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

**ANNEX I**

**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 Support to Green and Circular Economy 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**

<b>1. Title</b> <b>CRIS/OPSYS</b> <b>Basic Act</b>	Support to Green and Circular Economy in the Southern Neighbourhood 2022 action plan part I in favour of the Regional South Neighbourhood OSPYS business reference: ACT-60764 ABAC Commitment level 1 number: JAD.971525 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
<b>2. Team Europe Initiative</b>	Contribution to the Regional TEI “Jobs through Trade and Investment in the Southern Neighbourhood”
<b>3. Zone benefiting from the action</b>	<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.</p> <p>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.</p> <p>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 [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52013XC0719\(03\)&from=en](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52013XC0719(03)&from=en).

<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) which makes reference, under priority 5 (specific objective 2), to the importance of cross-regional cooperation <sup>4</sup> .
<b>4. Programming document</b>	Multi-Annual Indicative Programme for the Southern Neighbourhood (2021-2027) <sup>(5)</sup>
<b>5. Link with relevant MIP(s) objectives/expected results</b>	<u>Priority Area 2</u> : Strengthening resilience, build prosperity, and seize the digital transition
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>	
<b>6. Priority Area(s), sectors</b>	151 Government and civil society – general 240 Banking & Financial Services 321 Industry 410 General Environment Protection
<b>7. Sustainable Development Goals (SDGs)</b>	<u>Main SDG</u> (1 only): SDG 8: “Decent Work and Economic Growth”  <u>Other significant SDGs</u> (up to 9) and where appropriate, targets: SDG 12: “Responsible Consumption and Production” SDG 13: “Climate Action”
<b>8 a) DAC code(s)</b>	15110 - Public sector policy and administrative management 25030 – Business development services 32130 - Small and medium-sized enterprises (SME) development 41010 - Environmental policy and administrative management
<b>8 b) Main Delivery Channel @</b>	12002 – Local Recipient Government 20000 – Non-Governmental Organisations and Civil Society 41000 - UN
<b>9. Targets</b>	<input type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input type="checkbox"/> Human Rights, Democracy and Governance

<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

<b>10. Markers (from DAC form)</b>	<b>General policy objective @</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input type="checkbox"/>	<input checked="" 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"/>
	<b>RIO Convention markers @</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Climate change adaptation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>11. Internal markers</b>	<b>Policy objectives</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	<b>Digitalisation @</b> 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"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	<b>Connectivity @</b> Tags: transport people2people energy digital connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	<b>Migration @</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>Reduction of Inequalities</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<b>COVID-19</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>BUDGET INFORMATION</b>			

<b>12. Amounts concerned</b>	Budget line: 14.020110 Total estimated cost: EUR 20 000 000 Total amount of EU budget contribution: EUR 20 000 000
<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 entity to be selected in accordance with the criteria set out in section 4.3.2 and the United Nations Industrial Development Organization (UNIDO)

## 1.2. Summary of the Action

**The development of green and circular economies in the Southern Neighbourhood is a major objective of the new Agenda for the Mediterranean as well as under the Regional Multi-Annual Programming 2021-2024.**

The **overall objective** of this action is to support the green and circular economy in the Southern Neighbourhood region focusing on the three levels of intervention: macro, meso and micro levels. This action will contribute to the achievement of the **Sustainable Development Goal n°12 (Ensure sustainable consumption and production patterns)**, and in particular indicator 12.6 “encourage companies to adopt sustainable practices and sustainability reporting and 12.9 “support developing countries’ scientific and technological capacity for sustainable consumption and production”.

This will be carried out through three distinct components:

### **Component 1: Support to an enabling policy and regulatory framework (EUR 4 million)**

- This component aims at promoting relevant policies, legislation and green standards at **macro** level to policy makers, public authorities and the business community to enhance market integration and support harmonisation of relevant legislation, the promotion of green standards, sustainable public procurement, support the development of sustainable value chains encourage economic reforms and economic diversification, and improve the screening of green investments.
- A number of initiatives will be organised at policy level to ensure the transformational impact and the high visibility of this component, as well as close links to relevant European experience (such as the Fit for 55 package). In particular, thanks to advocacy and awareness raising activities (technical meetings, workshops) towards public authorities and the business community (public/private dialogues) on the promotion of green standards.

### **Component 2: Support to business support organisations (EUR 4 million)**

- This component will target the **meso** level, by providing institutional support to ecosystem enablers notably through the provision of green skills and by targeting the existing SME business community via intermediaries such as business support organisations. Intermediary organisations will be supported through tailored capacity development trainings to promote eco innovation and green entrepreneurship. Local partnerships will be developed between the public, private and Non-

Governmental Organisations (NGO) communities through awareness campaign on green skills (Technical and Vocational Education and Training (TVET), enhancement of green economy literacy) and how to best benefit from the green economy transition.

- Regional exchanges on the green and circular economy will be organised as well as guidance, networking activities and partnerships with peer organisations/green economy actors in Europe (provision of EU green standards). Under this component, institutional actors will be provided with guidance, networking events and partnerships with peer organisations such as green economy incubators and cluster organisations in Europe to promote the dissemination of EU green standards.

### **Component 3: Support Small and medium-sized enterprises (SMEs) transition towards a green and circular economy (EUR 12 million)**

- This component will complement the action at **micro** level, through the provision of technical assistance to SMEs in their transition towards green/circular economy solutions and by enhancing their access to green finance. It builds on the successful experience of the SwitchMED programme, further scaling it up at regional level and focusing on selected sectors. Working on a limited number of sectors/value chains with a high market potential in terms of green solutions will allow a greater impact. The selection of sectors/value chains will be based on the current SwitchMED initiative and new studies to gauge the potential of green and circular economy solutions within these sectors.
- At enterprise level, the EU will support the promotion of sustainable production and consumption with a wide dissemination of successful business models and green and circular economy solutions to enhance SMEs' competitiveness and facilitate their market integration. Access to green finance and links to the European Fund for Sustainable Development (EFSD) will also be promoted.

This action will also contribute to the regional **Team Europe Initiative “Jobs through Trade and Investment in the Southern Neighbourhood”**, designed jointly with Member States and financial institutions.

## **2. RATIONALE**

### **2.1. Context**

**A prosperous, greener and more stable Southern Neighbourhood is a strategic priority for partner countries themselves and the European Union.** In its **Joint Communication on a Renewed Partnership with the Southern Neighbourhood**<sup>6</sup> released in February 2021, the European Commission sets out a new Agenda for a green, digital, resilient and just recovery, guided by the 2030 Agenda for Sustainable Development, the European Green Deal and the Paris Agreement (in particular, in line with partner countries' commitment to fulfil their Nationally Determined Contribution).

The **new Agenda for the Mediterranean** and the accompanying **Economic and Investment Plan (EIP)**<sup>7</sup> propose the following key policy areas: 1) **Human development, good governance and the rule of law**; 2) **Strengthen resilience, building prosperity and seize the digital transition**; 3) **Peace and security**; 4) **Migration and mobility**; 5) **Green transition: climate resilience, energy and environment**. Green economy

<sup>6</sup> [https://eeas.europa.eu/sites/default/files/joint\\_communication\\_renewed\\_partnership\\_southern\\_neighbourhood.pdf](https://eeas.europa.eu/sites/default/files/joint_communication_renewed_partnership_southern_neighbourhood.pdf)

<sup>7</sup> [https://eeas.europa.eu/sites/default/files/joint\\_staff\\_working\\_document\\_renewed\\_partnership\\_southern\\_neighbourhood.pdf](https://eeas.europa.eu/sites/default/files/joint_staff_working_document_renewed_partnership_southern_neighbourhood.pdf)

is particularly relevant to policy areas 2) and 5). Support to green economy will notably address the **EIP's** regional initiatives linked to flagships, #4<sup>8</sup>, #9<sup>9</sup>, #11<sup>10</sup>.

The **regional MIP for the Southern Neighbourhood 2021-2027** includes a specific objective #3 to “Promote the green, and circular economy” as the green transition is bound to become a major pillar of Euro-Mediterranean cooperation. The ambition to a sustainable green and blue economy contributes to achieving the external dimension of the European Green Deal in the Mediterranean and promoting European green standards. Regarding blue economy, this ambition is reflected in the **Union for the Mediterranean (UfM) Ministerial Declaration on a Sustainable Blue Economy**, endorsed in February 2021 and which now has a roadmap for implementation. Additionally, the role of research and innovation in the context of green transition is reflected in **UfM Ministerial Declaration<sup>11</sup> on research and innovation** adopted on 27 June 2022. The declaration paves the way for the implementation of roadmaps pertaining to the three research and innovation priorities in the region including renewable energies, climate change and health. As observed during the COVID-19 crisis, green economy can be a useful instrument to develop **economic recovery policies**, leading to a different way of doing business (“build back better”) and towards a more sustainable development. Green and circular economy is being seen as an **innovative model** addressing (i) a resource-efficient economy, circular economy systems – *production angle* – and (ii) changes in consumers’ habits – *demand angle*.

The European Commission adopted the **new circular economy action plan (CEAP)<sup>12</sup>** in March 2020. It is one of the main building blocks of the European Green Deal, Europe’s new agenda for sustainable growth. The **EU’s transition to a circular economy** will reduce pressure on natural resources and will create sustainable growth and jobs. The new action plan announces initiatives along the entire life cycle of products. It targets how products are designed, **promotes circular economy processes, encourages sustainable consumption, and aims to ensure that waste is prevented and the resources used are kept in the EU economy** for as long as possible. It introduces legislative and non-legislative measures targeting areas where action at the EU level brings real added value.

As also part of the European Green Deal, with the European Climate Law, the EU has set itself a binding target of achieving climate neutrality by 2050. The **‘Fit for 55’ package<sup>13</sup>** refers to the EU’s target of reducing net greenhouse gas emissions by at least 55% by 2030. The aim is to bring EU legislation in line with the 2030 goal. The package of proposals aims at providing a coherent and balanced framework for reaching the EU’s climate objectives, which: (i) ensures a just and **socially fair transition**; (ii) maintains and strengthens **innovation and competitiveness of EU industry** while ensuring a level playing field *vis-à-vis* third country economic operators; (3) underpins the EU’s position as leading the way in the **global fight against climate change**.

The recent EU legislation also underlines the objective of **harmonisation of EU standards in selected sectors**. Indeed, the European Commission adopted on March 2022 an interlinked package of initiatives on the promotion of **sustainable products and consumer empowerment**: the proposal for a **Regulation on Eco-design for Sustainable Products**, the proposal for a revision of the **Construction Products Regulation**, the proposal to **Empower Consumers in the Green Transition**, the **Eco-design and Energy Labelling Working Plan 2022-2024** and the **first EU Strategy for Sustainable and Circular Textiles** will bring a common approach to products in the EU, in line with the objectives of the European Green Deal and of the 2020 Circular Economy Action Plan. **Sustainable products** are at the core of the twin **green and digital**

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<sup>8</sup> Flagship 4 “Sustainable economies”: The green transition offers opportunities for the green, circular, and blue economies to support sustainable production and consumption.

<sup>9</sup> Flagship 9 “Green growth and climate action”.

<sup>10</sup> Flagship 11 “Resource efficiency, including water and waste management, and biodiversity”.

<sup>11</sup> <https://ufmsecretariat.org/wp-content/uploads/2022/06/UfM-Ministerial-Declaration-RI-EN-270622.pdf>

<sup>12</sup> [https://eur-lex.europa.eu/resource.html?uri=cellar:9903b325-6388-11ea-b735-01aa75ed71a1.0017.02/DOC\\_1&format=PDF](https://eur-lex.europa.eu/resource.html?uri=cellar:9903b325-6388-11ea-b735-01aa75ed71a1.0017.02/DOC_1&format=PDF)

<sup>13</sup> [https://ec.europa.eu/info/sites/default/files/chapeau\\_communication.pdf](https://ec.europa.eu/info/sites/default/files/chapeau_communication.pdf)

**transitions**, raising the bar for product design and product connectivity, driving improved resource efficiency, circular business opportunities and competitiveness.

This action contributes to the **regional Team Europe Initiative: “Jobs through Trade and Investment in the Southern Neighbourhood”**, which also involves France, Germany, Italy, Spain, the European Investment Bank and the European Bank for Reconstruction and Development. The Team Europe Initiative’s (TEI) objective is to better focus trade, investment and entrepreneurship policies and promotion instruments towards their impact on creating decent jobs. **Strong synergies exist between trade, investment and employment with the green and digital transitions, as the green economy opens new business opportunities.**

There is also a **political momentum** in the region with the **UfM Ministerial Conference on Climate Action & Environment** which took place in Cairo<sup>14</sup> in October 2021, where Ministers from the 42 Member countries of the Union for the Mediterranean agreed on a common agenda to strengthen efforts in the Euro-Mediterranean region to urgently tackle the multiple climate and environmental challenges it faces. This commitment reflects the **highest possible ambition in accelerating transition towards sustainable, climate-neutral and green economies**. The 27<sup>th</sup> United Nations Climate Change Conference (**COP 27**), which will be hosted by **Egypt** in November 2022, will further put the South on the agenda, and reinforce green economy objectives. This action is complementary to the adoption on 18 May 2022 in Marrakesh, of the UfM Ministerial Declaration on Labour and Employment<sup>15</sup>.

**This intervention** with the objective of promoting **policy reforms at regional level brings an added value** building on the past and current initiatives led at bilateral level. Regarding national determined contributions (NDCs), policy proposals from partner countries have improved (awareness raised, reforms). The regional layer will serve as catalyser to mainstream ideas, stimulate peer competition, sharing EU expertise, standardised messages and seize the “building back better” momentum. The regional approach will support **(i) the promotion of green regulations and standards (ii) new business opportunities/partnerships for EU green industries, (iii) pilot new topics and (iv) better use existing blending/guarantee schemes for green finance under the EFSD and pave the way to potential new regional blending projects/ guarantees portfolios.**

This action is complementary and will ensure synergies with the bilateral project “**Private sector transition to a green and circular economy in Lebanon**” implemented by UNIDO in Lebanon since 2021 and to the bilateral “**Programme d'appui à la transition de l'Algérie vers une économie verte et circulaire**” also implemented by UNIDO in Algeria since 2019.

## 2.2. Problem Analysis

### Short problem analysis

This regional action will work in the eight countries of the Southern Mediterranean region, including Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Palestine and Tunisia. This region is greatly affected by many challenges, including water scarcity, population growth and rapid urbanization, energy demand increase, environmental challenges and climate change.

Decarbonisation policies and low-carbon technology advancements are currently leading to structural transformation in the global energy architecture, with the Southern Neighbourhood endowed with half of the world’s known oil and gas reserves, particularly exposed to these changes. Indeed, the new global trade

<sup>14</sup> [https://ufmsecretariat.org/wp-content/uploads/2021/10/UfM-ministerial-declaration-ENV-CA\\_final-1-1.pdf](https://ufmsecretariat.org/wp-content/uploads/2021/10/UfM-ministerial-declaration-ENV-CA_final-1-1.pdf)

<sup>15</sup> <https://ufmsecretariat.org/wp-content/uploads/2022/05/Final-UfM-Ministerial-Declaration-EN.pdf>

patterns risk destabilising those countries whose economies depend primarily on oil and gas exports. Furthermore, the Middle East region warms 20% faster than the rest of the world and the impacts of climate change, such as water scarcity and desertification, are already affecting regional stability (e.g. in Jordan, Syria, and Palestine).

In addition, on a global level, natural resource supply to the private sector is threatened by increased competition for these resources, whose shortage or high price volatility coupled with new environmental and climate challenges, indicate that “business as usual” is no longer advisable. Instead, there is now a need and an opportunity for building new greener and more dynamic business models as market pressure is becoming a key driver, along with enabling factors such as innovation, cooperation, control and incentive mechanisms.

However, despite the political interest and some important initiatives put in place in the region, **the green transition on the southern shore of the Mediterranean is facing a number of challenges.** There is a general **lack of awareness of public authorities in charge of industry and in the business community itself** on the economic and social implications, as well as the opportunities of the move to a resource-efficient low carbon economy.

Despite these challenges, the opportunities associated with the promotion of green policies, regulations and standards at macro level, awareness and skills at meso level coupled with the adoption of sustainable consumption and production practices at micro levels have a clear link to supporting stabilisation of the region through sustainable and inclusive economic development.

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

Entrepreneurs operating in the green and circular economy sector in the region are faced with multiple challenges which need to be tackled at various levels. The challenges range from a lack of recognition and understanding of the green economy transition and its subsequent benefits being policy-related (limited policy or legal frameworks existing, nor awareness among decision-makers), to legal or regulatory (no legal green economy business model), financial (lack of green funds and financial institutions willing to invest in green businesses) and the weaknesses/non-sustainable model of business support structures. The assumption is that, if equipped with the adequate policy, legal and regulatory framework, as well as the appropriate networks and specialised service providers, the sector has great potential in bringing change to the region and enhancing sustainable growth and market integration of SMEs, including social economy. Integrating green skills training, notably through leveraging digital and data technologies into the deployment of regional initiatives opens up opportunities for a wider range of beneficiaries and ensures sustainability. Main stakeholders will therefore be the public sector, notably ministries of industry and SME development and related agencies, business support organisations, financial institutions and SMEs, including in the social economy sector.

### **3. DESCRIPTION OF THE ACTION**

#### **3.1. Objectives and Expected Outputs**

The **Overall Objective** of this action is to strengthen and promote the green and circular economy as a vector for job creation and expansion of economic opportunities, leading to a more sustainable economy in the Southern Neighbourhood countries.

The **Specific Objectives** of this action are to:

1. Promote, develop and strengthen sound policies and enforceable legislation for the promotion of green and circular economy through advocacy and peer exchange and increase the level of collaboration between stakeholders (public authorities, business support organisations, investors and the business community)
2. To increase green and circular economy competences of business support organisations (BSOs) in their capacity to act as ecosystem enablers bridging the macro and micro levels
3. Strengthen green competitiveness of SMEs from Southern Neighbourhood countries by supporting their transition towards green and circular economy solutions and their access to green finance

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

1.1 Policy dialogue and national regulatory framework is enriched through awareness raising activities and promotion of green and circular economy

1.2 Enabling frameworks for Inclusive Green Economy (IGE) are set in place in target countries (i.e. ensuring coherence between economic and environment policies across relevant areas such as the business environment, finance and investments, employment and principles of sustainable consumption are promoted with stakeholders (e.g. EU Farm to Fork: “EU code of conduct on responsible food business and marketing practices) to enhance consumers’ awareness on sustainable consumption

2.1 The regional network of existing business support organisations is strengthened through capacity building activities

2.2 Capacities of business support organisations (BSOs) to promote Sustainable Consumption and Production practices by Small & Medium Enterprises (SMEs) are improved

3.1 Uptake of Sustainable Consumption and Production (SCP) practices in selected sectors and value chains is supported

3.2 Business performance of Small & Medium Enterprises (SMEs) operating on green and circular economy sectors and their access to green finance is improved

### **3.2. Indicative Activities**

#### **Component 1: Support to an enabling policy and regulatory framework**

Activities related to Output 1.1:

- Policy dialogue and peer-to-peer exchange; sharing of best practices on relevant policies, regulations, and standards
- Advocacy campaign and organisation of focus groups
- Public/private dialogue with national and local authorities to promote green economy and encourage relevant reforms
- Awareness-raising campaigns and organisation of conferences/Workshops

Activities related to Output 1.2:

- Support in the implementation of green strategies and regulations
- Support to Public Private Dialogue in selected (green) sectors to improve the business environment

- Facilitation of regional knowledge exchange and peer-learning among regulating authorities, including with their European counterparts
- Smart Specialisation for SDGs approach, STI for SDGs roadmaps

## **Component 2: Support to business support organisations**

Activities related to Output 2.1:

- Capacity building of business support organisations on green economy and networking activities (South-South and South-North)
- Activities encouraging peer learning and partnerships with relevant European organisations and networks, including from the social economy organisations
- Technical assistance (trainings, coaching and mentoring, study tours)
- Support to innovation enablers

Activities related to Output 2.2:

- Capacity building to BSOs on Sustainable Consumption and Production (SCP) practices for Small & Medium Enterprises (SMEs)
- Awareness-raising campaigns and organisation of conferences/Workshops
- Facilitation of linkages between public (macro) and private (micro) sector stakeholders
- Technical assistance and advisory services to business organisations on in general Green Economy (GE) and SCP in particular

## **Component 3: Support SMEs' transition towards a green and circular economy**

Activities related to Output 3.1:

- Technical assistance and tailor-made expertise (training, coaching and mentoring)  
Support to a number of selected promising initiatives, including from the social economy perspective, to serve as a demonstration/pilot experience in view of replicability and scaling-up.

Activities related to Output 3.2:

- Awareness campaigns for SMEs on the benefits of GE and SCP practices
- Development of business cases for GE and SCP practices
- Development of knowledge tools for SMEs to get a better understanding of how the green transition in general and SCP practices in particular can open up new businesses opportunities for entrepreneurs, including social entrepreneurs, by offering a better market integration, foster their competitiveness and improve their access to finance
- Support to building capacity in research and innovation as well as technology transfer

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).

Protecting the environment and curbing climate change are core elements of the proposed action. Promoting a Green Economy for the Southern Neighbourhood implies mitigating the negative impact of industrial pollution, especially from resource-intensive sectors and the adoption of climate-smart technologies. The planned interventions explicitly work towards the replacement of environmentally harmful production methods that severely contribute to air, soil, water pollution and/or overexploitation. Promoting more resource-efficient and sustainable production practices will contribute to an overall improvement of the environmental conditions in countries of the Southern Neighbourhood. Similarly, the availability of science-based data, analysis and guidance will inform public-private, and regional dialogue, to develop policies, legal and regulatory frameworks and programmes better aligned with the objective of preserving the environment. Therefore, all environmental impact assessments will be included in each projects' design with adaptation and/or mitigation measures to ensure that the projects' investments are environmental sensitive and sustainable.

**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 no or low risk (no need for further assessment).

Protecting the environment and curbing climate change are core elements of the proposed action. Promoting a Green Economy for the Southern Neighbourhood implies mitigating the negative impact of industrial pollution, especially from resource-intensive sectors and the adoption of climate-smart technologies. The planned interventions explicitly work towards the replacement of environmentally harmful production methods that severely contribute to air, soil, water pollution and/or overexploitation. Promoting more resource-efficient and sustainable production practices will contribute to an overall improvement of the environmental conditions in countries of the Southern Neighbourhood. Similarly, the availability of science-based data, analysis and guidance will inform public-private, and regional dialogue, to develop policies, legal and regulatory frameworks and programmes better aligned with the objective of promoting mitigation and adaptation measures to climate change. Therefore, all climate risks will be included in each projects' design with adaptation and/or mitigation measures to ensure that the projects' investments are climate sensitive and sustainable.

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

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G0. This implies that equal opportunities and gender mainstreaming are embedded throughout the action.

Equal opportunity and gender mainstreaming: inequalities in the participation of women in business 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. Unemployment generally affects women more than men in all age groups, particularly as regards long-term unemployment. The growing educational level of women in the region has often not translated into improved market access.

The action will incorporate a gender-based approach at all levels and stages of its design and implementation. Given the importance of women empowerment policies in the region, the three components will encourage women participation and gender equality in several ways: it will aim to include business support organisations representing female entrepreneurs and will also put emphasis on women entrepreneurship through use of role models, peer learning and mentoring, fair participation of women to trainings and activities of the programme.

### **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. The latter will promote civic engagement in the policy dialogue (in particular for Component 1). The inclusive nature of the Action naturally leads to extensive consultation with the civil society representatives, capitalising on their feedback. Component 2 will involve civil society organisations (CSOs), including social partners, in relevant project activities, whenever possible. Close engagement with civil society and other stakeholders is envisaged under all areas of support of the Action, mainly through their involvement in the policy roundtable meetings. Under component 3, stakeholders from the civil society will be closely consulted when mapping the situation and developing green and circular economy solutions for SMEs, and their feedback will also be highly valued.

## **3.4. Risks and Lessons Learned**

<b>Category</b>	<b>Risks</b>	<b>Likelihood (High/ Medium/ Low)</b>	<b>Impact (High/ Medium/ Low)</b>	<b>Mitigating measures</b>
1	Political instability preventing a regional focus on economic development	Moderate	Moderate	Adoption of a progressive or variable geometry approach
3	Limited involvement of stakeholders and uneven interest from public authorities	Moderate	Moderate	Identification of stakeholders to be involved in the project and ensure their implication from the early stage of the design
3	Interest of the business community and further stakeholders	Moderate	Moderate	The opportunities to network with governments, international experts and fellow business people from the region and beyond will provide a significant incentive for the business

				community and other stakeholders to remain involved in the action
1	Sanitary and political situation deteriorates and disrupt the implementation of the programme	Moderate to High	Moderate to High	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 regional initiatives focusing on the support to the green economy in the Southern Neighbourhood (Green for Growth Fund, EBSOMED and the SwitchMED initiative) and their independent external evaluation. The SwitchMED II project focused more specifically on the creation of business opportunities and decent employment while reducing the environmental footprint of economic activities in the region. This regional action will build on the SwitchMED experience but include a stronger sectoral focus, in order to cluster/group companies and have a wider reach. It will also pay particular emphasis on access to green finance.

This action will be complementary and will ensure synergies with the bilateral project “**Private sector transition to a green and circular economy in Lebanon**” implemented by UNIDO in Lebanon since 2021 and to the bilateral “**Programme d'appui à la transition de l'Algérie vers une économie verte et circulaire**” also implemented by UNIDO in Algeria since 2019. Particular attention will be paid to ensuring coordination between this regional action and the two bilateral projects, finding synergies, reinforcing each other and establishing a suitable coordination mechanism once implementation starts. As a consequence, in-country interventions in Algeria and Lebanon will be excluded in this regional action, however experience sharing will be encouraged between these two bilateral initiatives and the regional action.

Recent environment assessments, responding to an increasing interest among key stakeholders and the political prioritisation given to climate change and the green economy, stressed both the urgency for action and the opportunity for a wide transformation in socio-economic structures and processes. It became clear though, that in order to adequately react to the urgency and fully seize the opportunities of the green transition, more targeted action would be necessary to inform and support the decision mechanisms, promoting an evidence-based dialogue and a transparent planning framework. To achieve these objectives, consistently providing institutional and technical support and enhancing local capacities, additional resources and expertise, including regarding the regional context, must be mobilised and made available in countries of the Southern Neighbourhood. Several examples in the region suggest that well-placed and competent advisory services can effectively play a catalytic role in the system, promoting complementarities and synergies, improving confidence and facilitating networking.

### 3.5. Intervention Logic

The underlying intervention logic for this action, across all three components is: to strengthen and promote the green and circular economy as a vector for job creation and expansion of economic opportunities, leading to a more sustainable economy in the Southern Neighbourhood countries.

### **3.6. Indicative Logical Framework Matrix**

Results	Results chain: Main expected results	Indicators	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
<b>Impact</b>	To strengthen and promote green and circular economy as a vector for job creation and expansion of economic opportunities, leading to a more sustainable economy in the Southern Neighbourhood countries.	Number of full time equivalent jobs supported or sustained by the Action (analysed by gender)	1 0 (2022)	1 tbd	Project M&E system	<i>Not applicable</i>
<b>Outcome 1</b>	1. Sound policies and enforceable legislation for the promotion of green and circular economy have been promoted, developed and strengthened through advocacy and peer exchange and the level of collaboration between stakeholders has been increased	1.1 Number of legislative/regulatory proposals initiated 1.2 Number of joint advocacy meeting and public events organised 1.3 Introduction of green enterprises/structures legal status and accompanying measures and incentives	1.1 0 (2022) 1.2 0 (2022) 1.3 0 (2022)	1.1 5 (2027) 1.2 10 (2027) 1.3 5 (2027)	1.1 M&E system at the project level 1.2 M&E system at the project level 1.3 M&E system at the project level	
<b>Outcome 2</b>	2. Green and circular economy competences of business support organisations (BSOs) in their capacity to act as ecosystem enablers bridging the macro and micro levels have been increased	2.1 Number of BSOs which benefitted from support 2.2 Number of participation to trainings and, tailor-made expertise 2.3 Number of events organised and number of initiatives linked to green and circular economy/entrepreneurship	2.1 0 (2022) 2.2 0 (2022) 2.3 0 (2022)	2.1 15 (2027) 2.2 300 (2027) 2.3 10 (2027)	2.1 M&E system at the project level 2.2 M&E system at the project level 2.3 M&E system at the project level	
<b>Outcome 3</b>	3. Green competitiveness of SMEs from Southern Neighbourhood countries has been strengthened by supporting their transition towards green and circular economy solutions and their access to green finance	3.1 Number of green jobs supported/sustained by SMEs supported through the Action 3.2 Number of Small and Medium enterprises applying Sustainable Consumption and Production practices with EU support, disaggregated by sex of the owner, enterprise size	3.1 0 (2022) 3.2 0 (2022) 3.3 0 (2022)	3.1 tbd 3.2 100 (2027) 3.3 50 (2027)	3.1 Project M&E system 3.2 EU intervention monitoring and reporting systems: annual and final reports from implementing organisations (e.g. governments, international organisations, non-state actors), ROM reviews, evaluations, etc.	

		3.3 Number of Small and Medium Enterprises having access to green finance, disaggregated by gender and enterprise size			3.3 Baseline and endline studies conducted and budgeted by the EU-funded intervention	
<b>Output 1 related to Outcome 1</b>	1.1 Policy dialogue and national regulatory framework have been enriched through awareness raising activities and promotion of green and circular economy	<p>1.1.1 Number of policy makers and stakeholders participating in Inclusive Green Economy (IGE) events organised with support of the EU-funded intervention</p> <p>1.1.2 Number of dialogue mechanisms on Inclusive Green Economy (IGE) supported by the EU-funded intervention</p> <p>1.1.3 Number of policy makers and other stakeholders trained by the EU-funded intervention with increased knowledge and/or skills on Inclusive Green Economy (IGE) issues</p>	<p>1.1.1 0 (2022)</p> <p>1.1.2 0 (2022)</p> <p>1.1.3 0 (2022)</p>	<p>1.1.1 150 (2027)</p> <p>1.1.2 10 (2027)</p> <p>1.1.3 150 (2027)</p>	<p>1.1.1 Database of beneficiaries/participants</p> <p>1.1.2 Progress reports for the EU-funded intervention</p> <p>1.1.3 Database of training participants; pre- and post-training tests</p>	
<b>Output 2 related to Outcome 1</b>	1.2 Enabling frameworks for Inclusive Green Economy (IGE) have been set in place in target countries (i.e. ensuring coherence between economic and environment policies across relevant areas such as the business environment, finance and investments, employment)	<p>1.2.1 Number of Inclusive Green Economy (IGE) policy instruments adopted and/or implemented</p> <p>1.2.2 Percentage of Green Public Procurement (GPP) compared to the total national public procurement, disaggregated by sector</p>	<p>1.2.1 0 (2022)</p> <p>1.2.2 0 (2022)</p>	<p>1.2.1 tbd</p> <p>1.2.2 tbd</p>	<p>1.2.1 Project M&amp;E system (to be measured at the project level)</p> <p>1.2.2 Project M&amp;E system (Data should be available from National governments; sectoral level data might have to be measured at project level)</p>	
<b>Output 1 related to Outcome 2</b>	2.1 The regional network of existing business support organisations has been strengthened through capacity building activities	<p>2.1.1 Number of business support organisations (BSOs) representatives attending EU-funded networking events on green economy, disaggregated by sex, sector</p> <p>2.1.2 Number of business support organisations (BSOs) representative trained by the EU-funded intervention</p>	<p>2.1.1 0 (2022)</p> <p>2.1.2 0 (2022)</p>	<p>2.1.1 150 (2027)</p> <p>2.1.2 150 (2027)</p>	<p>2.1.1 Database of beneficiaries/participants</p> <p>2.1.2 Database of training participants; pre- and post-training tests</p>	

		with increased knowledge and/or skills on Inclusive Green Economy (IGE) issues, disaggregated by sex and sector				
<b>Output 2 related to Outcome 2</b>	2.2 Capacities of business support organisations (BSOs) to promote Sustainable Consumption and Production practices by Small & Medium Enterprises (SMEs) have been improved	2.2.1 Number of green business support organisations (BSOs) promoting green practices supported by the EU-funded intervention, disaggregated by sex and age group of the owner  2.2.2 Number of Small Medium Enterprises (SMEs) assisted by green business support organisations (BSOs) providers with support of the EU-funded intervention, disaggregated by sex and age group of the owner, enterprise size	2.2.1 0 (2022) 2.2.2 0 (2022)	2.2.1 15 (2027) 2.2.2 100 (2027)	2.2.1 Progress reports for the EU-funded intervention  2.2.2 Progress reports for the EU-funded intervention	
<b>Output 1 related to Outcome 3</b>	3.1 Uptake of Sustainable Consumption and Production (SCP) practices by Small & Medium Enterprises (SMEs) has been supported	3.1.1 Number of EU supported Small and Medium Enterprises (SMEs) reporting the adoption of Sustainable Consumption and Production (SCP) practices, disaggregated by sex and age group of the owner, enterprise size  3.1.2 Number of Small and Medium Enterprises (SMEs) that obtain access to green finance, disaggregated by sex and age group of the owner, enterprise size	3.1.1 0 (2022) 3.1.2 0 (2022)	3.1.1 50 (2027) 3.1.2 50 (2027)	3.1.1 Baseline and endline studies conducted and budgeted by the EU-funded intervention  3.1.2 Baseline and endline studies conducted and budgeted by the EU-funded intervention	
<b>Output 2 related to Outcome 3</b>	3.2 Business performance of Small & Medium Enterprises (SMEs) operating on green and circular economy sectors has been improved	3.2.1 Number of Small Medium Enterprises (SMEs) reporting increased turnover as a direct result of EU support received, disaggregated by sex and age group of the owner, enterprise size	3.2.1 0 (2022) 3.2.2 0 (2022)	3.2.1 50 (2027) 3.2.2 tbd	3.2.1 Baseline and endline studies conducted and budgeted by the EU-funded intervention  3.2.2 Baseline and endline studies conducted and	

		3.2.2 Amount of savings generated from improved resource (material, energy, water) efficiency			budgeted by the EU-funded intervention	
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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 the 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>16</sup>.

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

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

#### **Component 2: support to Business Support Organisations**

##### ***Working with Business Support Organisations (BSOs):***

Grants for component 2 will contribute to green and circular economy by contributing to the enhancement of skills (both digital and financial) for Business Support Organisations to be more equipped for the transition towards green and circular economy, while taking advantage of the digital transition and the subsequent use of digital and data technologies.

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

#### **Component 2: support to Business Support Organisations**

##### ***Working with Business Support Organisations (BSOs):***

The call for proposals will target potential applications with experience on green and circular economy promotion and the development of specialised trainings, notably legal entities; natural persons or groupings, international organisations; NGOs; or economic operators such as business associations and business support structures.

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<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.

### **4.3.2. Indirect Management with an EU specialised (regulatory) agency or a Member State Organisation**

Component 1 of this action may be implemented in indirect management with an EU specialised (regulatory) agency or a Member State Organisation.

The implementation entails supporting, developing and strengthening sound policies and enforceable legislation for the promotion of green and circular economy, EU standards through advocacy, peer exchange, and increase the level of collaboration between stakeholders (public authorities, business support organisations, investors and the business community). This is to be done by organising policy dialogue and peer-to-peer exchange; sharing best practices on relevant EU policies, regulations, and standards; advocacy campaigns and organisation of focus groups; public/private dialogue with national and local authorities to promote green economy, awareness on EU standards, and encourage relevant reforms; supporting the implementation of green strategies and regulations and facilitating regional knowledge exchanges and peer-learning among partner countries regulating authorities, including with their European counterparts.

The envisaged entity will be selected using the following criteria: notably its operational capacity, solid knowledge of the areas covered, former experience of implementing such activities through former and on-going regional and bilateral projects and thus scaling up resources and by deploying experts in highly specialised areas including drawing on expertise from different EU entities and bringing in value added by both providing tailor made technical assistance at country level combined with a sub-regional and regional approach.

As a fall-back option, in case an EU specialised agency or a Member State Organisation is not identified, an UN agency would be considered.

### **4.3.3. Indirect Management with a pillar-assessed entity<sup>17</sup>**

Component 3 of this action may be implemented in indirect management with UNIDO through the scaling-up of the SwitchMed programme.

The implementation entails strengthening green competitiveness of SMEs from Southern Neighbourhood countries by supporting their transition towards green and circular economy solutions and their access to green finance. This by providing of technical assistance and tailor-made expertise (training, coaching and mentoring); raising awareness campaigns for SMEs on the benefits of green economy (GE) and sustainable consumption and production (SCP) practices; developing of business cases for GE and SCP practices and establishing knowledge tools for SMEs to get a better understanding of how the green transition in general and SCP practices in particular can open up new businesses opportunities for entrepreneurs, including social entrepreneurs, by offering a better market integration, foster their competitiveness and improve their access to finance.

The envisaged entity has been selected using the following criteria: notably its operational capacity, solid knowledge of the areas covered, former experience of implementing such activities through former and on-going regional (SwitchMed) and bilateral projects and thus scaling up resources and by deploying experts in highly specialised areas including drawing on expertise from different UNIDO departments and bringing in value added by both providing tailor made technical assistance at country level combined with a sub-regional and regional approach.

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<sup>17</sup> The signature of a contribution agreement with the chosen entity is subject to the completion of the necessary pillar assessment.

#### 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	
<b>Component 1</b> composed of	
Indirect management with an EU specialised (regulatory) agency or a Member State Organisation – cf. section 4.3.2	4 000 000
<b>Component 2</b> composed of	
Grants (direct management) – cf. section 4.3.1	4 000 000
<b>Component 3</b> composed of	
Indirect management with UNIDO – cf. section 4.3.3	12 000 000
<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>	<b>20 000 000</b>

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

This action will be managed by Commission services (Directorate-General for Neighbourhood and Enlargement Negotiations in close cooperation with other Commission services and relevant stakeholders). Dedicated Steering Committees will be created, with the participation of relevant Commission services (ad hoc organisations/stakeholders could be invited too).

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.

## **4.7. Pre-conditions**

Conditions for implementation are particularly relevant for the support to green and circular economy solutions for SMEs, which involves comprehensive support at macro-, meso- and micro-levels. Political commitment and interest is required around the concept of ‘green economy’, thus allowing to create a positive narrative and sufficient critical mass. A legal framework for developing green businesses in Mediterranean partner countries would be important to build up the ecosystem and gain in credibility. The particular situation of countries should be taken into account and a different approach/activities might be needed, according to the context. Dialogue to reinforce reforms should happen, together with an involvement of various stakeholders from the early stage of the programme.

## **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, each 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).

Roles and responsibilities for data collection, analysis and monitoring:

Each project financed under this action will entail a log frame matrix that the Commission will agree on while signing the contract. Project’s beneficiaries will setup their own internal monitoring system and conduct, during the whole implementation of the project, an in-depth analysis and follow-up of the degree of achievement of the log frame matrix’s provisions.

### **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 project 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>18</sup>. The implementing partners and the Commission shall analyse the conclusions and recommendations of the evaluation and, where appropriate, in agreement with the partner

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<sup>18</sup> See best [practice of evaluation dissemination](#)

