



Brussels, 29.8.2023
C(2023) 5811 final

COMMISSION IMPLEMENTING DECISION

of 29.8.2023

on the financing of the annual action plan in favour of Azerbaijan for 2023

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THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU, Euratom) 2018/1046¹ 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, and in particular Article 110 thereof,

Having regard to Regulation (EU) 2021/947² of the European Parliament and of the Council of 9 June 2021 establishing the Neighbourhood, Development and International Cooperation Instrument - Global Europe, amending and repealing Decision No 466/2014/EU and repealing Regulation (EU) 2017/1601 and Council Regulation (EC, Euratom) No 480/2009, and in particular Article 23(2) thereof,

Whereas:

- (1) In order to ensure the implementation of the annual action plan in favour of Azerbaijan for 2023, it is necessary to adopt an annual financing Decision, which constitutes the annual work programme, for 2023.
- (2) The envisaged assistance should comply with the conditions and procedures set out by the restrictive measures adopted pursuant to Article 215 TFEU.
- (3) The action plan provided for in this Decision should contribute to climate mainstreaming in line with Commission Communication ‘The European Green Deal’³ and in the Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources⁴.
- (4) The Commission has adopted the Multiannual Indicative Programme for Azerbaijan⁵ for the period 2021-2027, which sets out the following priorities: resilient, sustainable and integrated economies; accountable institutions, the rule of law and security; environmental and climate resilience; resilient digital transformation; resilient, gender-

¹ OJ L 193, 30.7.2018, p.1.

² OJ L 209, 14.6.2021, p.1.

³ COM(2019)640 final of 11 December 2019.

⁴ OJ L 433I, 22.12.2020, p. 28.

⁵ Commission Implementing Decision C(2022)450 of 31.1.2022 on adopting a multiannual indicative programme for Azerbaijan for the period 2021-2027.

equal, fair and inclusive societies, which are in line with the EU-Azerbaijan Partnership Priorities⁶ extended until 2024.

- (5) The objectives pursued by the annual action plan to be financed under the Neighbourhood geographic programme of Regulation (EU) 2021/947 should reinforce reforms targeting the socio-economic development of Azerbaijan.
- (6) The action entitled ‘Support to Socio-Economic Development of Azerbaijan’ will contribute to the promotion and deployment of renewable energy and energy efficiency measures, facilitate reforms in the criminal justice system based on international standards and with a focus on vulnerable groups as well as enhance the socio-economic development of Azerbaijan by promoting reforms that contribute to better business environment and investment climate.
- (7) The objective and design of the action ‘Support to Socio-Economic Development of Azerbaijan’ fulfil the criteria for Official Development Assistance established by the OECD/DAC, as per the requirements of Article 3(4) of Regulation (EU) 2021/947, contributing to the sustainable development of partner countries and the implementation of the 2030 agenda by reinforcing reforms targeting the socio-economic development of Azerbaijan. The countries benefiting from the action which are included in the list of ODA recipients, are identified in the respective action document.
- (8) Pursuant to Article 62(1), point (c) of the Financial Regulation, indirect management is to be used for the implementation of the action plan.
- (9) 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 the Financial Regulation.
- (10) To that end, such entities and persons are to be subject to an assessment of their systems and procedures in accordance with Article 154(4) of the Financial Regulation and, if necessary, to appropriate supervisory measures in accordance with Article 154(5) of the Financial Regulation before a contribution agreement can be signed.
- (11) It is necessary to allow for the payment of interest due for late payment on the basis of Article 116(5) of the Financial Regulation.
- (12) In order to allow for flexibility in the implementation of the action plan, it is appropriate to determine the changes which should not be considered substantial for the purposes of Article 110(5) of the Financial Regulation.
- (13) The action plan provided for in this Decision is in accordance with the opinion of the NDICI-GE Neighbourhood Committee.

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 Azerbaijan for 2023, as set out in the annex, is adopted.

⁶ ST 13432/21 (NLA) and ST 13433/21 (LD).

The action plan shall consist of the action set out in the annex.

Article 2
Union contribution

The maximum Union contribution for the implementation of the action plan for 2023 is set at EUR 13 500 000, and shall be financed from the appropriations entered in budget line 14.02111 of the general budget of the Union.

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 Annex, may be entrusted to the entities or persons referred to or selected in accordance with the criteria laid down in point 4.3.3 of the Annex.

Article 4
Flexibility clause

Increases⁷ or decreases of up to EUR 10 million and not exceeding 20% of the contribution set in Article 2, first paragraph, 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 for the purposes of Article 110(5) of Regulation (EU, Euratom) 2018/1046, provided that these changes 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.

Done at Brussels, 29.8.2023

For the Commission
Olivér VÁRHELYI
Member of the Commission

⁷These changes can come from external assigned revenue made available after the adoption of the financing Decision.