COMMISSION IMPLEMENTING DECISION

of 12.12.2017

on the annual action programme 2017 in favour of Turkmenistan and 2018 part 1 in favour of the Central Asia region to be financed from the general budget of the Union
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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 1605/2002¹, 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 action², and in particular Article 2(1) thereof,

Whereas:

(1) The Commission has adopted the Multiannual Regional Indicative Programme for Central Asia for the period 2014-2020³, point 3.1 of which provides for the following focal sector: "Sustainable regional development", which includes the following priority areas for regional cooperation: energy, environment/water and socio-economic development.

(2) The Commission has adopted the Multiannual Indicative Programme for Turkmenistan for the period 2014-2017⁴ in which point 3.1.1 identifies human capital development via support to the education sector and Technical and Vocational Education and Training (TVET) as the focal sector.

(3) The objectives pursued by the Annual Action Programme to be financed under the Development Cooperation Instrument⁵ are to contribute to the implementation of the 2030 Agenda for Sustainable Development and in particular to the Sustainable Development Goals related to clean water and sanitation, affordable clean energy, decent work and economic growth as well as climate action.

(4) The action entitled "Investment Facility for Central Asia (IFCA)" promotes investments in the sectors energy, environment, support to SMEs and social infrastructure in Central Asia, and supports the development of the TVET sector in Turkmenistan. The facility thus contributes to the realization of projects aiming to reduce unemployment and poverty and to advance the economy in a sustainable way.

² OJ L 77, 15.3.2014, p. 95.
³ C(2014) 5653
⁴ C(2014) 7509
The action will be implemented through Indirect Management with Leading Financial Institutions.

(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.

(6) The Commission should entrust budget-implementation tasks under indirect management to the entities specified in the annex to this Decision, subject to the conclusion of delegation agreements. In accordance with Article 60(1) and (2) of Regulation (EU, Euratom) No 966/2012, the authorising officer responsible needs to ensure that these entities guarantee a level of protection of the financial interests of the Union equivalent to that required when the Commission manages Union funds. These entities comply 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.

(7) It is necessary to allow for 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) No 233/2014.

HAS DECIDED AS FOLLOWS:

Article 1
Adoption of the programme

The annual action programme 2017 in favour of Turkmenistan and 2018 part 1 in favour of the Central Asia region, as set out in the Annex, is adopted.

The programme shall include the following action:

– Annex: Investment Facility for Central Asia (IFCA)

Article 2
Financial contribution

The maximum contribution of the European Union for the implementation of the programme referred to in Article 1 is set at EUR 20,000,000 and shall be financed for an amount of EUR 5,500,000 from budget line 21.020300 of the general budget of the Union for 2017 and for an amount of EUR 14,500,000 from budget line 21.020300 of the general budget of the Union for 2018.

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The financial contribution 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 budget for 2018 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**

Budget-implementation tasks under indirect management may be entrusted to entities identified by the DCI blending governance structure described in the annex during implementation of the action. The signature of agreements with these entities will be subject to a complementary Commission Decision.

The section “Implementation” of the Annex to this Decision sets out the elements required by Article 94(2) of Delegated Regulation (EU) No 1268/2012.

Grants may be awarded without a call for proposals by the authorising officer responsible in accordance with Article 190 of Delegated Regulation (EU) No 1268/2012.

**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 use of contingencies shall be taken into account in the ceiling set by this Article.

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

Done at Brussels, 12.12.2017

*For the Commission*

*Neven MIMICA*

*Member of the Commission*