

In exceptional and/or duly justified cases, for instance where unexpected events, external shocks or changing circumstances have made the indicator or the target irrelevant and could not be anticipated, a variable tranche indicator may be waived. In these cases, the related amount could either be reallocated to the other indicators of the variable tranche the same year or be transferred to the next variable tranche the following year (in accordance with the original weighting of the indicators). It could also be decided to re-assess an indicator the following year against the original target, if there was a positive trend and the authorities did not reach the target because of factors beyond their control. The use of this provision shall be requested by the partner country and approved in writing by the Commission.

#### d) Fundamental values

In case of a significant deterioration of fundamental values, budget support disbursements may be suspended, reduced or cancelled, in accordance with the relevant provisions of the financing agreement.

#### 4.3.3 Budget Support Details

Budget support is provided as direct untargeted budget support to the national treasury. The crediting of the euro transfers disbursed into South African Rand (ZAR) will be undertaken at the appropriate exchange rates in line with the relevant provisions of the financing agreement.

The following disbursement calendar and profile proposed for the action is indicative. The actual disbursement calendar and profile will be set out in the financing agreement and may remain subject to change.

Provided that the conditions are met, there will be two fixed tranches: one of EUR 10 million during the first SA fiscal year of implementation (2025 - 2026), and a second of EUR 10 million tentatively during the second SA fiscal year (2026 - 2027).

<u>SA fiscal year</u>	<u>Fiscal Year</u> <u>2025/2026</u>	<u>Fiscal Year</u> <u>2026/2027</u>	<u>Fiscal Year</u> <u>2027/2028</u>	<u>Fiscal Year</u> <u>2028/2029</u>	<u>Fiscal Year</u> <u>2029/2030</u>
<u>First fixed tranche</u>	10				
<u>Second fixed tranche</u>		10			

## 4.4 Implementation Modalities

The Commission will ensure that the EU rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures<sup>16</sup>.

#### 4.4.1 Direct management (Procurement)

Specific Objective 2 will be partially (output 2.1) implemented via public contracts, namely consultancy services.

In order to implement Specific Objective 2, consultancy services will be outsourced by the Commission as the outsourced tasks do not involve the exercise of public authority and discretionary powers of judgement.

This procurement will not make the Commission or the Partner Country overly dependent on the selected service provider.

<sup>16</sup> [www.sanctionsmap.eu](http://www.sanctionsmap.eu). Please 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 between the published legal acts and the updates on the website it is the OJ version that prevails.