



Plenary sitting

A8-0175/2018

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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, Spain, France and Portugal
(COM(2018)0150 – C8-0039/2018 – 2018/2029(BUD))

Committee on Budgets

Rapporteur: José Manuel Fernandes

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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, Spain, France and Portugal
(COM(2018)0150 – C8-0039/2018 – 2018/2029(BUD))**

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council (COM(2018)0150 – C8-0039/2018),
 - having regard to Council Regulation (EC) No 2012/2002 of 11 November 2002 establishing the European Union Solidarity Fund¹,
 - having regard to Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020², 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 management³, 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 (A8-0175/2018),
1. Welcomes the decision as a sign of the Union's solidarity with Union citizens and regions hit by the natural disasters;
 2. Regrets the number of lives lost in natural disasters in the Union in 2017; calls on Member States to invest in the prevention of catastrophes through the mobilisation of the necessary means and the use of European structural and investment funds to avoid the loss of human lives in the future;
 3. Supports Member States using European structural and investment funds for the reconstruction of the affected regions; invites the Commission to support and rapidly approve the financial reallocation of the partnership agreements requested by Member States to this end;
 4. Calls on Member States to utilise the financial contribution from the Solidarity Fund in a transparent way, guaranteeing a fair distribution throughout the affected regions;
 5. Welcomes the proposal from the Commission for a new EU Civil Protection Mechanism as a way to prevent and act in situations of natural disasters; believes that

¹ OJ L 311, 14.11.2002, p. 3.

² OJ L 347, 20.12.2013, p. 884.

³ OJ C 373, 20.12.2013, p. 1.

the EU Civil Protection Mechanism represents a materialisation of solidarity in the Union, in line with the European Union Solidarity Fund (EUSF); recalls, in this context, the importance of continuing to give the outermost regions special EUSF access conditions to help them cope with their high level of exposure to natural disasters; calls, in situations where the collection of information is difficult and where justified by the scale of the natural disaster, for more flexibility in the deadline for filing a request for the mobilisation and use of EUSF funds;

6. Approves the decision annexed to this resolution;
7. 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*;
8. Instructs its President to forward this resolution, including its annex, to the Council and the Commission.

ANNEX: DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the mobilisation of the European Union Solidarity Fund to provide assistance to Greece, Spain, France and Portugal

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 Fund¹, 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 management², 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 1311/2013³.
- (3) On 1 September 2017, Greece submitted an application to mobilise the Fund, following an earthquake that affected the island of Lesbos in the Northern Aegean on 12 June 2017.
- (4) On 22 December 2017, Spain submitted an application to mobilise the Fund, following wildfires in north-western Spain in the region of Galicia during the period 10 to 17 October 2017.
- (5) On 27 November 2017, France submitted an application to mobilise the Fund, following hurricane Irma that crossed the island of Saint Martin on 5 and 6 September 2017 and hurricane Maria that struck Guadeloupe on 18 and 19 September 2017.

¹ OJ L 311, 14.11.2002, p. 3.

² OJ C 373, 20.12.2013, p.1.

³ 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).

- (6) On 17 July 2017, Portugal submitted its initial application for a contribution from the Fund following severe fires that broke out on 17 June 2017. However, following additional fires that hit Portugal in the period from June to October 2017, Portugal submitted updates to its application on 13 October 2017 and again on 14 December 2017 including a revised estimate of the cumulative amount of damage caused by the fires between June and October 2017.
- (7) The applications by Greece, Spain, France and Portugal meet the conditions for providing a financial contribution from the Fund, as laid down in Article 4 of Regulation (EC) No 2012/2002.
- (8) The Fund should therefore be mobilised in order to provide a financial contribution to Greece, France, Portugal and Spain.
- (9) In order to minimise the time taken to mobilise the Fund, this Decision should apply from the date of its adoption,

HAVE ADOPTED THIS DECISION:

Article 1

For the general budget of the Union for the financial year 2018, the European Union Solidarity Fund shall be mobilised to provide the amount of EUR 1 359 119 to Greece, EUR 3 228 675 to Spain, EUR 48 906 025 to France and EUR 50 673 132 to Portugal, 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 ... [*the date of its adoption*]**.

Done at ...,

For the European Parliament

For the Council

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

EXPLANATORY STATEMENT

The Commission proposes to mobilize the European Union Solidarity Fund (EUSF) to grant financial assistance relating to forest fires in Portugal and Spain, hurricanes in France and earthquakes in Greece.

The natural disasters that occurred during 2017 in the EU caused the loss of human lives and a great deal of destruction in the regions affected, most of them qualified as “less developed regions”. The mobilization of the EU Solidarity Fund is a sign of solidarity in the Union to the countries and the Europeans that suffered throughout the tragic events.

Portugal – Forest fires in 2017

Between June and October 2017, mainly Portugal's Central and Northern regions suffered several waves of large forest fires triggered by high temperatures, strong winds and extreme low humidity. These fires had a devastating effect causing the destruction of essential public infrastructure, public buildings, private homes, businesses and destroying agricultural and forest land, and causing the loss of more than 100 lives.

In their application, received by the Commission on 17 July 2017 and completed on 14 December 2017, the Portuguese authorities estimated total direct damage caused by the disaster at EUR 1 458,0 million. As this represents 0,832 % of Portugal's GNI and thus exceeds the major disaster threshold for mobilising the Solidarity Fund of EUR 1 051,6 million in 2017 (i.e. 0,6 % of Portugal's GNI), the disaster qualifies as a “**major natural disaster**” within the meaning of Article 2(2) of the EUSF Regulation.

The cost of eligible essential emergency operations, as defined in Article 3 of the Regulation, has been estimated by the Portuguese authorities at EUR 211,0 million.

The affected regions fall under the category of "less developed regions" under the European Structural and Investment (ESI) Funds (2014-2020). The Portuguese authorities signalled to the Commission their intention to reallocate funding from the ESI Funds programmes towards recovery measures.

Portugal requested the payment of an advance, which was awarded by the Commission on 9 November 2017, amounting to EUR 1 494 331 and paid out in full on 29 November 2017.

In line with past practice, the Commission proposes to apply the rate of 2,5 % of total direct damage up to the level of Portugal's “major disaster” threshold and 6 % to the part of the total direct damage above this threshold. **The total amount of aid proposed is therefore EUR 50 673 132.**

France - Hurricanes in 2017

During 5 and 19 September 2017, two category 5 hurricanes named Irma and Maria of unprecedented violence crossed the Caribbean and caused significant damage on Saint Martin/Sint Maarten, Guadeloupe and parts of Martinique.

In their application, received by the Commission on 27 November 2017, the French authorities estimated total direct damage caused by the disaster at EUR 1 956,2 million. As this represents 21,9 % of the region's GDP (i.e. EUR 8 928 million based on 2014 data) and exceeds by far the applicable 1 %-threshold for outermost regions, the disaster qualifies as a “**regional natural disaster**” within the meaning of Article 2(3) of the EUSF Regulation.

The cost of eligible essential emergency operations, as defined in Article 3 of the Regulation, has been estimated by the French authorities at EUR 191,4 million.

The affected region falls under the category of "less developed regions" under the European Structural and Investment (ESI) Funds (2014-2020). The French authorities signalled to the Commission their intention to reallocate funding from the ESI Funds programmes towards recovery measures.

France requested the payment of an advance, which was awarded by the Commission on 12 December 2017, amounting to EUR 4 890 603 and paid out in two instalments in December 2017 (EUR 2 369 757) and January 2018 (EUR 2 520 846).

In line with past practice, the Commission proposes to apply the rate of 2,5 % of total direct damage up to the level of France's “major disaster” threshold. **The total amount of aid proposed is therefore EUR 48 906 025.**

Spain – Forest fires in 2017

Large wildfires broke out in north-western Spain in the region of Galicia during the period between 10 and 17 October 2017. The fires were triggered by the same meteorological conditions as in Portugal and caused considerable destruction of essential public infrastructure, private homes, businesses and forest land, and the loss of human lives.

In their application, received by the Commission on 22 December 2017, the Spanish authorities estimated total direct damage caused by the disaster at EUR 129,1 million. As Spain was affected by the same meteorological conditions which caused the major disaster in Portugal, the so called 'neighbouring country provision' laid down in Article 2(4) of the EUSF Regulation applies, whereby an eligible country affected by the same disaster qualifying as a major disaster in a neighbouring eligible country may also benefit from EUSF aid.

The cost of eligible essential emergency operations, as defined in Article 3 of the Regulation, has been estimated by the Spanish authorities at EUR 18,7 million.

The affected region falls under the category of "more developed regions" under the European

Structural and Investment (ESI) Funds (2014-2020). The Spanish authorities did not signal to the Commission their intention to reallocate funding from the ESI Funds programmes towards recovery measures.

Spain requested the payment of an advance, which was not awarded by the Commission, given the low level of the damage and of the anticipated amount of aid.

In line with past practice, the Commission proposes to apply the rate of 2,5 % of total direct damage as it is below Spain's "major disaster" threshold. **The total amount of aid proposed is therefore EUR 3 228 675.**

Greece - Earthquakes in 2017

On 12 June 2017, an earthquake with a magnitude of 6,3 on the Richter scale affected the island of Lesbos in the Northern Aegean. A multitude of aftershocks followed causing damage to private homes, businesses and local infrastructure.

In their application, received by the Commission on 1 September 2017, the Greek authorities estimated total direct damage caused by the disaster at EUR 54,4 million. As this represents 2,14 % of the GDP of the region affected by this disaster (EUR 2 545 million based on 2014 data) and exceeds the 1,5 % threshold of regional GDP, the disaster qualifies as a "**regional natural disaster**" within the meaning of Article 2(3) of the EUSF Regulation.

The cost of eligible essential emergency operations, as defined in Article 3 of the Regulation, has been estimated by the Greek authorities at EUR 12,7 million.

The affected region falls under the category of "transition regions" under the European Structural and Investment (ESI) Funds (2014-2020). The Greek authorities did not signal to the Commission the intention to reallocate funding from the ESI Funds programmes towards recovery measures.

Greece requested the payment of an advance, which was awarded by the Commission on 24 October 2017, amounting to EUR 135 912 and paid out in full on 9 November 2017.

In line with past practice, the Commission proposes to apply the rate of 2,5 % of total direct damage as it is below Greece's "major disaster" threshold. **The total amount of aid proposed is therefore EUR 1 359 119.**

Conclusion

The proposed mobilisation **requires an amendment to the 2018 budget** and a draft amending budget (N°1/2018), aiming at increasing budget line *13 06 01 'Assistance to Member States in the event of a major natural disaster with serious repercussions on living conditions, the natural environment or the economy'* by EUR 97 646 105 both in commitment

and payment appropriations.

The total amount available for the mobilisation of the EUSF at the beginning of 2018 was EUR 421 142 057, being the sum of the remaining 2018 allocation and the remaining 2017 allocation that remained unspent and was carried over to 2018.

The amount that may be mobilised at this stage of the year 2018 is EUR 277 556 348. This corresponds to the total amount available for the mobilisation of the EUSF at the beginning of 2018 (EUR 421 142 057), minus the retained amount of EUR 143 585 709 in order to respect the obligation of keeping aside 25 % of the 2018 annual allocation until 1 October 2018 as stipulated by Article 10(1) of the MFF regulation.

Member States should apply the financial aid rapidly and in a transparent way, guaranteeing a fair distribution throughout the affected regions.

The Rapporteur supports Member States using Structural and Investment Funds for the reconstruction of the affected regions, and invites the Commission to support and rapidly approve the reallocation of the partnership agreements requested by Member States for the reconstruction of these regions.

The Rapporteur recommends the swift approval of the Commission proposal for a decision annexed to this report, in sign of solidarity with the affected regions.

LETTER FROM THE COMMITTEE ON REGIONAL DEVELOPMENT

Letter of 7 March 2018 from Iskra Mihaylova, Chair of the Committee on Regional Development, to Jean Arthuis, Chair of the Committee on Budgets

Translation

Subject: **Mobilisation of the European Union Solidarity Fund to provide assistance to Greece, Spain, France and Portugal**

Dear Mr. Arthuis,

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 European Union Solidarity Fund (COM(2018)0150), on the basis of the applications to mobilise the Fund submitted by Greece, Spain, France and Portugal further to a series of natural disasters that took place between June and October 2017.

The Commission proposes the mobilisation of the European Union Solidarity Fund, estimating the damages caused by the disasters as follows:

Member States	<i>Qualification of disaster</i>	<i>Total direct damage (million EUR)</i>	<i>Major disaster threshold (million EUR)</i>	<i>2,5% of direct damage up to threshold (EUR)</i>	<i>6% of direct damage above threshold (EUR)</i>	<i>Total amount of aid proposed (EUR)</i>	<i>Advances paid (EUR)</i>
GREECE	<i>Regional (Art. 2(3))</i>	54,365	1 057,800	1 359 119	-	1 359 119	135 912
FRANCE	<i>Regional (Art. 2(3))</i>	1 956,241	3 378,487	48 906 025	-	48 906 025	4 890 603
PORTUGAL	<i>Major (Art. 2(2))</i>	1 457,966	1 051,566	26 289 150	24 383 982	50 673 132	1 494 331
SPAIN	<i>Regional (Art. 2(4))</i>	129,147	3 378,487	3 228 675	-	3 228 675	
TOTAL						104 166 951	6 520 846

Considering the amount of EUR 6 520 846 that was already paid for these EUSF cases as advance, the Commission further proposes a Draft Amending Budget (DAB) No 1 for the year 2018 (COM(2018)0155 final) in order to cover the above-mentioned proposed mobilisation of the European Union Solidarity Fund, by increasing budget article 13 06 01 (*Assistance to Member States in the event of a major natural disaster with serious repercussions on living conditions, the natural environment or the economy*) by EUR 97 646 105 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 1/2018 as proposed by the Commission.

(Closing formula and signature)

INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

Date adopted	16.5.2018
Result of final vote	+: 24 -: 2 0: 0
Members present for the final vote	Nedzhmi Ali, Jean Arthuis, Reimer Böge, Lefteris Christoforou, Gérard Deprez, Manuel dos Santos, André Elissen, José Manuel Fernandes, Eider Gardiazabal Rubial, Jens Geier, Esteban González Pons, Ingeborg Gräßle, Iris Hoffmann, John Howarth, Bernd Kölmel, Vladimír Maňka, Liadh Ní Riada, Jan Olbrycht, Răzvan Popa, Jordi Solé, Isabelle Thomas, Inese Vaidere, Marco Zanni, Stanisław Żółtek
Substitutes present for the final vote	Ivana Maletić, Andrey Novakov

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

24	+
ALDE	Nedzhmi Ali, Jean Arthuis, Gérard Deprez
ECR	Bernd Kölmel
ENF	Marco Zanni
GUE/NGL	Liadh Ní Riada
PPE	Reimer Böge, Lefteris Christoforou, José Manuel Fernandes, Esteban González Pons, Ingeborg Gräßle, Ivana Maletić, Andrey Novakov, Jan Olbrycht, Inese Vaidere
S&D	Eider Gardiazabal Rubial, Jens Geier, Iris Hoffmann, John Howarth, Vladimír Maňka, Răzvan Popa, Manuel dos Santos, Isabelle Thomas
VERTS/ALE	Jordi Solé

2	-
ENF	André Elissen, Stanisław Żółtek

0	0

Key to symbols:

+ : in favour

- : against

0 : abstention