



Brussels, 24.11.2017
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COMMISSION IMPLEMENTING DECISION

of 24.11.2017

**on the Annual Action Programme 2017 in favour of the Republic of South Africa to be
financed from the general budget of the 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, 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 1605/2002¹, and in particular Article 84(2) thereof,

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 action², and in particular Article 2(1) thereof,

Whereas:

- (1) The Commission has adopted the National Multiannual Indicative Programme for the Republic of South Africa for the period 2014-2020³, which prioritises "Employment Creation"; "Education, Training and Innovation"; and "Building a Capable and Developmental State".
- (2) The objectives pursued by the Annual Action Programme 2017 to be financed under the Development Cooperation Instrument⁴ are to assist the Government of South Africa in eradicating poverty, promoting sustainable and inclusive growth, and consolidating and improving democratic and economic governance.
- (3) The action entitled "Education for Employability (E4E)" has as overall objective to improve inclusive, equitable and quality education as well as employment prospects for South African youth. In line with the "Employment Creation" objectives, the proposed action aims at enhancing institutional coordination within the education, training and public employment services systems to promote the development of smooth pathways from training and education to employment opportunities, especially for disadvantaged youth. Also, in line with the "Education, Training and Innovation" objectives, the proposed action is aimed at supporting, from early ages up, an educational effort that is equitable and inclusive, especially for disadvantage youth. The action is implemented through budget support and complementary support in the form of procurement of services and grants.

¹ OJ L 298, 26.10.2012, p. 1.

² OJ L 77, 15.3.2014, p. 95.

³ Commission Decision on the adoption of the Multiannual Indicative Programme between the European Union and the Republic of South Africa C(2014) 5703 final of 13.08.2014.

⁴ Regulation (EU) No 233/2014 of the European Parliament and of the Council of 11 March 2014 establishing a financing instrument for development cooperation for the period 2014-2020 (OJ L 77, 15.3.2014, p. 44).

- (4) The action entitled "Support Programme to the National System of Innovation (NSI)" has as overall objective to support the Government of South Africa to improve the National System of Innovation responding to the priorities of the National Development Plan. The following major outputs for this action are: to strengthen policy around innovation and learning in the NSI by ensuring wider and inclusive participation of Research & Development stakeholders including groups advocating for the rights of women and other vulnerable groups in science and business; to develop policy and programme interventions through dialogue and consultations with non-conventional partners that will stimulate investment in Research, Development and particularly Innovation for service delivery to improve access to socio-economic rights to all and, in particular, women and vulnerable groups; to support learning from models that have been successful in applying innovation and commercialisation of technologies arising from existing cooperation. The action is implemented through budget support (Sector Reform Contract) and procurement of services (audit and evaluation)
- (5) The action entitled "Public Financial Management Capacity Development Programme for Improved Service Delivery" has as overall objective to increase access to socio-economic rights and services for all, whereas the improvement of the public finance management and participatory decision-making within all three spheres of government – national, provincial and local – with a particular focus on the local government level has been identified as the action's specific objective. The action is implemented in indirect management with the partner country and in direct management (direct award of grants).
- (6) 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
- (7) It is necessary to adopt a work programme for grants in accordance with Article 128(1) of Regulation (EU, Euratom) No 966/2012 and Article 188(1) of Delegated Regulation (EU) No 1268/2012. The work programme is set out in the Annexes 1 and 3.
- (8) The Commission should entrust budget-implementation tasks under indirect management to the partner country specified in this Decision, subject to the conclusion of a financing agreement. In accordance with Article 60(1)(c) of Regulation (EU, Euratom) No 966/2012, the authorising officer responsible needs to ensure that measures are taken to supervise and support the implementation of the entrusted tasks. A description of those measures and the entrusted tasks are laid down in Annex 3 to this Decision.
- (9) The authorising officer responsible should be able to award grants without a call for proposals only in the exceptional cases set out in Article 190 of Delegated Regulation (EU) No 1268/2012.
- (10) It is necessary to allow for 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.
- (11) Pursuant to Article 94(4) of Delegated Regulation (EU) No 1268/2012, any substantial change to a financing decision that has already been adopted should follow the same

⁵ Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) 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).

procedure as the initial decision. It is therefore appropriate that the Commission defines the changes to this Decision that are considered non-substantial in order to ensure that any such changes can be adopted by the authorising officer responsible.

- (12) The measures provided for in this Decision are in accordance with the opinion of the Development Cooperation Instrument Committee established under Article 19 of Regulation (EU) No 233/2014.

HAS DECIDED AS FOLLOWS:

Article 1

Adoption of the programme

The Annual Action Programme 2017 in favour of the Republic of South Africa to be financed from the general budget of the Union, as set out in the Annexes, is adopted.

The programme shall include the following actions:

- Annex 1: Education for Employability (E4E);
- Annex 2: Support Programme to the National System of Innovation (NSI);
- Annex 3: Public Financial Management Capacity Development Programme for Improved Service Delivery.

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 60 000 000 and shall be financed for an amount of:

- EUR 59 770 001 from budget line BGUE-B2017-21.020600-C1-DEVCO
- EUR 229 999 from budget line BGUE-B2017-21.020600-C5-DEVCO

of the general budget of the Union for 2017.

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

Article 3

Methods of implementation

Budget-implementation tasks under indirect management may be entrusted to the entity identified in Annex 3, subject to the conclusion of the relevant agreement.

The elements required by Article 94(2) of Delegated Regulation (EU) No 1268/2012 are set out in the Annexes to this Decision.

Grants may be awarded without a call for proposals by the authorising officer responsible in accordance with Article 190 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 in 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 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, 24.11.2017

For the Commission
Neven MIMICA
Member of the Commission