



Brussels, 3.7.2020
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COMMISSION DECISION

of 3.7.2020

on the financing of an individual measure in favour of the Kingdom of Lesotho

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union (TFEU),

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

Having regard to Council Regulation (EU) 2018/1877 of 26 November 2018 on the financial regulation applicable to the 11th European Development Fund, and repealing Regulation (EU) 2015/323², and in particular Article 24 thereof,

Whereas:

- (1) In order to ensure the implementation of an individual measure in favour of the Kingdom of Lesotho, it is necessary to adopt a financing decision. Article 110 of Regulation (EU, Euratom) 2018/1046, applicable in accordance with Article 24(2) of Regulation (EU) 2018/1877 establishes detailed rules on financing decisions.
- (2) The envisaged assistance is to comply with the conditions and procedures set out by the restrictive measures adopted pursuant to Article 215 TFEU³.
- (3) The Commission has adopted the National Indicative Programme for Lesotho for the period 2014 - 2020⁴, which sets out the following priorities: Focal Sector 1: Water, which prioritises the need to develop the water sector with a view of improving food security, rural incomes and public health; Focal Sector 2: Energy, which aims to increase energy generation to attain self-sufficiency, expand access to electricity and promote energy conservation and efficiency; Focal Sector 3: Governance, which supports to improve public sector management, strengthening of public service delivery, rule of law, and the protection of rights of Lesotho's people.
- (4) The objectives pursued by the measure to be financed under the 11th EDF Internal Agreement⁵ (the 'Internal Agreement') are the following: firstly, to foster Lesotho's capacity to manage and implement trade agreements, upgrade value chains, promote inward investments; secondly, to support rule of law, good governance, human rights

¹ OJ L 58, 3.3.2015, p. 1.

² OJ L 307, 3.12.2018, p. 1.

³ www.sanctionsmap.eu. Note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy, the OJ prevails.

⁴ Commission Decision C(2014)3639 of 12.6.2014 on the adoption of the National Indicative Programme between the European Union and the Kingdom of Lesotho.

⁵ 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.

and gender equality; thirdly, to strengthen Lesotho's comprehensive and sustainable social protection system.

- (5) The action entitled 'Support for the Reform and Strengthening of Governance in Lesotho Programme' has the objective to foster rule of law, good governance, human rights and gender equality in Lesotho.
- (6) Pursuant to Article 15 of Regulation (EU) 2018/1877 indirect management is to be used for the implementation of the programme.
- (7) The Commission is to ensure a level of protection of the financial interests of the Union with regards to entities and persons entrusted with the implementation of Union funds by indirect management as provided for in Article 154(3) of Regulation (EU, Euratom) 2018/1046⁶, applicable in accordance with Article 30(1) of Regulation (EU) 2018/1877.

To this end, such entities and persons are to be subject to an assessment of their systems and procedures in accordance with Article 154(4) of Regulation (EU, Euratom) 2018/1046⁷ applicable in accordance with Article 30(1) of Regulation (EU) 2018/1877, and, if necessary, to appropriate supervisory measures in accordance with Article 154(5) of Regulation (EU, Euratom) 2018/1046, applicable in accordance with Article 30(1) of Regulation (EU) 2018/1877 before a contribution agreement can be signed.

To this end, the Commission, in accordance with Article 154(6) of Regulation (EU, Euratom) 2018/1046, applicable in accordance with Article 30(1) of Regulation (EU) 2018/1877, retains the financial management responsibilities laid down in point 5.4.2 of the Annex.

- (8) It is necessary to allow for the payment of interest due for late payment on the basis of Article 116(5) of Regulation (EU, Euratom) 2018/1046, applicable in accordance with Articles 24(2) and 25 of Regulation (EU) 2018/1877.
- (9) In order to allow for flexibility in the implementation of the measure, it is appropriate to allow changes which should not be considered substantial for the purposes of Article 110(5) of Regulation (EU, Euratom) 2018/1046, applicable in accordance with Article 24(2) of Regulation (EU) 2018/1877.
- (10) The measure provided for in this Decision is in accordance with the opinion of the EDF Committee established under Article 8 of the Internal Agreement.

HAS DECIDED AS FOLLOWS:

Article 1
The measure

The financing decision concerning an individual measure in favour of the Kingdom of Lesotho, as set out in the Annex, is adopted.

The measure shall include the following action: 'Support for the Reform and Strengthening of Governance in Lesotho Programme', set out in the Annex.

⁶ Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (OJ L 193, 30.7.2018, p. 1).

⁷ Except for the cases of Article 154(6) of Regulation (EU, Euratom) 2018/1046, where the Commission may decide, not to require an ex-ante assessment.

Article 2
Union contribution

The maximum Union contribution for the implementation of the programme is set at EUR 8 500 000, and shall be financed from the 11th European Development Fund.

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

Article 3
Methods of implementation and entrusted entities or persons

The implementation of the actions carried out by way of indirect management may be entrusted to the entities or persons referred to or selected in accordance with the criteria laid down in point 5.4 of the Annex.

Article 4
Flexibility clause

Increases or decreases of up to EUR 10 000 000 not exceeding 20 % of the contribution set in the first paragraph of Article 2, or cumulated changes⁸ 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 for the purposes of Article 110(5) of Regulation (EU, Euratom) 2018/1046, applicable in accordance with Article 24(2) of Regulation (EU) 2018/1877, provided that these changes 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 apply the changes referred to in the first paragraph, acting in accordance with the principles of sound financial management and proportionality.

Done at Brussels, 3.7.2020

For the Commission
Jutta URPILAINEN
Member of the Commission

⁸ These changes can come from assigned revenue made available after the adoption of the financing decision.