COMMISSION IMPLEMENTING DECISION

of 10.12.2018

on the financing of the annual action programme in favour of the Asia region for 2018 part III, 2019 part I, and in favour of Central Asia for 2018 part III
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THE EUROPEAN COMMISSION,

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


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 action², and in particular Article Article 2(1) thereof,

Whereas:

(1) In order to ensure the implementation of the annual action programme in favour of the Asia region for 2018 part III, 2019 part I, and in favour of Central Asia for 2018 part III, it is necessary to adopt an annual financing decision, which constitutes the annual work programme, for years 2018 and 2019. Article 110 of Regulation (EU, Euratom) 2018/1046 establishes detailed rules on financing decisions.

(2) The envisaged assistance is to comply with the conditions and procedures set out by the restrictive measures adopted pursuant to Article 215 TFEU³.

(3) The Commission has adopted the Multiannual Regional Indicative Programme for Asia for the period 2014-2020⁴, revised through the Mid-term Review of programming documents under the DCI Regulation (EU) 233/2014 as foreseen by its Article 11⁵, which sets out the following priorities: Prosperity - Jobs and Growth; People - Migration and Forced Displacement; Planet - Climate Change and Environment; and Investment and Partnerships.

(4) The Commission has adopted the Multiannual Regional Indicative Programme between the European Union and Central Asia for the period 2014-2020⁶, revised

² OJ L 77, 15.3.2014, p. 95.
³ www.sanctionsmap.eu Note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy, the OJ prevails.
⁵ C(2018) 4741 of 20/07/2018
through the Mid-term Review of programming documents under the DCI Regulation (EU) 233/2014 as foreseen by its Article 11\(^7\), which sets out the following priorities: Regional Sustainable Development; Regional Stability and Security; and Policy Dialogue and Technical Assistance.

(5) The objectives pursued by the annual action programme to be financed under the Development Cooperation Instrument\(^8\) are to contribute to sustainable regional development by promoting economic growth and diversification through support to private sector development and decent job creation, increased investment opportunities for economic activities and support to the improvement of an enabling business and investment environment, as well as by promoting an integrated approach to the region’s natural resources and climate change impact; and to accompany Central Asian countries in their transitions and reforms and support the implementation of the 2030 Agenda.

(6) The action entitled the "Asia Investment Facility" has as its main objective the promotion of SDG related investments through the leverage of additional investments in key infrastructure, with a priority focus on climate change relevant and "green" investments in areas of environment, energy, sustainable urban development, transport and social infrastructure as well as in SMEs development.

(7) The action entitled "SWITCH-Asia and Central Asia II" has as its overall objective to promote sustainable and inclusive growth, to contribute to economic prosperity and poverty reduction in Asia and Central Asia and to support the development of a green economy and the transition towards a low-carbon, resource-efficient and circular economy in the target countries.

(8) The action entitled the "Partnerships and Policy Dialogue Facility" will promote sustainable and inclusive development by strengthening the means of implementation and the partnerships for the Sustainable Development Goals. The action will be composed of a partnerships facility and policy support components.

(9) The action entitled "EU-Nepal Trade and Investment Programme" has as its overall objective to contribute to Nepal’s sustainable and inclusive economic growth and poverty reduction.

(10) The Commission should authorise the launch of a call for proposals by means of a suspensive clause before the adoption of this Decision.

(11) Pursuant to Article 4(7) of Regulation (EU) No 236/2014 indirect management is to be used for the implementation of the programme.

(12) The Commission is to ensure a level of protection of the financial interests of the Union with regards to entities and persons entrusted with the implementation of Union funds by indirect management as provided for in Article 154(3) of Regulation (EU, Euratom) 2018/1046.

To this end, such entities and persons are to be subject to an assessment of their systems and procedures in accordance with Article 154(4) of Regulation (EU, Euratom) 2018/1046\(^9\) and, if necessary, to appropriate supervisory measures in accordance with

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\(^7\) C(2018) 4741 of 20/07/2018


\(^9\) Except for the cases of Article 154(6) of Regulation (EU, Euratom) 2018/1046, where the Commission may decide, not to require an ex-ante assessment.
Article 154(5) of Regulation (EU, Euratom) 2018/1046 before a contribution agreement can be signed.

(13) It is necessary to allow for the payment of interest due for late payment on the basis of Article 116(5) of Regulation (EU, Euratom) 2018/1046.

(14) In order to allow for flexibility in the implementation of the programme, it is appropriate to allow changes which should not be considered substantial for the purposes of Article 110(5) of Regulation (EU, Euratom) 2018/1046.

(15) The actions provided for in this Decision are in accordance with the opinion of the Development Cooperation Instrument Committee established under Article 19 of Regulation (EU) No 233/2014.

HAS DECIDED AS FOLLOWS:

Article 1
The programme

The annual financing decision, constituting the annual programme for the implementation of the annual action programme in favour of the Asia region for 2018 part III, 2019 part I, and in favour of Central Asia for 2018 part III, as set out in the Annexes, is adopted.

The programme shall include the following actions:

(a) "Asia Investment Facility (AIF) 2019" set out in Annex 1;
(b) "SWITCH-Asia and Central Asia II – Promoting Sustainable Consumption and Production" set out in Annex 2;
(c) "The Partnerships and Policy Dialogue Facility" set out in Annex 3;
(d) "EU-Nepal Trade and Investment Programme" set out in Annex 4.

Article 2
Union contribution

The maximum Union contribution for the implementation of the programme for 2018 and 2019 is set at EUR 123 000 000, and shall be financed from the appropriations entered in the following lines of the general budget of the Union:

(a) budget line 21.020300: EUR 17 000 000;
(b) budget line 21.020200: EUR 106 000 000;

The appropriations provided for in the first paragraph may also cover interest due for late payment.

The implementation of this Decision is subject to the availability of the appropriations provided for in the draft general budget of the Union for 2019, following the adoption of that budget by the budgetary authority or as provided for in the system of provisional twelfths.

Article 3
Methods of implementation and entrusted entities or persons

The implementation of the actions carried out by way of indirect management, as set out in the Annexes, may be entrusted to the entities or persons referred to or selected in accordance with the criteria laid down in point 5 of the Annexes 1, 3 and 4.
Article 4
Flexibility clause

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\(^\text{10}\) 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 for the purposes of Article 110(5) of Regulation (EU, Euratom) 2018/1046, provided that these changes do not significantly affect the nature and objectives of the actions.

The authorising officer responsible may apply the changes referred to in the first paragraph. Those changes shall be applied in accordance with the principles of sound financial management and proportionality.

Article 5
Grants

Launching a call for proposals under a suspensive clause before the adoption of this Decision shall be authorised as of the date set out in point 5.3.1.1 of the Annex 2.

Done at Brussels, 10.12.2018

For the Commission
Neven Mimica
Member of the Commission

\(^{10}\) These changes can come from assigned revenue made available after the adoption of the financing decision.