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COMMUNICATION FROM THE COMMISSION TO THE COUNCIL

Financial information on the European Development Fund

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1. FOREWORD

In accordance with Article 7(3) of the 11th EDF Internal Agreement¹ and Article 21(2) of Council Regulation (EU) 2015/323 on the financial regulation applicable to the 11th European Development Fund² (hereinafter referred to as "11th EDF Financial Regulation"), the Commission presents in this document estimates of commitments, payments and contributions for the period 2016 and 2017, taking into account the forecasts of the European Investment Bank (EIB).

This document sets out the financial implementation of the EDFs (8th to 11th) for 2015 and the forecasts of implementation for 2016 and 2017.

Member States contribute funds directly to the European Investment Bank (EIB) for the instruments which it manages under the 9th, 10th, and 11th EDFs (the Investment Facility and interest-rate subsidies).

2. INTRODUCTION

The Commission and the EIB have updated their commitment and payment forecasts for 2016 and 2017 for each of the ACP countries³ and the OCTs⁴. The payment forecasts in particular have been compiled with the aim of helping Member States to assess as accurately as possible the amounts they need to earmark in their national budgets while ensuring that sufficient financial resources are available for the EDF to avoid liquidity problems.

In accordance with Article 7 of the 11th EDF Internal Agreement⁵ and Article 21(4) of the 11th EDF Financial Regulation⁶, the estimates provided in this document have been updated.

The graph below shows the general trend in gross commitments and payments since 1999 until 2015 and projections for the period 2016-2017 (Commission and EIB cumulated amounts).

¹ Internal Agreement between the Representatives of the Governments of the Member States of the European Union, meeting within the Council, on the financing of European Union aid under the multiannual financial framework for the period 2014 to 2020, in accordance with the ACP-EU Partnership Agreement, and on the allocation of financial assistance for the Overseas Countries and Territories to which Part Four of the Treaty on the Functioning of the European Union applies (OJ L 210, 06.08.2013, p. 1).

² OJ L 58, 3.3.2015, p. 17–38

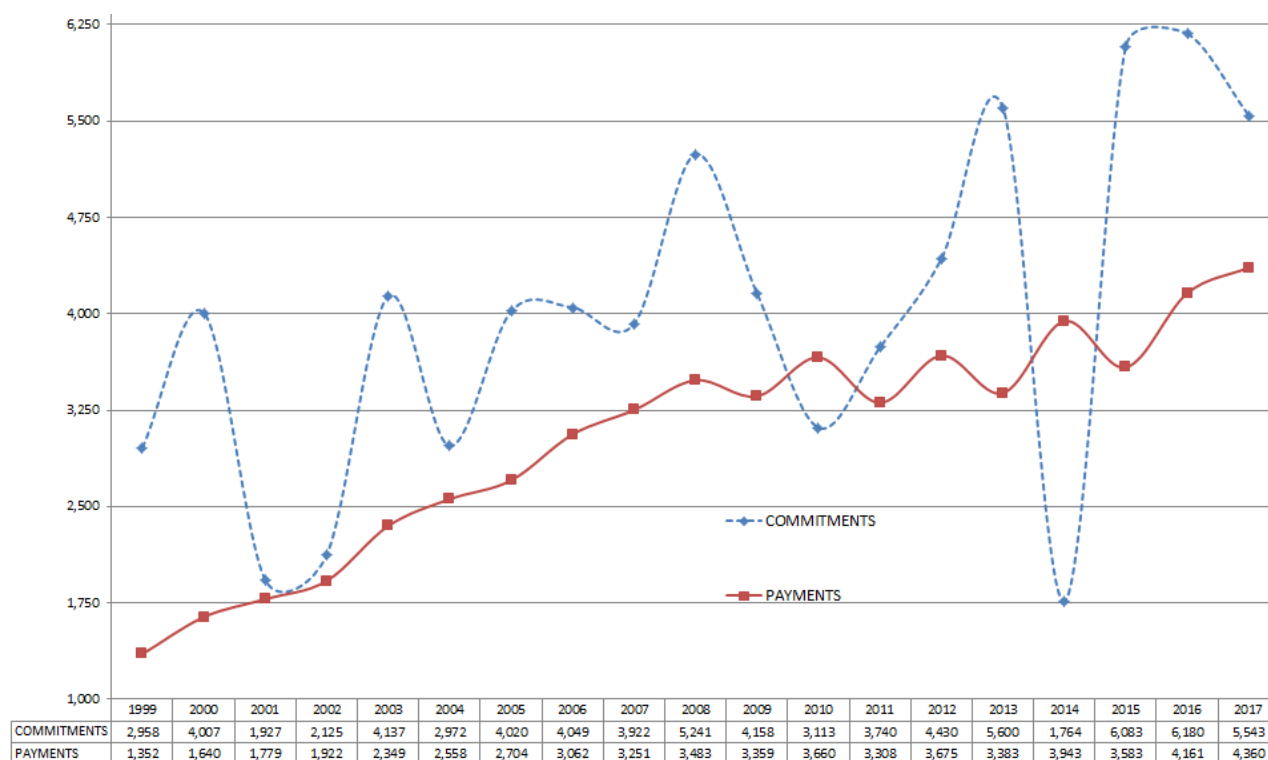
³ African, Caribbean and Pacific States.

⁴ Overseas Countries and Territories.

⁵ OJ L 210, 06.08.2013.

⁶ OJ L 58, 03.03.2015, Council Regulation (EU) 2015/323 of 2 March 2015 on the Financial Regulation applicable to the 11th European Development Fund.

Gross commitments and payments: trend 1999-2017 (EUR Million)



Note: Figures from implementation of the European Development Funds as of 31 December 2015 (commitments, payments and financial situation) and forecasts for 2016 and 2017.

3. FINANCIAL FORECASTS FOR 2016 - 2017

The following table provides an update of the commitments, the payments and of the contributions, based on the Commission's latest forecasts.

Forecasts 2016-2017 (*)		2016 (in EUR)	2017 (in EUR)
Commitments	Commission	5,325	4,663
	EIB	855	880
	Total	6,180	5,543
Payments	Commission	3,751	3,900
	EIB	410	460
	Total	4,161	4,360
Contributions	Commission	3,450	3,850
	EIB	150	150
	Total	3,600	4,000

* gross amounts, i.e. no decommitments or recoveries/reflows have been deducted. This approach is in line with that used for the general budget of the Union.

4. NON-BINDING ESTIMATION OF CONTRIBUTION FOR 2018 - 2019

Forecasts 2018-2019 (*)		2018	2019
Contributions	Commission	4,550	4,500
	EIB	250(**)	300
	Total	4,800	4,800

* Art.21 (2) 11th EDF Financial Regulation (EU 2015/323): indicative, non-binding forecast based on a statistical approach for the expected annual amounts of contributions for the years n + 3 and n + 4.

** ref. EIB explanatory note for information of 17/11/2015, MD no: 151/15 ADD 1 ACP

5. FINANCIAL IMPLEMENTATION FOR 2015 AND FORECASTS FOR 2016 AND 2017

The updated forecasts are set out in attachments 1 to 3.

End-of-year totals for 2015 commitments and payments exceeded estimates contained in the Council Decision of November 2015.

The 2015 estimate for commitments given in the October 2015 (EUR 4,947 million) Communication is exceeded by EUR 527 million. This keeps the 11th EDF on track for full commitment at the end of the implementation period.

EDF payments exceeded the target for payments of EUR 3,100 million by EUR 110 million. This good result is the consequence of a solid performance registered in December 2015 (20.5% of the annual disbursements). No payments were made in 2015 to the new Emergency EU Trust Fund for stability and addressing root causes of illegal migration in Africa (EUTF Africa)⁷.

A tight and difficult treasury situation is expected for 2016-2017. The reasons include a lower cash balance on the EDF account in 2015 (Contributions called = EUR 3,200 million against Payments EUR 3,210 million), expected quick disbursements for the EUTF Africa and possible increased disbursements for the African Peace Facility.

The good payment performance in 2015 adds to expectations of a tight treasury situation in 2016-2017.

Attachments 1, 2 and 3 show respectively actual commitments, actual payments and the financial situation compared with previous forecasts for the periods 2016-2017.

Attachments 4 and 5 show respectively contributions for 2016 and 2017 per instalment and per Member State.

⁷ Commission Decision (EU) 2015/7293 of 20 October 2015

5.1. Attachment 1: forecasts for commitments⁸ for 2015, 2016 and 2017 (EUR million)

	2015		2016		2017	
	Oct 2015*	Actuals 2015	Oct 2015*	June 2016	Oct 2015*	June 2016
Regions						
East Africa	625	627		810		
West Africa	966	1,204		1,776		
Central Africa	692	737		1,139		
Caribbean	0	74		213		
Pacific	7	48		25		
Southern Africa	368	355		560		
Sub-total	2,658	3,045		4,525		
Other						
Peace Facility, Human rights	592	646		545		
Water and Energy Facility	100	98		100		
Trust Fund (**)	1,395	1,377		0		
Other (***)	201	309		155		
Sub-total	2,288	2,430		800		
Total European Commission	4,947	5,474	4,663	5,325	4,963	4,663
Investment facility	750	544	770	775	820	800
Interest rate subsidies (****)	80	65	80	80	80	80
Total EIB	830	609	850	855	900	880
TOTAL						
European Commission + EIB	5,777	6,083	5,513	6,180	5,863	5,543

* As per Communication from the Commission to the Council

** Emergency EU Trust Fund for stability and addressing root causes of illegal migration in Africa.

*** Includes support expenditures (e.g. joint institutions, ACP Secretariat), DG ECHO, other DG's and Agencies.

**** Including interest rate subsidies under previous EDFs

⁸ Gross commitments, i.e. without de-commitments being deducted.

5.2. Attachment 2: forecasts for payments⁹ for 2015, 2016 and 2017 (EUR million)

	2015		2016		2017	
	Oct 2015*	Actuals 2015	Oct 2015*	June 2016	Oct 2015*	June 2016
Regions						
East Africa	445	484		618		
West Africa	795	797		918		
Central Africa	348	368		513		
Caribbean	197	183		176		
Pacific	66	70		63		
Southern Africa	389	396		442		
Sub-total	2,241	2,299		2,729		
Other						
Peace Facility, Human rights	371	372		436		
Water and Energy Facility	71	71		95		
Trust Fund (**)	0	0		290		
Other (***)	470	467		201		
Sub-total	912	911		1,023		
Total European Commission	3,152	3,210	3,550	3,751	3,900	3,900
Investment facility	275	351	370	370	410	410
Interest rate subsidies (****)	25	22	40	40	50	50
Total EIB	300	373	410	410	460	460
TOTAL European Commission + EIB	3,452	3,583	3,960	4,161	4,360	4,360

* As per Communication from the Commission to the Council

* EU emergency Trust Fund for stability and addressing root causes of illegal migration in Africa.

** Includes support expenditures (e.g. joint institutions, ACP Secretariat), DG ECHO, other DG's and Agencies.

*** Including interest rate subsidies under previous EDFs

⁹ Gross payments, i.e. without recoveries being deducted.

5.3. Attachment 3: Financial situation for 2015, forecasts for 2016 and 2017 (EUR million) and non-binding estimations for 2018-2019:

		October 2015 ¹			June 2016 ¹		
		Commission	EIB ⁶	TOTAL	Commission	EIB ⁶	TOTAL
Balance 31/12/2014¹		207	194	401	207	194	401
2015	Member States Contributions for 2015:	3,200	200	3,400	3,200	200	3,400
	<i>1st instalment</i>	1,500	50	1,550	1,500	50	1,550
	<i>2nd instalment</i>	850	100	950	850	100	950
	<i>3rd instalment</i>	850	50	900	850	50	900
	Reflows ²		196	196		201	201
	Contributions 2015 received in 2014	-228		-228	-228		-228
	Contributions 2016 received in 2015	0		0	307		307
	Recoveries, interest and other incomes	80		80	232		232
	Total payments ³	-3,152	-300	-3,452	-3,210	-373	-3,583
Balance 31/12/2015⁴		107	290	397	508	222	744
2016	Member States Contributions for 2016:	3,450	150	3,600	3,450	150	3,600
	<i>1st instalment</i>	1,750	0	1,750	1,750	0	1,750
	<i>2nd instalment</i>	1,000	100	1,100	1,000	100	1,100
	<i>3rd instalment</i>	700	50	750	700	50	750
	Reflows ²		190	190		260	260
	Contributions 2016 received in 2015	0		0	-307		-307
	Recoveries, interest and other incomes	80		80	80		80
	Total payments ³	-3,550	-410	-3,960	-3,751	-410	-4,161
Balance at 31/12/2016		87	220	307	-20⁷	222	202
2017	Member States Contributions for 2017:	3,950	200	4,150	3,850	150	4,000
	Reflows ²		190	190		300	300
	Recoveries, interest and other	50		50	50		50
	Total payments ³	-3,900	-460	-4,360	-3,900	-460	-4,360
	Balance at 31/12/2017		187	150	337	-20⁸	212
2018	Member States Contributions for 2018⁵	4,050	200	4,250	4,550	250*	4,800
2019	Member States Contributions for 2019⁵	4,150	300	4,450	4,500	300	4,800

1 Funds available for operations as per Communication from the Commission to the Council;

2 Net of EIB management fees;

3 Including interest rates subsidies under the previous EDFs;

4 Balances do not include: (i) Cofinancings received by 31.12.2015, (ii) Receipts in bank not yet allocated to a specific EDF line, (iii) Special fund for Democratic republic of the Congo;

5 Art.21(2)(d) Financial Regulation: non-binding forecast based on a statistical approach for the expected annual contributions for the years n + 3 and n + 4;

6 Art.21(1), calls for contributions shall first use up the amounts laid down for previous EDFs, one after the other. Therefore calls under the 11th EDF to finance the IFE are further delayed.

7-8 The EDF treasury balance can never be negative. Any negative amounts in the table indicates a shortage of payment credits.

* EIB request of contributions for 2018: EIB explanatory note for information of 17/11/2015, MD no: 151/15 ADD 1 ACP

5.4. Attachment 4: Member States contributions for 2016 (EUR)

MEMBER STATES	Key 10 th EDF %	1 st instalment		2 nd instalment		3 rd instalment		Total EIB	Total Commission	Total 2016
		paid to EIB 10 th EDF	paid to Commission 10 th EDF	paid to EIB 10 th EDF	paid to Commission 10 th EDF	paid to EIB 10 th EDF	paid to Commission 10 th EDF			
AUSTRIA	2.41	0	42 175 000	2 410 000	24 100 000	1 205 000	16 870 000	3 615 000	83 145 000	86 760 000
BELGIUM	3.53	0	61 775 000	3 530 000	35 300 000	1 765 000	24 710 000	5 295 000	121 785 000	127 080 000
BULGARIA	0.14	0	2 450 000	140 000	1 400 000	70 000	980 000	210 000	4 830 000	5 040 000
CYPRUS	0.09	0	1 575 000	90 000	900 000	45 000	630 000	135 000	3 105 000	3 240 000
CZECH REPUBLIC	0.51	0	8 925 000	510 000	5 100 000	255 000	3 570 000	765 000	17 595 000	18 360 000
DENMARK	2.00	0	35 000 000	2 000 000	20 000 000	1 000 000	14 000 000	3 000 000	69 000 000	72 000 000
ESTONIA	0.05	0	875 000	50 000	500 000	25 000	350 000	75 000	1 725 000	1 800 000
FINLAND	1.47	0	25 725 000	1 470 000	14 700 000	735 000	10 290 000	2 205 000	50 715 000	52 920 000
FRANCE	19.55	0	342 125 000	19 550 000	195 500 000	9 775 000	136 850 000	29 325 000	674 475 000	703 800 000
GERMANY	20.50	0	358 750 000	20 500 000	205 000 000	10 250 000	143 500 000	30 750 000	707 250 000	738 000 000
GREECE	1.47	0	25 725 000	1 470 000	14 700 000	735 000	10 290 000	2 205 000	50 715 000	52 920 000
HUNGARY	0.55	0	9 625 000	550 000	5 500 000	275 000	3 850 000	825 000	18 975 000	19 800 000
IRELAND	0.91	0	15 925 000	910 000	9 100 000	455 000	6 370 000	1 365 000	31 395 000	32 760 000
ITALY	12.86	0	225 050 000	12 860 000	128 600 000	6 430 000	90 020 000	19 290 000	443 670 000	462 960 000
LATVIA	0.07	0	1 225 000	70 000	700 000	35 000	490 000	105 000	2 415 000	2 520 000
LITHUANIA	0.12	0	2 100 000	120 000	1 200 000	60 000	840 000	180 000	4 140 000	4 320 000
LUXEMBOURG	0.27	0	4 725 000	270 000	2 700 000	135 000	1 890 000	405 000	9 315 000	9 720 000
MALTA	0.03	0	525 000	30 000	300 000	15 000	210 000	45 000	1 035 000	1 080 000
NETHERLANDS	4.85	0	84 875 000	4 850 000	48 500 000	2 425 000	33 950 000	7 275 000	167 325 000	174 600 000
POLAND	1.30	0	22 750 000	1 300 000	13 000 000	650 000	9 100 000	1 950 000	44 850 000	46 800 000
PORTUGAL	1.15	0	20 125 000	1 150 000	11 500 000	575 000	8 050 000	1 725 000	39 675 000	41 400 000
ROMANIA	0.37	0	6 475 000	370 000	3 700 000	185 000	2 590 000	555 000	12 765 000	13 320 000
SLOVAKIA	0.21	0	3 675 000	210 000	2 100 000	105 000	1 470 000	315 000	7 245 000	7 560 000
SLOVENIA	0.18	0	3 150 000	180 000	1 800 000	90 000	1 260 000	270 000	6 210 000	6 480 000
SPAIN	7.85	0	137 375 000	7 850 000	78 500 000	3 925 000	54 950 000	11 775 000	270 825 000	282 600 000
SWEDEN	2.74	0	47 950 000	2 740 000	27 400 000	1 370 000	19 180 000	4 110 000	94 530 000	98 640 000
UNITED KINGDOM	14.82	0	259 350 000	14 820 000	148 200 000	7 410 000	103 740 000	22 230 000	511 290 000	533 520 000
TOTAL EU-27	100.00	0	1 750 000 000	100 000 000	1 000 000 000	50 000 000	700 000 000	150 000 000	3 450 000 000	3 600 000 000

5.5. Attachment 5: Member States contributions for 2016-2019 (EUR)

MEMBER STATES	Key 10 th	Key 11 th	2016			2017			2018		2019	
	EDF %	EDF %	Bridging	Commission 10 th	EIB 10 th	Commission 10 th	Commission 11 th	EIB 10 th	Commission 11 th	EIB 10 th	Commission 11 th	EIB 10 th
AUSTRIA	2.41	2.39757	-3 366 234,92	83 145 000	3 615 000	42 735 782	49 791 080	3 615 000	109 089 435	6 025 000	107 890 650	7 230 000
BELGIUM	3.53	3.24927	-5 470 131,74	121 785 000	5 295 000	62 596 394	67 478 599	5 295 000	147 841 785	8 825 000	146 217 150	10 590 000
BULGARIA	0.14	0.21853	1 963 637,04	4 830 000	210 000	2 482 577	4 538 280	210 000	9 943 115	350 000	9 833 850	420 000
CYPRUS	0.09	0.11162	1 262 338,09	3 105 000	135 000	1 595 942	2 318 047	135 000	5 078 710	225 000	5 022 900	270 000
CZECH REPUBLIC	0.51	0.79745	7 153 249,20	17 595 000	765 000	9 043 672	16 560 892	765 000	36 283 975	1 275 000	35 885 250	1 530 000
DENMARK	2.00	1.98045	-1 963 637,04	69 000 000	3 000 000	35 465 379	41 128 620	3 000 000	90 110 475	5 000 000	89 120 250	6 000 000
ESTONIA	0.05	0.08635	701 298,94	1 725 000	75 000	886 634	1 793 257	75 000	3 928 925	125 000	3 885 750	150 000
FINLAND	1.47	1.50909	-140 259,79	50 715 000	2 205 000	26 067 054	31 339 740	2 205 000	68 663 595	3 675 000	67 909 050	4 410 000
FRANCE	19.55	17.81269	-66 623 399,41	674 475 000	29 325 000	346 674 082	369 921 662	29 325 000	810 477 395	48 875 000	801 571 050	58 650 000
GERMANY	20.50	20.57980	-40 114 299,44	707 250 000	30 750 000	363 520 137	427 387 094	30 750 000	936 380 900	51 250 000	926 091 000	61 500 000
GREECE	1.47	1.50735	3 085 715,34	50 715 000	2 205 000	26 067 054	31 303 605	2 205 000	68 584 425	3 675 000	67 830 750	4 410 000
HUNGARY	0.55	0.61456	7 714 288,35	18 975 000	825 000	9 752 979	12 762 758	825 000	27 962 480	1 375 000	27 655 200	1 650 000
IRELAND	0.91	0.94006	4 067 533,86	31 395 000	1 365 000	16 136 748	19 522 518	1 365 000	42 772 730	2 275 000	42 302 700	2 730 000
ITALY	12.86	12.53009	4 488 313,22	443 670 000	19 290 000	228 042 389	260 216 268	19 290 000	570 119 095	32 150 000	563 854 050	38 580 000
LATVIA	0.07	0.11612	981 818,52	2 415 000	105 000	1 241 288	2 411 500	105 000	5 283 460	175 000	5 225 400	210 000
LITHUANIA	0.12	0.18077	1 683 117,46	4 140 000	180 000	2 127 923	3 754 107	180 000	8 225 035	300 000	8 134 650	360 000
LUXEMBOURG	0.27	0.25509	-280 519,58	9 315 000	405 000	4 787 826	5 297 533	405 000	11 606 595	675 000	11 479 050	810 000
MALTA	0.03	0.03801	420 779,36	1 035 000	45 000	531 981	789 365	45 000	1 729 455	75 000	1 710 450	90 000
NETHERLANDS	4.85	4.77678	-5 189 612,16	167 325 000	7 275 000	86 003 545	99 200 873	7 275 000	217 343 490	12 125 000	214 955 100	14 550 000
POLAND	1.30	2.00734	18 233 772,47	44 850 000	1 950 000	23 052 497	41 687 053	1 950 000	91 333 970	3 250 000	90 330 300	3 900 000
PORTUGAL	1.15	1.19679	2 524 676,19	39 675 000	1 725 000	20 392 593	24 854 109	1 725 000	54 453 945	2 875 000	53 855 550	3 450 000
ROMANIA	0.37	0.71815	5 189 612,16	12 765 000	555 000	6 561 095	14 914 044	555 000	32 675 825	925 000	32 316 750	1 110 000
SLOVAKIA	0.21	0.37616	2 945 455,55	7 245 000	315 000	3 723 865	7 811 831	315 000	17 115 280	525 000	16 927 200	630 000
SLOVENIA	0.18	0.22452	2 524 676,19	6 210 000	270 000	3 191 884	4 662 677	270 000	10 215 660	450 000	10 103 400	540 000
SPAIN	7.85	7.93248	28 192 217,44	270 825 000	11 775 000	139 201 614	164 736 274	11 775 000	360 927 840	19 625 000	356 961 600	23 550 000
SWEDEN	2.74	2.93911	140 259,79	94 530 000	4 110 000	48 587 570	61 037 410	4 110 000	133 729 505	6 850 000	132 259 950	8 220 000
UNITED KINGDOM	14.82	14.67862	29 875 334,89	511 290 000	22 230 000	262 798 460	304 835 457	22 230 000	667 877 210	37 050 000	660 537 900	44 460 000
CROATIA	0.00	0.22518	0	0	0	0	4 676 383	0	10 245 690	0	10 133 100	0
TOTAL EU-28	100.00	100.00	0	3 450 000 000	150 000 000	1 773 268 963	2 076 731 037	150 000 000	4 550.000 000	250 000 000	4 500 000 000	300 000 000
				3 600 000 000			4 000 000 000		4 800 000 000		4 800 000 000	

