

**COMMISSION DECISION**

**of 10.12.2008**

**on the Annual Action Programme 2008 in favour of Egypt to be financed under Article 19 08 01 01 of the general budget of the European Communities**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Regulation (EC) No1638/2006 of the European Parliament and the Council of the European Union<sup>1</sup> laying down general provisions establishing a European Neighbourhood and Partnership Instrument (ENPI), and in particular Article 12 and 26 thereof,

Whereas:

- (1) The Commission has adopted the Country Strategy Paper for 2007 - 2013 and the Multiannual Indicative Programme for the period 2007-2010<sup>2</sup>, which indicates the priorities of supporting Egypt's social agenda and reforms, in particular ensuring the sustainability of the development process, and developing the competitiveness and productivity of the Egyptian economy,
- (2) The objectives pursued by the 2008 Annual Action Programme are to support initiatives on political development, good governance and human rights, to advance in reforms in the transport sector and to develop water and wastewater infrastructures,
- (3) The present decision constitutes a financing decision within the meaning of Article 75 of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities<sup>3</sup> and Article 90 of Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of the Financial Regulation applicable to the general budget of the European Communities<sup>4</sup>.

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<sup>1</sup> OJ L 310/1 of 9.11.2006

<sup>2</sup> C(2007)672

<sup>3</sup> OJ L 248 of 16.09.2002 p. 1. Regulation last amended by Regulation (EC, Euratom) No1995/2006 (OJ L 390, 30.12.2006, p.1) and by Council Regulation (EC, Euratom) N° 1525/2007 of 17 December 2007 (OJ L 343, 27.12.2007, p.9).

<sup>4</sup> OJ L 357 of 31.12.2002, p.1. Regulation last amended by Regulation (CE, Euratom) No 478/2007 (OJ L 111, 28.04.2007, p.13).

- (4) The present decision covers any possible interest due for late payment on the basis of articles 83 of the Council Regulation (EC, Euratom) No 1605/2002 and 106(5) of Commission Regulation (EC, Euratom) No 2342/2002.
- (5) The Commission is required to define the term “substantial change” in the meaning of Article 90 (4) of Regulation (EC, Euratom) No 2342/2002 to ensure that any substantial change in this decision shall follow the same procedure as the initial decision.
- (6) The measures provided for in this decision are in accordance with the opinion of the ENPI Committee as set out in Article 26(2) of Regulation (EEC) No 1638/2006,
- (7) The Commission has ensured that the management system set up by the public Holding Company for Water and Wastewater (HCWW), to which it will entrust implementation of Community funds pertaining the action "IMPROVED WATER AND WASTE WATER SERVICE PROGRAMME", complies with the conditions for the delegation of tasks under decentralised management, as provided for in Article 56(2) of the Financial Regulation and article 35 of the Implementing Rules. Furthermore, the Commission has ensured that the procurement rules of the World Bank which will be applicable for works below 5 M€ and the procurement rules of KfW comply with the requirements laid down in Article 56(2) of the Financial Regulation.

**HAS DECIDED AS FOLLOWS:**

*Article 1*

The Annual Action Programme in favour of Egypt constituted by the actions "*Promotion and Protection of Human Rights and Civil Society in Egypt*", "*Support to Political Development, Decentralization and Good Governance*", "*Education Sector Policy Support Programme– Additional Commitment*", "*Sector Policy Support Programme for the Transport Sector*" and "*Improved Water and Waste Water Services Programme*" the text of which is set out in the attached Annexes, is approved.

*Article 2*

The maximum contribution of the Community to the Annual Action Programme is set at EUR 149 million to be financed from budget line 19 08 01 01 of the general budget of the European Communities for 2008.

This decision shall also cover any possible interest due for late payment.

*Article 3*

Within the global indicative budget of all the specific actions, cumulated changes not exceeding 20% of the maximum contribution of the Community, shall not be considered substantial, provided that they do not significantly affect the nature and objectives of the Annual Action Programme.

#### *Article 4*

The management system set up by the public Holding Company for Water and Wastewater (HCWW), to which the Commission will entrust implementation of Community funds pertaining the action "IMPROVED WATER AND WASTE WATER SERVICE PROGRAMME", comply with the conditions for the delegation of tasks under decentralised management. The financial implementation of tasks related to this action can thus be entrusted to these entities. Furthermore, the procurement rules of the World Bank comply with the requirements laid down in Article 56(2) of the Financial Regulation and can thus be applicable for procurements of works below 5 M€. The procurement rules of the KfW also comply with the requirements laid down in Article 56(2) of the Financial Regulation and can thus be applicable for service contracts within the technical assistance component.

The authorising officer may introduce non substantial changes to the Annual Action Programme in accordance with the principles of sound financial management.

Done at Brussels,

*For the Commission*

*Member of the Commission*