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**COMMISSION IMPLEMENTING DECISION**

**of 14.12.2017**

**on the Special measure 2017 in favour of Sri Lanka to be financed from the general  
budget of the Union**

## COMMISSION IMPLEMENTING DECISION

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### on the Special measure 2017 in favour of Sri Lanka to be financed from the general budget of the Union

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>1</sup>, and in particular Article 84(2) thereof,

Having regard to Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action<sup>2</sup> and in particular Article 2(1) thereof,

Whereas:

- (1) The objective pursued by the special measure, to be financed under the Development Cooperation Instrument<sup>3</sup> is to contribute to enhancing efficiency, transparency, accountability in use of public resources and fiscal sustainability.
- (2) In line with the Council' conclusions of October 2015 on Sri Lanka, the EU shall review its assistance programme for Sri Lanka and therefore modify the Multiannual Indicative Programme 2014-2020.
- (3) Until the Multiannual Indicative Programme is reviewed and in line with the Council conclusions on Sri Lanka mentioned above, activities financed under a Special Measure will allow the EU to engage with the Government of Sri Lanka in making further progress on enhancing efficiency, transparency, accountability in use of public resources and fiscal sustainability.
- (4) The use of Special Measure will allow for immediate support to the government and civil society and address the reform challenges the new government is facing. The Action entitled "Strengthening Public Financial Management and Accountability in Sri Lanka" will seek to strengthen allocative efficiency of public investments, programs and debt management; improve operational efficiency and controls in budget execution and procurement; and strengthen governance, transparency and efficiency of public services critical for investment. The action will be implemented under indirect management with the World Bank.

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<sup>1</sup> OJ L 298, 26.10.2012, p. 1.

<sup>2</sup> OJ L 77, 15.3.2014, p. 95

<sup>3</sup> Regulation (EU) No 233/2014 of the European Parliament and of the Council of 11 March 2014 establishing a financing instrument for development cooperation for the period 2014-2020 (OJ L 77, 15.3.2014, p. 44).

- (5) It is necessary to adopt a financing decision the detailed rules of which are set out in Article 94 of Commission Delegated Regulation (EU) No 1268/2012<sup>4</sup>.
- (6) The Commission should entrust budget-implementation tasks under indirect management to the entity specified in the Annex to this Decision, subject to the conclusion of a delegation agreement. In accordance with Article 60(1) (c) and (2) of Regulation (EU, Euratom) No 966/2012, the authorising officer responsible needs to ensure that this entity guarantees a level of protection of the financial interests of the Union equivalent to that required when the Commission manages European Union funds. This entity complies with the conditions of points (a) to (d) of the first subparagraph of Article 60(2) of Regulation (EU, Euratom) No 966/2012 and the supervisory and support measures are in place as necessary. The World Bank for Action in Annex is undergoing the assessment under Regulation (EU, Euratom) No 966/2012. In anticipation of the results of this review, the authorising officer responsible deems that, based on the entity's positive assessment under Council Regulation (EC, Euratom) No 1605/2002<sup>5</sup> and on the long-standing and problem-free cooperation with it, budget-implementation tasks can be entrusted to this entity.
- (7) It is necessary to allow the payment of interest due for late payment on the basis of Article 92 of Regulation (EU, Euratom) No 966/2012 and Article 111(4) of Delegated Regulation (EU) No 1268/2012.
- (8) Pursuant to Article 94(4) of Delegated Regulation (EU) No 1268/2012, any substantial change to a financing decision that has already been adopted should follow the same procedure as the initial decision. It is therefore appropriate that the Commission defines the changes to this Decision that are considered non-substantial in order to ensure that any such changes can be adopted by the authorising officer responsible.
- (9) The measure provided for in this Decision is in accordance with the opinion of the Development Cooperation Instrument Committee established under Article 19 of Regulation (EU) N° 233/2014 of the European Parliament and of the Council of 11 March 2014 establishing a financing instrument for development cooperation for the period 2014-2020.

HAS DECIDED AS FOLLOWS:

#### *Article 1*

##### **Adoption of the measure**

The Special Measure 2017, in favour of Sri Lanka, as set out in the Annex, is adopted. The programme shall include the following action: Strengthening Public Financial Management and Accountability in Sri Lanka.

#### *Article 2*

##### **Financial contribution**

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<sup>4</sup> Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (OJ L 362, 31.12.2012, p. 1).

<sup>5</sup> Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities (OJ L 248, 16.9.2002, p.1).

The maximum contribution of the European Union for the implementation of the programme referred to in Article 1 is set at EUR 10 000 000 and shall be financed from budget line 21.020200 of the general budget of the Union for 2017.

The financial contribution of the European Union provided for in the first paragraph may also cover interest due for late payment.

### *Article 3*

#### **Methods of implementation**

Budget implementation tasks under indirect management may be entrusted to the entity identified in the Annex, subject to the conclusion of the relevant agreement.

The elements required by Article 94(2) of Delegated Regulation (EU) No 1268/2012 are set out in the Annex to this Decision.

### *Article 4*

#### **Non-substantial changes**

Increases or decreases of up to EUR 10 000 000 not exceeding 20 % of the contribution set in the first paragraph of Article 2, or cumulated changes to the allocations of specific actions not exceeding 20 % of that contribution, as well as extensions of the implementation period shall not be considered substantial within the meaning of Article 94(4) of Delegated Regulation (EU) No 1268/2012, provided that they do not significantly affect the nature and objectives of the actions.

The authorising officer responsible may adopt such non-substantial changes in accordance with the principles of sound financial management and proportionality.

Done at Brussels, 14.12.2017

*For the Commission*

*Neven MIMICA*

*Member of the Commission*