COMMISSION DECISION


on the Annual Action Programme 2016 in favour of Papua New Guinea to be financed from the 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) No 322/2015 of 2 March 2015 on the implementation of the 11th European Development Fund1,

Having regard to Council Regulation (EU) No 323/2015 of 2 March 2015 on the financial regulation applicable to the 11th European Development Fund2,

Whereas:

(1) The Commission has adopted the National Indicative Programme for Papua New Guinea (PNG) for the period 2014 to 20203, which provides for the following priorities: 1) Rural Entrepreneurship, Investment and Trade 2) Water, Sanitation and Hygiene (WaSH) 3) Education. Under the "Support Measures allocation", the National Indicative Programme also foresees a specific envelope to support operations of the National Authorising Officer inside the Department of National Planning & Monitoring.

(2) The objectives pursued by the Annual Action Programme to be financed under the 11th EDF4 are 1) to contribute to the implementation of the PNG Government’s poverty alleviation policies while ensuring responsible and sustainable development, and 2) to improve the quality of life of women, men and children through contributing to increased access to safe, adequate and sustainable water supply, sanitation and improved hygiene practices in line with the National Water, Sanitation and Hygiene (WaSH) Policy.

(3) The action entitled "Support Programme to the Implementation of EU-PNG Cooperation" will specially focus on strengthening the NAO’s traditional roles under the Cotonou Partnership Agreement, such as effective implementation of current and future EDF programmes. The support to the NAO will enable regular EU-PNG policy dialogue meetings and will enhance line departments’ involvement in the initial project design phases. It will also support the implementation of the PNG Government’s national policy priorities as well as the integration of the Aid Effectiveness Agenda into the Official Development Assistance implementation modalities in PNG. The programme will be implemented through Programme

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1 OJ L 58, 3.3.2015, p. 1.
2 OJ L 58, 3.3.2015, p. 17.
3 C(2014)8980 of 02/012/2014
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 EC Treaty applies, OJ L 210, 6.8.2013. p.1
Estimates with the National Authorising Officer as the contracting authority under the supervision of the Deputy National Authorising Officer. Technical Assistance to assist with the implementation of the programme will be provided on behalf of the NAO through Service Framework Contracts.

(4) The action entitled "Support to the Papua New Guinea National WaSH Policy 2015 – 2030 Part 1" involves the planning and implementation of a number of coordinated and interlinked interventions which include capacity strengthening of the WaSH Project Management Unit to implement the National WaSH Policy as well as the District Development Authorities to implement the National Service Delivery Framework and the Departments of Education and Health in implementing their sectorial plans. It will also focus on WaSH in Rural and Urban identified Districts in schools and health centres and subsequently to surrounding communities including promoting Open Defecation Free. UNICEF will implement part of the Action through a Delegation Agreement (PAGoDA2). Technical assistance will be provided through Service Contracts contracted in direct management by the Commission.

(5) 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 by virtue of Article 26 of Regulation (EU) No 323/2015.

(6) 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, the authorising officer responsible needs to ensure that these entities guarantee a level of protection of the financial interests of the Union equivalent to that required when the Commission manages Union funds. These 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.

(7) 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 applicable by virtue of Articles 17 and 2(1) of Regulation (EU) No 323/2015, 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 Annex 1 to this Decision.

(8) 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 by virtue of Articles 29(1) of Regulation (EU) No 323/2015.

(9) Pursuant to Article 94(4) of Delegated Regulation (EU) No 1268/2012, 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.

(10) The measures provided for in this Decision are in accordance with the opinion of the European Development Fund Committee set up by Article 8 of the Internal Agreement between the Representatives of the Governments of the Member States of the

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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 EC Treaty applies6.

HAS DECIDED AS FOLLOWS:

**Article 1**

**Adoption of the measure**

The Annual Action Programme 2016 in favour of Papua New Guinea to be financed from the European Development Fund, as set out in the Annexes, is approved.

The programme shall include the following actions:

– Annex 1: Support Programme to the Implementation of EU-PNG Cooperation;


**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 32,1 million and shall be financed from the European Development Fund.

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 attached Annexes 1 and 2, subject to the conclusion of the relevant agreements.

The section "Implementation" of the Annexes to this Decision sets out the elements required by Article 94(2) 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 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, 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.

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6 OJ L 210, 6.8.2013, p. 1
The authorising officer responsible may adopt such non-substantial changes in accordance with the principles of sound financial management and proportionality.


For the Commission
Neven MIMICA
Member of the Commission