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PROPOSAL

From: Secretary-General of the European Commission,
signed by Mr Jordi AYET PUIGARNAU, Director

To: Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of
the European Union

No. Cion doc.: COM(2020) 141 final

Subject: Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND
OF THE COUNCIL amending Regulation (EU) No 223/2014 as regards the
introduction of specific measures for addressing the COVID-19 crisis

Delegations will find attached document COM(2020) 141 final.

Encl.: COM(2020) 141 final



Brussels, 2.4.2020
COM(2020) 141 final

2020/0058 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

**amending Regulation (EU) No 223/2014 as regards the introduction of specific measures
for addressing the COVID-19 crisis**

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

- **Reasons for and objectives of the proposal**

The direct and indirect effects of the COVID-19 outbreak continue to increase in all Member States. The current situation is unprecedented and requires exceptional measures adapted to the situation to be applied in these circumstances.

The first “Coronavirus Response Investment Initiative” (CRII), a package of measures proposed by the Commission on 13 March 2020, introduced a number of important changes that allow for a more effective response in the current situation.

This initiative was directed at promoting investments by mobilising available cash reserves in the European Structural and Investment Funds (ESI Funds), to fight the crisis immediately, followed by complementary measures as proposed under the Coronavirus Response Investment Initiative Plus. Nevertheless, additional measures are necessary, including in other policy areas, in particular in order to protect the most vulnerable.

The coronavirus crisis also presents an unprecedented challenge for the operations and delivery to the most deprived supported by the Fund for European Aid to the Most Deprived (FEAD).

Most importantly, the crisis presents specific risks to the most deprived, among the most vulnerable in our societies. Therefore, specific measures, need to be taken urgently in order to protect them from falling victim to this disease and to ensure that the FEAD assistance still reaches them, such as by providing the necessary protective equipment against the disease. The distribution of food and basic material assistance, as well as social inclusion support, is facing increasingly logistical and human resource constraints, notably due to the confinement and urgent need to instate social distancing measures to contain the spread of the virus. Many of the volunteers, who are the backbone of the Fund, can no longer be mobilised, as they often belong to groups at a higher risk of severe illness caused by COVID-19. There is, nonetheless, the need to ensure that the support is still reaching the most deprived, e.g. through new methods of delivery which ensure the safety of all those people involved in the implementation of the FEAD and of the most deprived.

The FEAD Regulation needs therefore to enable Managing Authorities, partner organisations and other actors involved in the implementation of the Fund to react quickly to the emerging additional needs of the target groups who are exposed to further hardship stemming from this crisis.

Accordingly, the Commission proposes to amend the FEAD Regulation in order to respond to the challenges faced by public authorities and partner organisations in the implementation of the FEAD during the COVID-19 outbreak.

In line with the amendments proposed for the ESI Funds, it is proposed to introduce specific provisions which allow Member States to quickly put in place the necessary measures for addressing this emergency situation. Similar to what was proposed for the ESI Funds, it is proposed that the expenditure for those FEAD operations that are fostering crisis response capacities to the COVID-19 outbreak should be eligible as of 1 February 2020. Likewise, it is

proposed that the amendment of certain elements of the operational programme aimed at addressing the COVID-19 outbreak, does not require approval by Commission decision. Furthermore, the proposal introduces the possibility for authorities to deliver food aid/basic material assistance through electronic vouchers as it reduces the risk of contamination during the delivery of food/basic material assistance.

In addition to these changes, it is also proposed to introduce flexibility regarding the respect of certain legal requirements during this unprecedented period. Exceptionally for this year, it is proposed that the deadline for submitting the Annual Implementation Report is extended and it is clarified that Member States may adjust control and audit procedures during the outbreak. It is also proposed to introduce specific provisions regarding the eligibility of costs incurred by beneficiaries in case the delivery of food/basic material assistance or social assistance is delayed as well as for suspended and not fully implemented operations.

Finally, in order to ensure that all support from the Fund can be mobilised to minimise the effects of the public health crisis on the most deprived, as a temporary and exceptional measure, without prejudice to the rules that should apply under regular circumstances, it is necessary to allow for the temporary possibility of 100% co-financing from the EU budget.

- **Consistency with existing policy provisions in the policy area**

This proposal is consistent with existing policy provisions in the policy area, in particular with provisions proposed by the Commission for the ESI Funds in response to the COVID-19 outbreak, as part of the CR II and CR II plus.

- **Consistency with other Union policies**

The proposal is consistent with other proposals and initiatives adopted by the European Commission, in particular with the proposals adopted by the Commission for the ESI Funds in response to the COVID-19 outbreak. It is also part of a second legislative package adopted by the Commission, which includes proposals to amend the Common Provisions Regulation.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

- **Legal basis**

The proposal is based on Article 175(3) of the Treaty on the Functioning of the European Union. It provides for a temporary possibility for a co-financing rate of 100%, as well as clarity on the eligibility of expenditure affected by the measures put in place as a response to the health crisis. It finally alleviates some requirements for Member States where these create administrative burdens that could delay implementation of measures to respond to the crisis. These exceptional changes are without prejudice to the rules that apply under regular circumstances.

- **Subsidiarity (for non-exclusive competence)**

The proposal complies with the subsidiarity principle.

- **Proportionality**

The proposal is proportionate and does not include provisions which are not necessary to achieve the objectives of the Treaty. It is limited to the amendments considered necessary for addressing the problems faced by Member States during the COVID-19 crisis in the context of the implementation of the FEAD.

- **Choice of the instrument**

Proposed instrument: amendment of the current regulation.

The Commission has explored the scope for manoeuvre provided by the legal framework and considers it necessary to propose amendments to Regulation (EU) No [223/2014](#).

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

- **Ex-post evaluations/fitness checks of existing legislation**

Given the specific circumstances of this proposal, there was no ex-post evaluation/or fitness checks of the existing legislation.

- **Stakeholder consultations**

Given the specific circumstances of this proposal, there was no consultation of external stakeholders.

- **Collection and use of expertise**

Use of external expertise has not been necessary.

- **Impact assessment**

Not applicable.

- **Regulatory fitness and simplification**

There is not an initiative within the Regulatory Fitness Programme (REFIT)

- **Fundamental rights**

The proposal has no consequences for the protection of fundamental rights.

4. BUDGETARY IMPLICATIONS

The proposed modification does not imply any changes in the Multiannual Financial Framework annual ceilings for commitments and payments as per Regulation (EU) No

223/2014. The total annual breakdown of commitment appropriations for the Fund for European Aid to the Most Deprived remains unchanged.

The proposal will facilitate an acceleration of programme implementation and result in a frontloading of payment appropriations.

The Commission will carefully monitor the impact of the proposed modification on payment appropriations in 2020 taking into account both the implementation of the budget and revised Member States forecasts.

5. OTHER ELEMENTS

- **Implementation plans and monitoring, evaluation and reporting arrangements**

The implementation of the measures will be monitored and reported upon in the framework of the general reporting mechanisms established in Regulation (EU) No 223/2014.

- **Explanatory documents (for directives)**

N/A

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Regulation (EU) No 223/2014 as regards the introduction of specific measures for addressing the COVID-19 crisis

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 175(3) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee¹,

Having regard to the opinion of the Committee of the Regions²,

Acting in accordance with the ordinary legislative procedure,

Whereas:

- (1) Regulation (EU) No 223/2014 of the European Parliament and of the Council³ lays down rules applicable to the Fund for European Aid to the Most Deprived.
- (2) Member States have been affected by the COVID-19 outbreak in an unprecedented manner. The crisis entails higher risks for the most vulnerable, such as the most deprived, notably it risks disrupting the support provided by the FEAD.
- (3) In order to provide for an immediate response to the impact of the crisis on the most deprived, expenditure for operations for fostering crisis response capacities to the COVID-19 outbreak should be eligible as of 1 February 2020.
- (4) With a view to alleviating the burden on public budgets responding to the crisis situation, Member States should be given the exceptional possibility to request for a co-financing rate of 100% to be applied for the accounting year 2020-2021, in accordance with budget appropriations and subject to available funding. Based on an assessment of the application of this exceptional co-financing rate, the Commission may propose an extension of this measure.

¹ OJ C , , p. .

² OJ C , , p. .

³ Regulation (EU) No 223/2014 of the European Parliament and of the Council of 11 March 2014 on the Fund for European Aid to the Most Deprived (OJ L 72, 12.03.2014, p. 1).

- (5) In order to ensure that the most deprived can continue to receive assistance by the Fund in a safe environment, it is necessary to provide for sufficient flexibility for Member States to adjust the schemes of support to the current context, including by allowing alternative schemes of delivery through electronic vouchers and by allowing Member States to amend certain elements of the operational programme without requiring an adoption by Commission decision. In order not to disrupt the traditional delivery schemes, it should also be possible to provide the necessary protective materials and equipment to partner organisations outside the technical assistance budget.
- (6) It is appropriate to establish specific rules for determining the eligible costs borne by beneficiaries in the case where certain operations are delayed, suspended or not fully implemented due to the COVID-19 outbreak.
- (7) In order to enable Member States to concentrate on introducing measures to respond to the crisis and avoid the disruption of the delivery of support to the most deprived due to risks of contamination, it is appropriate to provide for specific measures that reduce administrative burden for authorities and provide flexibility for compliance with certain legislative requirements, in particular on monitoring and on control and audit.
- (8) As it is urgent to introduce these measures for ensuring the effective implementation of the FEAD during the COVID-19 crisis, this Regulation should enter into force on the day following that of its publication in the *Official Journal of the European Union*.
- (9) In view of the COVID-19 outbreak and the urgency to address the associated public health crisis, it was considered appropriate to provide for an exception to the eight-week period referred to in Article 4 of Protocol No 1 on the role of national Parliaments in the European Union, annexed to the Treaty on European Union, to the Treaty on the Functioning of the European Union and to the Treaty establishing the European Atomic Energy Community.
- (10) Regulation (EU) No 223/2014 should therefore be amended accordingly,

HAVE ADOPTED THIS REGULATION:

Article 1

Regulation (EU) No 223/2014 is amended as follows:

- (1) In Article 9 paragraph 4 is replaced by the following:

4. Paragraphs 1, 2 and 3 do not apply for the purposes of modifying elements of an operational programme falling under sub-sections 3.5 and 3.6 and section 4, respectively, of the operational programme templates set out in Annex I or the elements set out in point (a), (b), (c), (d), (e) and (g) of Article 7(2) in case they are modified due to the crisis response to the COVID-19 outbreak.

A Member State shall notify the Commission of any decision to modify the elements referred to in the first subparagraph within one month of the date of that decision. The decision shall specify the date of its entry into force, which shall not be earlier than the date of its adoption.”

- (2) In Article 13(1) the following subparagraph is added:

“By way of derogation from the first subparagraph, the deadline for the submission of the annual implementation report for the year 2019 shall be 30 September 2020.”

- (3) In Article 20 the following paragraph is inserted:

“1a By way of derogation from paragraph 1, at the request of the Member State, a co-financing rate of 100% may be applied to the public expenditure declared in payment applications during the accounting year starting on 1 July 2020 and ending on 30 June 2021.

Requests for modification of the co-financing rate shall be made through the procedure for amendment of operational programmes set out in Article 9 and shall be accompanied by the revised programme. The 100% co-financing rate shall only apply if the corresponding programme amendment is approved by the Commission at the latest before the submission of the final application for an interim payment in accordance with Article 45(2).

Before submitting the first payment application for the accounting year starting on 1 July 2021, Member States shall notify the table referred to in section 5.1 of the operational programme templates set out in Annex I, confirming the co-financing rate which was applicable during the accounting year ending on 30 June 2020.”

- (4) In Article 22(4) the following subparagraph is inserted:

“By way of derogation from the first subparagraph, expenditure for operations for fostering crisis response capacity to the COVID-19 outbreak shall be eligible from 1 February 2020.”

- (5) In Article 23 the following paragraph is inserted:

“4a. The food and/or basic material assistance may be provided directly to the most deprived persons or indirectly through electronic vouchers or cards, provided that they can only be redeemed against food and/or basic material assistance as set out in Article 2(1).”

- (6) In Article 26 paragraph 2 is amended as follows:

- (1) Point (a) is replaced by the following:

“(a) the cost of purchasing food and/or basic material assistance and the cost of purchasing personal protective materials and equipment for partner organisations,”

- (2) Point (c) is replaced by the following:

“(c) the administrative, preparation, transport and storage costs borne by the partner organisations at a flat-rate of 5 % of the costs referred to in point (a); or 5 % of the value of the food products disposed of in accordance with Article 16 of Regulation (EU) No 1308/2013;”

- (7) The following Articles 26a, 26b and 26c are inserted:

“Article 26a

Eligibility of expenditure for operations supported under OP I during their suspension due to the COVID-19 outbreak

Delays in the delivery of food/basic material assistance due to the COVID-19 outbreak do not lead to a reduction of the eligible costs borne by the purchasing body or partner organisations in accordance with Article 26(2). These costs may be declared to the Commission in accordance with Article 26(2) before the food/basic material assistance is delivered to the most deprived provided that the delivery is resumed after the COVID-19 crisis is over.

Where food is spoiled due to suspension of delivery as a result of the COVID-19 outbreak, the costs set out in point (a) of paragraph 2 of Article 26 are not reduced.

Article 26b

Eligibility of expenditure for operations supported under OP II or technical assistance during their suspension due to the COVID-19 outbreak

1. For operations whose implementation is suspended due to the COVID-19 outbreak, a Member State may consider the expenditure during the suspension as eligible expenditure even if no services are delivered, provided the following cumulative conditions are met:

- (a) the implementation of the operation is suspended after 31 January 2020;
- (b) the suspension of the operation is due to the COVID-19 outbreak;
- (c) the expenditure has been incurred and paid;
- (d) the expenditure constitutes a genuine cost for the beneficiary and cannot be recovered or compensated; for recoveries and compensations which are not provided by the Member State, the Member State may accept that the fulfilment of this condition is demonstrated by a declaration from the beneficiary; recoveries and compensations shall be deducted from the expenditure;
- (e) the expenditure is limited to the period of the suspension.

2. For operations where the beneficiary is reimbursed on the basis of simplified cost options and the implementation of the actions constituting the basis for reimbursement is suspended due to the COVID-19 outbreak, the Member State concerned may reimburse the beneficiary on the basis of the outputs planned for the period of the suspension, even if no actions are delivered, provided the following cumulative conditions are met:

- (a) the implementation of the actions is suspended after 31 January 2020;
- (b) the suspension of the actions is due to the COVID-19 outbreak;
- (c) the simplified cost options correspond to a genuine cost borne by the beneficiary, which shall be demonstrated by the beneficiary, and cannot be recovered

or compensated; for recoveries and compensations which are not provided by the Member State, the Member State may accept that there are no recoveries and compensations on the basis of a declaration by the beneficiary; recoveries and compensations shall be deducted from the amount corresponding to the simplified cost option;

(d) the reimbursement to the beneficiary is limited to the period of the suspension.

For the operations referred to in the first subparagraph, the Member State may also reimburse the beneficiary on the basis of costs referred to in Article 25(1)(a) provided the conditions set out in paragraph 1 of this Article are met.

If a Member State reimburses the beneficiary on the basis of both options, it shall ensure that the same expenditure is only reimbursed once.

Article 26c

Eligibility of expenditure for operations supported under OP II or technical assistance that are not fully implemented due to the COVID-19 outbreak

1. A Member State may consider the expenditure for operations that are not fully implemented due to the COVID-19 outbreak as eligible expenditure, if the following cumulative conditions are met:

(a) the implementation of the operation is cancelled after 31 January 2020;

(b) the cancellation of the operation is due to the COVID-19 outbreak;

(c) the expenditure incurred prior to the cancellation of the operation has been incurred by the beneficiary and paid.

2. For operations for which the beneficiary is reimbursed on the basis of simplified cost options, a Member State may consider the expenditure for operations that are not fully implemented due to the COVID-19 outbreak, as eligible expenditure if the following cumulative conditions are met:

(a) the implementation of the operation is cancelled after 31 January 2020;

(b) the cancellation of the operation is due to the COVID-19 outbreak;

(c) the actions covered by the simplified cost options have been at least partly delivered prior to the cancellation of the operation.

For the operations referred to in the first subparagraph, the Member State may also reimburse the beneficiary on the basis of costs referred to in Article 25(1)(a) provided the conditions set out in paragraph 1 of this Article are met.

If a Member State reimburses the beneficiary on the basis of both options, it shall ensure that the same expenditure is only reimbursed once.”

(8) In Article 30 the following paragraph is inserted:

“1a. Based on an analysis of potential risks, Member States may establish lighter control and audit trail requirements regarding the distribution of food/material assistance to the most deprived during the period of COVID-19 outbreak.”

Article 2

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the European Parliament
The President

For the Council
The President

LEGISLATIVE FINANCIAL STATEMENT

FRAMEWORK OF THE PROPOSAL/INITIATIVE

- 1.1. Title of the proposal/initiative
- 1.2. Policy area(s) concerned in the ABM/ABB structure
- 1.3. Nature of the proposal/initiative
- 1.4. Objective(s)
- 1.5. Grounds for the proposal/initiative
- 1.6. Duration and financial impact
- 1.7. Management mode(s) planned

2. MANAGEMENT MEASURES

- 2.1. Monitoring and reporting rules
- 2.2. Management and control system
- 2.3. Measures to prevent fraud and irregularities

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

- 3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected
- 3.2. Estimated impact on expenditure
 - 3.2.1. *Summary of estimated impact on expenditure*
 - 3.2.2. *Estimated impact on operational appropriations*
 - 3.2.3. *Estimated impact on appropriations of an administrative nature*
 - 3.2.4. *Compatibility with the current multiannual financial framework*
 - 3.2.5. *Third-party contributions*
- 3.3. Estimated impact on revenue

LEGISLATIVE FINANCIAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation (EU) N° 223/2014 as regards the introduction of specific measures for addressing the COVID-19 crisis
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1.2. Policy area(s) concerned in the ABM/ABB structure⁴

4 Employment, social affairs and inclusion 04 06 - Fund for European aid to the most deprived 04 06 01 – Promoting social cohesion and alleviating the worst forms of poverty in the Union
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1.3. Nature of the proposal/initiative

- The proposal/initiative relates to **a new action**
- The proposal/initiative relates to **a new action following a pilot project/preparatory action⁵**
- The proposal/initiative relates to **the extension of an existing action**
- The proposal/initiative relates to **an action redirected towards a new action**

1.4. Objective(s)

1.4.1. *The Commission's multiannual strategic objective(s) targeted by the proposal/initiative*

N/A

1.4.2. *Specific objective(s) and ABM/ABB activity(ies) concerned*

<u>Specific objective No</u>

N/A

<u>ABM/ABB activity(ies) concerned</u>
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⁴ ABM: activity-based management; ABB: activity-based budgeting.

⁵ As referred to in Article 54(2)(a) or (b) of the Financial Regulation.

N/A

1.4.3. Expected result(s) and impact

Specify the effects which the proposal/initiative should have on the beneficiaries/groups targeted.

N/A

1.4.4. Indicators of results and impact

Specify the indicators for monitoring implementation of the proposal/initiative.

N/A

1.5. Grounds for the proposal/initiative

1.5.1. Requirement(s) to be met in the short or long term

N/A

1.5.2. Added value of EU involvement

N/A

1.5.3. Lessons learned from similar experiences in the past

N/A

1.5.4. Compatibility and possible synergy with other appropriate instruments

N/A

1.6. Duration and financial impact

Proposal/initiative of **limited duration**

– Proposal/initiative in effect from 01/07/2020 to 30/06/2021

– Financial impact in 2020 - 2024

Proposal/initiative of **unlimited duration**

– Implementation with a start-up period from YYYY to YYYY,

– followed by full-scale operation.

1.7. Management mode(s) planned⁶

Direct management by the Commission

⁶ Details of management modes and references to the Financial Regulation may be found on the BudgWeb site: http://www.cc.cec/budg/man/budgmanag/budgmanag_en.html

- by its departments, including by its staff in the Union delegations;
- by the executive agencies
- Shared management** with the Member States
- Indirect management** by entrusting budget implementation tasks to:
 - third countries or the bodies they have designated;
 - international organisations and their agencies (to be specified);
 - the EIB and the European Investment Fund;
 - bodies referred to in Articles 208 and 209 of the Financial Regulation;
 - public law bodies;
 - bodies governed by private law with a public service mission to the extent that they provide adequate financial guarantees;
 - bodies governed by the private law of a Member State that are entrusted with the implementation of a public-private partnership and that provide adequate financial guarantees;
 - persons entrusted with the implementation of specific actions in the CFSP pursuant to Title V of the TEU, and identified in the relevant basic act.
- *If more than one management mode is indicated, please provide details in the 'Comments' section.*

Comments

N/A

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

Specify frequency and conditions.

N/A

2.2. Management and control system

2.2.1. Risk(s) identified

N/A

2.2.2. Information concerning the internal control system set up

N/A

2.2.3. *Estimate of the costs and benefits of the controls and assessment of the expected level of risk of error*

N/A

2.3. Measures to prevent fraud and irregularities

Specify existing or envisaged prevention and protection measures.

N/A

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

- Existing budget lines

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number [Heading.....]	Diff./Non-diff. ⁷	from EFTA countries ⁸	from candidate countries ⁹	from third countries	within the meaning of Article 21(2)(b) of the Financial Regulation
1 Smart and Inclusive Growth	04 06 01 - Promoting social cohesion and alleviating the worst forms of poverty in the Union	Diff.	NO	NO	NO	NO

- New budget lines requested

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number [Heading.....]	Diff./Non-diff.	from EFTA countries	from candidate countries	from third countries	within the meaning of Article 21(2)(b) of the Financial Regulation
	[XX.YY.YY.YY]		YES/NO	YES/NO	YES/NO	YES/NO

⁷ Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.

⁸ EFTA: European Free Trade Association.

⁹ Candidate countries and, where applicable, potential candidate countries from the Western Balkans.

3.2. Estimated impact on expenditure

The proposed modification does not imply any changes in the Multiannual Financial Framework annual ceilings for commitments and payments as per Regulation (EU) No 223/2014. The total annual breakdown of commitment appropriations for the FEAD remains unchanged

The proposal will result in a frontloading of payment appropriations for the accounting year starting on 1 July 2020 and ending on 30 June 2021, as estimated below.

3.2.1. Summary of estimated impact on expenditure

EUR million in current prices (to three decimal places)

Heading of multiannual financial framework		Number 1b	Smart and Inclusive Growth					TOTAL
DG: EMPL			2020	2021	2022	2023	2024	
• Operational appropriations								
1b: Economic, social and territorial cohesion								
Fund for European aid to the most deprived	(1)							
	Payments	(2)	41,920	25,200	0,000	-33,560	-33,560	0,00
Appropriations of an administrative nature financed from the envelope of specific programmes ¹⁰								

¹⁰ Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

N/A		(3)								
TOTAL appropriations for DG EMPL	Commitments	=1+1a +3								
	Payments	=2+2a +3	41,920	25,200	0,000	-33,560	-33,560	0,000	-33,560	0,000
• TOTAL operational appropriations	Commitments	(4)								
	Payments	(5)	41,920	25,200	0,000	-33,560	-33,560	0,000	-33,560	0,000
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes	Commitments	(6)								
	Payments	=4+6								
TOTAL appropriations under HEADING 1b of the multiannual financial framework	Commitments	=5+6	41,920	25,200	0,000	-33,560	-33,560	0,000	-33,560	0,000
	Payments									

If more than one heading is affected by the proposal / initiative:

• TOTAL operational appropriations	Commitments	(4)								
	Payments	(5)								
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes	Commitments	(6)								
	Payments	=4+6								
TOTAL appropriations under HEADINGS 1 to 4 of the multiannual financial framework (Reference amount)	Commitments	=5+6	0							0
	Payments									

Heading of multiannual financial framework	5	‘Administrative expenditure’
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EUR million (to three decimal places)

DG: <.....>	Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)	TOTAL
• Human resources						
• Other administrative expenditure						
TOTAL DG <.....>						
Appropriations						

TOTAL appropriations under HEADING 5 of the multiannual financial framework	(Total commitments = Total payments)						
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EUR million (to three decimal places)

TOTAL appropriations under HEADING 1 to 5 of the multiannual financial framework	2020	2021	2022	2023	2024	TOTAL
Commitments						
Payments	41,920	25,200	0,000	-33,560	-33,560	0,00

3.2.2. Estimated impact on operational appropriations

- The proposal/initiative does not require the use of operational appropriations
- The proposal/initiative requires the use of operational appropriations, as explained below:

Commitment appropriations in EUR million (to three decimal places)

Indicate objectives and outputs ↓	Type ¹¹	Average cost	Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)					TOTAL	
			Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost		Total No
OUTPUTS													
SPECIFIC OBJECTIVE No 1 ¹² ...													
- Output													
- Output													
- Output													
Subtotal for specific objective No 1													
SPECIFIC OBJECTIVE No 2 ...													
- Output													
Subtotal for specific objective No 2													
TOTAL COST													

¹¹ Outputs are products and services to be supplied (e.g.: number of student exchanges financed, number of km of roads built, etc.).
¹² As described in point 1.4.2. 'Specific objective(s) ...'

3.2.3. Estimated impact on appropriations of an administrative nature

3.2.3.1. Summary

- The proposal/initiative does not require the use of appropriations of an administrative nature
- The proposal/initiative requires the use of appropriations of an administrative nature, as explained below:

EUR million (to three decimal places)

	Year N ¹³	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)	TOTAL
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HEADING 5 of the multiannual financial framework								
Human resources								
Other administrative expenditure								
Subtotal HEADING 5 of the multiannual financial framework								

Outside HEADING 5¹⁴ of the multiannual financial framework								
Human resources								
Other expenditure of an administrative nature								
Subtotal outside HEADING 5 of the multiannual financial framework								

TOTAL								
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The appropriations required for human resources and other expenditure of an administrative nature will be met by appropriations from the DG that are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

¹³ Year N is the year in which implementation of the proposal/initiative starts.

¹⁴ Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

3.2.3.2. Estimated requirements of human resources

- The proposal/initiative does not require the use of human resources.
- The proposal/initiative requires the use of human resources, as explained below:

Estimate to be expressed in full time equivalent units

	Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)		
• Establishment plan posts (officials and temporary staff)							
XX 01 01 01 (Headquarters and Commission's Representation Offices)							
XX 01 01 02 (Delegations)							
XX 01 05 01 (Indirect research)							
10 01 05 01 (Direct research)							
• External staff (in Full Time Equivalent unit: FTE)¹⁵							
XX 01 02 01 (AC, END, INT from the 'global envelope')							
XX 01 02 02 (AC, AL, END, INT and JED in the delegations)							
XX 01 04 yy ¹⁶	- at Headquarters						
	- in Delegations						
XX 01 05 02 (AC, END, INT - Indirect research)							
10 01 05 02 (AC, END, INT - Direct research)							
Other budget lines (specify)							
TOTAL							

XX is the policy area or budget title concerned.

The human resources required will be met by staff from the DG who are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

Description of tasks to be carried out:

Officials and temporary staff	
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¹⁵ AC= Contract Staff; AL = Local Staff; END= Seconded National Expert; INT = agency staff; JED= Junior Experts in Delegations.

¹⁶ Sub-ceiling for external staff covered by operational appropriations (former 'BA' lines).

External staff	
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3.2.4. Compatibility with the current multiannual financial framework

- The proposal/initiative is compatible the current multiannual financial framework.
- The proposal/initiative will entail reprogramming of the relevant heading in the multiannual financial framework.

Explain what reprogramming is required, specifying the budget lines concerned and the corresponding amounts.

- The proposal/initiative requires application of the flexibility instrument or revision of the multiannual financial framework.

Explain what is required, specifying the headings and budget lines concerned and the corresponding amounts.

3.2.5. Third-party contributions

- The proposal/initiative does not provide for co-financing by third parties.
- The proposal/initiative provides for the co-financing estimated below:

Appropriations in EUR million (to three decimal places)

	Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)			Total
Specify the co-financing body								
TOTAL appropriations co-financed								

3.3. Estimated impact on revenue

- The proposal/initiative has no financial impact on revenue.
- The proposal/initiative has the following financial impact:
 - on own resources
 - on miscellaneous revenue

EUR million (to three decimal places)

Budget revenue line:	Appropriations available for the current financial year	Impact of the proposal/initiative ¹⁷						
		Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)		
Article								

¹⁷ As regards traditional own resources (customs duties, sugar levies), the amounts indicated must be net amounts, i.e. gross amounts after deduction of 25 % for collection costs.

For miscellaneous 'assigned' revenue, specify the budget expenditure line(s) affected.

Specify the method for calculating the impact on revenue.