



Brussels, 26.4.2019
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COMMISSION IMPLEMENTING DECISION

of 26.4.2019

on the financing of the annual action programme in favour of Pakistan for 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, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012¹, and in particular Article 110 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) In order to ensure the implementation of the annual action programme in favour of Pakistan for 2019 part 1, it is necessary to adopt an annual financing decision, which constitutes the annual work programme, for 2019. Article 110 of Regulation (EU, Euratom) No 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 Country Strategy Paper for Pakistan, the National Multiannual Indicative Programme (MIP) for the period 2014-2020⁴, which sets out the following priorities: rural development; education and TVET; and good governance, human rights and rule of law. These priorities remain valid following the Midterm Review of the MIP⁵.
- (4) The objectives pursued by the annual action programme 2019 part 1 to be financed under the Development Cooperation Instrument are to contribute to the consolidation of democracy ensuring an inclusive, rights based society and an efficient and transparent administration.

¹ OJ L 193, 30.7.2018, p. 1

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.

⁴ Commission Decision adopting a Multiannual Indicative Programme between the European Union and Pakistan for the period 2014-2020, C(2014)5599 final of 11.08.2014, amended by Commission Decision C(2018) 4741 final of 20.7.2018.

⁵ C(2018)4741 of 20.7.2018, Addendum 1 to Multiannual Indicative Programme between the European Union and Pakistan for the period 2014-2020.

- (5) The action entitled "Rule of law support to Pakistan" contributes to the strengthening of the rule of law in the provinces Balochistan and Khyber Pakhtunkhwa and its newly merged districts to ensure equal access to justice. To this end, the action will support reform processes to ensure delivery of people-centred justice, enhance access to justice for all, particularly women and marginalized groups, and improve service delivery of security sector in line with constitutional safeguards and international standards.
- (6) The action entitled "Public Financial Management Support Programme II (PFM II)" aims to strengthen the public financial management and provincial and sector strategies in Sindh, Balochistan and of the federal government, through enhanced capacities at the provincial and federal levels in policy-based budgeting, more predictable and controlled budget execution, strengthened cash plans, better internal controls, plan to limit arrears and performance reporting systems, including information on SDGs and gender-linked service delivery performance.
- (7) Pursuant to Article 4(7) of Regulation (EU) No 236/2014 indirect management is to be used for the implementation of the programme.
- (8) 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) No 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) No 2018/1046⁶ and, if necessary, to appropriate supervisory measures in accordance with Article 154(5) of Regulation (EU, Euratom) No 2018/1046 before a contribution agreement can be signed.
- (9) 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) No 2018/1046.
- (10) 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.
- (11) 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 Pakistan for 2019 part 1, as set out in the Annexes, is adopted.

The programme shall include the following actions:

- (a) "Rule of law support to Pakistan" set out in Annex I;
- (b) "Public Financial Management Support Programme II (PFM II)" set out in Annex II;

⁶ Except for the cases of Article 154(6) of Regulation (EU, Euratom) No 2018/1046, where the Commission may decide, not to require an ex-ante assessment.

Article 2
Union contribution

The maximum Union contribution for the implementation of the programme for 2019 part 1 is set at EUR 33 000 000, and shall be financed from the appropriations entered in the following line of the general budget of the Union: budget line 21.020200.

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

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 Annex I, may be entrusted to the entities or persons referred to or selected in accordance with the criteria laid down in point 5.3.1 of the Annex I.

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 changes⁷ 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) No 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, 26.4.2019

For the Commission
Neven MIMICA
Member of the Commission

⁷ These changes can come from assigned revenue made available after the adoption of the financing decision.