COMMISSION IMPLEMENTING DECISION

of 15.12.2017

on the Annual Action Programme 2017 part II and 2018 part I in favour of Afghanistan
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 Multiannual Indicative Programme for the period 2014-2020³, points 3.1, 3.2, 3.3 and 3.4 of which provides for the following priorities: (i) to improve sustainability and increase the wealth of Afghanistan’s rural populations, (ii) to improve the health and nutrition status of the Afghan population, (iii) to stabilise and improve the security situation through an effective police force and increase the enforcement of law and order through strengthened justice institutions, and (iv) to enhance democratic governance and domestic accountability.

(2) The objectives pursued by the Annual Action Programme to be financed under the Development Cooperation Instrument⁴ are to support the Government of Afghanistan to (i) improve service delivery to Afghan citizens through legitimate and effective institutions and processes, (ii) enhance the social and economic development of rural communities and reduce hunger and vulnerability, (iii) improve access to justice for all and ensure judicial integrity and independence through empowered, effective and transparent justice institutions.

(3) The Action entitled "Afghanistan – Support to Public Finance Management (PFM) Reform" whose overall objective is to further strengthen country systems towards sound management of public finances, reduction of fiduciary risks and improved policy-based budgeting, will be implemented under a Financing Agreement with the Islamic Republic of Afghanistan, through indirect management with the World Bank.

(4) The Action entitled "Addressing Climate Change in Afghanistan through sustainable energy and ecosystem management" whose overall objective is to improve resilience

² OJ L 77, 15.3.2014, p. 95.
³ C(2014) 7413
to climate change of the ecosystems in the Panj-Amu River Basin and the sustainability of their use for the benefit of rural communities will be implemented under a Financing Agreement with the Islamic Republic of Afghanistan, through indirect management with German International Development Agency (GIZ), for the energy component, and through direct management with Wildlife Conservation Society (WCS), Aga Khan Foundation (AKF) for the ecosystems management component.

(5) The Action entitled "Incentivising Justice Sector Reform in Afghanistan" whose overall objective is to improve access to justice for all and ensure judicial integrity and independence by providing incentives to the Attorney General Office to implement structural reforms and involving also Civil Society in the process, will be implemented under a Financing Agreement with the Islamic Republic of Afghanistan, through indirect management with the World Bank for the incentives part, and through direct management for the remaining.

(6) The envisaged assistance to Afghanistan is deemed to strictly follow the conditions and procedures set out by the restrictive measures.

(7) 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.

(8) 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 Annexes 2 and 3, Incentivising Justice Sector Reform in Afghanistan.

(9) The Commission should entrust budget-implementation tasks under indirect management to the entities specified in Annexes 1, 2 and 3 to this Decision, subject to the conclusion of delegation agreements. In accordance with Article 60(1)(c) and (2) of Regulation (EU, Euratom) No 966/2012, the authorising officer responsible needs to ensure that these entities guarantee a level of protection of the financial interests of the European Union equivalent to that required when the Commission manages European Union funds. The entity specified in Annex 2 (GIZ) 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. The entity specified in Annexes 1 and 3 (World Bank Group) is currently undergoing the assessment provided for in Article 61 of Regulation (EU, Euratom) No 966/2012. In anticipation of the results of this review, the authorising officer responsible deems that, based on the World Bank's positive assessment and on the long-standing and problem-free cooperation with it, the budget-implementation tasks not yet assessed can be entrusted to the World Bank Group.

(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.

(11) 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.

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 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.

The measures provided for in this Decision are in accordance with the opinion of the Development Cooperation Instrument Committee set up by Article 19 of the financing instrument referred to in Recital 2.

HAS DECIDED AS FOLLOWS:

Article 1
Adoption of the measure

The Annual Action Programme 2017 part II and 2018 part I in favour of Afghanistan as set out in the Annexes, is adopted.

The programme shall include the following actions:

– Annex 1: Afghanistan – Support to Public Finance Management (PFM) Reform
– Annex 2: Addressing Climate Change in Afghanistan through sustainable energy and ecosystem management
– Annex 3: Incentivising Justice Sector Reform in Afghanistan

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 76 000 000 and shall be financed for an amount of EUR 72 000 000 from budget line 21 02 05 of the general budget of the Union for 2017 and for an amount of EUR 4 000 000 from budget line 21 02 05 of the general budget of the Union for 2018.

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

The implementation of this Decision is subject to the availability of the appropriations provided for in the draft budget for 2018 following the adoption of that budget by the budgetary authority or as provided for in the system of provisional twelfths.

Article 3
Methods of implementation

Budget-implementation tasks under indirect management may be entrusted to the entities identified in the Annexes 1, 2 and 3, subject to the conclusion of the relevant agreements.

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

For Action described in Annex 2, 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 10 000 000 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, 15.12.2017

For the Commission
Neven MIMICA
Member of the Commission