2014.

The corresponding appropriations are to be recorded under Articles 13 06 01 (EU Solidarity Fund - Member States) and 13 06 02 (EU Solidarity Fund - Countries negotiating for accession).

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 79.73 million) requested for the EU Solidarity Fund in DAB No 7/2014 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 draft amending budget No 7/2014 as set out in the technical annex to this explanatory memorandum (see *ST 16744/2014 ADD 1*).

Amending budget 6/2014: mobilisation of the EU Solidarity Fund for Serbia, Croatia and Bulgaria

2014/2163(BUD) - 17/10/2014 - Commission draft budget

PURPOSE: presentation of draft amending budget No 7 for the year 2014 to mobilise the EU Solidarity Fund to assist **Serbia, Croatia and Bulgaria hit by floods in 2014**.

CONTENT: draft amending budget (DAB) No 7 for the year 2014 covers the mobilisation of the EU Solidarity Fund for an amount of **EUR 79 726 440 in commitment and payment appropriations**. The mobilisation relates to floods in Serbia and Croatia in May 2014 and to floods in Bulgaria in June 2014.

These floods are considered to be the worst in living memory, causing massive destruction of public and private infrastructure, as well as damaging hundreds of thousands of households.

The Commission has carried out a thorough examination of all three applications in accordance with Council Regulation (EC) No 2012/2002 establishing the European Union Solidarity Fund as amended by Regulation (EU) No 661/2014 of the European Parliament and of the Council.

The most important elements of the assessments are summarised here below.

Application from Serbia: following the floods, Serbia submitted an application to mobilise the Solidarity Fund. The disaster qualifies as a **major natural disaster**.

The Commission carried out a thorough evaluation of the application:

- the estimate of the total direct damage caused by the disaster amount to EUR 1.1 billion, based on the results of the Recovery Needs Assessment carried out in the immediate aftermath of the disaster. This amount represents 3.8% of Serbia's GNI and exceeds the threshold for mobilising the Solidarity Fund to Serbia in 2014. As the estimated total direct damage exceeds the threshold the disaster qualifies as a "major natural disaster", according to Article 2(2) of the Regulation. The financial assistance may only be used for essential emergency and recovery operations;
- regards the impact and consequences of the disaster: amongst others, there were 60 casualties; almost 32 000 people were rescued from the affected areas by the emergency services, around 5 000 of which needed to be placed in temporary accommodation;
- cost of eligible actions: the cost of essential emergency operations has been estimated by the Serbian authorities at EUR 381.9 million and has been broken down by type of operation. The largest share of the cost of emergency operations (over EUR 202 million) concerns recovery operations in the field of energy. The second largest share of cost concerns the transport sector amounting to EUR 106 million.

Application from Croatia: the east part of Croatia was affected by the same weather conditions that affected Serbia, causing serious damage, albeit to a lesser degree. The main elements of the evaluation of this application are as follows:

- the estimate of the total direct damage caused by the disaster amounts to EUR 297.6 million. This amount represents 0.7% of Croatia's GNI and exceeds the threshold for mobilising the Solidarity Fund to Croatia in 2014. As the estimated total direct damage exceeds the threshold the disaster qualifies as a **major natural disaster**, the financial assistance may only be used for essential emergency and recovery operations;
- as regards the impact and consequences of the disaster: over 26 000 people had to be evacuated. Energy networks failed, roads and bridges were seriously damaged and/or buried in landslides or washed-up mud. Some 2 700 residential buildings and over 4 000 farm buildings were flooded, many of which suffered structural damage;
- cost of urgent actions: EUR 108.8 million.

Application from Bulgaria: some areas in Bulgaria were affected by intense and heavy rainfall exceeding up to four times the monthly climatic norms leading to serious flooding and disruption. The main elements of the evaluation of this application are as follows:

- the estimate of the total direct damage caused by the disaster amounts EUR 311.3 million. This amount represents 0.8% of Bulgaria's GNI and exceeds the threshold for mobilising the Solidarity Fund to Bulgaria in 2014. As the estimated total direct damage exceeds the threshold the disaster qualifies as a **major natural disaster;**
- the biggest consequence of the disaster was the loss of 15 lives, thousands were directly affected and hundreds had to be evacuated and provided with temporary accommodation. There was damage to public infrastructure and facilities in the areas of energy, water and water resources, telecommunications, transport, health, education, emergency services, cultural heritage and protected natural areas.

Financing: 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 (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 mobilise the Funds as follows:

- **Serbia** - floods: EUR 1 105 622 million in direct damage: EU aid: EUR 60 224 605;
- **Croatia** - floods: EUR 297.629 million in direct damage: EU aid: EUR 8 959 725;
- **Bulgaria** - floods: EUR 311.328 million in direct damage: EU aid: EUR 10 542 110.

Total: **EUR 79 726 440.**

In conclusion, it is proposed to mobilise the Solidarity Fund for each of these cases and to enter the total appropriations for Croatia and Bulgaria of EUR 19 501 835 into budget 2014 on budget article 13 06 01 and the corresponding appropriations of EUR 60 224 605 for Serbia on budget article 13 06 02 (dedicated to accession countries), both in commitment and in payment appropriations. As the Solidarity Fund is a special instrument as defined in the MFF regulation, the corresponding appropriations should be budgeted outside the corresponding MFF ceilings.

Amending budget 6/2014: mobilisation of the EU Solidarity Fund for Serbia, Croatia and Bulgaria

2014/2163(BUD) - 17/12/2014 - Budgetary text adopted by Parliament

The European Parliament adopted by 656 votes to 36, with 13 abstentions, a resolution on the Council position on Draft amending budget No 7/2014 of the European Union for the financial year 2014, Section III – Commission.

Parliament recalled that Draft amending budget No 7/2014 relates to the mobilisation of the EU Solidarity Fund (EUSF) for an amount of EUR 79 726 440 in commitment and payment appropriations in relation to the floods in Serbia and Croatia in May 2014 and the floods in Bulgaria in June 2014. It stressed the urgency to release financial assistance through the EUSF to the countries affected by this natural disaster.

The purpose of Draft amending budget No 7/2014 is to formally enter this budgetary adjustment into the 2014 budget.

Shortage of payments: Parliament stressed that the shortage of payment appropriations for 2014, which was the underlying reason for the presentation of DAB 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 DAB No 7/2014 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 80 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 7/2014.

Amending budget 6/2014: mobilisation of the EU Solidarity Fund for Serbia, Croatia and Bulgaria

2014/2163(BUD) - 17/12/2014 - Final act

PURPOSE: definitive adoption of amending budget (AB) No 6/2014.

LEGISLATIVE ACT: Definitive adoption (EU, Euratom) 2015/370 of Amending budget No 6 of the European Union for the financial year 2014.

CONTENT: the European Parliament definitively adopted amending budget No 6 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 79 726 440 in commitment appropriations**, following the floods in Serbia and Croatia in May 2014 and to floods in Bulgaria in June 2014.

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