

## I

*(Information)*

## EUROPEAN PARLIAMENT

## COUNCIL

## COMMISSION

## INTERINSTITUTIONAL AGREEMENT

of 7 November 2002

**between the European Parliament, the Council and the Commission on the financing of the European Union Solidarity Fund supplementing the Interinstitutional Agreement of 6 May 1999 on budgetary discipline and improvement of the budgetary procedure**

(2002/C 283/01)

1. The European Parliament, the Council and the Commission hereby agree upon the following flexibility mechanism concerning the European Union Solidarity Fund, hereinafter referred to as 'the Fund', established by Council Regulation (EC) No 2012/2002 <sup>(1)</sup>.

The Fund is intended to allow rapid financial assistance in the event of a major disaster occurring on the territory of a Member State or of a candidate country whose accession to the European Union is currently under negotiation, as defined in the relevant basic act.

2. There shall be a ceiling on the annual amount available for expenditure by the Fund of EUR 1 thousand million. On 1 October each year, at least one-quarter of the annual amount should remain available in order to cover needs arising until the end of the year. No non-budgetised portion of the annual amount may be carried over.

In exceptional cases and if the remaining financial resources available in the Fund in the year of the occurrence of the disaster, as defined in the relevant basic act, are not sufficient to cover the amount of assistance deemed necessary by the budgetary authority, the Commission may propose that the difference be financed through the next year's Fund. The annual budgetary ceiling of the Fund in the year of the occurrence of the disaster and the following year shall under all circumstances be respected.

3. When the conditions for mobilising the Fund as set out in the relevant basic act are met, the Commission will make a proposal to deploy the flexibility mechanism. Where there is scope for reallocating appropriations under the heading requiring additional expenditure, the Commission shall take this into account when making the necessary

proposal, in accordance with the Financial Regulation in force by the appropriate budgetary instrument.

The corresponding expenditure shall be entered in the budget over and above the relevant headings in the financial perspective, as laid down in Annex I to the Interinstitutional Agreement of 6 May 1999 between the European Parliament, the Council and the Commission on budgetary discipline and improvement of the budgetary procedure <sup>(2)</sup>.

4. At the same time as it presents its proposal to deploy the flexibility mechanism, the Commission will initiate a dialogue procedure, if necessary in a simplified form, to secure the agreement of the two arms of the budgetary authority on the need to resort to the flexibility mechanism and on the amount to be allocated over and above each heading. The decision to deploy the flexibility mechanism will be taken jointly by the two arms of the budgetary authority in accordance with the voting rules under the fifth subparagraph of Article 272(9) of the Treaty establishing the European Community.

5. Following the agreement reached in the tripartite dialogue and the adoption of the joint decision, the two arms of the budgetary authority will undertake to adopt the relevant amending budget as soon as possible and preferably in a single reading by each of the institutions concerned.

6. This Interinstitutional Agreement supplements the Interinstitutional Agreement of 6 May 1999 on budgetary discipline and improvement of the budgetary procedure from the budgetary year 2002 and for the duration of the current financial perspective, as defined in that Agreement.

<sup>(1)</sup> OJ L 311, 14.11.2002, p. 3.

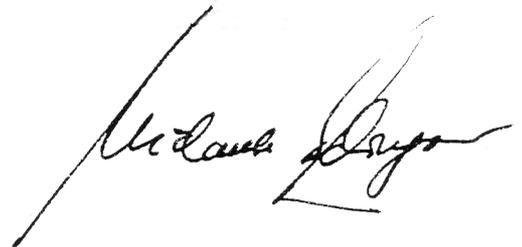
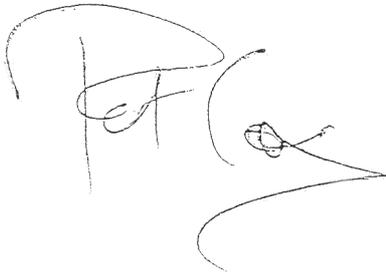
<sup>(2)</sup> OJ C 172, 18.6.1999, p. 1.

Done at Brussels, on 7 November 2002.

*For the European Parliament*  
*The President*

*For the Council*  
*The President*

*For the European Commission*  
*The President*



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