COMMISSION IMPLEMENTING DECISION

of 16.7.2014

on the Annual Action Programme 2014 in favour of the Republic of Moldova to be financed from the general budget of the European Union
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THE EUROPEAN COMMISSION,

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

Having regard to Regulation of the European Parliament and of the Council (EU) No 236/2014 of 11 March 2014 establishing common implementing rules and procedures for the implementation of the Union's instruments for external action¹, and in particular Article 2 thereof,

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 1605/2002², and in particular Article 84(2) thereof,

Whereas:

(1) The Commission has adopted the Single Support Framework (SSF) for the period 2014-2017³, points 3.1 and 3.2 of which provide for the following priorities: 1) Public Administration Reform and 2) Agriculture and Rural Development.

(2) The objectives pursued by the Annual Action Programme to be financed under Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument⁴ are: 1) to enhance the institutional and human resource capacity of public administrations to elaborate and implement policy and to ensure the efficient and effective delivery of high-quality public services and 2) to support the Republic of Moldova to strengthen its economic, social and territorial cohesion in an environmentally sustainable fashion, developing rural areas and increasing the competitiveness of the agri-food sector through modernisation and market integration.

(3) Action entitled “Support to Public Finance Policy Reforms in Moldova” aims to contribute to sustainable growth, maintained macroeconomic and fiscal stability and ultimately contribute to poverty reduction. The specific objective is to assist the Government, the Parliament and the Supreme Audit Institution of the Republic of Moldova in the process of enhancing good governance, effective fiscal policy, transparent and accountable public finance policy and strengthened public financial management systems. The action will be implemented through budget support, grants and service contracts.

(4) Action entitled “ENPARD Moldova - Support to Agriculture and Rural Development” targets to assist the Republic of Moldova in eradicating poverty, promoting sustainable

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¹ OJ L77, 15.03.2014, p. 95.
³ Decision C(2014)3995, 11.06.2014.
⁴ OJ L77, 15.03.2014, p.27.
and inclusive growth, and consolidating and improving democratic and economic governance. Through a dedicated component it is expected to foster confidence building in the Republic of Moldova, by targeting Moldovan regions that experience tensions with national authorities. The specific objective is to enhance rural development through improved policy dialogue, governance and service delivery meeting the needs of private farmers while increasing the competitiveness and the climate change/disaster resilience of the sector in rural areas. The action will be implemented through budget support, grants, service contracts and indirect management with an international organisation.

(5) This Decision complies with the conditions laid down in Article 94 of Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union.

(6) The Commission may entrust budget-implementation tasks under indirect management to the entity identified in this Decision, subject to the conclusion of a delegation agreement. However, this entity (the United Nations Development Programme – UNDP) is currently undergoing the ex ante assessment. In anticipation of the results of this review, the responsible authorising officer deems that, based on a preliminary evaluation and on the long-standing and problem-free cooperation with it, budget-implementation tasks can be entrusted to this entity.

(7) The maximum contribution of the European Union set by this Decision should cover any possible claims for 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) The Commission is required to define the term "non-substantial change" in the sense of Article 94(4) of Delegated Regulation (EU) No 1268/2012 to ensure that any such changes can be adopted by the authorising officer by delegation, or under his or her responsibility, by sub-delegation (hereinafter referred to as the 'responsible authorising officer').

(9) The measures provided for in this Decision are in accordance with the opinion of the European Neighbourhood Instrument Committee set up by the basic act referred to in Recital 2.

HAS DECIDED AS FOLLOWS:

**Article 1**

**Adoption of the measure**

The following Annual Action Programme, constituted by the actions identified in the second paragraph and outlined in the annexes, is approved:


The actions constituting this measure are:

– Annex 1: "Support to Public Finance Policy Reforms in Moldova";

– Annex 2: "ENPARD Moldova - Support to Agriculture and Rural Development".

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Article 2

Financial contribution

The maximum contribution of the European Union authorised by this Decision for the implementation of this programme is set at EUR 101 million and shall be financed from the following lines of the general budget of the European Union for 2014:

– budget line 21 03 02 01: EUR 37 000 000;
– budget line 21 03 02 02: EUR 57 500 000;
– budget line 21 03 02 03: EUR 6 500 000.

Article 3

Implementation modalities

Budget-implementation tasks under indirect management may be entrusted to the entity identified in the attached Annex 1, subject to the conclusion of the relevant agreement.

Section 4 of the Annexes referred to in the second paragraph of Article 1 sets out the elements required by Article 94(2) of Delegated Regulation (EU) No 1268/2012.

The financial contribution referred to in Article 2 shall also cover any possible interests due for late payment.

Article 4

Non-substantial changes

Increases or decreases of up to EUR 10 million not exceeding 20% of the contribution referred to in the first paragraph of Article 2, or cumulated changes to the allocations of specific actions not exceeding 20% of that contribution shall not be considered substantial, provided that they do not significantly affect the nature and objectives of the actions.

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

Done at Brussels, 16.7.2014

For the Commission
Štefan FÜLE
Member of the Commission