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**REPORT FROM THE COMMISSION**

**European Union Solidarity Fund  
Annual report 2005**

# REPORT FROM THE COMMISSION

## European Union Solidarity Fund Annual report 2005

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## 1. INTRODUCTION

The European Union Solidarity Fund entered into force on 15 November 2002<sup>1</sup>. Article 12 of the Regulation provides that a report on the activity of the Fund in the previous year be presented to the European Parliament and to the Council. This, the third report, presents the activities of the Fund in 2005 covering three areas: the treatment of new applications received in the course of 2005, monitoring of the ongoing implementation of grants, and the assessment of implementation reports with a view to preparing these for closure.

In addition, the report presents the proposal for a new Regulation on the Solidarity Fund presented by the Commission on 6 April 2005 for the period after the expiry of the current Financial Perspective in 2006.

## 2. NEW APPLICATIONS RECEIVED IN 2005

In the course of 2005 the Commission received 12 new applications for Solidarity Fund assistance. Annex 1 gives a detailed overview of all cases.

On 14 February 2005, **Italy** applied for assistance relating to a flooding in Sardinia in December 2004. The disaster was claimed to have caused damage of EUR 223 million which represents less than 7% of the normal major disaster threshold for triggering the Fund. Based on the information provided by the Italian authorities the Commission concluded that the flooding did not meet the conditions of the Regulation for extraordinary regional disasters (i.e. a demonstration that the major part of the population in the region had been affected, and that serious and lasting repercussions on living conditions and on the economic stability of the region are to be expected). On 10 June 2005 the Commission therefore decided to reject the application and informed the Italian authorities of this decision by letter of 27 June 2005.

The **Greek** authorities submitted an application on 22 April 2005, relating to a flooding that occurred in February 2005 in the area of the Evros river on the Eastern border of Greece. Supplementary information was provided in August and December 2005. As the disaster caused total direct damages of EUR 135 million, representing less than 15 % of the major disaster threshold of EUR 918 million applicable to Greece (i.e. 0.6% of GNI), the application was based on the extraordinary regional disaster criterion. Following a thorough analysis of the application, the Commission services concluded that, while the flooding has caused some notable damage locally, the affected region was not significant in the national context and the criteria in the Regulation regarding serious and lasting repercussions on living conditions and the economic stability of the affected region were not met. The Commission therefore decided on 23 December 2005 not to mobilise the Fund and informed the Greek authorities of this decision by letter of 13 January 2006.

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<sup>1</sup> Council Regulation (EC) N° 2012/2002 of 11 November 2002 establishing the European Union Solidarity Fund, OJ L 311/3 of 14.11.2002, in the following referred to as “the Regulation”.

In the following nine cases, the Commission decided to propose to the budget authority to mobilise the Fund:

**Slovakia** applied on 24 January 2005 relating to a wind storm that struck the country in November 2004. On 1 March 2005, the Slovak authorities submitted complementary information. In the application, Slovakia estimated the total direct damage at approximately EUR 225 million. The Commission services examined the calculation of direct damages, on the basis of an assessment of satellite imagery and aerial photography carried out by the Joint Research Centre, and considered it necessary to slightly modify the calculation of damage to forests. These modifications concerned the extent of physical damage and assumptions regarding forestation and maintenance costs. The maximum level of direct damage that could be taken into account was EUR 195 million. As this amount is above the major disaster threshold of 0.6% of Slovakia's GNI (EUR 172.3 million), the disaster qualified as a "major natural disaster" and the Commission accordingly decided on 6 June 2005 to mobilise the Fund. After the corresponding amending budget was adopted by the budget authority, the agreement on the implementation of the grant was signed on 17 October 2005. The Commission paid out the Solidarity Fund grant of EUR 5.67 million on 7 November 2005.

On 8 January 2005 a major storm hit parts of northern Europe causing severe damage in a number of countries. The Commission received applications for financial assistance from the Solidarity Fund from **Sweden** and **Latvia** (both on 10 March 2005), **Estonia** (14 March 2005) and **Lithuania** (16 March 2005). In the four countries, the storm caused severe damage to agriculture, forestry, electricity and infrastructure networks, transport and communication. The estimated total damages amount to approximately EUR 192 million in Latvia, to EUR 48 million in Estonia and to around EUR 15 million in Lithuania. In Sweden, damages were particularly high and were estimated at nearly EUR 2.3 billion.

As the damages in Sweden, Latvia and Estonia exceeded the respective threshold of 0.6% of GNI (EUR 1.603 billion for Sweden, EUR 59.092 million for Latvia and EUR 45.209 million for Estonia), the disasters qualified in each of these three countries as a "major natural disaster". The damages in Lithuania were below the major disaster threshold (EUR 94.261 million). However, as Lithuania was affected by the same wind storm which led to the major disaster in Latvia, the condition for exceptionally benefiting from the Fund, whereby a neighbouring country affected by "the same disaster" can also benefit from assistance from the Fund, was found to be met. Consequently, the Commission proposed on 22 August 2005 a total of EUR 92.88 million to be granted to the four countries, of which EUR 81.73 million to Sweden, EUR 9.49 million to Latvia, EUR 1.29 million to Estonia and EUR 0.38 million to Lithuania. The respective Solidarity Fund grants were paid out in the first half of 2006, after conclusion of the budgetary procedure and the signature of the implementing agreements.

Between April and August 2005 severe floods hit large parts of central and eastern Europe causing severe damage in a number of countries. Bulgaria, Romania and Austria applied for financial assistance from the Solidarity Fund.

The first application from **Bulgaria** was received on 29 July 2005 and related to the damage caused by the floods in May. Supplementary information was provided on

29 September 2005. The total direct damage was estimated at EUR 222.28 million. The Bulgarian authorities submitted a second application on 24 August 2005, completed by supplementary information received on 6 October 2005, relating to the floods starting in early August. The total direct damage of this second disaster was estimated at EUR 237.47 million. As the damage amounts in both applications exceeded the threshold of 0.6 % of Bulgaria's GNI (EUR 103.27 million) the disasters qualified as "major natural disasters".

The first application from **Romania** was received on 22 June 2005, relating to the damages caused by the floods in April. Supplementary information was provided on 5 August and 29 December 2005. The total direct damage was estimated at EUR 489.53 million. The Romanian authorities submitted a second application on 9 September 2005, completed by supplementary information received on 7 October and 29 December 2005, relating to the floods starting in July. The total direct damage of this second flooding was estimated at EUR 1.05 billion. As the damage amounts in both applications exceeded the threshold of 0.6 % of Romania's GNI (EUR 302.11 million) the disasters qualified as "major natural disasters".

**Austria** applied for assistance on 19 October 2005, relating to flooding that had occurred in parts of the two Austrian Länder Vorarlberg and Tyrol in August 2005. Additional information was received from the Austrian authorities on 12 January 2006. The total direct damage was estimated at EUR 591.94 million. As the damages were below the major disaster threshold of EUR 1 336.348 million applicable to Austria (i.e. 0.6% of GNI), it was based on the extraordinary regional disaster criterion. At the end of the period covered by this annual report the assessment of the application was still ongoing.

On 23 December 2005, the Commission decided to propose to mobilise the Fund with respect to the two applications received from Bulgaria. On the three remaining applications (the two disasters in Romania and the flooding in Austria) the decisions to mobilise the Fund were taken in March 2006.

### 3. FINANCING

The cases of the wind storm affecting Slovakia and of the wind storm in Northern Europe were dealt with in two separate amending budgets. Preliminary Draft Amending Budget 5/2005<sup>2</sup> for the Slovakian case was approved by the Budgetary Authority on 7 September 2005. The payment could be made, after adoption of the grant decision and after the implementation agreement was signed on 17 October 2005. Preliminary Draft Amending Budget 6/2005<sup>3</sup> covering the wind storm in Northern Europe was approved only late in the year, on 17 November 2005, so that most of the necessary additional steps (grant decision, implementation agreement) and, thus, the payments could only be made in 2006. While the payment appropriations for the aid to Slovakia were provided from the budget line for the Cohesion Fund, the significant amount of required resources for the four cases relating to the wind storm in Northern Europe and the unavailability of

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<sup>2</sup> SEC(2005) 758 of 6 June 2005.

<sup>3</sup> SEC(2005) 1083 of 8 September 2005.

corresponding free payment appropriations at the time of the budgetary procedure made it necessary to include a request for additional payment appropriations in PDAB 6/2005. For the cases of flooding in Bulgaria, Romania and Austria, the Commission proposed an amending budget for the budget of 2006; the annual report of next year will report on this.

The amounts of aid in each case were determined on the basis of the standard method previously developed by the Commission and explained in detail in the annual report 2002/2003 (see also annex 3 of the present report). The amounts of aid in 2005 were the following:

<b>Beneficiary</b>	<b>Disaster</b>	<b>Category</b>	<b>Aid (million €)</b>
Slovakia	Wind Storm	major	5.668
Sweden	Wind Storm	major	81.725
Estonia	Wind Storm	major	1.290
Latvia	Wind Storm	major	9.487
Lithuania	Wind Storm	neighbouring country	0.379
<b>Total</b>			<b>98.548</b>

#### 4. MONITORING

In 2005, the Commission undertook two monitoring visits, both concerning the implementation of Solidarity Fund grants following flood disasters. A visit to France in February concerned the Solidarity Fund grant paid out in July 2004. The visit to Malta in May concerned the implementation of the Solidarity Fund grant paid out in November 2004. Both visits were welcomed by the authorities concerned and provided the occasion to respond to technical issues such as those concerning eligibility of expenditure and control issues. They also allowed the Commission to gain an impression of the added value of the Solidarity Fund and to gather information on the implementation systems. In both cases it was found that an appropriate, effective and transparent implementation system had been put in place, that implementation was progressing at very satisfactory pace and that appropriate steps had been made to ensure respect for monitoring and control obligations.

#### 5. CLOSURES

Article 8 (2) of Regulation 1212/2002 states that no later than six months after the expiry of the one-year period from the date of disbursement of the grant, the beneficiary State shall present a report on the financial execution of the grant with a statement justifying the expenditure (hereinafter: a “validity statement”). At the end of this procedure, the Commission shall wind up the assistance from the Fund.

As regards the closure of assistance of cases for which the implementation report was received in 2004, the Commission closed the assistance on 22 February 2005 for aid which was granted to France. As regards the aid granted to Germany (2002 floods), the Commission received clarifications on a sub-statement of validity, for which

expenditure checks still needed to be carried out, in August 2005. On this basis, the Commission wound up the assistance on 3 November 2005. The Commission closed the assistance granted to the Czech Republic (2002 floods) after receiving additional information in May, August and September. This concerned in particular the amount of the grant that remained unused during the eligibility period. On 18 January 2006, the Czech authorities specified that the final balance of unused aid on the source account amounted to EUR 390 524.32. The Commission initiated the procedures for the recovery of this amount and sent the corresponding debit note to the Czech authorities on 16 February 2006.

In 2005, the Commission received final implementation reports for grants made in 2003 from Spain (Prestige oil spill), Italy (Molise earthquake and Etna volcanic eruption) and Portugal (forest fires). At the end of the period covered by this annual report the assessment of these implementation reports was still ongoing.

## **6. PROPOSAL FOR A NEW SOLIDARITY FUND REGULATION**

During the first months of 2005 the Commission completed its preparatory work for a proposal of a new Solidarity Fund Regulation which was adopted on 6 April 2005<sup>4</sup> as part of the legislative package accompanying the Financial Perspectives for 2007–2013. The initial intention to bring together the various existing and envisaged crisis mechanisms at European level into a single “Solidarity and Rapid Reaction Instrument”, as announced in the Commission Communication on the Financial Perspectives of 14 July 2004<sup>5</sup> had to be abandoned because of the incompatibility of the different legal bases required.

Accordingly, a revised approach was decided by the Commission essentially separating the civil protection and solidarity dimensions. The new Solidarity Fund proposal, which contains a number of innovative elements and includes an impact assessment, was transmitted to the EP and Council on 8 April 2005.

The essential new elements of the proposal are: in addition to natural disasters, the inclusion into the scope of the Fund of industrial and technological disasters, public health emergencies and acts of terrorism; the lowering of the thresholds for triggering the Fund to EUR 1 bn or 0.5% of GNI; the abolition of the exceptional possibility to mobilise the Fund for disasters with damage remaining below the threshold (so-called regional disasters criteria); and the possibility of making advance payments. A synoptic comparison of the current and the proposed Regulations is presented in annex 5.

There was only limited progress in the legislative procedure in 2005. In the European Parliament, a first exchange of views on the draft regulation took place in the REGI Committee. In the Council, the Financial Counsellors working group had a first exchange of views in October and again in November without arriving at any conclusions. The proposal was also presented to the PROCIV group (civil protection). At the EESC, following meetings with the rapporteur and the assigned

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<sup>4</sup> Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing the European Union Solidarity Fund, COM(2005) 108 final of 6 April 2005

<sup>5</sup> COM(2004) 101.

study group, a generally favourable report was adopted on 27 October 2005 (EESC 1256/2005).

## 7. CONCLUSIONS

A total of 12 new applications for Solidarity Fund assistance were received in 2005. For all nine cases relating to a major natural disaster, after careful examination of the information provided, the Commission was able to propose to mobilise the Fund. These cases were subsequently endorsed by the Council and the European Parliament as the budgetary authority. In 2005, the Commission proposed a total amount of aid from the Fund of € 205 million (2002: EUR 728 m; 2003: EUR 107.1 m; 2004: EUR 19.6 m).

On two applications, submitted in 2005 under the ‘exceptional’ regional disaster criterion, it was decided not to propose that the Fund should be mobilised. In these cases, previous experience was confirmed that the conditions for a successful application under this exceptional criterion - which according to the Regulation are to be examined by the Commission “with the utmost rigour” – are relatively difficult to meet. Member States and the Commission services invested considerable time and effort in, respectively, preparing and assessing applications for smaller regional disasters that regularly lead to rejections.

One of the major changes in the proposed, new Solidarity Fund Regulation is therefore to resort only to quantitative thresholds for the level of damage required to trigger utilization of the Fund. As compensation for the suppression of the present (non-quantitative) ‘exceptional’ regional disaster criteria the quantitative thresholds would be lowered. These two elements, taken together, would improve the transparency of the Solidarity Fund. This would help to avoid the great frustration that follows when applications prepared by Member States' administrations with considerable effort are subsequently rejected because the exceptional criteria are very difficult to meet. With the new Solidarity Fund regulation, the national authorities would have a clearer idea of when the Fund is likely to be able to support them in recovering from a disaster. The Commission's services have responded favourably to any requests from the national authorities in the countries concerned for technical information relating to the EUSF Regulation and to the preparation of applications.

The proposal for the new Regulation, which was adopted by the college of Commissioners on 6 April 2005, is currently on the table of European Parliament and the Council for decision. In the discussions in the different Committees concerned in the European Parliament the proposal received a large measure of support, in particular as regards the eligibility provisions. Although progress in the Council has been limited in 2005, the Commission is determined to work closely with Member States with a view to reaching agreement with the Council in 2006 so that the proposed improvements to this important instrument of the Union can enter into force on 1 January 2007.



**Annex 1**  
**European Union Solidarity Fund applications in 2005**

Applicant Country	SK	IT	SE	EE	LV	LT	EL	RO	BG	BG	RO	AT
Name and nature of disaster	Storm (Tatras)	Sardinia flooding	storm	storm	storm	storm	Evros flooding	Spring flooding	Spring flooding	Summer flooding	Summer flooding	flooding
First damage date	19/11/04	6/12/2004	8/01/2005	8/01/2005	8/01/2005	8/01/2005	14/02/2005	15/04/2005	25/05/2005	5/08/2005	2/07/2005	22/08/2005
Application date*	24/01/05	14/02/05	10/03/05	14/03/05	10/03/05	10/03/05	22/04/05	22/06/05	13/07/05	24/08/05	9/09/05	19/10/05
Complete information available on	28/2/05	-	26/05/05	6/06/05	20/06/05	13/06/05		05/08/05 29/12/05	30/09/05	6/10/05	7/10/05 29/12/05	12/1/06
Major disaster threshold (m€)	172.297	3 118.381	1 603.252	45.209	59.092	94.261	918.043	302.114	103.274	103.274	302.114	1 336.348
Total direct damage (m€)*	194.966	(222.982)**	2 297.313	47.868	192.590	15.156	111.660	489.530	222.279	237.446	1 049.681	591.944
Major/regional/neighbouring disaster?	major	regional	major	major	major	neighbouring	regional	major	major	major	major	regional
Damage/threshold	113.16%	max 7%	143.29%	105.88%	325.92%	16.08%	12.16%	162.03%	215.23%	229.92%	347.45%	44.30%
Cost of eligible emergency operations (m€)**	106.680	not identified	85.859	16.768	57.191	9.296	-	160.867	144.478	190.433	259.176	196.242
Eligible cost/ total damage	54.7%	-	3.7%	35.0%	29.7%	61.3%	-	32.9%	65.0%	80.2%	24.7%	33.2%
Aid/eligible cost	5.31%	-	95.19%	7.69%	16.59%	4.08%	-	11.69%	6.73%	5.58%	20.22%	7.54%
Aid rate (% of total damage)	2.91%	-	3.56%	2.69%	4.93%	2.50%	-	3.84%	4.37%	4.48%	4.99%	2.50%
Date of grant decision	13/10/2005 C(2005)4093	rejected	03/03/2006 C(2006)652	10/03/2006 C(2006)714	15/03/2006 C(2006)778	03/03/2006 C(2006)653	rejected					
Date of Implementation agreement	17/10/2005	-	22/03/2006	21/04/2006	10/04/2006	10/03/2006	-					
Amount of aid granted (m€)	<b>5.667578</b>	<b>0</b>	<b>81.724975</b>	<b>1.289765</b>	<b>9.487180</b>	<b>0.378910</b>	<b>0</b>					

\* Registration of initial application at Commission

\*\* As accepted by Commission

\*\*\* Amount could not be verified

## Annex 2

### Criteria to mobilise the EU Solidarity Fund

#### Extract from Council Regulation 2012/2002:

##### “Article 2:

1. At the request of a Member State or country involved in accession negotiations with the European Union, hereinafter referred to as ‘beneficiary State’, assistance from the Fund may be mainly mobilised when a major natural disaster with serious repercussions on living conditions, the natural environment or the economy in one or more regions or one or more countries occurs on the territory of that State.

2. A ‘**major disaster**’ within the meaning of this Regulation means any disaster resulting, in at least one of the States concerned, in damage estimated either at over EUR 3 billion in 2002 prices, or more than 0,6 % of its GNI.

By way of exception, a **neighbouring Member State or country** involved in accession negotiations with the European Union, which has been affected by the same disaster can also benefit from assistance from the Fund.

However, under exceptional circumstances, even when the quantitative criteria laid down in the first subparagraph are not met, a **region** could also 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. Total annual assistance under this subparagraph shall be limited to no more than 7,5 % of the annual amount available to the Fund. Particular focus will be on remote or isolated regions, such as the insular and outermost regions as defined in Article 299(2) of the Treaty. The Commission shall examine with the utmost rigour any requests which are submitted to it under this subparagraph.”

### **Annex 3**

#### **Determination of the amount of aid**

A progressive system in two brackets is applied whereby a country affected by a disaster receives a lower rate of aid of 2.5% for the part of total direct damage below the “major disaster” threshold and a higher share of aid of 6% for the part of the damage exceeding the threshold. The two amounts are added up.

The threshold is the level of damage defined by the Regulation to trigger the intervention of the Fund, i.e. 0.6% of GNI or EUR 3 billion in 2002 prices. This element ensures that the relative capacity of a State to deal itself with a disaster is taken into account. It also ensures that for the same amount of damage relatively poorer countries receive more aid in absolute terms than richer ones. For extraordinary regional disasters the same method has been applied, meaning consequently that countries affected by those disasters, which by definition remain below the threshold, receive 2.5 % of total direct damage in aid.

**Annex 4**  
**Thresholds for major disasters applicable in 2005**  
(based on 2003 figures for Gross National Income)

(Million €)

Country		GNI 2003	0.6% of GNI	Major disaster threshold 2005
AT	ÖSTERREICH	222 725	1 336.348	1 336.348
BE	BELGIQUE-BELGIË	274 660	1 647.960	1 647.960
BG	BALGARIJA	17 212	103.274	103.274
CY	KYPROS	11 530	69.178	69.178
CZ	ČESKA REPUBLIKA	76 416	458.495	458.495
DE	DEUTSCHLAND	2 114 180	12 685.080	<b>3 118.381*</b>
DK	DANMARK	186 548	1 119.289	1 119.289
EE	EESTI	7 535	45.209	45.209
EL	ELLADA	153 007	918.043	918.043
ES	ESPAÑA	734 748	4 408.488	<b>3 118.381*</b>
FI	SUOMI/FINLAND	141 973	851.838	851.838
FR	FRANCE	1 560 079	9 360.474	<b>3 118.381*</b>
HR	HRVATSKA	25 526**	153.158	153.158
HU	MAGYARORSZÁG	69 479	416.876	416.876
IE	IRELAND	112 943	677.659	677.659
IT	ITALIA	1 286 896	7 721.373	<b>3 118.381*</b>
LT	LIETUVA	15 710	94.261	94.261
LU	LUXEMBOURG (G-D)	21 206	127.235	127.235
LV	LATVIJA	9 849	59.092	59.092
MT	MALTA	4 324	25.943	25.943
NL	NEDERLAND	447 701	2 686.206	2 686.206
PL	POLSKA	182 019	1 092.112	1 092.112
PT	PORTUGAL	128 143	768.860	768.860
RO	ROMÂNIA	50 352**	302.114	302.114
SE	SVERIGE	267 209	1 603.252	1 603.252
SI	SLOVENIJA	24 400	146.402	146.402
SK	SLOVENSKÁ REPUBLIKA	28 716	172.297	172.297
TR	TÜRKIYE***	210 450	1 262.698	1 262.698
UK	UNITED KINGDOM	1 622 278	9 733.667	<b>3 118.381*</b>

\* ~ EUR 3 billion in 2002 prices

\*\* GDP (GNI not available)

\*\*\* eligible for aid only after formal opening of accession negotiations

## Annex 5

### Proposal for a new Solidarity Fund Regulation - Synopsis of main features

	<b>Current Solidarity Fund Regulation</b>	<b>Proposed new Regulation</b>
Entry into force	November 2002	January 2007
Geographical scope	Member States and candidate countries after formal opening of accession negotiations	no change
Application deadline	10 weeks after first damage	no change
Applicant	national government only	no change
<b>Thematic scope</b>	“mainly” major natural disasters (health threats and terrorism excluded)	major disasters resulting from - natural disasters - industrial and technological disasters - public health emergencies - acts of terrorism
<b>Eligibility criteria</b>	<ol style="list-style-type: none"> <li>1. total direct damage above threshold</li> <li>2. neighbouring country</li> <li>3. exceptional mobilisation for extraordinary regional disasters</li> </ol>	<ol style="list-style-type: none"> <li>1. total direct damage above threshold</li> <li>2. neighbouring country</li> <li>3. political criterion</li> <li>4. abolition of exceptional regional disaster criteria</li> </ol>
<b>Threshold</b> (to be met per applicant state)	In relation to above: <ol style="list-style-type: none"> <li>1. total direct damage above EUR 3 bn or 0.6% of GNI, whichever is the lower</li> <li>2. no threshold if major disaster in neighbouring country recognised</li> <li>3. major part of population affected, lasting repercussions on living conditions and economic stability of affected region</li> </ol>	In relation to above: <ol style="list-style-type: none"> <li>1. total direct damage above EUR 1 bn or 0.5% of GNI, whichever is the lower</li> <li>2. no threshold if major disaster in eligible neighbouring country recognised</li> <li>3. political decision of the Commission: limited to cases where damage is inappropriate criterion (health threats, terrorism)</li> </ol>
<b>Eligible operations</b>	Emergency operations <ul style="list-style-type: none"> <li>- to restore to working order basic infrastructures</li> <li>- to secure protective infrastructure</li> <li>- pay for emergency services and provisional housing,</li> <li>- for protection of cultural heritage</li> <li>- cleaning up</li> </ul> No compensation of private damage	As now, plus <ul style="list-style-type: none"> <li>- medical, psychological and social assistance to the direct victims of acts of terrorism and their families</li> <li>- protection of the population against imminent health threats, including the replacement of vaccine, drugs, medical products and medical equipment used up during an emergency</li> </ul>

	<b>Current Solidarity Fund Regulation</b>	<b>Proposed new Regulation</b>
<b>Implementation period</b>	1 year following payment of grant	18 months from first damage
Budgetary procedure	Full budgetary procedure involving EP and Council following a Commission proposal for an amending budget in each case	no change
<b>Advance payments</b>	not possible	upon request of applicant state: 5% of the estimated cost of eligible operations, maximum EUR 3 million to be made available rapidly through internal budget transfer
Payment of grant	100% up front upon conclusion of the implementation agreement with beneficiary state, no co-financing obligation	no change
Implementation	Under full responsibility of beneficiary state Minimum requirements on monitoring and reporting Final report 6 months after end of grant	no change
<b>Technical assistance</b>	not available	up to EUR 2 million/year for external expertise