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**THIS ACTION IS FUNDED BY THE EUROPEAN UNION**

**ANNEX II**

**of the Commission Implementing Decision on the financing of the 2022 action plan part I in favour of the Regional South Neighbourhood**

**Action Document for Al Kawa – Supporting Women Economic Empowerment in the Southern Neighbourhood**

**ANNUAL ACTION PLAN**

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and action plan/measure in the sense of Article 23(2) of NDICI-Global Europe Regulation.

**1. SYNOPSIS**

**1.1. Action Summary Table**

<p><b>1. Title</b> <b>CRIS/OPSYS</b> <b>Basic Act</b></p>	<p>Al Kawa – Supporting Women Economic Empowerment in the Southern Neighbourhood 2022 annual action plan part I in favour of the Regional South Neighbourhood OSPYS business reference: ACT-60690 ABAC Commitment level 1 number: JAD.961245 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)</p>
<p><b>2. Team Europe Initiative</b></p>	<p>Contribution to the Regional TEI “Jobs through Trade and Investments in the Southern Neighbourhood”</p>
<p><b>3. Zone benefiting from the action</b></p>	<p>The action shall be carried out in Algeria, Egypt, Israel <sup>(1)</sup>, Jordan, Lebanon, Libya, Morocco, Palestine <sup>(2)</sup>, Syria <sup>(3)</sup> and Tunisia. As per Article 43(1) of NDICI-Global Europe Regulation, specific activities may also involve, in duly justified cases and for reasons of efficiency and effectiveness, the following countries from the Union for the Mediterranean and countries bordering the Southern Neighbourhood countries: Albania, Bosnia and Herzegovina, Mauritania, Montenegro, Türkiye, Chad, Mali, Niger, Sudan, Saudi Arabia and Iraq. This is justified because the action intervenes in the fields of human and economic development which have transboundary effects and may be enhanced by cross-regional sharing of best practices.</p>

<sup>1</sup> See Guidelines on the eligibility of Israeli entities and their activities in the territories occupied by Israel since June 1967 for grants, prizes and financial instruments funded by the EU from 2014 onwards on [http://eurlex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C\\_.2013.205.01.0009.01.ENG](http://eurlex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2013.205.01.0009.01.ENG).

<sup>2</sup> This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue.

<sup>3</sup> Co-operation with the Government of Syria suspended since 2011.

	This is in line with the “Regional South Multiannual Indicative Programme (2021-2027)” <sup>4</sup> , which makes reference, under priority 5 (specific objective 2) to the importance of cross regional cooperation.
<b>4. Programming document</b>	Multi-annual Indicative Programme for the Southern Neighbourhood (MIP) 2021-2027 <sup>5</sup>
<b>5. Link with relevant MIP(s) objectives/expected results</b>	<u>Priority Area 2</u> : Strengthen resilience, build prosperity, and seize the digital transition (PROGC-10432)
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>	
<b>6. Priority Area(s), sectors</b>	151 – Government and civil society – general 240 – Banking and financial services 250 – Business and other services
<b>7. Sustainable Development Goals (SDGs)</b>	<u>Main SDG</u> (1 only): SDG 5: “Gender Equality”  <u>Other significant SDGs</u> (up to 9) and where appropriate, targets: SDG 8: “Decent Work and Economic Growth” SDG 10: “Reduced inequality” SDG 17: “Partnerships for the Goals”
<b>8 a) DAC code(s)</b>	15110 – Public sector policy and administrative management 15170 – Women’s right organisations and movements, and government institutions 24081 – Education/training in banking and financial services 25030 – Business development services
<b>8 b) Main Delivery Channel</b>	47000 – Other multilateral institution 20000 – Non-Governmental Organisations and Civil Society 50000 – Others
<b>9. Targets</b>	<input type="checkbox"/> Migration <input type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <sup>6</sup> <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input type="checkbox"/> Human Rights, Democracy and Governance <sup>7</sup>

<sup>4</sup> “The future regional cooperation should have a flexible geographical and thematic scope, also allowing for interlinkages with other regions, where necessary and appropriate as highlighted in the Joint Communication on a renewed partnership with the Southern Neighbourhood.” - 2.5 (Support to the main drivers of regional integration), specific objective 2 (To promote intra-regional and cross-regional cooperation, in particular with Sub-Saharan Africa, the Gulf and the Red Sea region).

<sup>5</sup> C(2021) 9399 Commission Implementing Decision for the adoption of an Multiannual Indicative Programme (MIP) in favour of the Southern Neighbourhood for the period 2021-2027

<sup>6</sup> For the Neighbourhood, activities related to education shall be marked as part of the “Social Inclusion and Human Development” target, in line with the NDICI-GE programming guidelines.

<sup>7</sup> Thematic target for geographic programmes (at least 15%) in delegated act.

10. Markers (from DAC form)	General policy objective	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Trade development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers @	Not targeted	Significant objective	Principal objective
	Biological diversity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Internal markers	Policy objectives	Not targeted	Significant objective	Principal objective
Digitalisation @ Tags: digital connectivity digital governance digital entrepreneurship job creation digital skills/literacy digital services	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Connectivity @ Tags: transport people2people energy digital connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Migration @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reduction of Inequalities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
COVID-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**BUDGET INFORMATION**

<b>12. Amounts concerned</b>	Budget line: 14.020110 Total estimated cost: EUR 5 000 000 Total amount of EU budget contribution EUR 5 000 000
<b>MANAGEMENT AND IMPLEMENTATION</b>	
<b>13. Implementation modalities (type of financing and management mode)</b>	Project Modality <b>Direct management</b> through: - Grants <b>Indirect management</b> with the Organisation for Economic Cooperation and Development (OECD)

## 1.2. Summary of the Action

The **overall objective** of this action, under the name “Al Kawa”, which means “strength” in Arabic, is to support the economic empowerment of women in the Southern Neighbourhood focusing on the nexus between financial inclusion, access-to-finance, and digitalization. This action will contribute to the achievement of the **Sustainable Development Goal 5 (Gender Equality)**, and in particular indicator 5.a “undertake reforms to give women equal rights to economic resources”, and 5.b “enhance the use of enabling technology, to promote the empowerment of women”. The Action will also contribute towards **SDG 10 (Reduced Inequalities) and 8 (Decent Work and Economic Growth)**, This will be carried out through two distinct components:

### 1. **Component 1: Support to an enabling regulatory landscape for women economic empowerment in the Southern Neighbourhood**

This component aims at supporting social and economic reforms at regional level, by fostering peer learning and multi-stakeholder dialogue in line with European and regional best practices. The objective is to support both the development and implementation of targeted reforms, strategies and programmes that will allow more women to access finance to kick off and scale their economic activity, and integrate them into the formal labour market. In this regard, specific attention will be given to capacity building, financial education and other relevant topics and opportunities that can be created from the digital transition to enhance women’s financial inclusion. In addition, this component will adopt a comprehensive approach to address the specific needs of different groups of women, e.g. rural and young women. Various stakeholders will be engaged including public authorities, business and women associations, representatives of the financial sector but also chosen representatives of women – as “national champions” and focal points. Finally, this component aims at strengthening capacities of policy-makers, financial institutions and women organisations to better support women’s financial inclusion and access to finance. It will also promote exchange of best practices and dialogue on these issues at the regional level.

### 2. **Component 2: Support to the development of skills and innovative products for women economic empowerment**

For women to reach their full economic and social potential, they need to be supported comprehensively. This includes the development of their skills at different levels, as well as access to innovative financial and non-financial tools. This component will also aim at supporting the sustained effort of the Southern Neighbourhood countries to strengthen women’s digital and financial skills in order to achieve increased financial inclusion.

## 2. RATIONALE

### 2.1. Context

The EU has committed to implement the Sustainable Development Goals<sup>8</sup> both in its internal and external policies and with its Gender Action Plan (GAP) III<sup>9</sup>, the European Commission and the High Representative of the Union for Foreign Affairs and Security Policy put forward ambitious plans to promote gender equality and women's empowerment through all external action of the European Union. The GAP III further aims at promoting economic and social rights, as well as empowering women and girls while harnessing the opportunities offered by the digital transition. Furthermore in 2020, the Union for the Mediterranean (UfM) launched an intergovernmental monitoring mechanism on gender equality, allowing to measure and report on the progresses made on women's rights and provide policy recommendations to close the gender gap in the Southern Neighbourhood by addressing four priority areas, including women's economic participation and combating gender-based stereotypes.

This position was reiterated by the *Joint Communication on a Renewed Partnership with the Southern Neighbourhood – a New Agenda for the Mediterranean*<sup>10</sup>, which foresees that women should be central to the region's resilient, sustainable and inclusive recovery.

A stronger participation of women in employment, entrepreneurship and public life could substantially accelerate economic growth, financial inclusion, job creation, and the post-COVID-19 recovery. Estimates show that if females had similar labour force participation rates as men, household earnings in the region could rise by up to 25%, increasing their families' and communities' wellbeing. This potential has created an impetus for the EU to cooperate with its Southern Neighbours to develop and implement gender sensitive policies and use its tools to promote Women Economic Empowerment (WEE). Efforts in this regard would allow achieving Flagship 6 of the Economic and Investment Plan for the Southern Neighbours<sup>11</sup>. It also aligns with the regional Multi-annual Indicative Programme for the period 2021-2027 and its 4th Specific Objective "Enhance inclusive economy and promote financial inclusion." This action is in line with the Union for the Mediterranean Ministerial Declaration on Labour and Employment<sup>12</sup>, adopted in Marrakesh on 18 May 2022, which notably highlights the importance of women's economic empowerment in the context of post-COVID recovery and for resilient, sustainable, inclusive and connected economies in the region.

Targeted regional action in the field of WEE would support ongoing and/or planned bilateral initiatives.

The EU and Member States are also responding to these challenges through a Regional Team Europe Initiative, with the participation of France, Germany, Italy, Spain, the European Investment Bank and the European Bank for Reconstruction and Development. The strategy recognises the fundamental role to be played by women as economic actors. The Team Europe Initiative "Jobs through Trade and Investment" (designed along 3 main components – sustainable trade and investment; vocational training and technical skills; and inclusive entrepreneurship), is based on a division of labour amongst Member States with the aim of improving quality and impact of joint programming.

### 2.2. Problem Analysis

#### Short problem analysis

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<sup>8</sup> [Sustainable Development Goals \(europa.eu\)](https://european-council.europa.eu/media/en/press-room/pages/press-room.aspx?pid=10247)

<sup>9</sup> JOINT (2020) 17 final of 25.11.2020

<sup>10</sup> JOIN (2021) 2 final of 09.02.2021

<sup>11</sup> SWD(2021) 23 final

<sup>12</sup> <https://ufmsecretariat.org/wp-content/uploads/2022/05/Final-UfM-Ministerial-Declaration-EN.pdf>

In the Southern Neighbourhood, women can be important agents of change and economic resilience. Empowering them economically is key to reducing poverty and inequalities and to achieving inclusive and sustainable growth under the 2030 agenda<sup>13</sup>. The OECD's Social Institutions and Gender Index (SIGI) estimates that the impact of discrimination in laws, social norms and practices costs the MENA region a staggering USD 14 billion (USD 2,738 per capita). Therefore, in line with the recommendations of the GAP III Joint Communication, the European Commission aims to promote non-discriminatory and inclusive social protection schemes, formal employment, and the extension of labour rights while ensuring that women, in all their diversity, have access to the relevant tools, ecosystem services, and knowledge to successfully participate in the economy.

However, more needs to be done to fully benefit from the untapped economic potential of women in the Southern Neighbourhood. The female labour force participation rate in the region is the lowest in the world, with only 22% in 2019, compared to 53% globally. Women tend, in general, to work in a limited number of sectors, mostly in services<sup>14</sup>. Similarly, the region has the widest gender gap in entrepreneurial activity with only 23% of businesses owned by a woman and 34% of nascent enterprises created by women.<sup>15</sup> Some socio-demographic factors exacerbate the difficulties women face in integrating formal employment. For example, the unemployment rate of young women (15-24 years old) is more than double than the regional female average (45% compared to 18% in 2019).<sup>16</sup> On their side, in addition to experiencing a triple (digital, gender and location) discrimination, rural women are strongly affected by the vulnerability of informal employment, often employed as unpaid contributing family workers without social protection. For instance, in 2018, 94% of Egyptian women employed in the informal sector lived in rural areas.<sup>17</sup> A wide range of interconnected factors are at the root of the protracted low female labour force participation rates. These include legal regulatory frameworks, limited access to relevant training, the unrecognised burden of unpaid care work, lack of decent jobs, often combined with no social security coverage, social and cultural norms, and limited access to and control over resources. The COVID-19 pandemic has exacerbated existing grievances, with women, many of whom are working in the most affected sectors and/or in the informal economy, adversely affected by the pandemic.

Despite data gaps, evidence shows that women persistently have lower ownership of bank accounts and access to financial resources, including digital financial services. For example, only 17% of Moroccan women and 27% of Egyptian women had a bank account in 2017 compared to 41% and 39% of men, respectively.<sup>18</sup> The hindrances to women's financial inclusion are multidimensional and often interlinked. On the demand side, this is notably explained by their lack of financial literacy and inexperience in developing bankable projects, but also by their restricted access to and control over resources. On the supply side, this is reinforced by strongly embedded gender stereotypes and discriminatory practices in financial institutions. Yet, women under-representation in the entire financial sector will not solve the lack of gender awareness and responsiveness of the financial sector. As the economic gap between men and women persists, in order to achieve equality, the development of targeted strategies that focus on access-to-finance and financial inclusion can contribute to creating new economic opportunities for women. A large number of projects exist already on women empowerment and women entrepreneurship in general. By targeting access-to-finance and financial

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<sup>13</sup> McKinsey Global Institute report (2015) – “The Power of Parity: How Advancing Women Equality can add USD 12 trillion to Global Growth”

<sup>14</sup> For instance, in Egypt, Jordan, Lebanon and Occupied Palestinian Territory, the highest levels of female employment are in services, where women represent respectively 21%, 17%, 37% and 21% of sectoral employment. North African economies tend to be more inclusive for women, as women in Algeria, Morocco, Tunisia and Libya tend to work in more diverse sectors, including agriculture and manufacturing.

<sup>15</sup> OECD/ILO/CAWTAR (2020), *Changing Laws and Breaking Barriers for Women's Economic Empowerment in Egypt, Jordan, Morocco and Tunisia, Competitiveness and Private Sector Development*, OECD Publishing, Paris, <https://doi.org/10.1787/ac780735-en>.

<sup>16</sup> World Bank (n.d.), World Bank Open Data, <https://data.worldbank.org/> (accessed on 5 May 2022).

<sup>17</sup> UN Women (2018), *Profile of women in rural Egypt*, Egypt Country Office, Cairo.

<sup>18</sup> World Bank (2017). *The Global Findex Database*.

inclusion, in other words women's access to productive resources, the action has an important potential for tangible impact on women's daily lives.

Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action.

Stakeholder engagement will cover three main targets: firstly, governments and public actors (e.g. Ministries of Finance, Central Banks) across the region are adopting financial inclusion strategies that aim to improve women's access to finance. Secondly, financial institutions both public and private play a significant role in implementing such strategies. Thirdly, women organisations are a vector to disseminate information, build capacity and raise awareness on solutions (both policies and tools) that would allow for increased financial inclusion of women. Ultimately, through this threefold engagement women who aim to be economically active would access more opportunities to financial support for their economic endeavours, thus benefiting also their families and communities.

Innovative Digital Financial Services have significant potential to accelerate this process by enabling low-income women to access financial services through non-traditional channels. However, this requires a deliberate approach to ensure that emerging digital finance ecosystems in the region evolve to include women, rather than leave them behind. The approach should be based on an understanding of women's multiple roles (as individuals, mothers, entrepreneurs, wives etc.) and the actors that influence them (their husband, children, parents, religious or community leaders, etc.), especially in contexts with deeply entrenched gender norms.

### 3. DESCRIPTION OF THE ACTION

#### 3.1. Objectives and Expected Outputs

The **Overall Objective (Impact)** of this action is twofold: firstly, the action aims to strengthen financial inclusion for underserved women for better access-to-finance. Secondly, it aims at promoting tools needed by women to be more economically active and at enhancing their skills and competencies (including digital and financial skills).

The **Specific(s) Objective(s) (Outcomes)** of this action are to:

1. The main barriers restricting women's financial inclusion and access to finance are identified, and recognised by policy-makers and financial institutions, and solutions are developed;
2. Sound policies and enforceable regulatory and legal provisions in favour of women economic empowerment focusing on financial inclusion and access-to-finance for underserved women are promoted, developed and/or strengthened;
3. Women's access to financial and non-financial services and products is improved, including digital;
4. Skills to access and operate financial and non-financial products are increased, particularly for underserved segments.

The **Outputs** to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are:

- 1.1 An enriched policy dialogue, including at the regional level, and regulatory framework through awareness raising activities and promotion of good practices, addressing barriers to women's financial inclusion and access to finance in the region;
- 2.1 A stronger engagement of national and local governments, as well as the financial sector and relevant organisations and support networks in promoting women's economic empowerment through greater access to finance and financial inclusion;

- 2.2 Dedicated and actionable policy recommendations to guide stakeholders in their efforts to support women's access-to-finance;
- 2.3 Strengthened capacities of policy-makers, financial institutions, and women associations to support women's access to finance, financial inclusion and literacy;
- 3.1 Tailored financial and non-financial products and services available on the market for women, including digital;
- 3.2 Support tools, strategies, and awareness campaigns deployed, allowing for better access-to-finance, including a regional knowledge hub;
- 4.1 Enhanced women's digital skills and competencies
- 4.2 Sustainable training and learning opportunities for women.

This will be complementary to existing EU actions at the bilateral levels that focus on gender based violence (including in the workplace) and women entrepreneurship. It will also be complementary to EU cooperation with financial institutions in the context of the European Fund for Sustainable Development Plus (EFSD+).

### **3.2. Indicative Activities**

Activities related to Component 1 are:

- 1) Policy analysis and dialogue
  - (i) Analysis of policies addressing the main gaps and impediments to women's access to finance in the Southern Neighbourhood, as well as factors of success and good practices;
  - (ii) Development of a multi-stakeholder dialogue aiming at raising awareness on the main barriers to women's access to finance and sharing of good practices;
  - (iii) Development of recommendations on access to finance to better inform policy-making and guide reforms.
- 2) Capacity-building, networking and mentoring
  - (iv) Delivery of capacity building for key public stakeholders (including Central Banks, relevant Ministries, Financial Sector Supervisory authorities, Ministries of Education and Labour) to support the design of strategies and programmes for women's access to finance and financial inclusion;
  - (v) Delivery of capacity building for local financial institution associations and organisation of thematic workshops for institutional networks (i.e. Central Banks Forum) to strengthen their gender-awareness and responsiveness;
  - (vi) Delivery of capacity building and technical assistance for women organisations and for local national champions to build up their capacities in supporting women's access to finance and financial inclusion;
  - (vii) Organisation of networking events through an interregional focus and the inclusion of mentoring activities.

Activities related to Component 2 are:

- (i) Development of tools including innovative financial and non-financial services and products (such as Fintech) to foster women entrepreneurship;
- (ii) Development of a regional knowledge hub with dedicated information/advisory on available financial instruments for women, especially in underserved areas;
- (iii) Development of tailored curricula and trainings related to financial inclusion and access to finance from a gender perspective and organisation of trainings and seminars for women, especially in underserved areas;
- (iv) Trainings of Trainers (ToT) to ensure the sustainability and replication of results in additional underserved areas;
- (v) Promotion of digital products for women through awareness raising campaigns and trainings.

Further activities for component 2 will be outlined following the results of an open call for proposals.

The commitment of the EU's contribution to the Team Europe Initiatives foreseen under this action plan will be complemented by other contributions from Team Europe partners. It is subject to the formal confirmation of each respective partners' meaningful contribution as early as possible. In the event that the TEIs and/or these contributions do not materialise the EU action may continue outside a TEI framework.

### **3.3. Mainstreaming**

#### **Environmental Protection, Climate Change and Biodiversity**

**Outcomes of the Environmental Impact Assessment (EIA) screening** (relevant for projects and/or specific interventions within a project)

The EIA screening classified the action as Category C (no need for further assessment).

**Outcome of the Climate Risk Assessment (CRA) screening** (relevant for projects and/or specific interventions within a project)

The CRA screening concluded that this action is at no or low risk (no need for further assessment). Although the Action does not specifically target environment and climate change, it will encourage whenever possible green transition and respect of environmental standards (e.g. development and spreading of best practices).

#### **Gender equality and empowerment of women and girls**

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G2. This implies that gender equality and women and girls empowerment is considered the principal objective of this action.

Equal opportunity and gender mainstreaming: Inequalities in the participation of women in the economy and the labour market are registered in the whole region, together with other significant differences such as substantial wage gap between men and women and the lack of entrepreneurial opportunities. The growing educational level of women in the region has often not translated into improved market access. Unemployment generally affects women more than men in all age groups, particularly as regards long-term unemployment.

#### **Human Rights**

The Action will be implemented in respect of a Rights-Based approach, notably a human rights approach, at all levels and stages of its design and implementation, e.g. avoid any unintentional human rights harm, imbalance or negative impact.

#### **Disability**

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0. This implies that the overall Action will take into consideration the specific needs of vulnerable groups by aiming to improve, through its actions, the rights and/or the quality of life of vulnerable groups.

#### **Democracy**

The overall Action will take into consideration the specific needs of vulnerable groups by aiming to improve, through its actions, the rights and/or the quality of life of vulnerable groups.

#### **Conflict sensitivity, peace and resilience**

The overall Action will take into consideration the specific needs of vulnerable groups by aiming to improve, through its actions, the rights and/or the quality of life of vulnerable groups.

### Civil society

Engagement with civil society and public-private policy dialogue are important for the success of this Action. It will be addressed in several ways. Under Component 1, work with public entities on social and economic reforms is complemented by systematic engagement with civil society organisations (CSOs) active on gender equality and women and girls empowerment. Component 2 will involve CSOs, including social partners, in relevant project activities as they will be called to play an active role in the implementation of pilot projects, whenever possible.

### 3.4. Risks and Lessons Learned

Category	Risks	Likelihood (High/Medium/Low)	Impact (High/Medium/Low)	Mitigating measures
1	Lack of engagement from counterparts, both final beneficiaries and local authorities	M	M	Ensure that the action is implemented by a strong partner benefitting from legitimacy with the beneficiaries.
1	Implementation of reforms proves difficult	M	M	Promote regular dialogue with implementing partners in order to favour a phased approach.
1	Social norms prevent final beneficiaries from engaging in the activities	M	M	Engage local communities and raise awareness across both men and women on the benefits of the programme.
1	Sanitary and political situation deteriorates and disrupt the implementation of the programme	M/H	M/H	Monitoring of the situation on the ground and support to the democratic structures and principles. Partner organisations and countries can choose between different schemes of cooperation and action.

#### Lessons Learned:

The current action builds on ongoing comprehensive independent external evaluation of regional projects focusing on economic integration in the Southern Neighbourhood, more specifically on access to finance through the MED MSME project. Current studies show that there is room for innovative finance in Egypt, Jordan, Morocco, Lebanon, Palestine and Tunisia – particularly for small and medium-size enterprises – which contributes to an average of 20-45% of their GDP and have been a primary source of employment creation for women. In addition, women-headed MSMEs and rural women are particularly underserved by local financial institutions due to economic, regulatory, and socio-cultural factors, as well as a general absence of financial institutions branches and tailored products available outside urban centres.

### **3.5. Indicative Logical Framework Matrix**

Results	Results chain: Main expected results [maximum 10 <a href="#">@1</a> ]	Indicators [it least one indicator per expected result <a href="#">@1</a> ]	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
<b><u>Component 1: Support to an enabling regulatory landscape for women economic empowerment in the Southern Neighbourhood</u></b>						
<b>Impact (Objective)</b>	To strengthen financial inclusion for underserved women for better access-to-finance	1. Changes in policy framework linked to women’s financial inclusion and access to finance.	1. 0 (2022)	1. tbd <sup>19</sup>	1. Desk research and interviews	<i>Not applicable</i>
<b>Outcome 1</b>	1. The main barriers restricting women financial inclusion and access to finance – including digital financial services – are identified, known and recognised by policy-makers and financial institutions and solutions are developed	1.1 Proportion of participants in the policy dialogue reporting having improved their knowledge of the main barriers restricting women financial inclusion, access to finance and best practices to address them	1.1 0 (2022)	1.1 tbd	1.1 Interviews or surveys	
<b>Outcome 2</b>	2. Sound policies and enforceable regulatory and legal provisions in favour of women economic empowerment focusing on financial inclusion and access-to-finance; for underserved women are promoted, developed and/or strengthened	2.1 Number of roadmaps of priority actions to improve financial inclusion and access to finance for underserved women developed	2.1 0 (2022)	2.1 tbd	2.1 EU intervention monitoring and reporting systems	Stakeholders and public authorities show interest in attending trainings and workshops

<sup>19</sup> Detailed targets will be determined at intervention level during the inception period, due to the innovative nature of the Action.

<p><b>Output 1 related to Outcome 1</b></p>	<p>1.1. An enriched policy dialogue, including at the regional level, and regulatory framework through awareness-raising activities and promotion of good practices addressing barriers to women’s financial inclusion and access to finance in the region.</p>	<p>1.1.1 Number of reports highlighting progress and persistent challenges women face in accessing finance in the Southern Neighbourhood as well as recommendations illustrated by good practices</p> <p>1.1.2 Number of Directory of good practices prepared</p> <p>1.1.3 Number of national champions identified and involved in a policy dialogue</p> <p>1.1.4 Number of policy dialogues organised</p>	<p>1.1.1 0 (2022)</p> <p>1.1.2 0 (2022)</p> <p>1.1.3 0 (2022)</p> <p>1.1.4 0 (2022)</p>	<p>1.1.1 tbd</p> <p>1.1.2 tbd</p> <p>1.1.3 tbd</p> <p>1.1.4 tbd</p>	<p>1.1.1 Deliverable</p> <p>1.1.2 Deliverable</p> <p>1.1.3 Attendance sheet and intervention activity report</p> <p>1.1.4 Intervention activity report</p>	
<p><b>Output 1 related to Outcome 2</b></p>	<p>2.1. A stronger engagement of national and local governments, as well as the financial sector and relevant organisations and support networks in promoting women’s economic empowerment through greater access to finance and financial inclusion</p>	<p>2.1.1 Number of financial institutions that increased or committed to increase women employees, women’s share in loans, and incorporate OECD standards in their guidelines</p> <p>2.1.2 Number of Southern Mediterranean countries targeted participating in the OECD International Network on Financial Education (INFE)<sup>20</sup></p> <p>2.1.3 Number of Southern Mediterranean countries targeted committed to applying the G20/OECD High-Level Principles on SME Financing<sup>21</sup></p>	<p>2.1.1 0 (2022)</p> <p>2.1.2 0 (2022)</p> <p>2.1.3 0 (2022)</p>	<p>2.1.1 tbd</p> <p>2.1.2 tbd</p> <p>2.1.3 tbd</p>	<p>2.1.1 Interviews or Intervention Activity report</p> <p>2.1.2 Intervention activity report</p> <p>2.1.3 Consultations and Intervention activity report</p>	<p>Financial institutions stakeholders are not facing external constraints and have the ability to implement their commitments</p>

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<sup>20</sup> Established in 2008, the OECD International Network on Financial Education (INFE) and its working groups convene twice a year to exchange good practice experience, foster research, develop policy guidance and practical tools. Seven of the nine project countries (with the exception of Algeria and Syria) are full or regular INFE members, benefitting from the policy dialogue on topical financial education matters with their peers from around the globe. The collective INFE knowledge built through the years has resulted in the release of the OECD Recommendation on Financial Literacy and numerous publications, toolkits and instruments for specific target groups, including women.

<sup>21</sup> Defined in 2015, the G20/OECD High-Level Principles on SME Financing are addressed to G20 and OECD members and other interested economies, to support their efforts to enhance access to a diverse range of financing instruments by SMEs, including women-led businesses. The principles are voluntary and non-binding, and build on existing international financial principles and guidelines.

<b>Output 2 related to Outcome 2</b>	2.2. Dedicated and actionable policy recommendations to guide stakeholders in their efforts to support women’s access-to-finance	2.2.1 Regional roadmap with short and medium-term actions is developed.  2.2.2. Participation in dedicated events to share best practices.	2.2.1 0 (2022)  2.2.2 0 n/a	2.2.1 1 (2027)  2.2.2 tbd	2.2.1 Intervention activity report  2.2.2 Intervention activity report	
<b>Output 3 related to Outcome 2</b>	2.3 Strengthened capacities of policy-makers, financial institutions and women associations to support women’s access to finance, financial inclusion and literacy.	2.3.1 Number of financial institutions and associations trained on women’s access to finance, financial inclusion and literacy  2.3.2 Number of thematic workshops organised for institutional networks  2.3.3 Number of networking and mentoring events organised  2.3.4 Number of women national champions participating in consultations with financial institutions or the government to improve women’s financial inclusion and access to finance through potential improvement in the regulatory framework	  2.3.1 0 (2022)  2.3.2 0 (2022)  2.3.3 0 (2022)  2.3.4 0 (2022)	  2.3.1 tbd  2.3.2 tbd  2.3.3 tbd  2.3.4 tbd	2.3.1 Intervention Activity report  2.3.2 Intervention Activity report  2.3.3 Intervention Activity report  2.3.4 Intervention activity report	<ul style="list-style-type: none"> <li>• Movement restrictions do not prevent participation in face to face trainings</li> <li>• Women support networks operations and resources are sustained</li> </ul>

Results	Results chain: Main expected results [maximum 10 @]	Indicators [it least one indicator per expected result @]	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
<b>Component 2: Support to the development of skills and innovative products for women economic empowerment</b>						
<b>Impact</b>	To promote tools needed by women to be more economically active and to enhance their skills and competencies (including digital and financial skills)	1. Number of new innovative financial and non-financial products favouring women developed with the EU-funded intervention 2. Improved skillset of targeted women to use financial inclusion tools.	Proposals submitted through the call for proposals will define the baseline	Proposals submitted through the call for proposals will define the target	1 EU intervention monitoring and reporting systems	<i>Not applicable</i>
<b>Outcome 1</b>	1.1. Women's access to financial and non-financial services and products is improved, including digital.	1.1.1 Number of women beneficiaries with access to new and innovative financial and non-financial services with EU support, disaggregated by country, rural/urban etc.  1.1.2 Number of beneficiaries trained on newly developed tools  1.1.3 Number of beneficiaries reported feeling well equipped to provide advisory services to women on access to finance	Proposals submitted through the call for proposals will define the baseline	Proposals submitted through the call for proposals will define the target	Surveys  Focus groups	Gender norms do not prevent and limit the participation of women in training and workshops

<b>Outcome 2</b>	2.1. Skills to access and operate financial and non-financial products are increased, particularly for underserved segments.	2.1.1 Number of women beneficiaries who benefitted from institution or workplace-based vocational education and training/skills development interventions supported by the EU  2.1.2 Number of women from underserved areas reporting enhanced financial skills.	Proposals submitted through the call for proposals will define the baseline	Proposals submitted through the call for proposals will define the target	EU intervention monitoring and reporting systems	
<b>Output 1 related to Outcome 1</b>	1.1 Tailored financial and non-financial products and services made available on the market for women, including digital.	1.1.1 Number of innovative financial and non-financial products (such as FinTech) developed to foster women entrepreneurship.	1.1.1 0 (2022) 1.1.2 0 (2022)	1.1.1. 2 (2027)	EU intervention monitoring and reporting systems	
<b>Output 2 related to Outcome 1</b>	1.2 Support tools, strategies, and awareness campaigns deployed, allowing for better access-to-finance, including a regional knowledge hub.	1.2.1. A regional knowledge hub is developed and operational with dedicated information/advisory on available financial schemes  1.2.2 Number of users to the platform.  1.2.3. Number of strategies and campaigns implemented.  1.2.4 User satisfaction on available tools and services.	1.2.1 0 (2022) 1.2.1 n/a 1.2.3 n/a 1.2.4 n/a	1.2.1 1 (2027) 1.2.2 / 1.2.3 / 1.2.4 : Proposals submitted through the call for proposals will define the target	EU intervention monitoring and reporting systems; platform monitoring tools	
<b>Output 1 related to Outcome 2</b>	2.1. Enhanced women's digital skills and competencies	2.1.1. Number of women who benefited from skills development with EU project support  2.1.2 Assessment of beneficiaries on the relevance of the developed skills on the market	2.1.1 0 (2022) 2.1.2 0 (2022)	Proposals submitted through the call for proposals will define the target	EU intervention monitoring and reporting systems	

<b>Output 2 related to Outcome 2</b>	2.2. Sustainability of training and learning opportunities for women.	2.2.1 Number of trainings and trainings of trainers provided to women benefitting from EU project support  2.2.2 Number of self training material developed and made available	2.2.1 0 (2022)  2.2.2 0 (2022)	2.2.1 Proposals submitted through the call for proposals will define the target  2.2.2 4 (2027)	EU intervention monitoring and reporting systems	
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## **4. IMPLEMENTATION ARRANGEMENTS**

### **4.1. Financing Agreement**

In order to implement this action, it is not envisaged to conclude a financing agreement with the partner countries.

### **4.2. Indicative Implementation Period**

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of adoption by the Commission of this financing Decision.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this financing Decision and the relevant contracts and agreements.

### **4.3. Implementation Modalities**

The Commission will ensure that the EU appropriate 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>22</sup>.

#### **4.3.1. Direct Management (Grants)**

##### **a) Purpose of the grants**

Grants for component 2 will contribute to women economic empowerment by contributing to the enhancement of skills and tools (both digital and financial) for women to be more economically active and independent, while taking advantage of the digital transition.

##### **b) Type of applicants targeted**

The call for proposals will target potential applications with experience on women economic empowerment and the development of tools and specialised trainings on financial literacy, access-to-finance and financial inclusion, notably legal entities; natural persons or groupings, international organisations; NGOs; or economic operators such as business associations and business support structures.

#### **4.3.2. Indirect management with a pillar-assessed entity<sup>23</sup>**

Component 1 may be implemented in indirect management with the Organisation for Economic Cooperation and Development (OECD).

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<sup>22</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.

<sup>23</sup> The signature of a contribution agreement with the chosen entity is subject to the completion of the necessary pillar assessment.

The envisaged entity has been selected using the following criteria: the OECD has developed expertise and comprehensive data on gender mainstreaming, and chairs several international forums which can advocate for women economic empowerment and access-to-finance.

The specificity and sensitivity of this particular type of intervention requires a body with appropriate technical competence, high degree of specialisation, networks and mandate. In this respect, the OECD offers credibility and reliability, and enjoys close ties with the European Union. This unique position, combined with a good track-record of managing projects on behalf of the European Union, makes the OECD an adequate partner for chairing and steering policy dialogues with stakeholders in the context of component 1.

#### 4.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

#### 4.5. Indicative Budget

<b>Indicative Budget components</b>	<b>EU contribution (amount in EUR)</b>
<b>Implementation modalities</b> – cf. section 4.3	
<u>Component 1</u> composed of:	
Indirect management with the OECD – cf. section 4.3.2	2 500 000
<u>Component 2</u> composed of:	
Grants (direct management) – cf. section 4.3.1	2 500 000
<b>Evaluation</b> – cf. section 5.2 <b>Audit</b> – cf. section 5.3	will be covered by another decision
<b>Communication and visibility</b> – cf. section 6	N.A
<b>Contingencies</b>	N.A
<b>Totals</b>	5 000 000

#### 4.6. Organisational Set-up and Responsibilities

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action. Additionally, steering committees shall be established by the project within both components of the action. They will be chaired by the European Commission to ensure strategic guidance of the actions, with DG NEAR as a contracting authority. Beneficiaries will be represented by coordinators for component 1, and

representatives of the selected implementing partner for component 2, following the award procedure of a call for proposals.

## **5. PERFORMANCE MEASUREMENT**

### **5.1. Monitoring and Reporting**

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its Outputs and contribution to the achievement of its Outcomes, and if possible at the time of reporting, contribution to the achievement of its Impacts, as measured by corresponding indicators, using as reference the logframe matrix.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

### **5.2. Evaluation**

Having regard to the nature of the action, a final or ex-post evaluation will be carried out for this action via independent consultants contracted by the Commission.

It will be carried out for accountability and learning purposes at various levels (including for policy revision)

The Commission shall inform the implementing partners at least 2 weeks in advance of the dates foreseen for the evaluation exercise and missions. The implementing partners shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the projects' premises and activities.

The evaluation reports shall be shared with the partner countries and other key stakeholders following the best practice of evaluation dissemination<sup>24</sup>. The implementing partners and the Commission shall analyse the conclusions and recommendations of the evaluation and, where appropriate, in agreement with the partner countries, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the projects.

The financing of the evaluation shall be covered by another measure constituting a financing Decision.

### **5.3. Audit and Verifications**

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

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<sup>24</sup> See best [practice of evaluation dissemination](#)

## **6. STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY**

All entities implementing EU-funded external actions have the contractual obligation to inform the relevant audiences of the Union’s support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. To that end they must comply with the instructions given in the “Communicating and raising EU visibility – Guidance for external actions – July 2022”<sup>25</sup>

This obligation will apply equally, regardless of whether the actions concerned are implemented by the Commission, the partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU Member States. In each case, a reference to the relevant contractual obligations must be included in the respective financing agreement, procurement and grant contracts, and contribution agreements.

For communication on Team Europe Initiatives, the EU and its Member States can rely on the specific guidance on the Team Europe visual identity.

If relevant, the Global Gateway branding and visual identity should be used.

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<sup>25</sup> [Communicating and raising EU visibility: Guidance for external actions \(europa.eu\)](#)