Brussels, 4.12.2014
C(2014) 9128 final

COMMISSION IMPLEMENTING DECISION

of 4.12.2014

on the Annual Action Programme 2014 in favour of the Latin American region to be financed from the general budget of the European 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) 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 action1 (hereinafter “CIR Regulation”), and in particular Article 2 thereof,

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 1605/20022, and in particular Article 84(2) thereof,

Whereas:

(1) The Commission has adopted the Multiannual Indicative Programme for Latin America for the period 2014-20203, point I.2 of which provides for the following priorities: security-development nexus; good governance, accountability and social equity; inclusive and sustainable growth for human development; environmental sustainability and climate change.

(2) The objectives pursued by the Annual Action Programme to be financed under the Development Cooperation Instrument4 are related to two of these priorities: 1) the security-development nexus, aiming at reinforcing the capacity of states to effectively ensure security conditions conducive for inclusive development; and 2) inclusive and sustainable growth for human development, aiming at reducing poverty through more inclusive and sustainable economic growth in Latin America.

(3) The proposed action “COPOLAD II – Cooperation programme between Latin America, the Caribbean and the European Union on Drugs Policies” aims at supporting the capacity of beneficiary states and communities to develop integrated, balanced and human rights-based national drug policies covering both drug demand and supply reduction efforts, in line with the principle of co-responsibility.

(4) The proposed action “ALINVEST 5.0: Inclusive Growth for Social Cohesion” aims at improving productivity of micro, small and medium-sized enterprises (MSMEs). The programme will achieve this by fostering business linkages that enable MSMEs to establish a culture of continuous improvement and innovation.

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1 OJ L 77 of 15.3.2014, p.95
3 Decision C(2014) 5544, 07.08.2014
4 Regulation of the European Parliament and of the Council establishing a financing instrument for development cooperation, OJ L 77, 15.03.2014.
The proposed action “Latin American Investment Facility (LAIF)” is a blending facility which will combine EU grants with other public and private sector resources such as loans and equity in order to leverage additional non-grant financing, and achieve investments in infrastructure and support to the private sector.

This Decision complies with the conditions laid down in Article 94 of 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. This Decision should provide that the Commission acknowledges and accepts the contribution from other donors pursuant to Article 21(2)(b) of Regulation (EU, EURATOM) No 966/2012, subject to the signature of the relevant agreement, and should decide on the use of such contribution.

The Commission may entrust budget-implementation tasks under indirect management to the entities identified in this Decision, subject to the conclusion of a delegation agreement. The responsible authorising officer has accordingly ensured that these entities comply with the conditions of points (a) to (d) of the second subparagraph of Article 60(2) of Regulation (EU, EURATOM) No 966/2012. Some of the possible entrusted entities are International Organisations (European Bank for Reconstruction and Development (EBRD), Council of Europe Development Bank (CEB), Nordic Investment Bank (NIB), Organisation for Economic Co-operation and Development (OECD)) that are currently undergoing the ex ante assessment in accordance with Article 61(1) of Regulation (EU, EURATOM) No 966/2012. Other possible entrusted entities are public bodies or bodies governed by private law with a public service mission (Agence Française de Développement (AFD), Kreditanstalt für Wiederaufbau (KfW), the Spanish Agency for International Development Cooperation (AECID) and the Italian Società Italiana per le Imprese all'Ester (SIMEST)) will undergo the ex ante assessment in accordance with Article 61(1) of Regulation (EU, EURATOM) No 966/2012 related to financial instruments. In both cases and in anticipation of the results of such assessments the responsible authorising officer deems that, based on a preliminary evaluation and on the longstanding and problem free cooperation with these entities, they can be trusted with budget implementation tasks under indirect management.

The maximum contribution of the European Union set by this Decision should cover any possible claims for 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.

The Commission is required to define the term "non-substantial change" in the sense of Article 94(4) of Delegated Regulation (EU) No 1268/2012 to ensure that any such changes can be adopted by the authorising officer by delegation, or under his or her responsibility, by sub-delegation (hereinafter referred to as the ‘responsible authorising officer’).

The programmes provided for in this Decision are in accordance with the opinion of the Development Cooperation Committee set up by Article 19 of Regulation (EU) N°233/2014.

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6 OJ L77 of 15.03.2014
HAS DECIDED AS FOLLOWS:

Article 1
Adoption of the programme
The following Annual Action Programme, constituted by the actions identified hereunder and attached as annexes, is approved:

Annual Action Programme 2014 in favour of the Latin American region to be financed from the general budget of the European Union.

The actions constituting this programme are:

Annex 1: COPOLAD II – Cooperation Programme between Latin America, the Caribbean and the European Union on Drugs Policies;

Annex 2: ALINVEST 5.0: Inclusive Growth for Social Cohesion;


Article 2
Financial contribution
The maximum contribution of the European Union authorised by this Decision for the implementation of this programme is set at EUR 66 million to be financed from budget line 21.02.12.00 of the general budget of the European Union for 2014.

Article 3
Implementation modalities
Budget-implementation tasks under indirect management may be entrusted to the entities identified in the attached Annexes, subject to the conclusion of the relevant agreements.

Section 4 of the Annexes referred to in the second paragraph of Article 1 sets out the elements required by Article 94(2) of Delegated Regulation (EU) No 1268/2012.

The financial contribution referred to in Article 2 shall also cover any possible interests due for late payment.

Article 4
Non-substantial changes
Increases or decreases of up to EUR 10 million not exceeding 20 % of the contribution referred to in the first paragraph of Article 2, or cumulated changes to the allocations of specific actions not exceeding 20 % of that contribution shall not be considered substantial, 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 referred to in this Article.

The responsible authorising officer may adopt these non-substantial changes in accordance with the principles of sound financial management and proportionality.