



**2019/2137(BUD)**

23.10.2019

## **DRAFT REPORT**

on the proposal for a decision of the European Parliament and of the Council  
on the mobilisation of the European Union Solidarity Fund to provide  
assistance to Greece  
(COM(2019)0496 – C9-0144/2019 – 2019/2137(BUD))

Committee on Budgets

Rapporteur: Eva Kaili

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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 the mobilisation of the European Union Solidarity Fund to provide assistance to Greece (COM(2019)0496 – C9-0144/2019 – 2019/2137(BUD))**

*The European Parliament,*

- having regard to the Commission proposal to the European Parliament and the Council (COM(2019)0496 – C9-0144/2019),
  - 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 (A9-0000/2019),
1. Welcomes the decision as a sign of the Union's solidarity with EU citizens and regions hit by natural disasters;
  2. Stresses the urgent need to release financial assistance through the European Union Solidarity Fund ('the Fund') to the regions affected by natural disasters in the Union in 2019;
  3. Approves the decision annexed to this resolution;
  4. 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*;
  5. 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 European Union Solidarity Fund to provide assistance to Greece**

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 in order to show solidarity with the population of regions struck by natural disasters.
- (2) The Fund is not to exceed a maximum annual amount of EUR 500 000 000 (2011 prices), as laid down in Article 10 of Council Regulation (EU, Euratom) No 1311/2013<sup>3</sup>.
- (3) On 15 May 2019 Greece submitted an application to mobilise the Fund, following exceptionally heavy rain and storm which hit Crete between 23 and 26 February 2019 and led to floods and landslides.
- (4) The application by Greece meets the conditions for providing a financial contribution from the Fund, as laid down in Article 4 of Regulation (EC) No 2012/2002.
- (5) The Fund should therefore be mobilised in order to provide a financial contribution to Greece.
- (6) By Decision (EU) 2019/277 of the European Parliament and of the Council<sup>4</sup>, the Fund was mobilised to provide the sum of EUR 50 000 000 in commitment and payment appropriations for the payment of advances for the financial year 2019. Those appropriations have only been used to a very limited extent. Consequently, there is scope for financing the full amount for the present mobilisation through the reallocation of the appropriations available for the payment of advances in the general budget of the Union for the financial year 2019.
- (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> 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).

<sup>4</sup> OJ L 54, 22.2.2019, p. 5.

HAVE ADOPTED THIS DECISION:

*Article 1*

For the general budget of the Union for the financial year 2019, the European Union Solidarity Fund shall be mobilised to provide the amount of EUR 4 552 517 to Greece, in commitment and payment appropriations.

The amount referred to in the first paragraph shall be financed from the appropriations mobilised for the payment of advances in the Union budget for the financial year 2019. The appropriations available for the payment of advances shall be reduced accordingly.

*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 ... [*the date of its adoption*]\*\*.

Done at Brussels,

*For the European Parliament*

*For the Council*

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\*\* *Date to be inserted by the Parliament before the publication in OJ.*

## EXPLANATORY STATEMENT

The Commission proposes to mobilise the European Union Solidarity Fund (hereafter the ‘Fund’) to grant financial assistance relating to severe weather events that took place in 2019 in Greece.

In February 2019, western Crete was severely hit by a cyclone, accompanied by exceptionally heavy rain. The ensuing floods and landslides tragically led to human casualties, blockage of villages in the areas of Rethimnon and Chania, as well as significant damage to infrastructure, in particular the road network, and the destruction of economic activities, especially in agricultural production. There was also major damage to embankments, drainage systems, the electricity network and to private homes, mainly owned by financially disadvantaged households.

In its application, received by the Commission on 15 May 2019, Greece estimated total direct damages at EUR 182,1 million or 2,1 % of GDP of the Region of Kriti, i.e. above the threshold value for mobilising the EUSF in a NUTS 2 level region (of 1,5% of regional GDP). Hence, the disaster qualifies as a ‘regional natural disaster’ within the meaning of Article 2(3) of the EUSF Regulation.

The affected region is a ‘transition region’ under the European Structural and Investment Funds (ESIF) for the 2014-2020 financing period. The Greek authorities did not declare their intention to reallocate funding from the ESIF programmes towards recovery measures.

The total cost of eligible essential emergency and recovery operations, as defined under Article 3(2) of the Regulation, was estimated by Greece at EUR 173,9 million, with the largest shares concerning the costs of restoring transport infrastructure and cleaning-up operations.

Applying the rate of 2,5 % of total direct damage for cases under the ‘regional disaster’ provision, the Commission has therefore calculated the total financial contribution from the Fund to be EUR 4 552 517.

The Greek authorities requested the payment of an advance as laid down in Article 4a of the Regulation, which was granted. Thus, EUR 455 252 or 10 % of the anticipated financial contribution from the Fund was paid out to Greece on 19 July 2019, i.e. only two months after the application was submitted.

### Conclusion

The total amount available at the start of 2019 was EUR 851 082 072, i.e. the sum of the 2019 allocation of EUR 585 829 691 and the portion of the 2018 allocation of EUR 265 252 381 that remained unspent and was carried over to 2019. After deducting the amount of the previous mobilisation for Romania, Italy and Austria<sup>1</sup> (EUR 293 551 794), the amount that remains

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<sup>1</sup> Texts adopted P9\_TA-PROV(2019)0013 and P9\_TA-PROV(2019)0014.

available in 2019 is EUR 557 530 278.

This mobilisation does not require an amendment to the 2019 budget but can be financed in full through the partial use of commitment and payment appropriations already entered into the 2019 budget for covering advances, after deducting the advance of EUR 455 252 already paid out to Greece. The appropriations available in the 2019 budget for the payment of advances (total amount of EUR 50 000 000) have only been used to a very limited extent. Therefore, the full amount for the present mobilisation can be financed through the reallocation of those appropriations for the payment of advances and an amending budget is not required. Thus, the total amount remaining available under the Fund until the end of the year is EUR 557 530 278.

***The Rapporteur recommends the swift approval of the Commission proposal for a decision annexed to this report, leading to the rapid mobilisation of the aforementioned amount, as a sign of European solidarity with the affected region.***

**ANNEX: LETTER FROM THE COMMITTEE ON REGIONAL DEVELOPMENT**

(To be received)