

EN
ANNEX
Addendum No 1
to the National Indicative Programme between
the European Union and the Central African Republic

In 2019 an ad hoc review was conducted of the National Indicative Programme (NIP) between the European Union and the Central African Republic (CAR) in accordance with Article 5 of Annex IV to the Cotonou Agreement.

1. Revision of the allocation

Following finalisation of the ad hoc review and in the light of an assessment of the Central African Republic's current needs and performance, the Commission has revised the resources granted to the Central African Republic as follows:

CAR NIP 2014-2020	Initial 11th EDF allocation	Current 11th EDF allocation after mid-term review	Results of the ad hoc review	Total 11th EDF allocation after ad hoc review
Allocations A+B	EUR 382 000 000	EUR 382 000 000	+ EUR 60 000 000	EUR 442 000 000

This Addendum adjusts the indicative allocation A referred to in paragraph 2 of the general provisions of the NIP and all other references to these amounts in the chapters of and annexes to the NIP.

2. Breakdown of allocation A

For the purposes of the 11th EDF, the EU's strategic objectives in the CAR are based on: (i) supporting stabilisation and making the entire country secure with a view to helping stabilise the subregion; (ii) strengthening democratic institutions, the rule of law and citizen participation, improving governance to pave the way for democracy and reconciliation, and for the sustainable management of resources; and (iii) gradually restoring State institutions delivering basic services and promoting a business climate conducive to the development of the national, international and European private sector.

Following the ad hoc review, the indicative allocation intended to cover long-term development activities (allocation A) now breaks down as follows:

CAR NIP 2014-2020	Initial indicative 11th EDF allocation (EUR)		Indicative allocation after the ad hoc review (EUR)	
	Amount	Breakdown	Amount	Breakdown
Focal sector 1: <i>Economic governance and social services, particularly education</i>	162 000 000	42%	173 000 000	39%

Focal sector 2: <i>Security sector reform and democratic governance</i>	63 000 000	16%	82 000 000	19%
Focal sector 3: <i>Rural resilience and job creation</i>	94 000 000	24%	124 000 000	28%
Non-focal sector: <i>Support for civil society</i>	4 000 000	1%	4 000 000	1%
Non-focal sector: <i>Other support measures</i>	4 000 000	1%	4 000 000	1%
Allocation B	55 000 000	84%	55 000 000	12%
Total	382 000 000	100%	442 000 000	100%

The changes to the focal and non-focal sectors, as outlined in this Addendum, apply to all relevant sections of the NIP, including the annexes, which refer to those sectors. No change is made to the objective. However the total amount of allocation A has been increased by 18% (EUR 60 million).

Focal sector 1: *Economic governance and social services, particularly education*

The total amount of EUR 162 million initially planned for this sector will be increased by EUR 11 million, which will be distributed under a new budget support programme. The programme will be drawn up for the period 2020-2021 and will continue to cover the areas of 'Public Finance Management' and 'Social Sectors', with a focus on redeployment of the administration and civil servants, and reforms connected with economic governance.

Focal sector 2: *Security sector reform and democratic governance*

The total amount of EUR 63 million initially planned for this sector will be increased by EUR 19 million, distributed as follows:

- Security and Justice: an indicative allocation of EUR 4 million; the 'internal security' and 'justice' components of the sectoral budget support programme for the reform of the security sector and governance will increase the bonuses for achieving certain strategic objectives, e.g. the deployment of internal security forces, budget execution or combating gender-based violence.
- Election support: an indicative allocation of EUR 15 million; the aim is to ensure that presidential, parliamentary and municipal elections are held in accordance with the country's constitution and electoral code. This support is relevant under the peace agreement, with armed groups likely to become political parties. The project will seek to make elections more inclusive, transparent and credible.

Focal sector 3: *Rural resilience and job creation*

The total amount of EUR 94 million initially planned for this sector will be increased by an indicative allocation of up to EUR 30 million. This will enable a contribution to be made for the purposes of the 18-month extension of the Bêkou Trust Fund. The Trust Fund will continue to contribute to economic

and social recovery, providing support for farming and its value chains and for job creation. Measures in support of the peace process will also be considered, with a greater emphasis on local development, the resilience of communities and reconciliation under an approach geared to including regions partly set aside for security reasons.

Place and date:

Signatures:

For the Government
of the Central African Republic

For the European Union