COMMISSION DECISION

of 10.1.2018

on the Annual Action Programme 2018 in favour of the Republic of Vanuatu to be financed from the 11\textsuperscript{th} 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 2015/322 of 2 March 2015 on the implementation of the 11th European Development Fund¹, and in particular Article 9(1) thereof,

Having regard to Council Regulation (EU) No 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 Multiannual Indicative Programme for Vanuatu for the period 2014 to 2020 which prioritises: 1) Rural development 2) Measures in favor of civil society 3) Support measures.

(2) The objective pursued by the annual action programme to be financed under the 11th European Development Fund (EDF) Internal Agreement ('Internal Agreement') is to achieve a strong rural economy which creates opportunities, enables the development of rural communities, and increasingly contributes to national prosperity.

(3) The action entitled Vanuatu Value Chain Programme will especially focus on strengthening the organisation, production, value addition, safety and quality, and trade in the coconut, beef and fruits and vegetables value chains. This will be achieved through support to the government budget to create fiscal space for Rural Development, and specifically support climate-resilient production, value addition, trade, safety and quality for the target value chains. The component will also support the Government's capacity to channel public funds to the selected value chains. The second component contains complementary support for the productive sector line ministries, notably Ministry of Tourism, Trade, Commerce and Ni-Vanuatu Business (MTTCNVB) and the Ministry of Agriculture, Livestock, Forestry, Fisheries and Biosecurity (MALFFB) and the Ministry of Finance and Economic Management (MFEM).

(4) 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 1268/2012³, applicable in accordance with Article 2(1) and Article 26 of Regulation (EU) No 2015/323.

¹ OJ L 58, 3.3.2015, p. 1.
² OJ L 58, 3.3.2015, p. 17.
(5) 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 2(1) and Article 29(1) of Regulation (EU) No 2015/323.

(6) 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
Adoption of the programme
The Annual Action Programme 2018 in favour of the Republic of Vanuatu, as set out in the Annex, is adopted.

The programme shall include the following action:
– Annex : Vanuatu Value Chain Programme

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 25 000 000 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
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.

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, applicable in accordance with Article 2(1) and Article 26 of Regulation (EU) No 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, 10.1.2018

_for the Commission_
_Neven MIMICA_
_Member of the Commission_