EUROPEAN
COMMISSION

Brussels, 26.6.2017
COM(2017) 541 final

DRAFT AMENDING BUDGET No 4 TO THE GENERAL BUDGET 2017

Accompanying the proposal to mobilise the European Union Solidarity Fund to provide assistance to Italy

Having regard to:

– the Treaty on the Functioning of the European Union, and in particular Article 314 thereof, in conjunction with the Treaty establishing the European Atomic Energy Community, and in particular Article 106a thereof,

– Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union[1], and in particular Article 41 thereof,

– the general budget of the European Union for the financial year 2017, as adopted on 1 December 2016[2],

– the amending budget No 1/2017[3], adopted on 5 April 2017,

– the draft amending budget No 2/2017[4], adopted on 12 April 2017,

– the draft amending budget No 3/2017[5], adopted on 30 May 2017,

The European Commission hereby presents draft amending budget No 4 to the 2017 budget to the European Parliament and to the Council.

CHANGES TO THE STATEMENT OF REVENUE AND EXPENDITURE BY SECTION

The changes to the statement of revenue and expenditure by section are available on EUR-Lex (http://eur-lex.europa.eu/budget/www/index-en.htm). An English version of the changes to this statement is attached for information as a budgetary annex.

1 OJ L 298, 26.10.2012, p. 1.
2 OJ L 51, 28.2.2017.
3 OJ L 136, 24.5.2017.
4 COM(2017) 188, 12.4.2017.
5 COM(2017) 288, 30.5.2017.

TABLE OF CONTENTS

1. INTRODUCTION 4

2. FINANCING FROM THE EUSF ALLOCATIONS 2016, 2017 AND 2018 4

3. APPROPRIATIONS REQUESTED IN THE BUDGET OF 2017 4

4. SUMMARY TABLE BY MFF HEADING 6

1. INTRODUCTION

Draft Amending Budget (DAB) No 4 for the year 2017 accompanies the proposal to mobilise the European Union Solidarity Fund (EUSF) for an amount of EUR 1 196 797 579 to provide assistance to Italy further to a series of earthquakes that took place between August 2016 and January 2017 in the regions of Abruzzo, Lazio, Marche and Umbria[6].

DAB No 4/2017 proposes to enter in the general budget 2017 EUR 1 166 797 579 in commitment and payment appropriations to cover the budgetary needs of this mobilisation, after having deducted the advance already paid in 2016 (EUR 30 000 000).

2. FINANCING FROM THE EUSF ALLOCATIONS 2016, 2017 AND 2018

The total amount available for the mobilisation of the EUSF at the beginning of 2017 was EUR 1 115 121 612, being the sum of the 2017 allocation of EUR 563 081 210 (i.e. EUR 500 000 000 in 2011 prices) in accordance with Article 10(1) of the Multiannual Financial Framework (MFF) regulation[7] (hereafter "the MFF regulation"), plus the entire 2016 allocation of EUR 552 040 402 (i.e. EUR 500 000 000 in 2011 prices) that remained unspent and was carried over to the following year, in accordance with Article 10(2) of the MFF regulation.

The amount that may be mobilised at this stage of the year 2017 is EUR 902 826 499. This corresponds to the total amount available for the mobilisation of the EUSF at the beginning of 2017 (EUR 1 115 121 612), minus the previous mobilisation[8] (EUR 71 524 810), minus the retained amount of EUR 140 770 303 in order to respect the obligation of keeping aside 25% of the 2017 annual allocation until 1 October 2017 as stipulated by Article 10(1) of the MFF regulation.

This amount is not sufficient to cover the full mobilisation of the EUSF for Italy. However, the Commission considers that the conditions under Article 10(2) of the MFF regulation are fulfiled and proposes to cover the difference of EUR 293 971 080 (EUR 1 196 797 579 minus EUR 902 826 499 under 2017 budget allocation) from the annual amount available in 2018.

3. APPROPRIATIONS REQUESTED IN THE BUDGET OF 2017

Considering the amount of EUR 30 000 000 that was already paid for this EUSF case as advance from the budget 2016, the Commission proposes to amend the budget 2017 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 1 166 797 579 both in commitment and payment appropriations.

Given the level of interim payments received before the closure, the Commission proposes to fully redeploy the necessary payment appropriations for this EUSF case within the budget 2017 and to replenish the negative reserve activated in the Amending Budget No 1/2017 (EUR 70 402 434) from the budget lines for some 2007-2013 structural funds programmes.

---

6 COM(2017) 540, 26.6.2017.

7 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).

8 Decision (EU) 2017/741 of the European Parliament and of the Council of 5 April 2017 on the mobilisation of the European Solidarity Fund to provide assistance to the United Kingdom, Cyprus and Portugal (OJ L 111, 24.4.2017, p. 6) and the accompanying Amending Budget No 1/2017 (OJ L 136, 24.5.2017, p. 1).

The budget lines proposed to be amended in the context of this EUSF cases are listed below:

Amounts in EUR

Budget line	Name	Commitment appropriations	Payment appropriations
13 03 16	Completion of European Regional Development Fund (ERDF) — Convergence		-915 477 000
13 03 18	Completion of European Regional Development Fund (ERDF) — Regional competitiveness and employment	0	-23 165 000
13 03 19	Completion of European Regional Development Fund (ERDF) — European territorial cooperation	0	-42 508 000
13 04 02	Completion of Cohesion Fund (2007 to 2013)	0	-256 050 013
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	1 166 797 579	1 166 797 579
40 03 01	Negative reserve	0	70 402 434
Total		**1 166 797 579**	**0**

4. SUMMARY TABLE BY MFF HEADING

Heading	Budget 2017 (incl. AB 1, DAB 2&3/2017)		Draft Amending Budget 4/2017		Budget 2017 (incl. AB 1 & DAB 2-4/2017)	
	CA	PA	CA	PA	CA	PA
1. Smart and inclusive growth	**75 398 754 456**	**56 521 763 545**		**-1 237 200 013**	**75 398 754 456**	**55 284 563 532**
Of which under global margin for commitments	*1 939 100 000*				*1 939 100 000*	
Ceiling	*73 512 000 000*				*73 512 000 000*	
Margin	*52 345 544*				*52 345 544*	
1a Competitiveness for growth and jobs	21 312 155 821	19 320 944 503			21 312 155 821	19 320 944 503
Of which under global margin for commitments	*1 439 100 000*				*1 439 100 000*	
Ceiling	*19 925 000 000*				*19 925 000 000*	
Margin	*51 944 179*				*51 944 179*	
1b Economic social and territorial cohesion	54 086 598 635	37 200 819 042		-1 237 200 013	54 086 598 635	35 963 619 029
Of which under global margin for commitments	*500 000 000*				*500 000 000*	
Ceiling	*53 587 000 000*				*53 587 000 000*	
Margin	*401 365*				*401 365*	
2. Sustainable growth: natural resources	**58 584 443 884**	**54 913 969 537**			**58 584 443 884**	**54 913 969 537**
Ceiling	*60 191 000 000*				*60 191 000 000*	
Of which offset against Contingency margin	*- 575 000 000*				*- 575 000 000*	
Margin	*1 031 556 116*				*1 031 556 116*	
Of which: European Agricultural Guarantee Fund (EAGF) — Market related expenditure and direct payments	42 612 572 079	42 562 967 974			42 612 572 079	42 562 967 974
Sub-ceiling	*44 146 000 000*				*44 146 000 000*	
Net transfer between EAGF and EAFRD	*318 000*				*318 000*	
EAGF Margin	*1 533 109 921*				*1 533 109 921*	
3. Security and citizenship	**4 284 030 960**	**3 786 957 287**			**4 284 030 960**	**3 786 957 287**
Of which under Flexibility Instrument	*530 000 000*				*530 000 000*	
Of which under Contingency margin	*1 176 030 960*				*1 176 030 960*	
Ceiling	*2 578 000 000*				*2 578 000 000*	
Margin						
4. Global Europe	**10 162 120 000**	**9 483 081 178**			**10 162 120 000**	**9 483 081 178**
Of which under Contingency margin	*730 120 000*				*730 120 000*	
Ceiling	*9 432 000 000*				*9 432 000 000*	
Margin						
5. Administration	**9 394 513 816**	**9 394 599 816**			**9 394 513 816**	**9 394 599 816**
Ceiling	*9 918 000 000*				*9 918 000 000*	
Of which offset against Contingency margin	*- 507 268 804*				*- 507 268 804*	
Margin	*16 217 380*				*16 217 380*	
Of which: Administrative expenditure of the institutions	7 418 902 660	7 418 988 660			7 418 902 660	7 418 988 660
Sub-ceiling	*8 007 000 000*				*8 007 000 000*	
Of which offset against Contingency margin	- 507 268 804				- 507 268 804	
Margin	*80 828 536*				*80 828 536*	
Negative reserve		**- 70 402 434**		**70 402 434**		
Total	**157 823 863 116**	**134 029 968 929**		**-1 166 797 579**	**157 823 863 116**	**132 863 171 350**
Of which under Flexibility Instrument	***530 000 000***	***981 093 985***			***530 000 000***	***981 093 985***
Of which under global margin for commitments	***1 939 100 000***				***1 939 100 000***	
Of which under Contingency margin	***1 906 150 960***				***1 906 150 960***	
Ceiling	***155 631 000 000***	***142 906 000 000***			***155 631 000 000***	***142 906 000 000***
Of which offset against Contingency margin	***-1 082 268 804***				***-1 082 268 804***	
Margin	***1 100 119 040***	***9 857 125 056***			***1 100 119 040***	***11 023 922 635***
Other special Instruments	**604 326 434**	**460 402 434**	**1 166 797 579**	**1 166 797 579**	**1 771 124 013**	**1 627 200 013**
Grand Total	**158 428 189 550**	**134 490 371 363**	**1 166 797 579**		**159 594 987 129**	**134 490 371 363**