



Brussels, 13.11.2017
C(2017) 7585 final

COMMISSION DECISION

of 13.11.2017

**on the Annual Action Programme 2017 in favour of the Republic of Mozambique 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 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 Programme (2014-2020)³ which prioritises Good Governance and Development and Rural Development.
- (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 contribute to poverty eradication, sustainable and inclusive growth and consolidation of democracy, complemented by actions aiming at supporting or accompanying the programming, preparation or implementation of actions and strengthening the institutional capacities of the National Authorising Officer (NAO).
- (3) The action entitled "PFM Support Programme II in Mozambique" aims to contribute to inclusive and sustainable economic growth by enhancing service delivery through strengthened Public Financial Management (PFM) systems and processes, focussing on improved transparency, effectiveness and efficiency of the public resources. The action will be implemented through indirect management with the partner country and through a grant direct awarded to the Tribunal Administrativo.
- (4) The action entitled "Support Programme to Non State Actors in Mozambique: participation for inclusive growth (PAANE II)" aims at improving civil society organisations' (CSOs) and public institutions' capacities and the impact of the former on policies at national and local level, by promoting dialogue between CSOs and public authorities, reinforcing civil society role in promoting systemic checks and balances, enhancing the related legal framework and its application, and promoting an enabling environment for participation at local authorities' level. The action has two

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 Mozambique C(2015) 5996 of 28.08.2015.

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 OCTs to which Part Four of the Treaty on the functioning of the European Union applies (OJ L 210, 6.8.2013);

components: a Technical Cooperation Facility to provide flexibility in responding to different needs related to short term technical assistance, organisation of seminars/trainings/conferences; and a Support to the NAO to assist in programming, identification, implementation, communication, monitoring and evaluations of EU programmes including the coordination of development assistance. The action will be implemented through a Call for Proposals, through a direct award and through indirect management with the partner country.

- (5) The action entitled "Mozambique Energy Project Preparation Facility" aims to achieve and improve access to sustainable and affordable energy to population and private sector operators, particularly in rural areas, by an enabling environment towards leveraging investments. The action will try to address major barriers identified in the energy sector to facilitate the development of vast untapped renewable energy resources, mainly: i) low institutional capacity to deal with this new source of energy; ii) lack of an appropriate regulatory framework limiting the participation of the private sector; and iii) absence of tools that could contribute to mature projects up to the level of active development and/or financial close. Part of this action will be implemented in indirect management with the Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ), while the other part will be implemented through indirect management with the partner country.
- (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 applicable in accordance with Article 2 (1) and Article 26 of Regulation (EU) 2015/323.
- (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, applicable in accordance with Article 2(1) and Article 37(1) of Regulation (EU) 2015/323. The work programme is set out in Annexes 1 and 2.
- (8) The Commission should entrust budget-implementation tasks under indirect management to the entity specified in Annex 3 to this Decision, subject to the conclusion of delegation agreement. In accordance with Article 60(1)(c) 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 entity guarantees a level of protection of the financial interests of the European Union equivalent to that required when the Commission manages European Union funds. This entity complies with the conditions set out in 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.
- (9) The Commission should entrust budget-implementation tasks under indirect management to the partner country specified in specified in the Annexes to this Decision, 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 Annexes 1, 2 and 3 to this Decision.

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) 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, applicable in accordance with Article 2(1) and Article 37(1) of Regulation (EU) 2015/323.
- (11) 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.
- (12) Pursuant to Article 94(4) of Delegated Regulation (EU) No 1268/2012, applicable in accordance with Article 2(1) and Article 26 of Regulation (EU) 2015/323, any substantial change to a financing decision that has already been adopted should follow the same 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.
- (13) 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 programme

The Commission Decision on the Annual Action Programme 2017 in favour of the Republic of Mozambique to be financed from the 11th European Development Fund, as set out in the Annexes, is adopted.

The programme shall include the following actions:

Annex 1: "PFM Support Programme II in Mozambique";

Annex 2: "Support Programme to Non State Actors in Mozambique: participation for inclusive growth (PAANE II)";

Annex 3: "Mozambique Energy Project Preparation Facility".

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 39 500 000 and shall be financed from the 11th European Development Fund.

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 entities identified in the Annexes, 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 2(1) and Article 26 of Regulation (EU) 2015/323, 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, applicable in accordance with Article 2(1) and 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 2(1) and 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, 13.11.2017

For the Commission
Neven Mimica
Member of the Commission