Basic information

2015/2078(BUD) BUD - Budgetary procedure	Procedure completed
Amending budget 4/2015: mobilisation of the EU Solidarity Fund for Romania, Bulgaria and Italy See also 2015/2079(BUD) **Subject** 8.70.55 2015 budget	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDG Budgets	GARDIAZABAL RUBIAL Eider (S&D)	22/04/2015
	Shadow rapporteur MUREŞAN Siegfried (PPE) KÖLMEL Bernd (ECR) TORVALDS Nils (ALDE) NÍ RIADA Liadh (GUE/NGL) TARAND Indrek (Verts/ALE) ZANNI Marco (EFDD)	

Council of the European Union

Council configuration	Meetings	Date
Economic and Financial Affairs ECOFIN	3399	2015-06-19

European Commission

Commission DG	Commissioner
Budget	GEORGIEVA Kristalina

Key events

Date	Event	Reference	Summary
15/04/2015	Commission draft budget published	COM(2015)0161	Summary
19/06/2015	Council position on draft budget published	09767/2015	Summary
19/06/2015	Draft budget approved by Council		

23/06/2015	Vote in committee		
26/06/2015	Budgetary report tabled for plenary	A8-0220/2015	Summary
06/07/2015	Committee referral announced in Parliament		
07/07/2015	Decision by Parliament	T8-0244/2015	Summary
07/07/2015	Results of vote in Parliament		
07/07/2015	End of procedure in Parliament		
07/10/2015	Final act published in Official Journal		

Technical information

Procedure reference	2015/2078(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Amendments and repeals	See also 2015/2079(BUD)
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/8/03276

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE557.201	13/05/2015	
Amendments tabled in committee		PE560.547	05/06/2015	
Budgetary report tabled for plenary, 1st reading		A8-0220/2015	26/06/2015	Summary
Budgetary text adopted by Parliament		T8-0244/2015	07/07/2015	Summary

Council of the EU

Document type	Reference	Date	Summary
Council position on draft budget	09767/2015	19/06/2015	Summary

European Commission

Document type	Reference	Date	Summary
Commission draft budget	COM(2015)0161	15/04/2015	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act
Budget 2015/1768 OJ L 261 07.10.2015, p. 0060 Summary

Amending budget 4/2015: mobilisation of the EU Solidarity Fund for Romania, Bulgaria and Italy

2015/2078(BUD) - 15/04/2015 - Commission draft budget

PURPOSE: presentation of the Draft Amending Budget (DAB) No 4 for the year 2015.

CONTENT: Draft Amending Budget (DAB) No 4 for the year 2015 covers the mobilisation of the European Union Solidarity Fund (EUSF) for an amount of **EUR 66 505 850** in commitment and payment appropriations. The mobilisation relates to two floods in Romania, one in Bulgaria and one in Italy.

Mobilisation of the EU Solidarity Fund

In 2014, the Commission received four more applications for EUSF financial assistance relating to disasters in Romania (floodings in spring and in summer), Bulgaria (summer flooding) and Italy (autumn flooding).

The Commission services have carried out a thorough examination of all four applications. The most important elements of the assessments are summarised here below:

1) Romania – Spring Floods: during April and May 2014, major parts of Romania were affected by wide-spread flooding causing destruction of public and private infrastructure, private homes and in agriculture. The application was submitted as a 'neighbouring country' disaster, under article 2(4) of the Regulation. Under this provision a country affected by the same disaster as a neighbouring country for which a major disaster has been recognised may exceptionally benefit from EUSF aid even if it does not qualify as a major or as a regional disaster. Romania claimed that it had been affected by the same disaster as the one that occurred in Serbia and which previously accepted by the Commission as a major disaster. The Commission therefore requested Romania to review and update its application. The Commission received a revised application from Romania.

As regards the impact and consequences of the disaster, this affected 30 of the 42 Romanian counties and triggered the evacuation of inhabitants, caused major losses and badly affected different sectors of the economy. The cost of essential emergency operations eligible under Article 3(2) of the Regulation has been estimated by the Romanian authorities at EUR 145.527 million covering emergency operations and recovery operations in the field of transport. The second largest share of cost concerns the securing of preventive infrastructure amounting to EUR 44 million.

2) Romania – Summer Floods: from late July to mid-August 2014, south-western parts of Romania were affected by heavy precipitation and subsequent floods and landslides that caused damage to public and private infrastructure, to businesses and the agricultural sector, as well as to cultural heritage and private homes. The Romanian authorities estimate the total direct damage caused by the disaster at EUR 171.911 million. As the total direct damage remained below the major disaster threshold for activating the EUSF the application was examined on the basis of the criteria for "regional disasters" as laid down in Article 2(3) of the Regulation. which defines a 'regional disaster' as 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 GDP. The Romanian application relates to a single NUTS level 2 region, namely "Sud-Vest Oltenia". The reported direct damage exceeds the 1.5% threshold in article 2(3) of the Regulation. The application from Romania is therefore eligible for a contribution from the Solidarity Fund. The cost of essential emergency operations has been estimated by the Romanian authorities at EUR 93.955 million and has been broken down to cover the recovery of transport infrastructure and the securing of preventive infrastructure.

3) Bulgaria – Summer floods: Bulgaria suffered from intense and heavy rainfall at the end of July and early August 2014 which caused considerable damage to public and private infrastructure, businesses, private homes and assets, and harmed the agricultural sector. The Bulgarian authorities estimate the total direct damage caused by the disaster at EUR 79.344 million. As the total direct damage remains below the major disaster threshold for activating the EUSF the application was examined on the basis of the criteria for "regional disasters" as laid down in Article 2(3) of the Regulation. The Bulgarian application relates to a single NUTS level 2 region, namely "Severozapaden" in the north-west of Bulgaria, one of the poorest regions in the EU. The cost of essential emergency operations has been estimated by the Bulgarian authorities at EUR 69.108 million and mainly covers the recovery of transport infrastructure and repairs in the water/waste water sector.

4) Italy – Autumn floods: during the period from 9 October to 18 November 2014, wider parts of north-western Italy suffered from recurrent periods of severe weather with heavy rain and subsequent flooding and landslides which caused serious damage to public and private infrastructure, businesses, private homes and assets, and harmed the agricultural sector. The events occurred over a period of nearly six weeks in different locations of five Italian regions, namely Emilia-Romagna, Liguria, Lombardy, Piedmont and Tuscany. The Italian authorities estimated the total direct damage caused by the

disaster at EUR 2 241,052 million. 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 "regional disasters". Overall, the disaster caused 11 casualties and some 3000 people had to be evacuated. Widespread damage was done to the environment, to public infrastructure, agriculture, as well as to the economic and productive sectors as the floods affected many urban areas (Genova being the most prominent example). The cost of essential emergency operations has been estimated by the Italian authorities at EUR 434.314 million of which the largest share of the cost of emergency operations concerns recovery operations in the field of infrastructure and plant in the field of energy, water/waste water, telecoms, transport, health and education as well as the protection of cultural heritage.

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 "major disaster" threshold for mobilising the Fund (i.e. 0.6% of GNI or EUR 3 billion in 2011 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. For regional disasters and disasters accepted under the "neighbouring country" provision the rate is 2.5%. This rate was applied in all the four cases below as none of them exceeded their respective major disaster thresholds.

The Commission therefore proposes to apply the same percentages in this case, which amounts to an overall financial envelope of EUR 66 505 850, an amount complying with the ceiling provisions of the Multiannual Financial Framework (MFF) regulation (i.e. EUR 500 million in 2011 prices).

In addition, an amount of EUR 403 879 032 remained unspent from the 2014 allocation and may be used during 2015.

The Commission proposes to mobilise the European Union Solidarity Fund for each of the four cases concerning Romania, Bulgaria and Italy presented above and to amend the budget 2015 by increasing budget article 13 06 01 (EU Solidarity Fund for Member States) by **EUR 66 505 850** both in commitment and in payment appropriations.

As the European Union Solidarity Fund is a special instrument as defined in the MFF regulation, the corresponding appropriations should be budgeted outside the corresponding MFF ceiling.

Amending budget 4/2015: mobilisation of the EU Solidarity Fund for Romania, Bulgaria and Italy

2015/2078(BUD) - 19/06/2015 - Council position on draft budget

On 15 April 2015, the Commission submitted to the Council draft amending budget (DAB) No 4 to the general budget for 2015 regarding the mobilisation of the EU Solidarity Fund for a total amount of EUR 66 505 850 in commitment and payment appropriations.

The objective of this proposal is to provide financial assistance to Romania, Bulgaria and Italy in response to flooding disasters that occurred between April and November 2014.

The corresponding appropriations are to be recorded under Article 13 06 01 (EU Solidarity Fund - Assistance to Member States in the event of a major natural disaster with serious repercussions on living conditions, the natural environment or the economy).

On 19 June 2015, the Council adopted its position on DAB No 4/2015 as set out in the annex to the Council draft amending budget (DAB) No 4 to the general budget for 2015(see technical annex Council document *9778/15*).

Amending budget 4/2015: mobilisation of the EU Solidarity Fund for Romania, Bulgaria and Italy

2015/2078(BUD) - 26/06/2015 - Budgetary report tabled for plenary, 1st reading

The Committee on Budgets adopted the report by Eider GARDIAZABAL RUBIAL (S&D, ES) on the Council position on Draft amending budget No 4 /2015 of the European Union for the financial year 2015, - accompanying the proposal to mobilise the European Union Solidarity Fund for Romania, Bulgaria and Italy.

Members recalled that Draft amending budget No 4/2015 relates to the mobilisation of the European Union Solidarity Fund (EUSF) for an amount of EUR 66 505 850 in commitment and payment appropriations in relation to two floods in Romania in spring and summer 2014 (total aid EUR 8 495 950), floods in Bulgaria in July/August 2014 (total aid 1 983 600) and floods in Italy in October/November 2014 (total aid 56 026 300).

The purpose of Draft amending budget No 4/2015 is to formally enter this budgetary adjustment into the 2015 budget.

Taking note of Draft amending budget No 4/2015, as submitted by the Commission, and of the Council's position thereon, Members stressed the **urgent need to release financial assistance through the EUSF** to the countries affected by these natural disasters.

Following the budgetary negotiations: Members recalled that, in the framework of the 2015 budgetary negotiations, Council insisted on shifting the payments related to the mobilisation of the EUSF in Draft amending budgets No 5/2014 and No 7/2014 to the 2015 budget for a total amount of EUR 126.7 million.

Considering that given the surplus as presented in Draft amending budget No 3/2015, these two 2014 Draft amending budgets, covering in total 7 EUSF cases, could have easily been paid for from the 2014 budget.

In general, Members regretted a tendency in Council not to honour its commitments to countries which have gone through a major disaster and therefore fulfilled the conditions for the mobilisation of the EUSF, through the mobilisation of the additional resources as foreseen by the special instruments, but rather by taking money away from the other programmes.

They stressed in particular that the current critical situation on payments excludes the option of using any other source of financing than the one proposed by the Commission outlined in the Draft amending budget no 4/2015.

Members recalled that the adoption of Draft amending budget No 3/2015 will reduce the share of the GNI contributions from Member States to the Union budget by EUR 1 435 million and therefore more than compensate their contribution to the financing of Draft amending budget No 4/2015. They highlighted therefore that the two dossiers are subject to a common calendar for adoption since they are strictly linked from a political point of view.

Members called on the Parliament to approve the Council position on Draft amending budget No 4/2015.

Amending budget 4/2015: mobilisation of the EU Solidarity Fund for Romania, Bulgaria and Italy

2015/2078(BUD) - 07/07/2015 - Final act

PURPOSE: definitive adoption of Amending budget No 4/2015.

LEGISLATIVE ACT: definitive adoption (EU, Euratom) 2015/1768 of Amending budget No 4 of the European Union for the financial year 2015.

CONTENT: the European Parliament definitively adopted Amending budget 4/2015 of the European Union in accordance with its resolution of 7 July 2015 (please see the summary of the resolution).

This Amending budget aims to mobilise the European Union Solidarity Fund (EUSF) for an amount of EUR 66 505 850 in commitment and payment appropriations in relation to two floods in Romania, Bulgaria and Italy in April and November 2014.

Amending budget 4/2015: mobilisation of the EU Solidarity Fund for Romania, Bulgaria and Italy

2015/2078(BUD) - 07/07/2015 - Budgetary text adopted by Parliament

The European Parliament adopted by 605 votes to 50, with 55 abstentions, a resolution on the Council position on Draft amending budget No 4/2015 of the European Union for the financial year 2015, accompanying the proposal to mobilise the European Union Solidarity Fund for Romania, Bulgaria and Italy.

Parliament recalled that Draft amending budget No 4/2015 relates to the mobilisation of the European Union Solidarity Fund (EUSF) for an amount of EUR 66 505 850 in commitment and payment appropriations in relation to two floods in Romania in spring and summer 2014 (total aid EUR 8 495 950), floods in Bulgaria in July/August 2014 (total aid 1 983 600) and floods in Italy in October/November 2014 (total aid 56 026 300).

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In this regard, Parliament approved the Council position on Draft amending budget No 4/2015.