


Procedure file

Basic information		
BUD - Budgetary procedure	2008/2252(BUD)	Procedure completed
Amending budget 7/2008: mobilisation of the Solidarity Fund for Martinique and Guadeloupe, financing		
Subject 8.70.60 Previous annual budgets		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	BUDG Budgets		13/12/2006
Council of the European Union	Council configuration	ALDE VIRRANKOSKI Kyösti	
	Environment	Meeting	Date
European Commission	Commission DG	2898	20/10/2008
	Budget	Commissioner	
		GRYBAUSKAITĖ Dalia	

Key events			
14/09/2008	Commission preliminary draft budget published	COM(2008)0556	Summary
13/10/2008	Vote in committee		Summary
15/10/2008	Budgetary report tabled for plenary	A6-0412/2008	
19/10/2008	Council draft budget published	14359/2008	Summary
20/10/2008	Draft budget approved by Council		
21/10/2008	Results of vote in Parliament		
21/10/2008	Committee referral announced in Parliament		
21/10/2008	Decision by Parliament	T6-0489/2008	Summary
21/10/2008	End of procedure in Parliament		
25/11/2008	Final act published in Official Journal		

Technical information	
Procedure reference	2008/2252(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/6/67036

Documentation gateway					
Commission preliminary draft budget		COM(2008)0556	15/09/2008	EC	Summary
Committee draft report		PE412.358	23/09/2008	EP	
Budgetary report tabled for plenary, 1st reading		A6-0412/2008	15/10/2008	EP	
Council draft budget		14359/2008	20/10/2008	CSL	Summary
Budgetary text adopted by Parliament		T6-0489/2008	21/10/2008	EP	Summary

Final act	
Budget 2008/869 OJ L 315 25.11.2008, p. 0001	Summary

Amending budget 7/2008: mobilisation of the Solidarity Fund for Martinique and Guadeloupe, financing

PURPOSE: to present Preliminary Draft Amending Budget (PDAB) No 7 to the general budget 2008.

CONTENT: this Preliminary Draft Amending Budget (PDAB) No 7 for the year 2008 covers the following

elements:

- mobilisation of the EU Solidarity Fund for an amount of EUR 12.78 million in commitment and payment appropriations relating to the effects of hurricane "Dean" in Guadeloupe and Martinique in August 2007;
- a corresponding reduction in payment appropriations of EUR 12.78 million from the line 13 04 02 Cohesion Fund.

In August 2007 the French overseas departments of Martinique and Guadeloupe, two neighbouring islands of the French Antilles, were affected by the hurricane "Dean" causing severe damage to infrastructures and different sectors of the economy. Due to the high damage and serious effects caused by the storm, France submitted an application for financial assistance from the EU Solidarity Fund.

The French authorities estimated the total direct damage at EUR 511.2 million. This amount represents 0.03% of France's GNI and 16 % of the normal threshold for mobilising the Solidarity Fund applicable to France of EUR 3.267 billion (i.e. EUR 3 billion in 2002 prices). As total damage remains below the normal threshold the application is based on the so-called "extraordinary regional disaster" criterion laid down in Article 2(2), final subparagraph of Regulation (EC) No 2012/2002 setting out the conditions for mobilising the Solidarity Fund "under exceptional circumstances". Under this criterion, a region can exceptionally benefit from assistance from the Fund where that region has been affected by an extraordinary disaster, mainly a natural one, affecting the major part of its population, with serious and lasting repercussions on living conditions and the economic stability of the region.

The French authorities justify their application with the special situation of Martinique and Guadeloupe as outermost regions of the Union. Evidence is presented to show that because of the islands' isolated location and their already critical socio-economic situation before the hurricane the impact and lasting repercussions of the damage caused by the hurricane are much more serious than would otherwise be the case.

The application relates to the whole of Martinique (34 municipalities with a total population of 381 000 inhabitants) and the more seriously affected part of Guadeloupe (23 municipalities with a population of 298 000 inhabitants, representing two thirds of Guadeloupe's total population).

Financing: the total annual budget available for the Solidarity Fund is EUR 1 billion. In 2008, EUR 260 411 197 has already been mobilised for earlier applications, leaving EUR 739 588 803 available.

Taking into account the identification of excess appropriations in line 13 04 02 Cohesion Fund there will be no need for fresh payment appropriations for financing the EU Solidarity Fund payments for France (Martinique/Guadeloupe). An amount of EUR 12.78 million would thus be allocated from the line 13 04 02 Cohesion Fund to budget line 13 06 01 to cover the corresponding needs related to the mobilisation of the EU Solidarity Fund. This redeployment is possible because payments under the Cohesion Fund for the period 2007-2013 are to a large extent related to major projects. However, major projects need to be approved separately in subsequent Commission decisions before any interim payments can be made. As many major projects are not expected to be submitted and approved this year, no significant interim payments are expected in 2008.

Amending budget 7/2008: mobilisation of the Solidarity Fund for Martinique and Guadeloupe, financing

The Committee on Budgets adopted the report by Kyösti VIRRANKOSKI (ALDE, FI) approving the draft amending budget No 7 to the general budget 2008. It recalls that it covers the following items:

- mobilisation of the EU Solidarity Fund for an amount of EUR 12 780 000 in commitment and payment appropriations relating to the effects of hurricane "Dean" in Guadeloupe and Martinique in August 2007;

- a corresponding reduction in payment appropriations of EUR 12 780 000 from line 13 04 02 Cohesion Fund.

Lastly, it should be noted that this draft amending is the first amending budget solely dedicated to the EU Solidarity Fund.

Amending budget 7/2008: mobilisation of the Solidarity Fund for Martinique and Guadeloupe, financing

On 15 September 2008, the Commission forwarded to the Council preliminary draft amending budget (PDAB) No 7/2008 to the general budget for 2008, relating to the mobilisation of the EU Solidarity Fund for an amount of EUR 12 780 000 in commitment and payment appropriations for France following hurricane "Dean" which affected Martinique and Guadeloupe in August 2007.

Mobilising these funds does not affect the budget as the required payment appropriations are being redeployed by a transfer from budget heading 13 04 02 ("Cohesion funds") to heading 13 06 01 ("EU Solidarity Fund ? Member States"). The availability of appropriations under heading 13 04 02 is explained by the fact that intermediate payments in 2008 will be lower than the original estimates, which provided for a higher number of major projects being submitted and approved before the end of the financial year.

On 20 October 2008, the Council established draft amending budget No 7 for 2008, as proposed by the Commission in its PDAB No 7. That draft is set out in the technical annex to the statement of reasons in the Council draft budget (see Council Doc. 14359/08 ADD 1).

Amending budget 7/2008: mobilisation of the Solidarity Fund for Martinique and Guadeloupe, financing

The European Parliament adopted, by 649 votes to 21 with 11 abstentions, a resolution aiming to approve, without amendment, the draft amending budget No 7 to the general budget 2008.

The report had been tabled for consideration in plenary by Kyösti VIRRANKOSKI (ALDE, FI) on behalf of the Committee on Budgets.

Parliament recalls that this draft amending budget covers the mobilisation of the EU Solidarity Fund for an amount of EUR 12 780 000 in commitment and payment appropriations relating to the effects of hurricane "Dean" in Guadeloupe and Martinique in August 2007. This draft budget will be totally neutral in terms of the budget as it foresees a corresponding reduction in payment appropriations of EUR 12 780 000 from line 13 04 02 Cohesion Fund.

It should be noted that this draft amending is the first to be solely dedicated to the EU Solidarity Fund.

Amending budget 7/2008: mobilisation of the Solidarity Fund for Martinique and Guadeloupe, financing

PURPOSE: final adoption of amending budget 7/2008.

LEGISLATIVE ACT: 2008/869/EC, Euratom.

CONTENT: the European Parliament has definitively concluded the amending budget 7/2008 of the European Union in accordance with its resolution adopted on 21 October 2008 (please refer to the summary of the resolution).

This amending budget aims to mobilise of the EU Solidarity Fund for an amount of EUR 12.78 million in commitment and payment appropriations relating to the effects of hurricane "Dean" in Guadeloupe and Martinique in August 2007. It also provides for a corresponding reduction in payment appropriations of EUR 12.78 million from the line 13 04 02 Cohesion Fund.

This amending budget is therefore budgetary neutral.