COMMISSION IMPLEMENTING DECISION

of 13.12.2019

on the financing of the Annual Action Programme in favour of Philippines for 2019

part 2
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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 Annual Action Programme in favour of the Philippines for 2019 part 2, it is necessary to adopt an annual financing decision, which constitutes part two of the annual work programme for 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 Addendum to the National Multiannual Indicative Programme for the period 2014-2020⁴, which sets out the following priorities: rule of law, inclusive growth through job creation and peace-building in Mindanao.

(4) The objectives pursued by the annual action programme to be financed under the Development Cooperation Instrument⁵ are to achieve inclusive growth through the promotion of good governance and strengthened rule of law including lasting peace and community resilience in Mindanao.

(5) The action entitled ‘Support to Bangsamoro Transition’ (SUBATRA) will contribute to a peaceful, cohesive, secure and inclusively developed Mindanao through the

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.
establishment of an enabling democratic governance environment for the smooth implementation of the transition in the Bangsamoro in Mindanao.

(6) The Commission should authorise the launch of a call for tender by means of a suspensive clause before the adoption of this Decision because it is important that project activities start as soon as possible after the signature of the Financing Agreement in order to have an impact on the initial implementation phase of the Bangsamoro Transition Authority.

(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) 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 and, if necessary, to appropriate supervisory measures in accordance with Article 154(5) of the Regulation (EU, Euratom) 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) 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.


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 Philippines for 2019 part 2, as set out in the Annex, is adopted.

The programme shall include the following action:

'Support to Bangsamoro Transition’ (SUBATRA) set out in Annex.

Article 2
Union contribution

The maximum Union contribution for the implementation of the programme for 2019 is set at EUR 25 000 000, and shall be financed from the appropriations entered in the following line of the general budget of the Union:

6 Except for the cases of Article 154(6) of Regulation (EU, Euratom) 2018/1046, where the Commission may decide, not to pursue an ex-ante assessment.
budget line 21.020200: EUR 25 000 000.

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, may be entrusted to the entities or persons referred to or selected in accordance with the criteria laid down in point 5.3 of the Annex.

**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\(^7\) 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.

**Article 5**

*Procurement*

Launching a call for tender under a suspensive clause before the adoption of this Decision shall be authorised as of the date set out in point 5.3.1 of the Annex.

Done at Brussels, 13.12.2019

*For the Commission*

*Jutta URPILAINEN*

*Member of the Commission*

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