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C(2021) 9646 final

**COMMISSION IMPLEMENTING DECISION**

**of 15.12.2021**

**on the financing of the annual action plan in favour of Montenegro for 2021**

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## on the financing of the annual action plan in favour of Montenegro for 2021

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 966/2012<sup>1</sup>, and in particular Article 110 thereof,

Having regard to Regulation (EU) 2021/1529 of the European Parliament and of the Council of 15 September 2021 establishing the Instrument for Pre-Accession Assistance (IPA III)<sup>2</sup>, and in particular Article 9(1) thereof,

Whereas:

- (1) In order to ensure the implementation of the annual action plan in favour of Montenegro for 2021, it is necessary to adopt an annual financing decision, which constitutes the annual work programme, for 2021. 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 TFEU<sup>3</sup>.
- (3) The actions provided for in this Decision contribute to climate and biodiversity mainstreaming in line with the European Green Deal and the inter-institutional agreement.<sup>4</sup>
- (4) The Commission has adopted a Pre-Accession Assistance ('IPA III') Programming Framework<sup>5</sup> for the period 2021 – 2027, which identifies five thematic windows for the delivery of the specific objectives and thematic priorities of Regulation (EU) 2021/1529.
- (5) The objectives pursued by the annual action plan are to contribute to achieving the main goals set up in the IPA III Strategic Response in the areas of governance, environment, transport and agriculture, as well as to support Montenegro in its reform process in the post-COVID 19 context.

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<sup>1</sup> OJ L 193, 30.7.2018, p. 1.

<sup>2</sup> OJ L 330, 20.09.2021, p. 1.

<sup>3</sup> [www.sanctionsmap.eu](http://www.sanctionsmap.eu) Please 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 between the published legal acts and the updates on the website, it is the OJ version that prevails.

<sup>4</sup> COM(2019) 640 final

<sup>5</sup> Commission Decision C(2021)8914 of 10.12.2021 on the Instrument for Pre-Accession Assistance (IPA III) Programming Framework for the period 2021-2027

- (6) The objective of the action entitled “EU Integration facility” is to contribute to the successful carrying out of the process of accession to the Union, including compliance with cohesion and structural funds related rules and standards.
- (7) The objective of the action entitled “*Acquis* related activities for Environment and Climate Action policies in Montenegro” is to align Montenegro with the Union *acquis* under Chapter 27 of the accession negotiations and to contribute to the development of technical capacities for the protection of the environment, the improvement of its quality and the preparation and implementation of policies related to climate change, biodiversity protection and the acceleration of the shift towards a low-carbon economy.
- (8) The objective of the action entitled “EU for Support to Sustainable Connectivity and Green Economy in Montenegro” is to improve sustainable connectivity and green economy in Montenegro, in terms of performance, efficiency and safety, by ensuring alignment with Union standards, and facilitating inter-connection of Montenegro with the neighbouring countries and the Union.
- (9) The objective of the action entitled “EU for Support to the Agricultural Sector in Montenegro” is to create a successful agriculture and rural sector in Montenegro which provides employment and sustainable production of high-quality food for domestic and foreign consumers, supported by an efficient administration in the areas of agriculture and rural development, food safety, veterinary, phytosanitary, fisheries and forestry.
- (10) The objective of the action entitled “Reform Facility for Montenegro” is to assist the Government in advancing Montenegro’s reform process in a post COVID-19 context in a dynamic and focused way.
- (11) Pursuant to Article 9(1) of Regulation (EU) 2021/1529, indirect management is to be used for the implementation of the action plan.
- (12) 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 Regulation (EU, Euratom) 2018/1046 before a contribution agreement can be signed.
- (13) Therefore, the Commission should be able to entrust the implementation to the IPA III beneficiary or the bodies designated by it subject to the conclusion of a financing agreement in accordance with Article 158 of Regulation (EU, Euratom) 2018/1046.
- (14) 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.
- (15) In order to allow for flexibility in the implementation of the action plan, 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.
- (16) The action plan provided for in this Decision is in accordance with the opinion of the IPA III Committee set up by Article 17 of Regulation (EU) 2021/1529,

HAS DECIDED AS FOLLOWS:

*Article 1*  
*The action plan*

The annual financing decision, constituting the annual work programme for the implementation of the annual action plan in favour of Montenegro for the year 2021, as set out in the Annexes, is adopted.

The action plan shall include the following actions:

- (a) EU Integration Facility, set out in Annex I;
- (b) Acquis related activities for Environment and Climate Action policies in Montenegro, set out in Annex II;
- (c) EU for Support to Sustainable Connectivity and Green Economy in Montenegro, set out in Annex III;
- (d) EU for Support to the Agricultural Sector in Montenegro, set out in Annex IV;
- (e) EU Reform Facility, set out in Annex V.

*Article 2*  
*Union contribution*

The maximum Union contribution for the implementation of the action plan for 2021 referred to in Article 1 is set at EUR 32 410 000 and shall be financed from the appropriations entered in the following lines of the general budget of the Union:(a) budget line 15.020101.01: EUR 13 650 000; (b) budget line 15.020201.02: EUR 18 760 000.

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 Annexes, may be entrusted to the entities or persons referred to or selected in accordance with the criteria laid down in point 4.2.2 of Annex I, point 4.2.1 of Annex II, point 4.2.3 of Annex IV, and point 4.2.3 of Annex V.

*Article 4*  
*Flexibility clause*

Increases<sup>6</sup> or decreases of up to EUR 10 million not exceeding 20% of the contribution set in Article 2, first paragraph, or cumulated reassignments of funds between actions contained in an action plan not exceeding 20% of that contribution, as well as extensions of the implementation and execution period shall not be considered substantial for the purposes of Article 110(5) of Regulation (EU, Euratom) 2018/1046, provided that they do not significantly affect the nature and objectives of the actions.

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<sup>6</sup> These changes can come from external assigned revenue made available after the adoption of the financing decision.

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, 15.12.2021

*For the Commission*  
*Olivér VÁRHELYI*  
*Member of the Commission*