

EUROPEAN COMMISSION

> Brussels, 15.12.2021 C(2021) 9679 final

COMMISSION IMPLEMENTING DECISION

of 15.12.2021

on the financing of the annual action plan in favour of ${\rm Kosovo}^*$ for 2021

This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence

COMMISSION IMPLEMENTING DECISION

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on the financing of the annual action plan in favour of Kosovo^{*} 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 966/2012¹, 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)² and in particular Article 9(1) thereof,

Whereas:

- (1) In order to ensure the implementation of the annual action plan in favour of Kosovo 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 TFEU³.
- (3) The actions provided for in this Decision contribute to climate and biodiversity mainstreaming in line with the European Green Deal⁴ and the inter-institutional agreement.
- (4) The Commission has adopted an IPA III Programming Framework⁵ 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 in favor of Kosovo for 2021 are to improve the protection of human rights, gender equality and public safety and security in Kosovo; to improve the overall performance/governance of municipalities; to enhance the capacities of the Kosovo administration in the approximation of laws with

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¹ OJ L 193, 30.7.2018, p.1.

² OJ L 330, 20.9.2021, p.1.

³ <u>www.sanctionsmap.eu</u> 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.

⁴ COM(2019) 640 final

⁵ 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

the EU *acquis* for the efficient use of IPA funds and for the rapid response to urgent political, economic, health or social needs; to protect the environment in compliance with the relevant EU *acquis* and best practices; to contribute to Kosovo's achievement of the EU's economic accession criteria; and enhance competitiveness of Kosovo's agri-food sector.

- (6) The objective of the action entitled "Demining Action" is to return land previously contaminated by cluster munitions and landmines in Kosovo back to local communities for their safe and productive use, thus protecting civilians and securing their livelihoods and further enabling sustainable development and growth.
- (7) The objective of the action entitled "EU for Better Municipal Governance" is to contribute to better municipal governance by supporting the Municipal Performance Grant and by supporting reforms with regard to local government and revenue mobilisation at the local level.
- (8) The objective of the action entitled "EU for Approximation" is to support Kosovo with the approximation of laws to the EU *acquis* through strengthening the technical and administrative capacity of the administration and implementing measures related to urgent political priorities in the framework of Kosovo's European perspective.
- (9) The objective of the action entitled "EU for Environment" is to support Kosovo in addressing the environmental hazards emerging from air, water and waste pollution through climate action, depollution of water, and support to a sustainable waste management, in line with the Green Agenda for the Western Balkans⁶.
- (10) The objective of the action entitled "EU for Trade and Internal Market" is to support Kosovo to further develop its capacities to create the basis for a sustainable institutional environment to complete the transition into a functioning market economy in line with the EU *acquis*.
- (11) The objective of the action entitled "EU for Agriculture and Rural Development" is to achieve enhanced competitiveness of Kosovo's agri-food sector and address implementation and performance of agri-rural policy and alignment of Kosovo's phytosanitary sector to the EU's organisational, institutional and regulatory standards.
- (12) It is appropriate to authorise the award of grants without a call for proposals and to provide for the conditions for awarding those grants.
- (13) The Commission should authorise the launch of a call for proposals and tenders by means of a suspensive clause before the adoption of this Decision.
- (14) Pursuant to Article 9(1) of Regulation (EU) 2021/1529, indirect management is to be used for the implementation of the action plan.
- (15) 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.

⁶ SWD(2020)223 final

- (16) 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.
- (17) In order to allow for flexibility in the implementation of the annual action plan in favor of Kosovo for 2021, 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.
- (18) The annual action plan for Kosovo for 2021 provided for in this Decision is in accordance with the opinion of the IPA III Committee set up by Article 17 of Regulation (EU) 2021/1529⁷,

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 Kosovo for 2021, as set out in the Annexes, is adopted.

The action plan shall include the following actions:

- (a) Demining Action, as set out in Annex I;
- (b) EU for Better Municipal Governance, as set out in Annex II;
- (c) EU for Approximation, as set out in Annex III;
- (d) EU for Environment, as set out in Annex IV;
- (e) EU for Trade and Internal Market, as set out in Annex V;
- (f) EU for Agriculture and Rural Development, as set out in Annex VI.

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 63 960 000 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 33 260 000;
- (b) budget line 15.020201.02: EUR 30 700 000.

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

⁷ The Member States have declared, recalling the Council Conclusions of 18 February 2008, that the adoption of this action plan does not prejudge the position of each individual Member State on the status of Kosovo, which will be decided in accordance with their national practice and international law.

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 in point 4.2 of the Annexes.

Article 4

Flexibility clause

Increases⁸ 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.

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

Grants

Grants may be awarded without a call for proposals in accordance with the conditions set out in the Annexes. Grants may be awarded to the bodies in accordance with point 4.2 of the Annex I.

Article 6

Procurement

Launching a call for proposals or tender under a suspensive clause before the adoption of this Decision shall be authorised as of the date set out in point 4.2 of Annexes III, IV and V.

Done at Brussels, 15.12.2021

Olivér VÁRHELYI Member of the Commission

⁸ These changes can come from external assigned revenue made available after the adoption of the financing Decision.