Mobilisation of the Contingency Margin in 2020: providing emergency assistance to Member States and further reinforcing the Union Civil Protection Mechanism/rescEU in response to the COVID-19 outbreak

See also 2020/2055(BUD)

Subject
3.70.10 Man-made disasters, industrial pollution and accidents
3.70.11 Natural disasters, Solidarity Fund
4.20 Public health
4.20.01 Medicine, diseases
4.20.06 Health services, medical institutions
4.30 Civil protection
6.10.05 Peace preservation, humanitarian and rescue tasks, crisis management
6.50 Emergency, food, humanitarian aid, aid to refugees, Emergency Aid Reserve
8.70.50 2020 budget

Legislative priorities
The EU's response to the Covid-19 pandemic

Key players
European Parliament
Committee responsible: BUDG - Budgets
Rapporteur
Appointed

Council of the European Union

Key events
02/04/2020
Non-legislative basic document published
COM(2020)0172

14/04/2020
Decision by committee, without report

16/04/2020
Committee referral announced in Parliament, 1st reading/single reading

17/04/2020
Decision by Parliament, 1st reading/single reading
T9-0049/2020

17/04/2020
Draft budget approved by Council

21/04/2020
Final act published in Official Journal

23/04/2020
End of procedure in Parliament

Technical information
Procedure reference: 2020/2057(BUD)
Procedure type: BUD - Budgetary procedure
Procedure subtype: Mobilisation of funds
Legal basis: Rules of Procedure EP 163
2020/2057(BUD) - 02/04/2020 Non-legislative basic document

PURPOSE: to mobilise the Contingency Margin in 2020 to provide emergency assistance to Member States and further reinforce the Union Civil Protection Mechanism/rescEU in response to the COVID-19 outbreak.


BACKGROUND: Council Regulation (EU, Euratom) No 1311/2013 established a Contingency Margin of up to 0.03 % of the Gross National Income of the Union in order for the EU-28 to react to unforeseen circumstances as a last resort instrument. In the technical adjustment of the MFF for 2020, based on Article 6 of the MFF Regulation, the absolute amount of the Contingency Margin for the year 2020 is set at EUR 5 096.8 million.

The Commission submitted Draft Amending Budget (DAB) No 2/2020 which includes an overall increase of commitment appropriations for heading 3 Security and Citizenship of EUR 3 000 million to cover the re-activation of the Emergency Support Instrument (ESI) within the Union to help Member States tackle the consequences of the COVID-19 outbreak and to further reinforce the Union Civil Protection Mechanism/rescEU so as to facilitate wider stock-piling and coordination of essential resource distribution across Europe. This increase complements other reinforcements that concerned the same heading for an overall amount of EUR 423.3 million already proposed by the Commission in DAB No 1/2020.

Having regard to this very particular situation, the last-resort condition set out in Regulation (EU, Euratom) No 1311/2013 is fulfilled.

CONTENT: the Commission proposes, as a last resort, to mobilise EUR 714.6 million through the Contingency Margin to cover the additional needs related to the reactivation of the ESI. The MFF Regulation requires that amounts made available through the mobilisation of the Contingency Margin shall be fully offset against the margins for the current or future financial years.

The amounts offset shall not be further mobilised in the context of the MFF so that the total ceilings of commitment and payment appropriations laid down in the MFF for the current and future financial years shall not be exceeded. Consequently, the mobilisation of the Contingency Margin for commitment appropriations in 2020 under headings 3 and the related offsetting have to respect the total commitment ceiling for the year 2020, the last year of the current MFF period.

The Commission proposes to offset the proposed reinforcement of expenditure under heading 3 against the unallocated margin available under the expenditure ceiling of heading 5 Administration.

After the offsetting, margins for a total of EUR 633.7 million would still remain under the expenditure ceiling of the following headings:

- EUR 514 million under heading 2 (Sustainable growth: natural resources);
- EUR 103.4 million under heading 4 (Global Europe);
- EUR 16.2 million under heading 5 (Administration).

No margin would remain available under the other expenditure ceilings. In addition, the overall commitment ceiling for the whole MFF would remain unchanged.

This Decision should enter into force on the same day as the amendment of the 2020 budget given that the Contingency Margin allows the financing of some actions over and above the ceiling set for the 2020 budget in the MFF.

2020/2057(BUD) - 17/04/2020 Budgetary text adopted by Parliament

The European Parliament adopted a resolution on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the Contingency Margin in 2020 to provide emergency assistance to Member States and further reinforce the Union Civil Protection Mechanism/rescEU in response to the COVID-19 outbreak.

Parliament approved the annex attached to the resolution in which it amended the Commission proposal. It called for the Contingency Margin to be mobilised to provide the amount of EUR 714 558 138 in commitment appropriations over and above the commitment ceiling of heading 3 (Security and citizenship) of the multiannual financial framework.
It stated that the total amount of EUR 714 558 138 shall be offset against the margin under the commitment ceiling of the financial year 2020 of heading 5 (Administration) of the multiannual financial framework.

2020/2057(BUD) - 21/04/2020 Final act

PURPOSE: to mobilise the Contingency Margin in 2020 to provide emergency assistance to Member States and further reinforce the Union Civil Protection Mechanism/rescEU in response to the COVID-19 outbreak.

NON-LEGISLATIVE ACT: Decision (EU) 2020/547 of the European Parliament and of the Council on the mobilisation of the Contingency Margin in 2020 to provide emergency assistance to Member States and further reinforce the Union Civil Protection Mechanism/rescEU in response to the COVID-19 outbreak.

CONTENT: following the agreement between the European Parliament and the Council, this Decision to mobilise the Contingency Margin in 2020 to provide emergency assistance to Member States and further reinforce the Union Civil Protection Mechanism/rescEU in response to the COVID-19 outbreak.

Council Regulation (EU, Euratom) No 1311/2013 established a Contingency Margin of up to 0.03 % of the Gross National Income of the Union in order for the EU-28 to react to unforeseen circumstances as a last resort instrument. In accordance with Article 6 of Regulation (EU, Euratom) No 1311/2013, the Commission has calculated the absolute amount of this Contingency Margin for 2020.

After having examined all other financial possibilities to react to unforeseen circumstances within the 2020 commitment ceiling for heading 3 (Security and citizenship) of the multiannual financial framework (MFF), and having regard to the mobilisation of the Global Margin for Commitments for the full amount of 2 392 402 163 available in 2020 and of the Flexibility Instrument for the full amount of EUR 1 094 414 188 available in 2020, the Contingency Margin shall be mobilised to address the needs stemming from the COVID-19 outbreak by increasing the commitment appropriations in the general budget of the Union for the financial year 2020, over and above the ceiling of heading 3 of the MFF.

It shall be mobilised to provide the amount of EUR 714 558 138. This amount shall be offset against the margin under the commitment ceiling of the financial year 2020 of heading 5 (Administration) of the multiannual financial framework.

This Decision is linked to financing included in Amending budget No 2 to the general budget of the European Union for 2020. In order to ensure coherence with that amending budget, this Decision shall apply from the date of its adoption.