



Brussels, 20.7.2016
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COMMISSION IMPLEMENTING DECISION

of 20.7.2016

**on the Annual Action Programme 2016 in favour of the Republic of Azerbaijan 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 (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 action¹, and in particular Article 2(1) 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 Strategic Framework for EU support to Azerbaijan for the period 2014-2017³, point 1.2 of which provides for the following priorities: regional and rural development, justice sector reform and education and skills development, complemented by support for capacity development and institution building, and support for civil society. This Implementing Decision falls under the support for capacity development and institution building.
- (2) The objectives pursued by the Annual Action Programme 2016 to be financed under the European Neighbourhood Instrument (ENI)⁴ are: I. Financial Governance: to improve the efficiency of public expenditures and revenue collection; II. Economic Governance: to strengthen the competitiveness and export performance of SMEs; III. Judicial governance: to strengthen access to justice to all citizens and businesses, especially to vulnerable groups and women victims of domestic violence. The Annual Action Programme 2016 contains one action.
- (3) The overall objective of the Action entitled “Technical Cooperation Facility” (TCF) is to support the Government of Azerbaijan in the diversification of its economy while promoting a balanced and inclusive growth. The action will be implemented under direct management through grants (including Twinning) and service contracts.

¹ OJ L 77, 15.3.2014, p. 95.

² OJ L 298, 26.10.2012, p. 1.

³ C(2014) 5129

⁴ Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument (OJ L 77, 15.3.2014, p. 27).

- (4) It is necessary to adopt a financing decision the detailed rules of which are set out in Article 94 of Commission Delegated Regulation (EU) No 1268/2012⁵.
- (5) It is necessary to adopt a work programme for grants the detailed rules on which are set out in Article 128(1) of Regulation (EU, Euratom) No 966/2012 and in Article 188(1) of Delegated Regulation (EU) No 1268/2012. The work programme is constituted by the Annex (sections 5.3.1 and 5.3.2).
- (6) It is necessary to allow the payment of 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.
- (7) Pursuant to Article 94(4) of Delegated Regulation (EU) No 1268/2012, the Commission should define changes to this Decision which are not substantial in order to ensure that any such changes can be adopted by the authorising officer responsible.
- (8) The measures provided for in this Decision are in accordance with the opinion of the European Neighbourhood Instrument Committee set up by Article 15 of the ENI Regulation,

HAS DECIDED AS FOLLOWS:

Article 1

Adoption of the measure

The Annual Action Programme 2016 in favour of the Republic of Azerbaijan, as set out in the Annex, is approved.

The programme shall include the following action:

- Annex: Technical Cooperation Facility.

Article 2

Financial contribution

The maximum contribution of the European Union for the implementation of the programme referred to in Article 1 is set at EUR 13.5 million and shall be financed from budget line 22 04 02 02 of the general budget of the European Union for financial year 2016.

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

Article 3

Implementation modalities

The section “Implementation” of the Annex to this Decision sets out the elements required by Article 94(2) of Delegated Regulation (EU) No 1268/2012.

⁵ 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 (OJ L 362, 31.12.2012, p. 1).

Article 4

Non-substantial changes

Increases or decreases of up to EUR 10 million not exceeding 20% of the contribution set by the first paragraph of Article 2, or cumulated changes 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 within the meaning of Article 94(4) of Delegated Regulation (EU) No 1268/2012, provided that they do not significantly affect the nature and objectives of the actions.

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

Done at Brussels, 20.7.2016

For the Commission
Johannes HAHN
Member of the Commission