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**A8-0211/2015**

25.6.2015

## REPORT

on the proposal for a decision of the European Parliament and of the Council on mobilisation of the European Union Solidarity Fund, in accordance with point 11 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management (floods in Romania, Bulgaria and Italy)  
(COM(2015)0162 – C8-0094/2015 – 2015/2079(BUD))

Committee on Budgets

Rapporteur: Siegfried Mureşan

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## MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

**on the proposal for a decision of the European Parliament and of the Council on mobilisation of the European Union Solidarity Fund, in accordance with point 11 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management (floods in Romania, Bulgaria and Italy) (COM(2015)0162 – C8-0094/2015 – 2015/2079(BUD))**

*The European Parliament,*

- having regard to the Commission proposal to the European Parliament and the Council (COM(2015)0162 – C8-0094/2015),
  - having regard to Council Regulation (EC) No 2012/2002 of 11 November 2002 establishing the European Union Solidarity Fund<sup>1</sup>,
  - having regard to Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020<sup>2</sup>, and in particular Article 10 thereof,
  - having regard to the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management<sup>3</sup>, and in particular point 11 thereof,
  - having regard to the letter from the Committee on Regional Development,
  - having regard to the report of the Committee on Budgets (A8-0211/2015),
1. Approves the decision annexed to this resolution;
  2. Instructs its President to sign the decision with the President of the Council and arrange for its publication in the *Official Journal of the European Union*;
  3. Instructs its President to forward this resolution, including its annex, to the Council and the Commission.

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<sup>1</sup> OJ L 311, 14.11.2002, p. 3.

<sup>2</sup> OJ L 347, 20.12.2013, p. 884.

<sup>3</sup> OJ C 373, 20.12.2013, p. 1.

**ANNEX: DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL  
on the mobilisation of the EU Solidarity Fund (floods in Romania, Bulgaria and Italy)**

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EC) No 2012/2002 of 11 November 2002 establishing the European Union Solidarity Fund<sup>1</sup>, and in particular Article 4(3) thereof,

Having regard to the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management<sup>2</sup>, and in particular point 11 thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The European Union Solidarity Fund (the "Fund") aims to enable the Union to respond in a rapid, efficient and flexible manner to emergency situations and to show solidarity with the population of regions struck by disasters.
- (2) The Fund is not to exceed a maximum annual amount of EUR 500 million (2011 prices), as laid down in Article 10 of Council Regulation (EU, Euratom) No 1311/2013<sup>3</sup>.
- (3) Romania has submitted two applications to mobilise the Fund, concerning floods.
- (4) Bulgaria has submitted an application to mobilise the Fund, concerning floods.
- (5) Italy has submitted an application to mobilise the Fund, concerning floods.
- (6) The Fund should therefore be mobilised in order to provide a financial contribution of EUR 66 505 850 in respect of the applications submitted by Romania, Bulgaria and Italy.
- (7) In order to minimise the time taken to mobilise the Fund, this decision should apply from the date of its adoption,

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<sup>1</sup> Council Regulation (EC) No 2012/2002 of 11 November 2002 establishing the European Union Solidarity Fund (OJ L 311, 14.11.2002, p. 3).

<sup>2</sup> OJ C 373, 20.12.2013, p. 1.

<sup>3</sup> Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 (OJ L 347, 20.12.2013, p. 884).

HAVE ADOPTED THIS DECISION:

*Article 1*

For the general budget of the European Union for the financial year 2015, the European Union Solidarity Fund shall be mobilised to provide the sum of EUR 66 505 850 in commitment and payment appropriations.

*Article 2*

This Decision shall enter into force on the day of its publication in the *Official Journal of the European Union*. It shall apply from [date of its adoption to be inserted by the Parliament before the publication in OJ].

Done at Brussels,

*For the European Parliament*  
*The President*

*For the Council*  
*The President*

## EXPLANATORY STATEMENT

The Commission proposes to mobilise the European Solidarity Fund in favour of floods in Romania (spring and summer 2014), Bulgaria (summer 2014) and Italy (autumn 2014) on the basis of point 11 of the Interinstitutional Agreement of 2 December 2013.

The Commission has carried out a thorough examination of all four 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 of 15 May 2014, in particular with Articles 2, 3 and 4 thereof.

**Romania – Spring floods:** 30 out of 42 Romanian counties were affected by flooding during April and May 2014. Total direct damage to public and private infrastructure, private homes and in agriculture was valued at EUR 167,9 million, i.e. 0,13% of Romania's Gross National Income (GNI). This amount remains below the 'major disaster' threshold for mobilising the EUSF applicable to Romania in 2014 of EUR 783,7 million (i.e. 0,6% of GNI based on 2012 data or EUR 3 billion in 2011 prices, whichever is the lower amount). However, the application was considered eligible under the *neighbouring country* provision of Article 2(4), under which a country affected by the same disaster as a neighbouring country for which a major disaster has been recognised may exceptionally benefit from EUSF assistance even if it does not qualify as a major or regional disaster. The cost of essential emergency operations eligible under Article 3(2) has been estimated by the Romanian authorities at EUR 145,5 million.

**Romania – Summer floods:** From late July to mid-August 2014 parts of Romania's Sud-Vest Oltenia region were affected by 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. Total direct damage, valued at EUR 171,9 million or 0,13% of Romania's GDP, remained below the major disaster threshold for activating the EUSF, but the application was considered eligible under the criteria for *regional disasters* under Article 2(3). A 'regional disaster' is defined as any natural disaster in a region at NUTS level 2 of an eligible State resulting in direct damage in excess of 1,5% of that region's GDP. Given that the reported direct damage of EUR 171,9 million represents 1,64% of Sud-Vest Oltenia's GDP, Romania's application was considered eligible for a contribution from the EUSF. The cost of essential emergency operations has been estimated by the Romanian authorities at EUR 94 million.

**Bulgaria – Summer floods:** At the end of July and early August 2014, heavy rainfall caused considerable damage to public and private infrastructure, businesses, private homes and assets, and in the agricultural sector in the region of Severozapaden. The Bulgarian authorities estimate total direct damage at EUR 79,3 million, i.e. 0,20% of Bulgaria's GNI or 34,1% of the 'major disaster' threshold of EUR 232,5 million (0,6% of GNI) applicable to Bulgaria in 2014. Also in this case, the value of damages remains below the 'major disaster' threshold.

However, as the application relates to a single NUTS level 2 region and total damages represent 2,9% of that region's GDP, the application is eligible for an EUSF contribution under the '*regional disaster*' criteria. The cost of essential emergency operations has been estimated at EUR 69,1 million.

**Italy – Autumn floods:** From early October to mid-November 2014, five regions in north-western Italy (Emilia-Romagna, Liguria, Lombardy, Piedmont and Tuscany) suffered from flooding and landslides which caused serious damage to public and private infrastructure, businesses, private homes and assets, the agricultural sector and the environment, as well as 11 casualties. The events, attributable to a single underlying meteorological condition, can be considered a single natural disaster. Total direct damage, estimated by the Italian authorities at EUR 2 241 million, remained below the 'major disaster' threshold for mobilising the EUSF of EUR 3 184 million applicable to Italy in 2014. However, the application is eligible under the criteria for a '*regional disaster*' as several regions at NUTS level 2 are affected and the damages caused in the five affected regions represent 1,84% of the weighted regional GDP, i.e. are in excess of the 1,5% threshold of Article 2(3).

The Commission proposes to apply the rate of 2,5% of total direct damage in all four cases, as none of them exceeded their respective major disaster thresholds. This is in line with previous practice in the case of regional disasters and disasters accepted under the 'neighbouring country' provision.

The following aid amounts are proposed:

*(EUR)*

<b>Disaster</b>	<i>Direct damage (million EUR)</i>	<i>Applied regional disaster threshold (million EUR)</i>	<i>Major disaster threshold (million EUR)</i>	<i>Total cost of eligible operations (million EUR)</i>	<i>2,5% of direct damage up to threshold (EUR)</i>	<i>Capping applied</i>	<b>Total amount of aid proposed (EUR)</b>
ROMANIA spring flooding	167,927	~	783,738	145,527	4 198 175	No	4 198 175
ROMANIA summer flooding	171,911	157,200	783,738	93,955	4 297 775	No	4 297 775
BULGARIA	79,344	40,980	232,502	69,108	1 983 600	No	1 983 600
ITALY	2 241,052	1 832,944	3 183,624	434,314	56 026 300	No	56 026 300
<b>TOTAL</b>							<b>66 505 850</b>

The total proposed mobilisation would require an amendment to the budget 2015 by increasing budget article 13 06 01 (EU Solidarity Fund for Member States) by EUR 66 505 850 in both commitment and payment appropriations, to be budgeted outside the MFF ceilings.

This is the first mobilisation decision of 2015 and the total amount of aid proposed above complies with the ceiling provisions for the EU Solidarity Fund as set in the MFF Regulation of EUR 541,2 million (i.e. EUR 500 million in 2011 prices). In addition, an amount of EUR 403,9 million unspent in 2014 may be used during 2015. As EUR 50 million have already been mobilised for the potential payment of advances and included in the 2015 budget, a total amount of EUR 895,1 million remains available for EUSF mobilisations in 2015.

In parallel to the proposal to mobilise the EU Solidarity Fund, the Commission has presented a draft amending budget (DAB No 4/2015 of 15 April 2015) in order to enter in the 2015 budget the corresponding commitment and payment appropriations as foreseen in point 11 of the IIA.

According to point 11 of the IIA of 2 December 2013, in case of a disagreement between Parliament and Council on these proposals, the Commission will initiate a trilogue procedure in view of securing the agreement of the two arms of the Budgetary Authority on the need to use the Fund and on the amount required.

According to an internal agreement with the Committee on Regional Development (REGI), this committee should be associated to the process, in order to provide constructive support to the implementation of the EU Solidarity Fund. Following the assessment of the requests, the REGI committee of the European Parliament gave their views on the mobilisation of the Fund, as expressed in the letter of opinion attached to the present report.

The Rapporteur recommends the approval of the Commission proposal for a decision annexed to this report.



## ANNEX – LETTER FROM THE COMMITTEE ON REGIONAL DEVELOPMENT

)  
Mr Jean ARTHUIS  
Chairman  
Committee on Budgets  
European Parliament

Dear Mr. Arthuis,

**Subject: Mobilisation of the European Union Solidarity Fund in favour of Romania, Bulgaria and Italy**

The European Commission has transmitted to the European Parliament its proposal for a decision of the European Parliament and of the Council on the mobilisation of the EU Solidarity Fund (COM(2015)0162), on the basis of applications to mobilise the Fund submitted by Romania, Bulgaria and Italy in relation to floods in their territories in 2014.

The Commission proposes the mobilisation of the European Union Solidarity Fund, estimating the damage caused by each disaster and per country as follows:

<b>Disaster</b>	<i>Direct damage (million EUR)</i>	<i>Applied regional disaster threshold (million EUR)</i>	<i>Major disaster threshold (million EUR)</i>	<i>Total cost of eligible operations (million EUR)</i>	<i>2,5% of direct damage up to threshold (EUR)</i>	<i>Capping applied</i>	<b>Total amount of aid proposed (EUR)</b>
ROMANIA spring flooding	167,927	~	783,738	145,527	4 198 175	No	4 198 175
ROMANIA summer flooding	171,911	157,200	783,738	93,955	4 297 775	No	4 297 775
BULGARIA	79,344	40,980	232,502	69,108	1 983 600	No	1 983 600
ITALY	2 241,052	1 832,944	3 183,624	434,314	56 026 300	No	56 026 300
<b>TOTAL</b>							<b>66 505 850</b>

The Commission further proposes a Draft Amending Budget (DAB) No 4 for the year 2015 (COM(2015)0161) in order to cover the above-mentioned proposed mobilisation of the European Union Solidarity Fund, 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.

The Committee coordinators have assessed these proposals, and asked me to write to you reporting that the majority of this Committee has no objection to this mobilisation of the EU Solidarity Fund to allocate the above-mentioned amount as proposed by the Commission, and supports the corresponding DAB No 4/2015 as proposed by the Commission.

Yours sincerely,

Iskra MIHAYLOVA

## RESULT OF FINAL VOTE IN COMMITTEE

<b>Date adopted</b>	23.6.2015
<b>Result of final vote</b>	+: 35 -: 0 0: 2
<b>Members present for the final vote</b>	Nedzhmi Ali, Jonathan Arnott, Jean Arthuis, Richard Ashworth, Reimer Böge, Lefteris Christoforou, Jean-Paul Denanot, Gérard Deprez, José Manuel Fernandes, Eider Gardiazabal Rubial, Jens Geier, Ingeborg Gräßle, Iris Hoffmann, Monika Hohlmeier, Bernd Kölmel, Zbigniew Kuźmiuk, Vladimír Maňka, Ernest Maragall, Sophie Montel, Siegfried Mureşan, Liadh Ní Riada, Jan Olbrycht, Younous Omarjee, Paul Rübig, Patricija Šulin, Eleftherios Synadinos, Paul Tang, Isabelle Thomas, Monika Vana, Daniele Viotti, Stanisław Żółtek
<b>Substitutes present for the final vote</b>	Janusz Lewandowski, Ivan Štefanec, Nils Torvalds, Derek Vaughan
<b>Substitutes under Rule 200(2) present for the final vote</b>	Tiziana Beghin, Marco Zullo