



Brussels, 2.12.2015
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COMMISSION IMPLEMENTING DECISION

of 2.12.2015

**on the Special Measure 2015 for Decentralisation Reform in favour of Ukraine 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 European Council on 19 March 2015 confirmed the EU support to Ukraine's reform process, together with other donors and in line with the International Monetary Fund (IMF) conditionality. It acknowledged the Ukrainian Government's reform efforts so far and called on it to further intensify its work.
- (2) Due to the fragile situation in Ukraine it was not possible to finalise the multi-annual programming exercise. In order to face the urgent needs related to the transition process in the country the Commission opted for implementing a Special Measure in 2015.
- (3) The objective pursued by the Special Measure to be financed under the European Neighbourhood Instrument³ is to contribute to the implementation of the decentralisation reform which is a key priority in Ukraine's reform programme and in the Association Agenda for the implementation of the Association Agreement. The Special Measure contains one action.
- (4) The action entitled "U-LEAD with Europe: Ukraine Local Empowerment, Accountability and Development Programme" contributes to the establishment of multilevel governance which is transparent, accountable and responsive to the needs of the population. The action intends to enhance the institutional capacity of key actors at central, regional and local level and to improve the delivery of local administrative services and foster economic development. The action will be implemented under direct management through service contracts and under indirect management with Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and with Swedish International Development Cooperation Agency (SIDA).

¹ OJ L 77, 15.3.2014, p. 95.

² OJ L 298, 26.10.2012, p. 1.

³ 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).

- (5) 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 1268/2012⁴.
- (6) The Commission should entrust budget-implementation tasks under indirect management to the entities specified in this Decision, subject to the conclusion of a delegation agreement. In accordance with Article 60(1) and (2) of Regulation (EU, Euratom) No 966/2012, the authorising officer responsible needs to ensure that these entities guarantee a level of protection of the financial interests of the Union equivalent to that required when the Commission manages Union funds.
- (7) 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.
- (8) 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.
- (9) The measure provided for in this Decision is 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 “Special Measure 2015 for Decentralisation Reform in favour of Ukraine”, as set out in the Annex, is approved.

The special measure shall include the following action:

- U-LEAD with Europe: Ukraine Local Empowerment, Accountability and Development Programme.

Article 2

Financial contribution

The maximum contribution of the European Union for the implementation of the Special Measure referred to in Article 1 is set at EUR 90 million and shall be financed from budget lines 21 03 02 01 (EUR 17 million) and 21 03 03 03 (EUR 73 million) of the general budget of the European Union for 2015.

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

Article 3

Implementation modalities

⁴ 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).

Budget-implementation tasks under indirect management may be entrusted to the entities identified in the attached Annex (section 5.3), subject to the conclusion of the relevant agreements.

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.

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, 2.12.2015

For the Commission
Johannes HAHN
Member of the Commission