



Brussels, 15.11.2017
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COMMISSION DECISION

of 15.11.2017

**on the Annual Action Programme 2017 in favour of the Republic of Ghana 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(1) 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 for the Republic of Ghana for the period 2014-2020³, point 1.1 of which prioritises: Governance: public sector management and accountability, Productive investment for agriculture in the Savannah Ecological Zones, Employment and Social Protection.
- (2) The objectives pursued by the Annual Action Programme 2017 to be financed under the 11th European Development Fund (EDF) Internal Agreement⁴ ("Internal Agreement") are to: 1) provide access to productive infrastructure to increase household incomes and improve trade of produce in a sustainable environment, 2) build effective, accountable and inclusive institutions for sustainable development through the implementation of the Ghanaian National Decentralisation Policy Framework, 3) increase agricultural income and promote inclusive and sustainable economic growth in targeted rural communities, 4) improve the use of public resources through a better public finance management and unleash Ghana's economic potential through a successful implementation of the stepping stone Economic Partnership Agreement (EPA).
- (3) The Action entitled "Productive Investments for Sustainable Agricultural Development in the Northern Savannah Ecological Zone of Ghana" will seek to provide access to productive infrastructure to increase household incomes and improve trade of produce in a sustainable environment. The proposed method of implementation is indirect management through a Delegation Agreement with the Agence Française de Développement (AFD) for irrigation works and an

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 Ghana C(2014)3660 of 12/06/2014.

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 Overseas Countries and Territories to which Part Four of the Treaty on the functioning of the European Union applies (OJ L 210, 6.8.2013, p. 1).

Administrative Agreement with the World Bank for transport infrastructure and a transfer to the Africa Investment Facility (AfIF) for Matching Grants to Agro-SMEs and for an ElectrIFI country-window.

- (4) The Action entitled "Support to Decentralisation in Ghana Phase II" will seek to improve local service delivery at the level of local authorities, i.e. Metropolitan, Municipal and District Assemblies. The proposed method of implementation of the programme is Budget Support, complemented by indirect management for the service contract for capacity support to the Government of Ghana.
- (5) The Action entitled "Resilience Against Climate Change' (REACH): a programme on adaptation and mitigation to Climate Change for Rural Livelihoods in the savannah ecosystem of Ghana" seeks to promote a sustainable and inclusive improvement of the rural economy through enhanced implementation of Climate Change adaptation and mitigation practices in 14 districts and 200 communities targeted by the EU Agriculture Development Programme. The proposed method of implementation of the programme is a Delegation Agreement under indirect management with Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) for Results 1 and 2 and direct management with a Grant Direct Award to the International Water Management Institute (IWMI).
- (6) The Action entitled "Support Programme to Public Finance Management in Ghana and to the stepping stone Economic Partnership Agreement (EPA)" aims to build a more robust administration by strengthening external oversight and regulatory functions of Independent Government Institutions and Parliament and by supporting Ghana's administration in the implementation of the EPA. The proposed method of implementation is indirect management with the Republic of Ghana and direct management with a Grant Direct Award to the Ministry of Trade and Industry.
- (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, applicable in accordance with Article 2(1) and Article 26 of Regulation (EU) 2015/323.
- (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, applicable in accordance with Article 2(1) and Article 37 of Regulation (EU) 2015/323. The work programme is set out in Annex 3 and Annex 4.
- (9) The Commission should entrust budget-implementation tasks under indirect management to the entities specified in Annex 1 and Annex 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 EDF, applicable in accordance with Article 2(1) and Article 17 of Regulation (EU) 2015/323, 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. These entities comply 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.

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 Commission should entrust budget-implementation tasks under indirect management to the Republic of Ghana specified in Annex 2 and Annex 4 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 Annex 2 and Annex 4 to this Decision.
- (11) 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.
- (12) 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) 2015/323.
- (13) 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.
- (14) 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 measure

The Annual Action Programme 2017 in favour of the Republic of Ghana 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: Productive Investments for Sustainable Agricultural Development in the Northern Savannah Ecological Zone of Ghana
- Annex 2: Support to Decentralisation in Ghana Phase II
- Annex 3: RESilience Against climate CHange (REACH): a programme on adaptation and mitigation to Climate Change for Rural Livelihoods in the savannah ecosystem of Ghana
- Annex 4: Support Programme to Public Finance Management in Ghana and to the stepping stone Economic Partnership Agreement (EPA)

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 175 000 000 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

Implementation modalities

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 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) 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, 15.11.2017

For the Commission
Neven MIMICA
Member of the Commission