



Brussels, 30.10.2019
C(2019) 7953 final

COMMISSION DECISION

of 30.10.2019

**on the financing of the Annual Action Programme 2019 in favour of the Republic of
Zambia**

COMMISSION DECISION

of 30.10.2019

on the financing of the Annual Action Programme 2019 in favour of the Republic of Zambia

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) 2018/1877 of 26 November 2018 on the financial regulation applicable to the 11th European Development Fund, and repealing Regulation (EU) 2015/323², and in particular Article 24 thereof,

Whereas:

- (1) In order to ensure the implementation of the Annual Action Programme 2019 in favour of the Republic of Zambia, it is necessary to adopt a financing decision. Article 110 of Regulation (EU, Euratom) 2018/1046 establishes detailed rules on financing decisions.
- (2) The envisaged assistance is to comply with the conditions and procedures set out by the restrictive measures adopted pursuant to Article 215 Treaty on the Functioning of the European Union (TFEU)³.
- (3) The Commission has adopted the National Indicative Programme for Zambia for the period 2014-2020⁴, which sets out the following priorities: capacity development in the areas of economic governance and compliance with international norms and standards (notably those significantly contributing to economic growth); support to advancing democratic governance, accountability and state effectiveness for all, including support to the electoral system; and improved access to clean, reliable and affordable energy.
- (4) The objectives pursued by the Annual Action Programme to be financed under the 11th European Development Fund (EDF) Internal Agreement⁵ ('Internal Agreement') are to contribute to sustainable and inclusive economic growth and job creation; to

¹ OJ L 58, 3.3.2015, p. 1.

² OJ L 307, 3.12.2018, p. 1.

³ www.sanctionsmap.eu. Note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy, the OJ prevails.

⁴ Commission Decision on the adoption of the National Indicative Programme between the European Union and Zambia C(2014)3607 final of 12.6.2014, as amended by Commission Decision C(2018)3723 of 14.6.2018.

⁵ 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.

contribute to strengthened democracy, peace and stability; as well as to secure sustainable energy in Zambia.

- (5) The action entitled ‘Economic Governance Support Programme’ aims at contributing to a conducive business environment for private sector growth, by improving service delivery to the private sector, enhancing the employability of the youth through skills development, and improving the land governance system.
- (6) The action entitled ‘Zambia Energy Efficiency and Sustainable Transformation programme (ZE₂ST)’ aims at scaling down capital investment needed to meet the rising electricity demand, while at the same time limiting the impact of the increase in electricity tariffs on socio-economic development of the country. It will help mobilise energy savings, reliable energy services and demand side management to make energy efficiency count, through policy work, capacity building, promotion of sustainable investments and job creation.
- (7) The action entitled ‘Democracy Strengthening in Zambia: Electoral Support 2019-2022’ aims to support national efforts to build the capacity of stakeholders involved in political elections processes, and support civil society throughout the electoral cycle.
- (8) It is appropriate to authorise the award of grants without a call for proposals and to provide for the conditions for awarding those grants.
- (9) Pursuant to Article 15 of Regulation (EU) 2018/1877, indirect management is to be used for the implementation of the programme.
- (10) The Commission is to ensure a level of protection of the financial interests of the Union with regards to entities and persons entrusted with the implementation of Union funds by indirect management as provided for in Article 154(3) of Regulation (EU, Euratom) 2018/1046 applicable in accordance with Article 30(1) of Regulation (EU) 2018/1877.

To this end, such entities and persons are to be subject to an assessment of their systems and procedures in accordance with Article 154(4) of Regulation (EU, Euratom) 2018/1046⁶ and, if necessary, to appropriate supervisory measures in accordance with Article 154(5) of Regulation (EU, Euratom) 2018/1046 before a contribution agreement can be signed.

- (11) It is necessary to allow for the payment of interest due for late payment on the basis of Article 116(5) of Regulation (EU, Euratom) 2018/1046 applicable in accordance with Article 24(2) and Article 25 of Regulation (EU) 2018/1877.
- (12) In order to allow for flexibility in the implementation of the programme, it is appropriate to allow changes which should not be considered substantial for the purposes of Article 110(5) of Regulation (EU, Euratom) 2018/1046.
- (13) The actions provided for in this Decision are in accordance with the opinion of the EDF Committee established under Article 8 of the Internal Agreement.

⁶ Except for the cases of Article 154(6) of Regulation (EU, Euratom) 2018/1046, where the Commission may decide, not to require an ex-ante assessment.

HAS DECIDED AS FOLLOWS:

Article 1
The programme

The financing decision, constituting the the implementation of the Annual Action Programme 2019 in favour of the Republic of Zambia, as set out in the Annexes, is adopted.

The programme shall include the following actions:

- ‘Economic Governance Support Programme’ set out in Annex 1;
- ‘Zambia Energy Efficiency and Sustainable Transformation Programme (ZE₂ST)’ set out in Annex 2;
- ‘Democracy Strengthening in Zambia: Electoral Support 2019-2022’ set out in Annex 3.

Article 2
Union contribution

The maximum Union contribution for the implementation of the programme is set at EUR 53 500 000, and shall be financed from the 11th European Development Fund.

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

Article 3
Methods of implementation and entrusted entities or persons

The implementation of the actions carried out by way of indirect management, as set out in the Annexes, may be entrusted to the entities or persons referred to or selected in accordance with the criteria laid down in point 5.4 of the Annexes.

Article 4
Flexibility clause

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 changes⁷ 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 for the purposes of Article 110(5) of Regulation (EU, Euratom) 2018/1046, applicable in accordance with Article 24(2) of Regulation (EU) 2018/1877, provided that these changes 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 apply the changes referred to in the first paragraph. Those changes shall be applied in accordance with the principles of sound financial management and proportionality.

⁷ These changes can come from assigned revenue made available after the adoption of the financing decision.

Article 5
Grants

Grants may be awarded without a call for proposals in accordance with the conditions set out in the Annexes. Grants may be awarded to the bodies selected in accordance with point 5.4.1 of Annex 3.

Done at Brussels, 30.10.2019

For the Commission
Neven MIMICA
Member of the Commission