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**COMMISSION DECISION**

**of 22.11.2016**

**on the Annual Action Programme 2016 in favour of Uganda to be financed from the 11<sup>th</sup>  
European Development Fund**

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### on the Annual Action Programme 2016 in favour of Uganda to be financed from the 11<sup>th</sup> European Development Fund

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 11<sup>th</sup> European Development Fund<sup>1</sup>, 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 European Development Fund<sup>2</sup>, and in particular Article 26 thereof,

Whereas:

- (1) The Commission has adopted the National Indicative Programme (NIP) for Uganda for the period 2014-2020<sup>3</sup>, Chapter 1.2. of which provides for the following priorities: Focal sector 1: Transport Infrastructures; Focal Sector 2: Food Security and Agriculture and Focal Sector 3: Good Governance.
- (2) The objectives pursued by the Annual Action Programme 2016 to be financed under the 11<sup>th</sup> European Development Fund (EDF) Internal Agreement ('Internal Agreement')<sup>4</sup> are: to consolidate stability, eradicate poverty and under-nutrition in Northern Uganda; to support sustainable and inclusive economic development, accountability and transparency of public finance management; to strengthen the capacity and efficiency of the civil society; to improve service delivery in the transport sector; to promote a market - oriented and environmentally sustainable beef meat value-chain; to promote an environmentally sustainable commercial aquaculture value-chain; to support the overall efficient, effective and sustainable management of EU funds and to strengthen the capacity of the National Authorising Officer (NAO).
- (3) The action entitled 'Development initiative for Northern Uganda' aims at consolidating stability in Northern Uganda, eradicating poverty and under-nutrition and strengthening the foundations for sustainable and inclusive socio-economic development. The specific objectives of the project are: to increase food security, improve maternal and child nutrition, and enhance household incomes through support to diversified and environmentally-sustainable food production and commercial agriculture, and through improving household resilience (notably to climate change) and women empowerment; to increase trade of commodities within the region, within

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<sup>1</sup> OJ L 58, 3.3.2015, p. 1.

<sup>2</sup> OJ L 58, 3.3.2015, p. 17.

<sup>3</sup> Commission Decision on the adoption of the National Indicative Programme between the European Union and Uganda C(2014)5516, 7.8.2014 and Corrigendum C(2015) 2513, 20.4.2015.

<sup>4</sup> 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).

the country, and with neighbouring countries through the improvement of transport infrastructures; to strengthen capacity, gender-responsive good governance and the rule of law at the level of local government authorities and empower communities to participate in improved local service delivery. The action will be implemented in indirect management with the Government of Uganda, Gesellschaft für Internationale Zusammenarbeit (GIZ), Department for International Development (DFID), United Nations Children's Fund (UNICEF), United Nations Capital Development Fund (UNCDF).

- (4) The action entitled 'Support to Uganda's Financial Management and Accountability Programme' aims at contributing to poverty reduction and inclusive socio-economic development by reinforcing macroeconomic stability and strengthening accountability and transparency of public finance management (PFM). The specific objective of the project is to support Uganda in strengthening PFM systems and compliance at central and local government levels to ensure the efficient, effective and accountable use of public resources as a basis for improved service delivery. The action will be implemented in indirect management with the Government of Uganda.
- (5) The action entitled 'Civil Society in Uganda Support Programme' aims at reducing to poverty through better governance. The specific objective of the action is to strengthen and improve the capacity and efficiency of civil society in support of Uganda's national development goals. The action will be implemented in indirect management with Gesellschaft für Internationale Zusammenarbeit (GIZ).
- (6) The action entitled 'Institutional Capacity Building for the Transport Sector in Uganda' aims at improving the human resource and institutional capacity in the transport sector, with a focus on climate-resilience and gender-responsiveness. The specific objective of the action is to improve service delivery in the transport sector by improving legal, policy and institutional frameworks, enhancing human resource capacities and supporting the local construction industry. The action will be implemented in direct management (direct award operating grant and procurement) and in indirect management with the Government of Uganda.
- (7) The action entitled 'Developing a Market - Oriented and Environmentally Sustainable Beef Meat Industry in Uganda' aims at achieving a harmonised and efficient regulatory environment in the region; and contributing to a competitive, profitable, job-intensive, gender-responsive and environmentally-sustainable agricultural sector, which respects as far as possible animal welfare practices and is responsive to the different needs of women and men, mainly in terms of food security, nutrition, and social welfare, and with a focus on smallholders and small beef-related agribusiness. The specific objective of the action is to use a holistic value chain approach in the targeted geographical areas, to leverage an increase in the overall performance of the meat industry. The action will be implemented in direct management (direct award operating grant and procurement) and in indirect management with the Government of Uganda.
- (8) The action entitled 'Promoting Commercial Aquaculture in Uganda' aims to improve food and nutrition security, increase income and improve livelihoods, promote and environmentally sustainable, inclusive and climate-resilient socio-economic development, focusing on a market-oriented aquaculture value chain targeting the national and regional markets, and focusing on smallholders and smallholders associations.. The specific objective of the action is to support the development of a competitive, job-intensive, environmentally-sustainable and climate-resilient aquaculture value chain.

The action will be implemented in direct management (procurement) and in indirect management with the Government of Uganda.

- (9) The action entitled 'Uganda Technical Support Programme (TSP) 1' aims at assisting the Government of Uganda in the fulfilment of the objectives of the EU-ACP cooperation as set out in the Cotonou Agreement and 11<sup>th</sup> EDF NIP. The specific objective of the action is to support the overall efficient, effective and sustainable management of EU funds by providing a flexible instrument to facilitate the preparation, implementation, monitoring and evaluation of projects and to strengthen the capacity of the NAO. The action will be implemented in direct management (procurement) and in indirect management with the Government of Uganda.
- (10) The action entitled 'Support to Further Development of the Northern Corridor Road Axis in Uganda- Kampala-Jinja Expressway' aims to contribute to sustainable and inclusive economic development in Uganda and the East African Community (EAC). The specific objective of the proposed action is to support improvements in multimodal transport infrastructure along the East Africa Northern Corridor route. The action will be funded through the African Investment Facility (AfIF) in indirect management by entities to be indicated in complementary financing decisions to be adopted at the end of the Regional Blending Facilities award procedure.
- (11) 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 1268/2012<sup>5</sup> applicable in accordance with Article 2(1) and Article 26 of Regulation (EU) 2015/323.
- (12) 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 Annex 4 (section 5.4.1) and Annex 5 (section 5.4.1).
- (13) 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 this entities guarantees a level of protection of the financial interests of the Union equivalent to that required when the Commission manages Union funds. This 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.
- (14) The Commission should entrust budget-implementation tasks under indirect management to the Government of Uganda 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 EDF: 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, 2, 4, 5, 6, 7 and 8 to this Decision.

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<sup>5</sup> 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).

- (15) The authorising officer responsible should be able to award grants without a call for proposals provided that the conditions for an exception to a call for proposals in accordance with Article 190 of Delegated Regulation (EU) No 1268/2012 applicable in accordance with Article 37(1) of Regulation (EU) 2015/323, are fulfilled.
- (16) 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.
- (17) 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.
- (18) The measure provided for in this Decision is in accordance with the opinion of the European Development Fund 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 Uganda to be financed from the 11<sup>th</sup> European Development Fund, as set out in the Annexes, is approved.

The programme shall include the following actions:

- Annex 1: Development initiative for Northern Uganda;
- Annex 2: Support to Uganda's Financial Management and Accountability Programme;
- Annex 3: Civil Society in Uganda Support Programme;
- Annex 4: Institutional Capacity Building for the Transport Sector in Uganda;
- Annex 5: Developing a Market - Oriented and Environmentally Sustainable Beef Meat Industry in Uganda;
- Annex 6: Promoting Commercial Aquaculture in Uganda;
- Annex 7: Uganda Technical Support (TSP) Programme 1;
- Annex 8: Contribution to the African Investment Facility: Support to Further Development of the Northern Corridor Road Axis in Uganda- Kampala-Jinja Expressway.

#### *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 274 900 000 and shall be financed from the 11<sup>th</sup> 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, 2, 3, 4, 5, 6, 7 and 8 subject to the conclusion of the relevant agreement.

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.

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 applicable in accordance with Article 37(1) of Regulation (EU) 2015/323.

### *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*