

# Monthly Report on the Multiannual Implementation of the EU Trust Funds (EUTFs)

## Background

A trust fund is a legal arrangement with a distinct financial structure that pools the funds of several donors to jointly finance an action on the basis of commonly agreed objectives and reporting formats.

Trust Funds offer a number of advantages: they are EU led instruments, offering better coordination with EU Member States; better control of operations by the Union and other donors and enhanced EU visibility. Trust Funds benefit from fast decision-making processes and from their capacity to pool larger sums from different sources making them a flexible, proactive and adaptable tool.

The current Financial Regulation authorises the Commission to create and manage European Union Trust Funds (EUTF) in the field of external actions.

The rules on establishment and management of EUTFs are laid down in Article 187 of the Financial Regulation.

## Establishment

EUTFs can be established with at least one external donor to respond to emergency, post-emergency or thematic actions.

Its establishment needs to be justified notably by EU added value (its objectives can be better met at EU than at national level), and additionality (the EUTFs should not duplicate already existing and similar instruments).

The European Commission submits the draft decision to establish an EUTF to the competent committee defined in the basic act governing the instrument that provides the EU's initial financial contribution to the new Trust Fund. This consultation ensures adequate involvement of the Council in the establishment of any EUTF. The proposal for the revision of the Financial Regulation addresses the need for greater involvement of the European Parliament in the creation of EUTFs (Article 227(1)) and on EUTF reporting (Article 244).

After the adoption of the establishment and financing decisions, the constitutive act of the EUTF is signed by the European Commission and the founding donors. The constitutive act details the main features of the EUTF, such as its objectives and the rules for the composition and procedures of its board. The duration of an EUTF is limited (currently all the EU Trust Funds have been set up for a 60-month [five years] duration).

The European Parliament and/or the Council may request the Commission to discontinue the appropriations for the Trust Fund or revise the constitutive act with a view to liquidate it.

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## Governance and management of EUTFs

In accordance with Article 187 of the current Financial Regulation, the EUTF has specific governance arrangements and contributions are placed outside the EU Budget.

Each EUTF has two boards ("Trust Fund board" and "Operational Board") chaired by the Commission with representation of the donors and the non-contributing Member States as observers. The Trust Fund Board shall establish and review the overall strategy. The Operational board decides upon the use of the EUTF's funds.

EUTFs are managed by the Commission under the responsibility of the authorising officer by delegation who provides assurance on the use of the funds to the Commission and to third donors. The EUTF manager is the authorising officer by sub-delegation. As is the case for the European Development Fund, the accounting officer of a EUTF is the accounting officer of the Commission who lays down the accounting procedures and chart of accounts common to all EUTFs.

To cover its management costs, the Commission may withdraw a maximum of 5% of the amounts pooled into the trust fund. The percentage for the contribution to the EUTF from the EU budget is usually lower and corresponds to the proportion of the administrative support expenditure for the relevant instrument authorised in the annual budget.

According to Article 187(10) of the Financial Regulation, the Commission has to submit annually a comprehensive and detailed report to the European Parliament and the Council on the activities supported by the EUTF, on its implementation and performance, as well as its accounts. This report is to be attached to the summary of the annual activity reports required by Article 66(9) (last paragraph) of the Financial Regulation.

## Current EUTFs

To date, the Commission has set up 4 EUTFs:

- The BÊKOU EUTF, whose objective is to support all aspects of the Central African Republic's exit from crisis and its reconstruction efforts. Established on 14 July 2014;
- The MADAD EUTF, a European Union Regional Trust Fund in response to the Syrian crisis. Established on 15 December 2014;
- The AFRICA EUTF; a European Union Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa. Established on 9-10 November 2015;
- The COLOMBIA EUTF; to support the implementation of the peace agreement in the early recovery and stabilisation post conflict. Established on 12 December 2016.

Further information is available on the websites of individual EUTFs:

AFRICA	<a href="http://ec.europa.eu/europeaid/regions/africa/eu-emergency-trust-fund-africa_en">http://ec.europa.eu/europeaid/regions/africa/eu-emergency-trust-fund-africa_en</a>
BEKOU	<a href="http://ec.europa.eu/europeaid/bekou-trust-fund-introduction_en">http://ec.europa.eu/europeaid/bekou-trust-fund-introduction_en</a>
COLOMBIA	<a href="http://ec.europa.eu/europeaid/eu-trust-fund-colombia_en">http://ec.europa.eu/europeaid/eu-trust-fund-colombia_en</a>
MADAD	<a href="http://ec.europa.eu/enlargement/neighbourhood/countries/syria/madad/index_en.htm">http://ec.europa.eu/enlargement/neighbourhood/countries/syria/madad/index_en.htm</a>

# Monthly Report on the Multiannual Implementation of the EU Trust Funds (EUTFs)

Status: 30/09/2017

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## Implementation

Implementation rate of commitment appropriations for all the EUTFs was 71%. EUTF Madad has committed over 61%, EUTF Bekou - 92%, EUTF Africa - 78% and EUTF Colombia - 14% of the commitment appropriations available.

A total of EUR 1 897 million has been contracted by the EUTFs so far. The Africa Trust Fund has contracted 1 295 million, the EUTF Madad - 504 million, the EUTF Bekou - 86 million, and EUTF Colombia - 12 million.

## Pledges and Contributions

Total pledges to all of the EUTFs amount to EUR 4 722 million: EUR 1 884 million from the EU budget, EUR 2 403 from the European Development Fund (EDF) and EUR 435 million from Member States and other donors.

An amount of EUR 275 million in commitments for MADAD, adopted by the Board on the 13th of June 2017, has not yet fully been validated in the accounting system and is not yet included in the tables.

For the Development Cooperation Instrument (DCI) contribution, an amount of EUR 3.74 million has not yet been committed by the Commission; its planned contribution will eventually amount to EUR 60 million.

## Glossary of Terms and Abbreviations Used in the Monthly Report on EU Trust Funds (EUTFs)

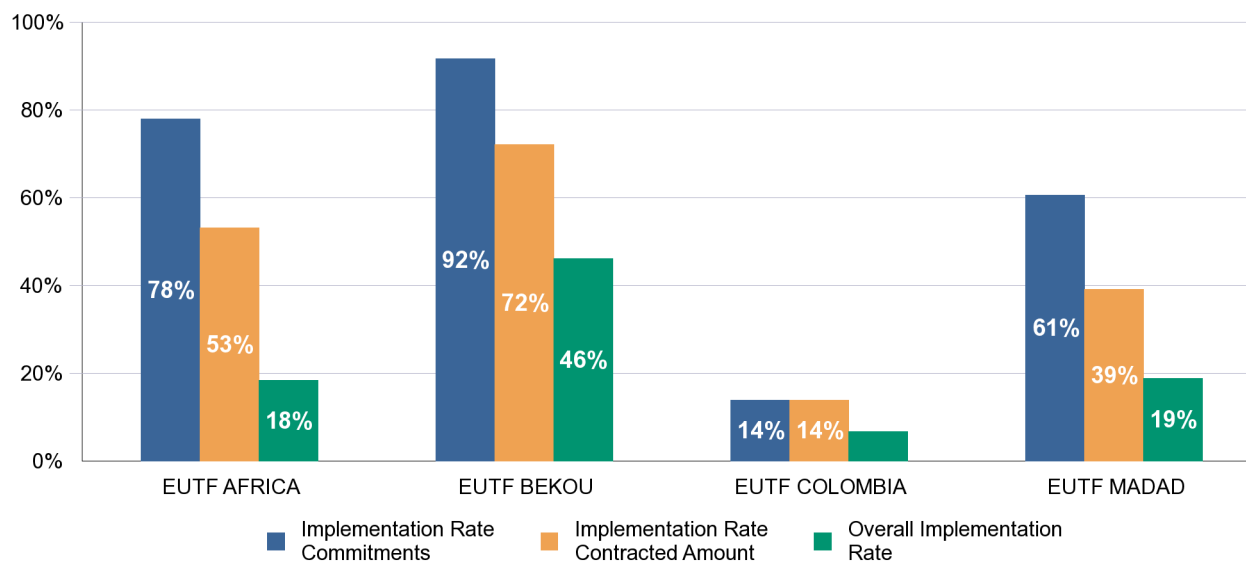
Term	Definition
Amount available for Commitments	This amount defines the total amount of legal obligations (contracts, grant agreements/decisions) that can be incurred.
Amount available for Payments	Payment appropriations or contributions received to cover expenditure, arising from legal commitments entered in the current year and/or earlier years.
Appropriations	Amount of commitments/payments which can be committed/paid after receipt of contributions.
Budget item	As far as the budget structure is concerned, revenue and expenditure are shown in the budget in accordance with a binding nomenclature which reflects the nature and purpose of each item. The budget nomenclature reflects different levels of disaggregation (title, chapter, article or item).
Committed Amount	Amount reserved through a Commission decision or contract conclusion for future legal obligations (contracts, grant agreements/decisions).
Contracted Amount	Amounts previously reserved, translated into binding contracts.
EDF	European Development Fund
EUTFs	EU Trust Funds are Trust Funds directly implemented by the European Commission pooling resources from various sources.
Origin of funding	Amounts available broken down by type of donor.
Implementation rate	Share of available amounts committed or paid.
Paid amount	Disbursement made to honour legal obligations.
Total Pledge	Total funding for the trust fund as agreed by donors.
Trust Fund	Fund established for a specific purpose with financial contributions from the EU budget and one or more donors and administered by an administrative agent, the Trustee.

# 1. Multiannual Overview of EU Trust Funds at 30/09/2017

EUR million

Name	Cumulative Amount made Available for Commitments	Committed Amount	Implement. Rate Commitm.	Contracted Amount	Implement. Rate Contracted Amount	Cumulative Amount made Available for Payments	Paid Amount	Overall Implementation Rate
	(1)	(2)	(3)=(2)/(1)	(4)	(5)=(4)/(1)	(6)	(7)	(8)=(7)/(1)
EUTF AFRICA	2 442.01	1 901.45	78%	1 295.50	53%	519.47	448.38	18%
EUTF BEKOU	119.41	109.43	92%	86.05	72%	86.07	54.99	46%
EUTF COLOMBIA	84.07	11.66	14%	11.66	14%	24.07	5.58	7%
EUTF MADAD	1 289.82	780.66	61%	503.69	39%	313.24	242.46	19%
<b>Total</b>	<b>3 935.30</b>	<b>2 803.20</b>	<b>71%</b>	<b>1 896.90</b>	<b>48%</b>	<b>942.84</b>	<b>751.41</b>	<b>19%</b>

Implementation rates Commitments and Payments



## 2. EU Trust Funds - Origin of Amounts Available at 30/09/2017

EUR million

Name	Origin of funds	Total Pledge	Cumulative Amount made Available for Commitments	Cumulative Amount made Available for Payments
EUTF AFRICA	Contribution from EU Budget	638.50	249.56	88.50
	Contribution from Member States and other donors	228.67	172.55	172.55
	Contribution from the EDF	2 289.90	2 019.90	258.41
<b>EUTF AFRICA</b>		<b>3 157.07</b>	<b>2 442.01</b>	<b>519.47</b>
EUTF BEKOU	Contribution from EU Budget	55.03	40.33	12.00
	Contribution from Member States and other donors	64.93	35.07	35.07
	Contribution from the EDF	113.00	44.00	39.00
<b>EUTF BEKOU</b>		<b>232.96</b>	<b>119.41</b>	<b>86.07</b>
EUTF COLOMBIA	Contribution from EU Budget	72.00	72.00	12.00
	Contribution from Member States and other donors	23.00	12.07	12.07
	Contribution from the EDF	0.00		
<b>EUTF COLOMBIA</b>		<b>95.00</b>	<b>84.07</b>	<b>24.07</b>
EUTF MADAD	Contribution from EU Budget	1 118.26	1 177.50	200.92
	Contribution from Member States and other donors	118.45	112.32	112.32
	Contribution from the EDF	0.00		
<b>EUTF MADAD</b>		<b>1 236.71</b>	<b>1 289.82</b>	<b>313.24</b>
<b>Total</b>		<b>4 721.73</b>	<b>3 935.30</b>	<b>942.84</b>

The cumulative amount made available for commitments and for payments through a contribution from EU Budget for EUTF MADAD includes an amount of EUR 139.7 million paid by the Commission to reimburse a contribution made by Turkey to the Madad EUTF under IPA operational programmes (indirect management).

Origin of funds - all EU trust funds	Total Pledge	Cumulative Amount made Available for Commitments	Cumulative Amount made Available for Payments
Contribution from EU Budget	1 883.79	1 539.39	313.42
Contribution from Member States and other donors	435.04	332.01	332.01
Contribution from the EDF	2 402.90	2 063.90	297.41
<b>Grand Total</b>	<b>4 721.73</b>	<b>3 935.30</b>	<b>942.84</b>

The difference between the 'Total Pledge' and the 'Cumulative amount made available for commitments' is due to the time-lag between the pledge and the booking of the commitment appropriation in the Trust Fund.  
There may moreover be a difference between the 'Cumulative amount made available for Commitments/Payments' in the tables in this section and 'EU Budget Committed' in section 3 due to the time-lag between the commitment made by the Commission and the booking of the appropriation in the Trust Fund.

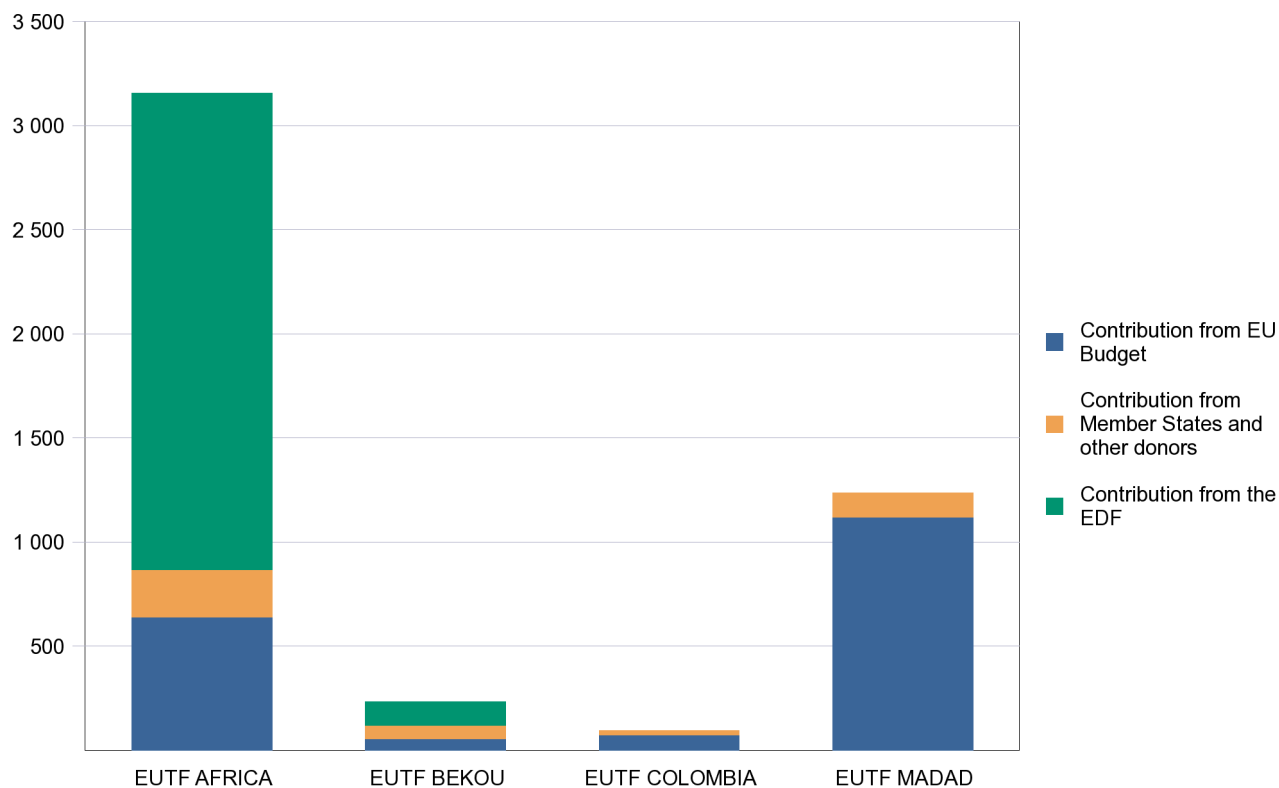
## 2. EU Trust Funds - Origin of Amounts Available at 30/09/2017

EUR million

Origin of funds - All EUTFs	Financial Year	Cumulative Amount made Available for Commitments	Cumulative Amount made Available for Payments
Contribution from EU Budget	2015	598.98	22.12
Contribution from EU Budget	2016	144.99	221.20
Contribution from EU Budget	2017	795.41	70.10
Contribution from Member States and other donors	2015	50.32	50.32
Contribution from Member States and other donors	2016	145.13	145.13
Contribution from Member States and other donors	2017	136.56	136.56
Contribution from the EDF	2014	39.00	39.00
Contribution from the EDF	2015	1 200.00	0.00
Contribution from the EDF	2016	595.00	128.51
Contribution from the EDF	2017	229.90	129.90
<b>Grand Total</b>		<b>3 935.30</b>	<b>942.84</b>

### Pledged Amount

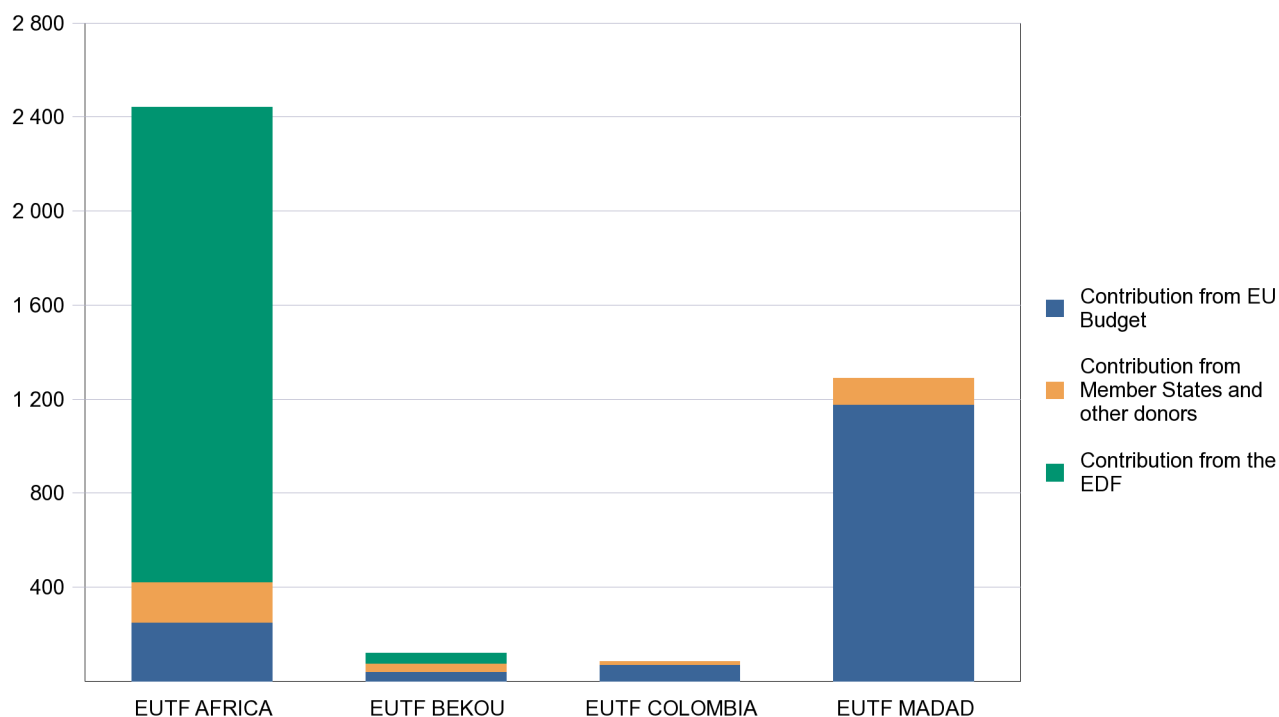
EUR million



## 2. EU Trust Funds - Origin of Amounts Available at 30/09/2017

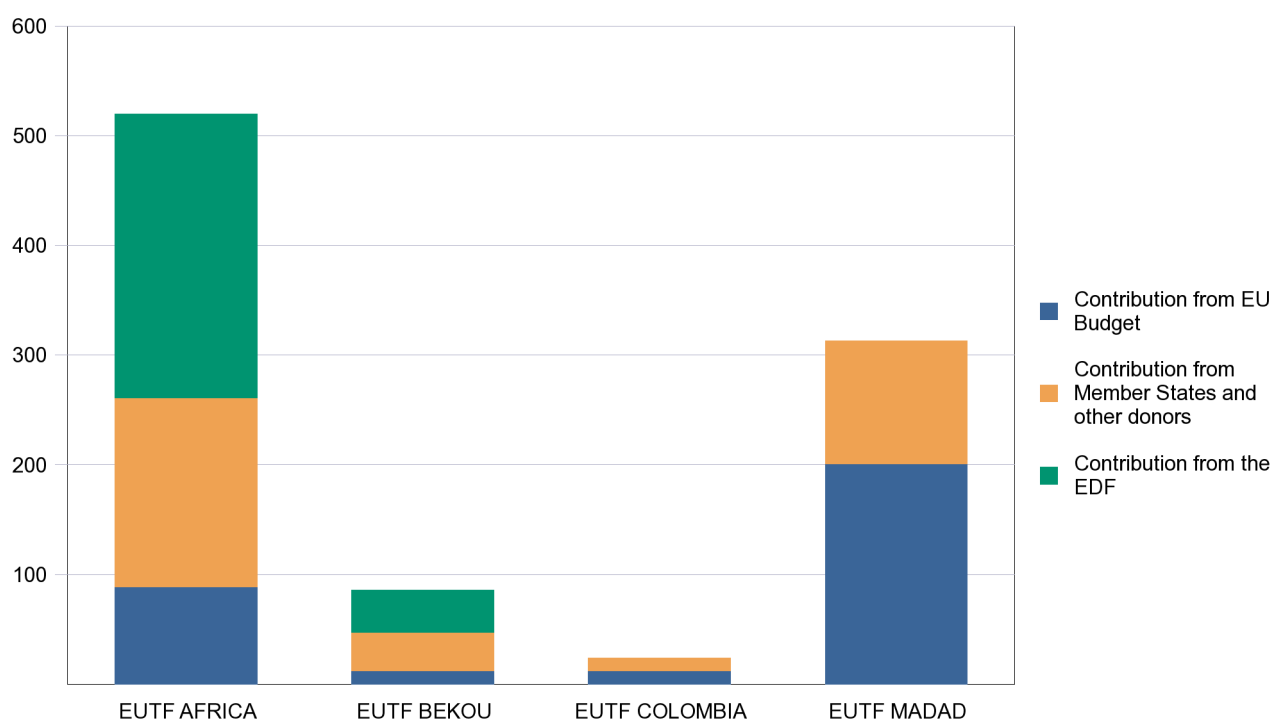
**Cumulative Amount made Available for Commitments**

EUR million



**Cumulative Amount made Available for Payments**

EUR million





### 3. EU Trust Funds - Origin of EU Budget contribution to EUTF at 30/09/2017

		<i>EUR million</i>	
Name	Origin of EU Budget funds - All EUTFs	EU Budget Committed	EU Budget Paid
EUTF Africa	Asylum, Migration and Integration Fund (AMF)	5.00	5.00
	Development Cooperation Instrument (DCI)	313.00	73.00
	European Neighbourhood Instrument (ENI)	176.56	0.50
	Humanitarian aid	20.00	10.00
<b>EUTF Africa</b>	<b>Total</b>	<b>514.56</b>	<b>88.50</b>
EUTF Bêkou	Development Cooperation Instrument (DCI)	37.30	10.00
	Humanitarian aid	3.00	2.00
<b>EUTF Bêkou</b>	<b>Total</b>	<b>40.30</b>	<b>12.00</b>
EUTF Colombia	Development Cooperation Instrument (DCI)	70.00	10.00
	Humanitarian aid	2.00	2.00
<b>EUTF Colombia</b>	<b>Total</b>	<b>72.00</b>	<b>12.00</b>
EUTF Madad	Development Cooperation Instrument (DCI)	36.97	
	European Neighbourhood Instrument (ENI)	649.16	43.20
	Humanitarian aid	3.00	
	Instrument for Pre-accession assistance (IPA II)	348.06	18.04
<b>EUTF Madad</b>	<b>Total</b>	<b>1 037.19</b>	<b>61.23</b>
<b>Grand Total</b>		<b>1 664.05</b>	<b>173.73</b>

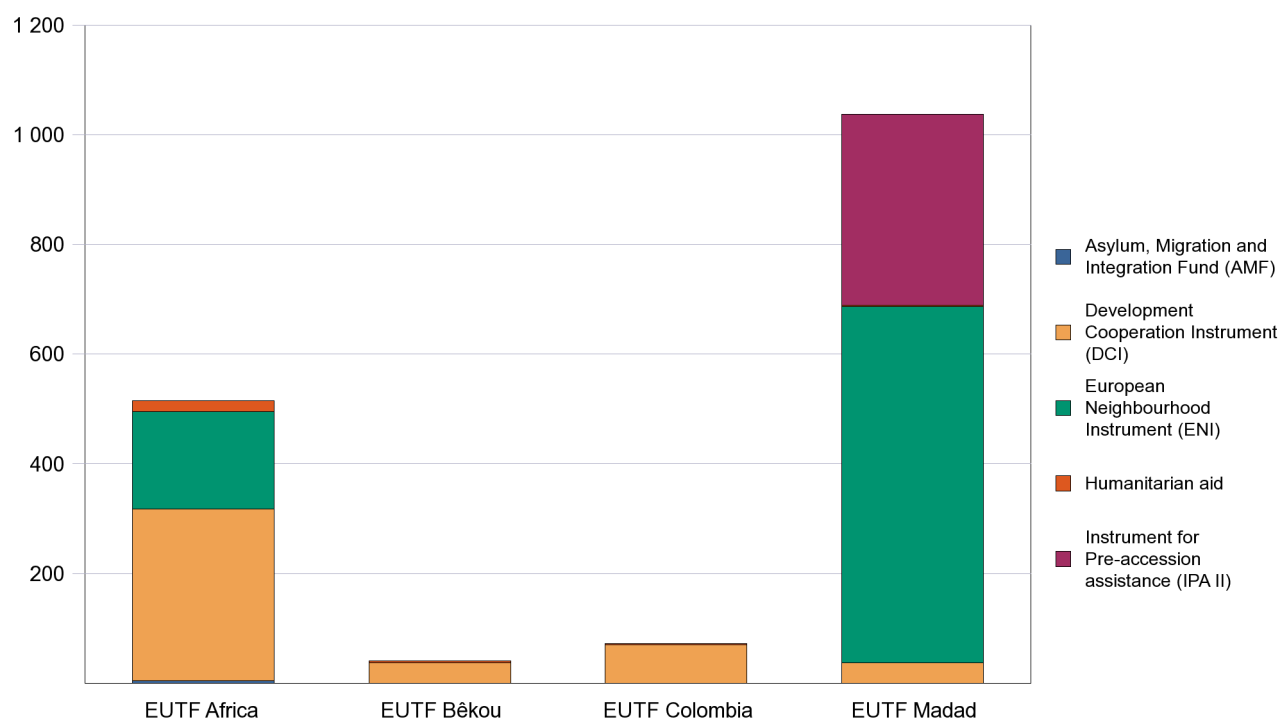
The Commission's accounting system does not include under 'EU Budget Committed' and 'EU Budget Paid' an amount of EUR 139.7 million paid by the Commission to reimburse a contribution made by Turkey to the Madad EUTF under IPA operational programmes (indirect management).

### 3. EU Trust Funds - Origin of EU Budget contribution to EUTF at 30/09/2017

EUR million

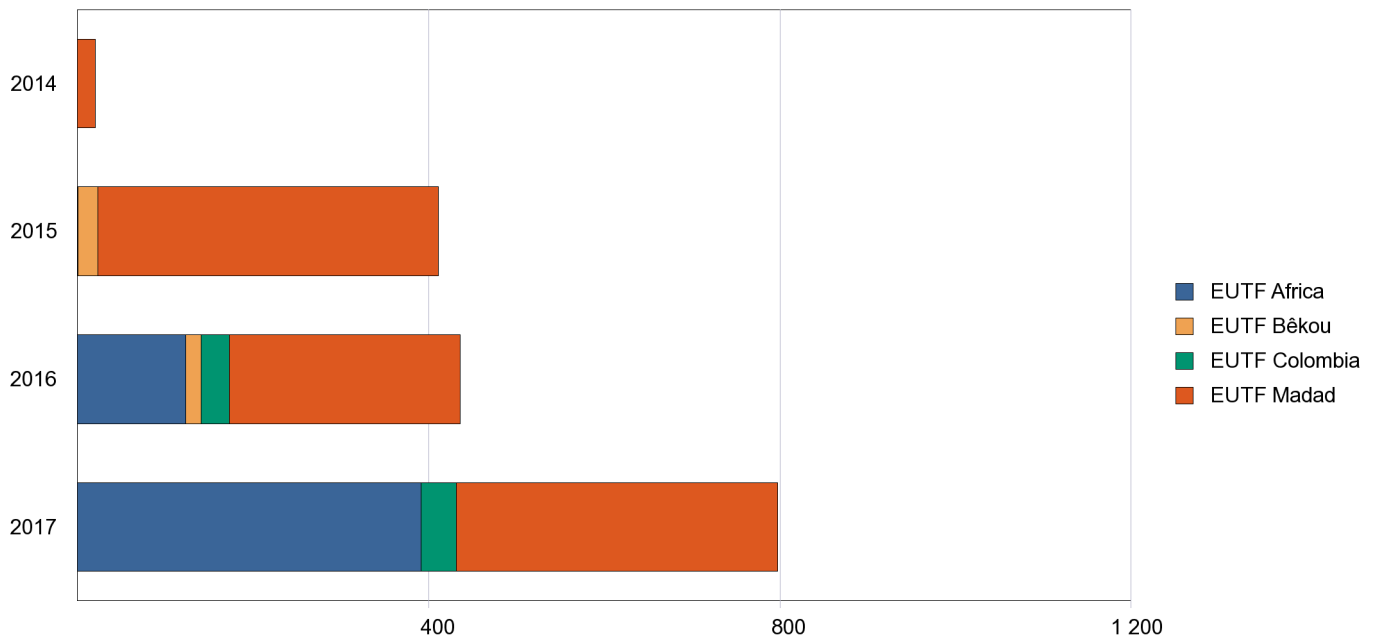
Origin of EU Budget funds - All EUTFs	Financial Year	EU Budget Committed	EU Budget Paid
Asylum, Migration and Integration Fund (AMF)	2017	5.00	5.00
Development Cooperation Instrument (DCI)	2015	27.62	2.55
Development Cooperation Instrument (DCI)	2016	134.54	27.35
Development Cooperation Instrument (DCI)	2017	295.10	63.10
European Neighbourhood Instrument (ENI)	2014	20.00	
European Neighbourhood Instrument (ENI)	2015	362.70	
European Neighbourhood Instrument (ENI)	2016	200.53	43.70
European Neighbourhood Instrument (ENI)	2017	242.49	
Humanitarian aid	2015	2.00	2.00
Humanitarian aid	2016	16.00	10.00
Humanitarian aid	2017	10.00	2.00
Instrument for Pre-accession assistance (IPA II)	2015	18.47	17.57
Instrument for Pre-accession assistance (IPA II)	2016	84.59	0.47
Instrument for Pre-accession assistance (IPA II)	2017	245.00	
<b>Grand Total</b>		<b>1 664.05</b>	<b>173.73</b>

#### EU Budget Committed Amount by Program



### 3. EU Trust Funds - Origin of EU Budget contribution to EUTF at 30/09/2017

EU Budget Committed Amount by Year



## 4. EU Trust Funds - Breakdown of contracted amounts by Implementing Actor on 30/09/2017

EUR million

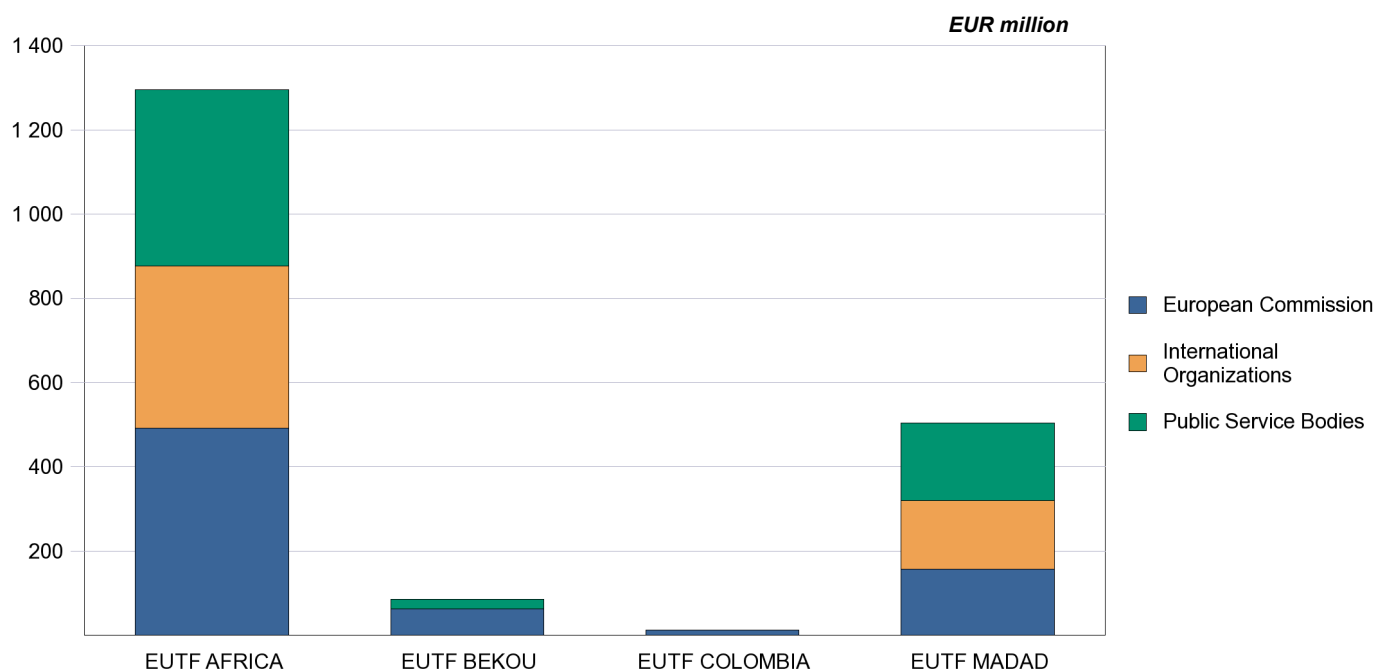
Name	Implementing Actor	Contracted Amount	%
EUTF AFRICA	European Commission	492.29	38%
	International Organizations	385.03	30%
	Public Service Bodies*	418.18	32%
<b>EUTF AFRICA</b>		<b>1 295.50</b>	
EUTF BEKOU	European Commission	61.91	72%
	Public Service Bodies*	24.14	28%
<b>EUTF BEKOU</b>		<b>86.05</b>	
EUTF COLOMBIA	European Commission	11.66	100%
<b>EUTF COLOMBIA</b>		<b>11.66</b>	
EUTF MADAD	European Commission	156.95	31%
	International Organizations	162.50	32%
	Public Service Bodies*	184.24	37%
<b>EUTF MADAD</b>		<b>503.69</b>	

Implementation Actor	Contracted Amount	%
European Commission	722.81	38%
International Organizations	547.53	29%
Public Service Bodies	626.56	33%
<b>Grand Total</b>	<b>1 896.90</b>	<b>100%</b>

\* It includes organizations such as the Gesellschaft Internationaler Zusammenarbeit (GIZ), Agence Française du Développement or Kreditanstalt für Wiederaufbau amongst others

## 4. EU Trust Funds - Breakdown of contracted amounts by Implementing Actor on 30/09/2017

Implementing Actor by EU Trust Fund



Implementing Actor by Year

