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**COMMISSION IMPLEMENTING DECISION**

**of 28.10.2022**

**on the financing of the annual action plan in favour of Bhutan for 2022**

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## on the financing of the annual action plan in favour of Bhutan for 2022

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union (TFEU),

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) 2021/947 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<sup>2</sup>, and in particular Article 23(2) thereof,

Whereas:

- (1) In order to ensure the implementation of the annual action plan in favour of Bhutan for 2022, it is necessary to adopt an annual financing decision, which constitutes the annual work programme. Article 110 of Regulation (EU, Euratom) 2018/1046 ('the Financial Regulation') 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 Commission has adopted the National Multiannual Indicative Programme for the period 2021-2027<sup>4</sup>, which sets out the following priorities: Climate change, green growth for resilient Bhutan (priority area 1); Good Governance for inclusive socio-economic development (priority area 2) and Digital Transition: a driver for change in education and public services delivery (priority area 3).
- (4) The objectives pursued by the annual action plan to be financed under the Regulation (EU) 2021/947 geographic programme 'Asia and the Pacific' fall within the priority areas 2 and 3 of the Multiannual Indicative Programme (2021-2027). The action will support strengthening local governance and decentralisation, gender mainstreaming including at local level and digitalisation of public services, especially education.

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

<sup>2</sup> OJ L 209, 14.6.2021, p.1.

<sup>3</sup> [www.sanctionsmap.eu](http://www.sanctionsmap.eu). 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, the OJ prevails.

<sup>4</sup> Commission Decision on the adoption of the National Indicative Programme between the European Union and Bhutan C(2021)9084 final of 14.12.2021.

- (5) The action entitled ‘Supporting Good Governance and Digitalisation in Bhutan’ will strengthen local governments and decentralisation, gender and digitalisation of education sector policy reforms through structured policy dialogue, effective sector coordination and solution centric technical assistance activities.
- (6) Pursuant to Article 26(1) of Regulation (EU) No 2021/947, indirect management is to be used for the implementation of the action.

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. 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 the Financial Regulation<sup>5</sup> and, if necessary, to appropriate supervisory measures in accordance with Article 154(5) thereof before a contribution agreement can be signed.

- (7) 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.
- (8) 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 the Financial Regulation.
- (9) The action plan provided for in this Decision is in accordance with the opinion of the NDICI-Global Europe Committee established under Article 45 of Regulation (EU) 2021/947.

HAS DECIDED AS FOLLOWS:

*Article 1*  
*The action plan*

The annual financing decision, constituting the annual action plan in favour of Bhutan for 2022, as set out in the Annex, is adopted.

The action plan shall include the following action “Supporting Good Governance and Digitalisation in Bhutan” set out in the Annex.

*Article 2*  
*Union contribution*

The maximum Union contribution for the implementation of the action plan is set at EUR 9 300 000 and shall be financed from the appropriations entered in the following line of the general budget of the Union:

- BGUE-B2022-14.020131-C1-INTPA – South and East Asia;

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

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<sup>5</sup> Except for the cases of Article 154(6) of Regulation (EU, Euratom) 2018/1046, where the Commission may decide, not to require an ex-ante assessment.

### *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 4.4.2 and 4.4.3 of the Annex.

### *Article 4*

#### *Flexibility clause*

Increases or decreases of up to EUR 10 000 000 and not exceeding 20% of the contribution set in the first paragraph of Article 2, or cumulated changes<sup>6</sup> to the allocations of specific actions not exceeding 20% of the contribution as well as extensions of the implementation period shall not be considered substantial for the purposes of Article 110(5) of the Financial Regulation 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, 28.10.2022

*For the Commission*

*Jutta URPILAINEN*

*Member of the Commission*

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