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European Union Solidarity Fund Annual Report 2017 - 2018

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1. INTRODUCTION

Council Regulation (EC) No 2012/2002 of 11 November 2002 establishing the EU Solidarity Fund ('the Regulation') provides in its Article 12 that a report on the activity of the Fund in the previous year shall be presented to the European Parliament and to the Council. Exceptionally, given that the mobilisation procedure of the Solidarity Fund for all disasters of 2017 was only completed in 2018, the present report covers the activities of the Fund during both years 2017 and 2018. The report summarises the applications received and the cases closed during the reporting period. The Commission assessed all applications according to the criteria laid down in the Regulation as amended in 2014[1].

In 2017, the Commission received ten new applications for financial contribution from the Solidarity Fund, namely from France, Greece, Latvia, Lithuania, Poland, Portugal and Spain. In addition and most importantly, Italy revised and updated its application initially submitted in 2016 for the series of major earthquakes that started in August 2016 and continued into early 2017.

Portugal, Greece, France and Spain requested advance payments for five applications of which three could be granted. The Commission paid out these advances totalling €6.5 million within a few weeks after receiving the applications.

Two of the applications received, namely those for flooding in Murcia and fires in Doñana in Spain, did not meet the conditions of the Regulation and therefore were not accepted. The decisions on the other eight new applications from 2017 were adopted in 2018. Moreover, the Commission closed six earlier Solidarity Fund interventions.

In 2018, the Commission received four applications for the Solidarity Fund assistance, namely from Bulgaria, Cyprus, Italy and Romania, of which the Commission could not accept the application from Cyprus. None of the three other countries requested an advance payment. In 2018, the Commission paid out the total amount of €2.3 million to Bulgaria. The decisions on the applications from the other two countries received in 2018 were still pending at the end of that year.

Annex I presents the 'major disaster' damage thresholds for mobilising the Solidarity Fund applicable in 2017 and 2018. Annex II presents an overview of the applications approved in 2017/2018 including the relevant financial information.

2. APPLICATIONS

➢ *IN 2017*

The Commission received ten new applications for a financial contribution from the Solidarity Fund in 2017. All reached the Commission within the legal deadline of 'no later than 12 weeks after the first occurrence of damage' (Article 4(1) of the Regulation). Three applications concerned major disasters, six concerned regional disaster, and one was based on the provisions for disasters in a "neighbouring

[1] Council Regulation (EC) No 2012/2002 of 11 November 2002 establishing the European Union Solidarity Fund (OJ L 311, 14.11.2002, p. 3) as amended by Regulation (EU) No 661/2014 of the European Parliament and of the Council of 15 May 2014 (OJ L 189, 27.6.2014, p. 143).

country". The Commission adopted the implementing decisions awarding financial contribution from the EU Solidarity Fund on eight of these applications in the course of 2018.

ITALY - Series of earthquakes 2016/2017

As set out in the previous annual report, between August 2016 and January 2017 the central Apennines region of Italy was struck by the most violent series of earthquakes in the history of the Solidarity Fund. The cumulated direct damage amounted to an unprecedented €21.879 billion, more than six times the amount of the threshold for a major disaster and by far the biggest disaster since the creation of the Solidarity Fund. The maximum possible advance of €30 million had been paid in December 2016 after the Commission had received Italy's initial application on 16 November 2016.

With the occurrence of successive severe aftershocks until January 2017, Italy had to update its initial application several times, with the last revision received on 25 May 2017.

Based on the established method for determining Solidarity Fund aid amounts (i.e. 2.5% of total damage for the part of the damage up to the "major disaster threshold" plus 6% for the part of the damage exceeding the threshold) Italy was entitled to receive €1,196,797,579, i.e. almost €1.2 billion. This amount, by far the largest aid amount ever paid under the Solidarity Fund, exceeded more than twice the maximum annual allocation available to the Fund.

Luckily, the entire 2016 allocation had not been spent (payments during 2016 were made from the amount carried forward from 2015). The 2016 allocation was therefore carried forward to 2017. In addition, the Commission proposed to use, for the first time, the provision of Article 10(2) of the MFF Regulation allowing to use, under exceptional circumstances, the allocation of the following year (2018) to cover the remaing gap.

FRANCE – Hurricanes Irma and Maria in Saint Martin and Guadeloupe

On 5 and 6 September 2017, a category 5 hurricane named Irma of unprecedented violence, travelled through the Caribbean, killing and injuring a great number of people and leaving a trace of destruction behind. The eye of hurricane Irma crossed the island of Saint Martin/Sint Maarten with an average speed of 290-295 km/h destroying over 90% of the island. Only two weeks later on 18 and 19 September 2017 hurricane Maria, another category 5 hurricane resulting from the same meteorological and climatic conditions as Irma, crossed the Caribbean and again caused significant damage on Saint Martin/Sint Maarten, Guadeloupe and parts of Martinique.

France applied for a financial contribution from the Solidarity Fund on 27 November 2017 within the of 12 weeks deadline.

The French authorities estimated the total direct damage caused by the disaster at €1,956.241 million. The application was presented on the basis of the criteria for a 'regional natural disaster' as laid down in Article 2(3) of the Regulation. The application related to a single NUTS 2 region, encompassing Saint-Martin and Guadeloupe. As this region has outermost region status within the meaning of Article 349 of the Treaty on the Functioning of the European Union, a lower damage

threshold of 1% of regional GDP applied. While not qualifying as a major disaster the reported direct damage represented 21.9% of the region's gross domestic procuct (GDP) and exceeded by far the applicable 1%-threshold for outermost regions laid down in the Regulation. The application from France was therefore eligible for a contribution from the Solidarity Fund.

On 12 December 2017 the Commission paid out an advance to France amounting to €4,890,603 which represents 10% of the anticipated financial contribution from the Solidarity Fund amounting to €48,906,025.

GREECE

Earthquake on the island of Lesbos 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.

Greece applied for a financial contribution from the Solidarity Fund on 1 September 2017.

The Greek authorities estimated the total direct damage at €54.365 million. The application was presented on the basis of the criteria for a 'regional natural disaster' as laid down in Article 2(3) of the Regulation which defines a 'regional natural 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 damage caused on Lesbos represented 2.14% of the GDP of the concerned Northern Aegean NUTS 2 region and thus exceeded the threshold of 1.5% of regional GDP laid down in the Regulation. The application from Greece was therefore eligible for a contribution from the Solidarity Fund.

On 9 November 2017 the Commission paid out an advance to Greece amounting to €135,912 which represents 10% of the anticipated financial contribution from the Solidarity Fund amounting to €1,359,119.

Earthquake on the island of Kos 2017

On 20 July 2017, an earthquake with a magnitude of 6.6 on the Richter scale affected the South Aegean region between Bodrum (Turkey) and the island of Kos (Greece) followed by a multitude of aftershocks. The ensuing damage mostly affected public infrastructure and assets as well as important cultural heritage sites.

Greece applied for a contribution from the Solidarity Fund on 11 October 2017, within the deadline of 12 weeks.

The Greek authorities estimated the total direct damage caused by the disaster at €101.432 million. The application was presented on the basis of the provisions for 'regional disasters' laid down in Article 2(3) of the Regulation. The damage caused by the earthquake in Kos represented 1.8% of the GDP of the relevant Southern Aegean NUTS 2 region and therefore exceeded the 1.5% threshold laid down in the Regulation. The application from Greece was therefore eligible for a contribution from the Solidarity Fund amounting to €2,535,796. While Greece had applied for the payment of an advance, initial uncertainties about the eligibility of the application did not allow paying it.

LATVIA – Flood 2017

During the summer and autumn of 2017, Latvia was affected by a long-lasting period of intense rainfalls leading to the saturation of soils and subsequent flooding throughout the country, particularly in the Latgale region and surrounding territories. Consequently, crops were destroyed and widespread damage was caused to watercourses, the drainage system, connected water treatment installations as well as road and railway infrastructure.

The Latvian authorities applied for a contribution from the Solidarity Fund on 14 November 2017, within the deadline of 12 weeks after the first damage occurred on 24 August 2017.

Latvia estimated the total direct damage caused by the flooding at €380.524 million. This amount exceeded the 'major disaster threshold' for mobilising the Solidarity Fund applicable to Latvia in 2017 of €145.740 million (i.e. 0.6% of Latvia's Gross National Income). As the estimated total direct damage exceeded that threshold, the disaster qualified as a 'major natural disaster' as defined by the Regulation. The application from Latvia was therefore eligible for a contribution from the Solidarity Fund amounting to €17,730,519. Latvia had not requested the payment of an advance.

LITHUANIA – Flood 2017

During late summer and autumn 2017, Lithuania was affected by continuous rainfall resulting in fully saturated soils unable to absorb the excess water. This situation resulted in flooding causing mainly damage to the network infrastructure and in the agricultural sector.

The Lithuanian authorities applied for a contribution from the Solidarity Fund on 22 December 2017, within the deadline of 12 weeks after the first damage was recorded on 4 October.

Lithuania estimated the total direct damage caused by the flooding at €407.366 million. This amount exceeded the 'major disaster threshold' for mobilising the Solidarity Fund applicable to Lithuania in 2017 of €214.944 million (i.e. 0.6% of Lithuania's Gross National Income). As the estimated total direct damage exceeded that threshold, the disaster qualified as a 'major natural disaster' and thus qualified for a contribution from the Solidarity Fund amounting to €16,918,941. Latvia had not requested the payment of an advance.

POLAND – Storm 2017

Between 9 and 12 August 2017 parts of Poland were affected by exceptionally violent storms and heavy rainfall causing widespread damage to private and public forests, public infrastructure and other assets.

Poland applied for a contribution from the Solidarity Fund on 25 October 2017, within the deadline of 12 weeks after the first damage was recorded.

The Polish authorities estimate the total direct damage caused by the disaster at €491.170 million. The application was presented based on the provisions for 'regional disasters' laid down in Article 2(3) of the Regulation. The damage caused

by the storm represents 2.04% of the weighted average regional GDP[2] of the three regions concerned, namely Kuyavian-Pomerian voivodeship, Pomeranian voivodeship and Greater Poland voivodeship and therefore exceeded the 1.5% threshold laid down in the Regulation. The application from Poland was therefore eligible for a contribution from the Solidarity Fund amounting to €12,279,244. Poland had not requested the payment of an advance.

PORTUGAL – Forest fires 2017

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

The first wave of fires in the Centro region started on 17 June 2017. Very rapidly, on 17 July 2017, and well within the 12 week application deadline Portugal submitted an initial Solidarity Fund application. However, severe fires reoccurred between July and October. To take account of those events, Portugal submitted updates to its initial application on 13 October 2017 and again on 14 December 2017 including a revised estimate of the cumulated amount of damage caused by the fires between June and October 2017.

In their final application the Portuguese authorities estimated the total direct damage caused by the fires between June and October at €1,457.966 million. The application was submitted as a 'major natural disaster' under Article 2(2) of the Regulation. The damage amount represented 0.832% of Portugal's GNI, and therefore exceeded the major disaster threshold for mobilising the Solidarity Fund of €1 051.566 million in 2017 (i.e. 0.6% of Portugal's GNI). The disaster therefore qualified as a 'major natural disaster'.

On 29 November 2017 the Commission paid out an advance to Portugal amounting to €1,494,331 based on the damage reported in an earlier application. The final financial contribution from the Solidarity Fund amounted to €50,673,132.

SPAIN

Galicia forest fires 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, i.e. high temperatures, winds and extreme low humidity. The fires caused considerable destruction of essential public infrastructure, private homes, businesses and forest land.

Spain applied for a contribution from the Solidarity Fund on 22 December 2017 within the deadline of 12 weeks after the first damage was recorded on 10 October 2017.

The Spanish authorities estimated the total direct damage caused by the disaster at €129.147 million. This amount was considerably below the major disaster threshold applicable to Spain in 2017 of €3,378.5 million (i.e. €3 billion in 2011 prices). It also

[2] Weighted average regional GDP amounts to €24.089 million based on 2014 data.

remained below the threshold for a regional disaster, i.e. 1.5% of regional GDP, which for Galicia is €808 million. The disaster therefore neither qualified as a 'major natural disaster' nor as a 'regional natural disaster' under the terms of the Regulation. However, Spain suffered from the same meteorological conditions which caused the major disaster in Portugal. Therefore, the Spanish authorities presented their application under the so called 'neighbouring country provision' laid down in Article 2(4) of the Regulation, whereby an eligible country affected by the same disaster qualifying as a major disaster in a neighbouring eligible country may also benefit from Solidarity Fund aid. The application from Spain was therefore eligible for a contribution from the Solidarity Fund amounting to €3,228,675.

Doňana fires 2017

Since early 2017, serious drought had been affecting wide parts of southern Spain.

On 24 June 2017 this led to the outbreak of fire in the Doñana natural reserve lasting until 8 July 2017. The fire destroyed over 10 000 hectares of ecologically sensitive and valuable woodland including the heart of the Doñana National Park which features a great variety of ecosystems and shelters wildlife including many migratory birds and endangered species. The area is a UNESCO World Heritage site. As a consequence, the disaster also jeopardised the main pillars of the local economy, based on agriculture, forestry and tourism.

On 15 September 2017, Spain submitted an application for Solidarity Fund assistance within 12 weeks of the date of the occurrence of the first damage caused by the fires.

In its application, Spain reported that total direct damage caused by the disaster amounted to €117.897 million. The application was presented on the basis of the criteria for 'regional disasters' as laid down in Article 2(3) of the Regulation. The Spanish application related to a single NUTS 2 region, namely Andalucía. The reported direct damage however represented less than 0.1% of the region's GDP (€139,099 million) and thus remained substantially below the 1.5% threshold of Article 2(3) of the Regulation.

The application submitted by Spain therefore failed to meet the most essential condition for mobilising the Solidarity Fund and consequently was not eligible for a contribution from the Solidarity Fund.

Murcia flooding 2017

In December 2016, some southern parts of Spain were affected by heavy precipitation leading to flooding. The disaster caused damage to public network infrastructure and assets, private homes, businesses, in agriculture and forestry and to the environment.

On 3 March 2017, Spain submitted an application for Solidarity Fund assistance to the Commission, limited however to the region of Murcia, within 12 weeks of the date of the occurrence of the first damage caused by the disaster.

In its application, Spain reported that total direct damage caused by the disaster amounted to €214.569 million. The application was presented on the basis of the criteria for 'regional disasters' as laid down in Article 2(3) of the Regulation. The reported direct damage represented 0.8% of the region's GDP (€26,808 million) and

thus remained substantially below the 1.5% threshold of Article 2(3) of the Regulation.

The application submitted by Spain therefore failed to meet the most essential condition for mobilising the Solidarity Fund and consequently was not eligible for a contribution from the Solidarity Fund.

➢ *IN 2018*

In the course of 2018 the Commission received four new applications, three of them for regional disasters and one major. The Commission adopted implementing decisions awarding financial contribution from the Solidarity Fund for two of these applications in the course of 2018 and rejected one. The assessment of the fourth application, received at the end of December was completed in 2019.

BULGARIA

In late October 2017 the south-eastern part of Bulgaria experienced unusually intense rainfall and violent storms causing damage to bridges, drainage channels and retaining walls and the basic infrastructure.

On 11 January 2018, Bulgaria submitted an application for Solidarity Fund assistance within 12 weeks of the date of the occurrence of the first damage on 25 October 2017. The Bulgarian authorities estimated the total direct damage caused by the disaster at €90.329 million. The application was presented based on the provisions for 'regional disasters' laid down in Article 2(3) of the Regulation. The damage caused by the flooding in Burgas represented 1.6% of the GDP of the relevant Yugoiztochen NUTS 2 region and therefore exceeded the 1.5% threshold laid down in the Regulation.

The application from Bulgaria was therefore eligible for a contribution from the Solidarity Fund amounting to €2,258,225. While Bulgaria had applied for the payment of an advance, initial uncertainties about the eligibility of the application did not allow paying it.

CYPRUS

Since September 2016, Cyprus had been suffering from very low precipitation and extremely high temperatures, leading to drought with crop failure, scarcity of water in agriculture and for the population, and problems for the water supply systems. Subsequently, in August 2018, the Cypriot authorities decided to submit an application for financial assistance from the Solidarity Fund.

In its application, Cyprus claimed total direct damage caused by the drought at €117.601 million, of which €26.892 million related to losses in agriculture. The remaining €90.709 million of the claimed damage related to the water sector.

The amount of claimed damage exceeded the 'major disaster' threshold for mobilising the Solidarity Fund applicable to Cyprus in 2018 (€107.031 million (i.e. 0.6% of GNI)). However, the part of the "damage" representing estimated future costs, i.e. costs of some €46 million for the production of desalinated water expected to arise after the date of submission of the application until the end of 2019 could not

be accepted as part of total direct damage under the terms of the Regulation. The amount of accepted total direct damage thus fell considerably below the threshold for mobilising the Solidarity Fund.

In its application, Cyprus also requested the payment of an advance. As the preliminary assessment, however, showed that the eligible total direct damage did not reach the relevant threshold the advance could not be paid.

The Commission concluded that drought in Cyprus did not meet the conditions for mobilising the EUSF set out in the Regulation and consequently was not eligible for a financial contribution from the Fund. The application was therefore not accepted.

ROMANIA

From mid-June to early August 2018, the North East region of Romania was affected by repeated heavy rainfall and subsequent extensive flooding triggering important damage to infrastructure and households as well as losses in agriculture.

On 7 September 2018, within the deadline of 12 weeks following the first occurrence of damage, Romania applied for a contribution from the Solidarity Fund.

The damage reported in this intial application was considerably below the required threshold of 1.5% of regional GDP (i.e €237.96 million for the North East region). On 9 October 2018 the Romanian authorities submitted, as announced to the Commission earlier, a revised application with total direct damage now amounting to €327.692 million. This amount represented 2.07% of regional GDP and thus exceeded the threshold. The Commission's analysis of Romania's revised application still revealed a number of inconsistencies. The Commission therefore requested the Romanian authorities for clarification who provided it on 14 December 2018.

As at the end of the 2018, a decision on this application was still pending it will be reported in the 2019 annual report on the Solidarity Fund. Romania had not requested the payment of an advance.

ITALY

In October and early November 2018, the majority of the Italian regions from the Alpine areas in the north down to Sicily suffered from repeated onslaughts of heavy rain and strong winds with resulting flooding and landslides, making this the most devastating autumn season in recent history with a great number of casualties and widespread physical damage.

Italy applied for a financial contribution from the Solidarity Fund on 20 December 2018 within the deadline of 12 weeks after the first damage was recorded.

As at the end of the 2018, a decision on this application was still pending, it will be reported in the 2019 annual report on the Solidarity Fund. Italy had not requested the payment of an advance.

3. FINANCING

During the reporting period the European Parliament and the Council as Budget Authority approved ten financial contributions from the Solidarity Fund as proposed by the Commission. The Commission presented its proposals for the mobilisation of the Solidarity Fund in four groups:

- **Draft Amending Budget 4/2017** exclusively covered the Solidarity Fund assistance to Italy for the 2016/2017 earthquakes. It was adopted on 13 September 2017 mobilising an amount of €1,196,797,579. As an advance of €30 million had already been paid in 2016 the balance of €1,166,797,579 was paid out on 6 November 2017 following the adoption of the Commission Implementing Decision awarding the assistance to Italy.

- **Draft Amending Budget 1/2018** was adopted on 30 May 2018 and covered the assistance to France, Portugal, Spain and Greece (Lesbos) totalling €104,166,951.

- **Draft Amending Budget 4/2018** was adopted on 31 May 2018 and covered the assistance to Greece (Kos), Poland, Lithuania and Bulgaria totalling €33,992,206.

- The proposed **assistance to Latvia** was not accompanied by a draft amending budget as the necessary appropriations were covered by the amount previously mobilised with the 2018 budget for advance payments. The Budget Authority approved the mobilisation of €17,730,519 on 14 November 2018.

The determination of the individual amounts of assistance proposed by the Commission followed the method established in 2002 and applied in all cases since. It is based on total direct damage caused by the disaster in relation to the relative wealth of the affected State as reflected by the threshold for a major disaster (see Annex 1).

Accordingly, for major disasters, a progressive system in two steps is applied whereby the country receives a lower rate of aid of 2.5% of total direct damage for the part of damage below the threshold and a higher share of aid of 6% for the part of the damage exceeding the threshold. The two amounts are added up. Regional disasters and "neighbouring country" disasters receive 2.5% of total direct damage.

Once Parliament and the Council had approved the mobilisation and made the necessary budget appropriations available in the EU budget, the Commission adopted implementing decisions awarding the assistance to the individual countries followed by the payment of the full amount. In those cases where an advance had been awarded only the balance of the full contribution was paid out.

The implementing decision identified in their annexes the authorities nominated by the beneficiary States for the implementation of the Solidarity Fund contribution, the independent authority responsible for audit and control and a generic description of the intended use of the money.

Solidarity Fund assistance approved in 2017/2018

Beneficiary State	Disaster	Category	Advance payment	Aid amount (EUR)
Italy	Apennines earthquakes 2016/2017	Major	Yes (2016)	1 196 797 579
France	Hurricanes Irma and Maria in Saint Martin and Guadeloupe	Regional	yes	48 906 025
Greece	Lesbos earthquake 2017	Regional	yes	1 359 119
Greece	Kos earthquake 2017	Regional	no	2 535 796
Latvia	Flooding 2017	Major	no*	17 730 519
Lithuania	Flooding 2017	Major	no*	16 918 941
Poland	Storm 2017	Regional	no*	12 279 244
Portugal	Forest fires 2017	Major	yes	50 673 132
Spain	Galicia fires 2017	Neighbouring	no	3 228 675
Bulgaria	Burgas flooding 2017	Regional	no	2 258 225
TOTAL				**1 352 687 255**

* not requested

4. CLOSURES

The Commission closed five Solidarity Fund interventions in 2017 and two in 2018. Article 8(2) of the Regulation stipulates that within 18 months from the date of disbursement of the financial contribution, the beneficiary State shall present a report on the financial execution ('implementation report') with a statement justifying the expenditure ('validity statement').

➢ *2017 CLOSURES*

Romania, floods of 2008: the financial contribution from the Solidarity Fund amounted to €11,785,377. Romania submitted the implementation report and statement of validity in April 2012. On the basis of the information provided by the Romanian authorities in their implementation report, the total Solidarity Fund contribution available to them amounted to €13,537,590.96 (including €1,752,213.96 in gains from interest and differences in the foreign exchange rate) and was used in full for Solidarity Fund operations.

Romania, flood of 2010: the financial contribution from the Solidarity Fund amounted to €24,967,741. The implementation report and statement of validity were submitted in February 2013. Romania reported an amount of €916,334.47 unspent in addition to ineligible expenditure of €1,229,401.86. The amount to be recovered was received by the Commission on 27 July 2017.

Romania, drought & fires of 2012: the financial contribution from the Solidarity Fund amounted to €2,475,689. In March 2015, the Romanian authorities formally requested an extension of the implementation period, which was granted. A year

later, Romania submitted the implementation report (final report plus statement of validity). The Romanian authorities reported that the total amount could not be fully used as initially planned and that €2,247,413.72 remained unspent. The amount was recovered and received by the Commission on 27 July 2017.

Slovenia, flood of 2012: the financial contribution from the Solidarity Fund amounted to €14,081,355. The implementation report and statement of validity were submitted in July 2015 (after an extension of 2 months granted). Based on the information provided by Slovenia, the eligible expenditure amounted to €15,416,839 which was higher than the Solidarity Fund contribution of €14,081,355. The statement of validity was accepted and the file closed.

Germany, flood of 2013: the financial contribution from the Solidarity Fund amounted to €360,453,575. The implementation report and statement of validity were submitted in March 2016. Germany reported eligible expenditure of an amount of €391,415,389.57 which was higher than the Solidarity Fund contribution of €360,453,575. After clarification of a number of issues relating to the validity statement the file was closed.

- ***2018 CLOSURES***

France, Xynthia storm 2010: the financial contribution from the Solidarity Fund amounted to €35,635,750. The implementation report and statement of validity were submitted in October 2012. On the basis of the information provided by France, the eligible expenditure amounted to €35,619,808.48 which was lower than the Solidarity Fund contribution. The amount to be recovered was received by the Commission on 15 November 2018 and the file was closed.

Poland, flooding 2010: the financial contribution from the Solidarity Fund amounted to €105,567,155. The implementation report and statement of validity were submitted in January 2013. Based on the information provided by Poland, the eligible expenditure amounted to €110,599,250.11 which was higher than the Solidarity Fund contribution. The difference of €5,032,095.11 between the expenditures incurred and the amount received was the result of exchange rate gains. Nevertheless, a small amount of €253.31 remained unspent and had to be recovered. After receiving the payment on 27 April 2018 the file was closed.

5. CONCLUSIONS

The years 2017 and 2018 showed again the unpredictability of the number, nature and severity of natural disasters. While overall flooding disasters make up some two thirds of all Solidarity Fund applications, the reporting period was marked by significant storms, forest fires and earthquakes.

One event in particular, the earthquake disaster in the central Apennines, stood out as it exceeded by far anything experienced under the Solidarity Fund before, in terms of damage as well as assistance mobilised. While in most years, the maximum budgetary allocation of the Fund is not fully used, this case required an amount exceeding two full annual allocations. This was successfully handled due to the flexibility laid down in the Multiannual Financial Framework allowing to carry forward unspent amounts by one year and by the possibility laid down in the Regulation - and used for the first time - to frontload a part of the following year's

allocation. Both proved important factors in managing the Solidarity Fund successfully.

Interestingly, not all Member States requested the payment of an advance. While the Commission is not aware of the reasons in each case, it may have to do with the modest amounts to be expected. In many instances, Solidarity Fund contributions are below €10 million so that a 10% advance would amount to a few hundred thousand euros only. On the other hand, some applications, after a preliminary assessment, did not show the necessary degree of plausibility allowing to approve the requested advance payment.

Lastly, despite the express inclusion of droughts into the scope of the Regulation with its revision in 2014, the assessment of droughts remains difficult. On the one hand, it appears less obvious than expected to determine clearly the date of the first public action against the effects of the drought - which is however essential for knowing the application deadline. On the other hand, the damage caused by drought, particularly in agriculture, can often only be determined fully many months after the application is due making it difficult for applicants to provide the necessary information in time.