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**COMMISSION IMPLEMENTING DECISION**

**of 23.10.2023**

**on the financing of the annual action plan in favour of Cambodia for 2023**

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## on the financing of the annual action plan in favour of Cambodia for 2023

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 Cambodia for 2023, it is necessary to adopt an annual financing decision, which constitutes the annual work programme, for 2023. 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<sup>4</sup> for the period 2021-2027, which sets out the following priorities: (Priority Area 1) Green Growth and Decent Jobs; (Priority Area 2) Education and Skills Development; and (Priority Area 3) Good Governance.
- (4) The actions provided for in this Decision contribute to all three priority areas of the National Multiannual Indicative Programme.
- (5) The objectives pursued by the annual action plan to be financed under the Regulation (EU) 2021/947 geographic programme 'Asia and the Pacific' are to deepen its engagement with Cambodia, by focusing on selected industrial and agriculture value chains for enhanced market opportunities (EU and ASEAN), providing a more

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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 Implementing Decision adopting a multiannual indicative programme for Cambodia for the period 2021-2027 C(2021)9076 final of 14.12.2021.

qualified labour force for green jobs in agriculture and the industry and attracting quality investments and infrastructure to connect Cambodia under the **Global Gateway**. The objectives will be pursued through five actions.

- (6) The action entitled “EU-Cambodia Partnership for Sustainable Agriculture and Food Systems (EU CAPSAFE)” will support the green transformation under the Global Gateway by promoting investment in sustainable production practices and in local processing for increased added value, with a strong focus on agro-ecological and deforestation free principles, quality and food safety standards, decent work and improved accessibility of food for rural households.
- (7) The action entitled “EU Partnership for Sustainable Energy Practices in Industry” will support green transition by unlocking investment in energy efficiency and renewable energy (including sustainable biomass and solar photovoltaic rooftops) in the garment, footwear and travel goods industry, and improving industry skills and working environment for the workers targeting energy related aspects such as heat stress, lighting, noise pollution and inadequate ventilation.
- (8) The action entitled “Transforming Technical Education EU-Cambodia Partnership 2024-2027” will support technical education and Science, Technology, Engineering and Mathematics (STEM) in secondary schools and universities with a focus on green energy and IT/digital/robotics, acting as an enabler to the Team Europe Initiatives on agribusiness and industrial value chains, under the Global Gateway.
- (9) The action entitled “European Union Global Access and Trade Expertise (EU GATE)” will supports the development of inclusive and sustainable trade policies and strategies while Cambodia prepares for LDC graduation, including effective enforcement mechanisms for the protection of consumers and data privacy. It will also contribute to the implementation of relevant trade facilitation for faster and transparent customs procedures, and it will help setting up and piloting an effective system of export support services to SMEs in key value chains.
- (10) The measure entitled “Support Measures – Cooperation Facility – Strategic Communication” will support the implementation of EU’s strategic communication activities designed to raise more awareness and understanding of the EU, its policies and the partnership with Cambodia, in line with the identified priorities.
- (11) Pursuant to Article 26(1) of Regulation (EU) 2021/947 indirect management is to be used for the implementation of the action.
- (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 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.
- (13) 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.

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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.

- (14) 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.
- (15) The action plan provided for in this Decision is in accordance with the opinion of the 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 for the implementation of the annual action plan in favour of Cambodia for 2023, as set out in the Annexes, is adopted.

The action plan shall include the following actions and measure:

- (a) “EU-Cambodia Partnership for Sustainable Agriculture and Food Systems (EU CAPSAFE)” set out in Annex I;
- (b) “EU Partnership for Sustainable Energy Practices in Industry” set out in Annex II;
- (c) “Transforming Technical Education EU-Cambodia Partnership 2024-2027” set out in Annex III;
- (d) “European Union Global Access and Trade Expertise (EU GATE)” set out in Annex IV;
- (e) “Support Measures – Cooperation Facility – Strategic Communication” set out in Annex V.

*Article 2*  
*Union contribution*

The maximum Union contribution for the implementation of the action plan for 2023 is set at EUR 81 000 000 and shall be financed from the appropriations entered in the following line of the general budget of the Union: 14.020131.

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 4.4.1 of the Annex I; 4.4.2. of Annex II; 4.4.2. of Annex III; 4.4.1. of the Annex IV.

*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

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

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 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, 23.10.2023

*For the Commission*  
*Jutta Urpilainen*  
*Member of the Commission*