



EUROPEAN
COMMISSION

Brussels, 14.7.2014
C(2014) 5020 final

COMMISSION IMPLEMENTING DECISION

of 14.7.2014

**on the Annual Action Programme 2014 in favour of Georgia to be financed from the
general budget of the European Union**

COMMISSION IMPLEMENTING DECISION

of 14.7.2014

on the Annual Action Programme 2014 in favour of Georgia to be financed from the general budget of the European Union

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 and 5 of which provide for the following priorities: 1) Justice Sector Reform and 2) Complementary support.
- (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 support Georgia in establishing an independent, efficient, impartial and professional justice system, access to justice and fair trial in line with principles of rule of law and the protection of human rights; and 2) to facilitate Georgia's economic integration into the EU market in an inclusive and comprehensive manner.
- (3) The first action entitled "Support to the Justice Sector Reform in Georgia" aims to consolidate the independence, impartiality, professionalism and efficiency of the judiciary; improve access to justice; enhance the efficiency and fairness of the criminal justice system; and to improve the private and administrative law system. The action will be implemented through budget support, grants, service contracts and indirect management.
- (4) The second action entitled "Support to EU-Georgia Deep and Comprehensive Free Trade Area (DCFTA) and Small and Medium-sized Enterprises (SMEs)" is meant to assist Georgia in the implementation process of the DCFTA. It aims to strengthen Georgia's policy framework for trade and private sector development; improve the functioning of priority trade and private sector-related institutions; strengthen business associations and SMEs; and ensure economic integration of special target groups, such

¹ OJ L77, 15.03.2014, p. 95.

² OJ L 298, 26.10.2012, p. 1.

³ Decision C(2014)3994, 11.06.2014.

⁴ OJ L77, 15.03.2014, p.27.

as women and young entrepreneurs, returned migrants and Internally Displaced Persons (IDPs). In particular, measures dedicated to improve the economic livelihood of IDPs are expected to foster *confidence building* with particularly vulnerable parts of the population. The action will be implemented through budget support, grants, service contracts and indirect management.

- (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 Union⁵.
- (6) The Commission may entrust budget-implementation tasks under indirect management to the entities identified in this Decision, subject to the conclusion of a delegation agreement. However, these entities (European Bank for Reconstruction and Development - EBRD, Food and Agriculture Organisation of the United Nations - FAO, German Gesellschaft für International Zusammenarbeit - GIZ and the United Nations Children Fund - UNICEF) are 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, budget-implementation tasks can be entrusted to these entities.
- (7) This decision should allow for the award of grants in the form of lump sums and/or unit costs and/or flat-rate financing for the reasons and amounts set out in the Annexes on the basis of Article 124 of Regulation (EU, Euratom) No 966/2012 and Article 182 of Delegated Regulation (EU) No 1268/2012.
- (8) 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.
- (9) 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').
- (10) 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 attached as annexes, is approved:

Annual Action Programme 2014 in favour of Georgia.

The actions constituting this measure are:

- Annex 1: "Support to the Justice Sector Reform in Georgia ";

⁵ OJ L 362, 31.12.2012, p. 1.

- Annex 2: "Support to EU-Georgia DCFTA and SMEs".

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 to be financed from the following budget lines of the general budget of the European Union for 2014:

- budget line 21 03 02 01: EUR 50 000 000;
- budget line 21 03 02 02: EUR 44 533 940;
- budget line 21 03 02 03: EUR 6 466 060.

Article 3

Implementation modalities

Budget-implementation tasks under indirect management may be entrusted to the entities identified in the attached Annexes, subject to the conclusion of the relevant agreements.

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 Commission authorises the use of lump sums and/or unit costs and/or flat-rate financing exceeding EUR 60 000 per beneficiary, in accordance with the conditions set out in the Annexes.

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 use of contingencies shall be taken into account in the ceiling referred to in this Article.

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

Done at Brussels, 14.7.2014

For the Commission

Štefan FÜLE

Member of the Commission