

4 IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement with the People's Republic of China.

4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of adoption by the Commission of this Financing Decision.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3 Implementation Modalities applicable for Project Modality

The Commission will ensure that the EU rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures.

4.3.1 Direct Management (Procurement)

The procurement will contribute to achieving Specific Objectives under Section 3.1. The global budgetary envelope reserved for procurement is indicated in section 4.5.

This call has been launched on XX (date to be added at later stage) under a suspensive clause prior to the adoption of this Decision. This is justified for the following reasons:

- The current project will end on 1 December 2024, without further possibility to extend, at a crucial time for the CN ETS (inclusion of new sectors). A fully-fledged train-the-trainer programme will be prepared by means of a pilot programme in the first half of 2024 and will be evaluated with the aim of starting the programme as soon as possible under this new Action.
- An increased demand for training and capacity building on MRV related issues in new sectors is expected to be submitted to the current and the new project and must be dealt with as a matter of priority to encourage the inclusion of further industrial sectors in the CN ETS.
- Leaving a gap of more than a few weeks between the termination of the current project and the start of the new one would clearly undermine the credibility of the Commission and the stance and reputation of the ETS cooperation. The cooperation would also lose the momentum created by the 2024 activities that should result in a more comprehensive train-the-trainer approach (other sectors and if appropriate, new topics such as cap setting, free allocation and auctioning etc).

4.3.2 Changes from indirect to direct management mode (and vice versa) due to exceptional circumstances (one alternative second option)

In case procurement envisaged under section 4.3.1 cannot be implemented as planned due to circumstances outside of the Commission's control, this action may be implemented in indirect management with an entity. In such circumstances, the following selection criteria would apply:

- experience in working with public authorities;
- experience in promoting alignment with EU interests, policies and values in partner countries;
- expertise in providing advisory services, capacity building and/or technical assistance to public and private sectors in the field of ETS;
- deep knowledge of the China context;