COMMISSION IMPLEMENTING DECISION

of 10.12.2018

on the financing of the annual action programme in favour of Cambodia for 2018 and 2019 part 1
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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 2(1) thereof,

Whereas:

(1) In order to ensure the implementation of the multiannual action programme 2018 and 2019 part 1 for Cambodia, it is necessary to adopt a multiannual³ financing decision, which constitutes the multiannual work programme, for 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 TFEU⁴.

(3) The Commission has adopted the National Multiannual Indicative Programme for the period 2014-2020⁵, which sets out the following priorities: Firstly, to enhance the development, sustainable management, and climate resilience of Agricultural planning and practices and Natural Resources based systems to the benefit of all stakeholders and economic actors (specific objective), and secondly, to improve the governance of public funds in terms of planning, budgeting, execution, reporting and auditing in order to increase efficiency, transparency and accountability and improve the delivery of public services (specific objective 1) within the Public Financial Management Reform Programme (PFMRP). The Multiannual Indicative Programme has been

² OJ L 77, 15.3.2014, p. 95.
³ Multiannual financing decision shall always constitute a multiannual action programme.
⁴ 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.
revised under the Mid-Term Review exercise\(^6\). The priorities and objectives remain substantially the same.

(4) The objectives pursued by the multiannual action programme to be financed under the Development Cooperation Instrument\(^7\) are to support the Royal Government of Cambodia in their reforms in the area of fisheries, and public financial management (PFM).

(5) The action entitled ‘Cambodia Programme for Sustainable and Inclusive Growth in the Fisheries Sector: Capture component (CAPFISH-Capture)’ succeeds the ‘Aquaculture component (CAPFISH-Aquaculture)’, which was adopted in 2016 and is implemented by AFD. The CAPFISH-Capture will be implemented through direct management (budget support, call for proposals and procurement), and indirect management with Food and Agriculture Organization (FAO) and United Nations Industrial Development Organization (UNIDO). The action aims to achieve a more sustainable, climate-resilient and inclusive development of Cambodia freshwater and marine fisheries. It will associate budget support seeking to support the implementation of the fishery policy – the Strategic Planning Framework for Fisheries for the period 2015-2024 – combined with complementary support.

(6) The action entitled ‘EU support to Public Financial Management Reform Programme – Stage III (2)’ is a top-up to the ongoing EU PFM budget support, which will enable the continuation of the EU support to the third stage of the PFM reform 2016-2020. The action will be implemented via budget support (Sector Reform Performance Contract) and the complementary support through indirect management with Swedish International Development Cooperation Agency (SIDA) and the World Bank (WB) as well as direct management (procurement of services).

(7) The Commission should acknowledge and accept contributions from other donors in accordance with Article 21(2) of Regulation (EU, Euratom) 2018/1046, subject to the conclusion of the relevant agreement. Where such contributions are not denominated in euro, a reasonable estimate of conversion should be made.

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

(9) 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\(^8\) and, if necessary, to appropriate supervisory measures in accordance with Article 154(5) of Regulation (EU, Euratom) 2018/1046 before a contribution agreement can be signed.


\(^{8}\) 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
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.

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.

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 multiannual financing decision, constituting the multiannual programme for the implementation of the annual action programme in favour of Cambodia for 2018 and 2019 part I, as set out in the Annexes, is adopted.

The programme shall include the following actions:

(a) Cambodia Programme for Sustainable and Inclusive Growth in the Fisheries Sector: Capture component (CAPFISH-Capture) set out in Annex I;

(b) EU support to Public Financial Management Reform Programme – Stage III (2) set out in Annex II.

**Article 2**

*Union contribution*

The maximum Union contribution for the implementation of the programme for 2018 and 2019 is set at EUR 109 000 000, and shall be financed from the appropriations entered in the following lines of the general budget of the Union:

(a) budget line 21.020200: EUR 107 205 773 for 2018;


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 general budget of the Union for 2019 following the adoption of that budget by the budget authority.

**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.
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, considering each financial year separately, or cumulated changes\(^9\) 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 use of contingencies shall be taken into account in the ceiling set by this Article.

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.

Done at Brussels, 10.12.2018

For the Commission

Neven Mimica

Member of the Commission

\(^9\) These changes can come from assigned revenue made available after the adoption of the financing decision.