



Brussels, 22.11.2016
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COMMISSION DECISION

of 22.11.2016

**on the Annual Action Programme 2016 in favour of the Republic of Malawi to be
financed from the 11th European Development Fund**

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EU) 2015/322 of 2 March 2015 on the implementation of the 11th European Development Fund¹, and in particular Article 9(1) thereof,

Having regard to Council Regulation (EU) 2015/323 of 2 March 2015 on the financial regulation applicable to the 11th European Development Fund², and in particular Article 26 thereof,

Whereas:

- (1) The Commission has adopted the National Indicative Programme³ for the period 2014 – 2020, points 1.2. and 3 of which provide for the following priorities: (i) Governance, (ii) Sustainable Agriculture, and (iii) Secondary Education and Vocational Training.
- (2) The objectives pursued by the Annual Action Programme to be financed under the 11th European Development Fund (EDF) Internal Agreement⁴ ('Internal Agreement') are to promote sustainable agricultural growth in order to increase incomes, employment and food security in the context of a changing climate and to enhance nutrition security in Malawi.
- (3) The action entitled "KULIMA – Promoting Farming in Malawi" will have three main components: (1) increase in agricultural productivity and diversification in a participatory, sustainable and climate-change resilient manner; (2) agriculture value chain developed or established and related income and employment opportunities created; (3) support to improved governance in the agriculture sector. Implementation will be through a mix of modalities which allow building on the competitive advantage of different actors. These modalities include: direct management (procurement and grants), indirect management with the Food and Agricultural Organization of the United Nations (FAO), indirect management with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, contribution to the African Investment Facility, indirect management with the partner country.

¹ OJ L 58, 3.3.2015, p. 1.

² OJ L 58, 3.3.2015, p. 17.

³ Commission Decision on the adoption of the National Indicative Programme between the European Union and the Republic of Malawi C(2015)3527 final of 28.05.2015.

⁴ Internal Agreement between the Representatives of the Governments of the Member States of the European Union, meeting within the Council, on the financing of European Union aid under the multiannual financial framework for the period 2014 to 2020, in accordance with the ACP-EU Partnership Agreement, and on the allocation of financial assistance for the Overseas Countries and Territories to which Part Four of the Treaty on the Functioning of the European Union applies (OJ L 210, 6.8.2013, p. 1).

- (4) The action entitled "'AFIKEPO - Nutrition programme in Malawi'" will align to three of the four pillars of the National Nutrition Policy with the following objectives: 1) to increase and diversify dietary intake of safe and nutritious foods to achieve optimal nutrition for women of child bearing age, adolescent girls, infants and young children in the targeted districts; 2) to increase the use of enhanced nutrition knowledge and awareness and hygiene practices by the target communities, learners and Programme Development Agents in their daily routines; 3) to strengthen multi-sectoral governance of nutrition contributing both to national and district development planning and monitoring as well as informing national level policies. Implementation will also be through a mix of modalities which allow building on the competitive advantage of different actors. These modalities include: direct management (grants), indirect management with FAO, indirect management with GiZ and indirect management with the partner country.
- (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 1268/2012⁵ applicable in accordance with Article 2(1) and Article 26 of Regulation (EU) 2015/323.
- (6) It is necessary to adopt a work programme for grants the detailed rules on which are set out in Article 128(1) of Regulation (EU, Euratom) No 966/2012 and in Article 188(1) of Delegated Regulation (EU) No 1268/2012 applicable in accordance with Article 37(1) of Regulation (EU) 2015/323. The work programme is set out in the Annex 1 (section 5.4.1.) and Annex 2 (section 5.4.1.).
- (7) 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 applicable in accordance with Article 2(1) and Article 17 of Regulation (EU) 2015/323, 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. These entities comply with the conditions of points (a) to (d) of the first subparagraph of Article 60(2) of Regulation (EU, Euratom) No 966/2012 and the supervisory and support measures are in place as necessary.
- (8) The Commission should entrust budget-implementation tasks under indirect management to the Republic of Malawi, subject to the conclusion of a financing agreement. In accordance with Article 60(1)(c) of Regulation (EU, Euratom) No 966/2012 applicable in accordance with Article 2(1) and Article 17 of Regulation (EU) 2015/323, the authorising officer responsible needs to ensure that measures are taken to supervise and support the implementation of the entrusted tasks. A description of these measures and the entrusted tasks are laid down in the Annexes 1 and 2 to this Decision.
- (9) 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, applicable in accordance with Article 29(1) of Regulation (EU) 2015/323.

⁵ 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).

- (10) Pursuant to Article 94(4) of Delegated Regulation (EU) No 1268/2012, applicable in accordance with Article 26 of Regulation (EU) 2015/323, 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.
- (11) The measures provided for in this Decision are in accordance with the opinion of the EDF Committee set up by Article 8 of the Internal Agreement.

HAS DECIDED AS FOLLOWS:

Article 1

Adoption of the measure

The Annual Action Programme 2016 in favour of the Republic of Malawi to be financed from the 11th European Development Fund, as set out in the Annexes, is approved.

The programme shall include the following actions:

- Annex 1: KULIMA – Promoting Farming in Malawi
- Annex 2: AFIKEPO – Nutrition programme in Malawi

Article 2

Financial contribution

The maximum contribution of the European Union for the implementation of the programme referred to in Article 1 is set at EUR 170 000 000 and shall be financed from the 11th EDF.

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

Article 3

Implementation modalities

Budget-implementation tasks under indirect management may be entrusted to the entities identified in the Annexes 1 and 2, subject to the conclusion of the relevant agreements.

The elements required by Article 94(2) of Delegated Regulation (EU) No 1268/2012 applicable in accordance with Article 26 of Regulation (EU) 2015/323 are set out in the Annexes.

Article 4

Non-substantial changes

Increases or decreases of up to EUR 10 000 000 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 applicable in accordance with Article 26 of Regulation (EU) 2015/323, provided that they do not significantly affect the nature and objectives of the actions. The use of contingencies shall be taken into account in the ceiling set by this Article.

The authorising officer responsible may adopt such non-substantial changes in accordance with the principles of sound financial management and proportionality.

Done at Brussels, 22.11.2016

For the Commission
Neven MIMICA
Member of the Commission