



**EN**

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

**ANNEX V**

of the Commission Implementing Decision on the financing of the multiannual action plan in favour of the NDICI Neighbourhood East Region part 1 for 2021-2022

**Action Document for**

**EU4Digital: supporting digital economy and society in the Eastern Partnership – Phase II**

**MULTIANNUAL ACTION PLAN**

This document constitutes the multiannual work programme in the sense of Article 110(2) of the Financial Regulation, and action plans and measures in the sense of Articles 23(2) of NDICI Regulation.

**1. SYNOPSIS**

**1.1. Action Summary Table**

<b>1. Title CRIS/OPSYS Basic Act</b>	<u>EU4Digital: supporting digital economy and society in the Eastern Partnership – Phase II</u> Multi-annual action plan 2022-2025 Decision number: NDICI-GEO-NEAR/2021/42996 Financed under the Neighbourhood, Development and International Cooperation Instrument – Global Europe (formally the European Neighbourhood Instrument)
<b>2. Team Europe Initiative</b>	No
<b>3. Zone benefiting from the action</b>	The action shall be carried out in the Eastern Partnership countries: Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova <sup>1</sup> and Ukraine.
<b>4. Programming document</b>	Programming of the Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI-Global Europe) 2021-2027, Regional Multiannual Indicative Programme for the Eastern neighbourhood 2021-2027 <sup>2</sup> .
<b>5. Link with relevant MIP(s) objectives/expected results</b>	Regional Multiannual Indicative Programme for the Eastern Neighbourhood (2021-2027), Priority area 4: Resilient digital transformations - Specific objective 1 (Investing in digital infrastructure, development and upgrade, including roaming)

<sup>1</sup> hereinafter referred to as Moldova

<sup>2</sup> C(2021)9370 adopted on 15/12/2021

	- Specific objective 2 (Promoting e-Services, supporting integration into EU Digital Single market, enhancing e-skills)			
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>				
<b>6. Priority Area(s), sectors</b>	Digital Economy and Society			
<b>7. Sustainable Development Goals (SDGs)</b>	Main: SDG 09: Industry, Innovation and Infrastructure Significant: SDG 05: Gender Equality Significant: SDG 08: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.			
<b>8 a) DAC code(s)</b>	33120 - Trade facilitation - 34% 22040 - Information and communication technology (ICT) - 33% 22020 - Telecommunications - 33%			
<b>8 b) Main Delivery Channel</b>	Main channel 60000 - Private sector institution			
<b>9. Targets</b>	<input type="checkbox"/> Migration <input type="checkbox"/> Climate <input type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input checked="" type="checkbox"/> Education <input type="checkbox"/> Human Rights, Democracy and Governance			
<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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 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 type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" 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"/>
	<u>Connectivity</u> Tags: transport people2people energy digital connectivity	<input type="checkbox"/>	<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Migration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	COVID-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>BUDGET INFORMATION</b>				
<b>12. Amounts concerned</b>	Budget line: BGUE-B2021-14.020111-C1-NEAR Total estimated cost: EUR 11 000 000,00 Total amount of EU budget contribution EUR 11 0000 000,00			
<b>MANAGEMENT AND IMPLEMENTATION</b>				
<b>13. Implementation modalities (type of financing and management mode)</b>	Project Modality <b>Direct management</b> through: - Procurement			

## 1.2. Summary of the Action

The Joint Communication on the Eastern Partnership Policy beyond 2020<sup>3</sup> stresses that the European Commission’s work on digital transformation “**will build on the success of the policy initiative for the Harmonisation of Digital Markets in the EaP and the operational programmes launched under the EU4Digital brand.**” This action proposes to extend the previous phase of EU4Digital Facility with a further three years and a budget of EUR 11 000 000.

The EU4Digital Facility Phase I has successfully advanced a wide-ranging digital policy agenda, which includes activities in digital infrastructure, interoperability and eGovernance, digitalisation of businesses, skills and health. The Facility supports harmonisation of EU regulations, and strengthens connections and cooperation between Member States and EaP countries by sharing best practices, facilitating policy and regulatory alignment, and organising networking events. The Facility further pilots new solutions and ideas,

<sup>3</sup> JOIN/2020/7 final.

with the aim of transferring these to the partner countries for full implementation, and in so doing, extending the benefits of the EU's Digital Single Market to the Eastern Partnership. The success of this initiative has been recognised by EaP countries during the Panel on Harmonisation of Digital Markets and its six Thematic Networks, and by EU Delegations in the region.

**The digital economy innovates and enables growth faster than ever before.** Today's choice facing countries and companies is between innovation and being left behind. The drastic increase of online trade in goods and services, and post-pandemic changes to the world of work, business, healthcare and education, will only accelerate the digital transformation of societies and economies.

Centred on **the areas of strategic importance** identified both in the above-cited Joint Communication as well as in the Communication on the 2030 Digital Compass: European way for the Digital Decade<sup>4</sup>, of 9 March 2021, **the present action proposes a work plan with the specific objectives** to:

1. Secure and sustain digital and telecom infrastructure across the Eastern partner countries.
2. Significantly improve digitalisation of public services and interoperability between governmental services on the national level, the EaP level, and between the EaP and the EU.
3. Support digitalisation of businesses in the EaP countries.
4. Support the development of digital skills and digitally empower citizens, businesses and governments in the Eastern Partnership countries.
5. Provide specifically tailored support to key sectors of digital transformation for Georgia.

These objectives and the corresponding activities contribute to the achievement of SDG 09 (main objective) and SDG 05 (significant) and SDG 08 (significant). With regard to our reporting to the Development Assistance Committee of the OECD, the action covers primarily Trade facilitation (34%), Information and communication technology (33%) and Telecommunications (33%).

## 2. RATIONALE

### 2.1. Context

The present action proposes a following phase to the facility "EU4Digital: supporting digital economy and society in the Eastern Partnership," which is under implementation in the six Eastern Partnership countries Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova and Ukraine. The 'EU4Digital Facility' developed a technical support to the Thematic Networks of EaP national experts; a bold and ambitious legislative harmonisation and capacity building drive; and piloted new technical solutions that **contributing to closing the gap between the Eastern partner countries and the EU's Digital Single Market**. This is a key strategic priority for the EU, as provided for in the Joint Communication March 2020 "Eastern Partnership policy beyond 2020, Reinforcing Resilience, an Eastern Partnership that delivers for all", which states that: *"the EU, its Member States and the partner countries [will be] working together [...] for a resilient digital transformation."*

The Joint Communication sets forth that *"a strong digital presence in the EU's neighbourhood will enable growth and drive sustainable development."* And more concretely *"the EU will invest further in the digital transformation of the partner countries, in line with EU legislation and best practices"* with the *"aim to extend the benefits of the Digital Single Market to the partner countries"*.<sup>5</sup>

Per sector, the EU4Digital Facility's key achievements and successes include:

---

<sup>4</sup> COM/2021/118 final.

<sup>5</sup> JOIN/2020/7 final.

#### *Under Telecom rules:*

A **Regional Roaming Agreement (RRA)** was drafted to support an 80% reduction of retail-roaming prices for mobile phone customers in the six Eastern partner countries after full application of the Agreement, and a feasibility study on the common international roaming space between the Eastern partner countries and the EU Member States is under way. A **Regional Spectrum Agreement (RSA)** was drafted to support freeing up the 700 MHz and 3,5 GHz frequency bands for use in 5G communications. Regional and national implementation plans for reassignment of 700MHz band in the Eastern partner countries have been prepared. Both agreements are the fruit of a strong partnership with the EaP Electronic Communications Regulators Network (EaPeReg). Support was further provided to strengthening the organisational and financial independence of **National Regulatory Authorities** for electronic communications, including gap assessments and the drafting of national action plans.

#### *Under Trust and security:*

Trust services' capabilities were assessed through a comparative analysis of the national legislation of the EaP countries and the EU's **eIDAS** (electronic Identification, Authentication and Trust Services). **Cybersecurity guidelines** were developed for the EaP region, and **eSignature pilots** were undertaken between Ukraine and Estonia (EaP-EU) and Ukraine and Moldova (EaP-EaP). Country roadmaps and national action plans for the mutual recognition of **electronic identification (eID)** in the EaP region are under development. Assessment of **cross-border eServices interoperability framework** is ongoing with the focus on analysing gaps for cross-border e-services on organisational, legal and technical levels, including necessary enabling infrastructure. Studies to develop country-specific recommendations and provide consultations to public administrations on eGovernance are ongoing. An **eGovernance framework** has been developed focusing on the need to develop digital data interoperability, and digital identification and access, as a means to better support public administration reforms.

#### *Under eTrade:*

An **eDelivery pilot** for eInvoice exchanges between Ukraine and Poland (EaP-EU) and Armenia and Ukraine (EaP-EaP) using established EU-wide solutions and standards was successfully completed. An **eCustoms pilot** aiming to facilitate data exchange and the faster release of goods has been developed. Recommendations to increase eCommerce flows have been developed and an **eCommerce pilot** (virtual warehouse) to place EaP products for sale on markets abroad and complete cross-border delivery is ready to be launched between Armenia, Azerbaijan, Georgia and Germany (EaP-EU); and between Azerbaijan and Georgia (EaP-EaP). The results of these pilots inform policy recommendation provided to EaP countries to scale up the initiatives. In addition, a study underpinning the development of **digital transport corridors** between the Baltic and the Black Sea has been completed, in line with EU norms and best practises, comprising technical components and legal and policy adjustments regarding road and rail transport.

#### *Under ICT innovation:*

**Policy recommendations** and action plans were issued for all Eastern partner countries in support of reforms and actions in the area of ICT research, start-ups and innovation ecosystems in the region. A regional market assessment for a **Digital Innovation and Scale-up Initiative (DISC)** to improve the EaP digital start-up ecosystem and SMEs' access to finance and integrate into EU markets, and to strengthened links with EU innovation ecosystems, has been developed. An **EaP DISC Capital programme** action plan was designed with the goal to establish an EaP DISC Capital funding instrument that will support digital start-ups in the EaP through a regional venture capital investment fund, with a projected contribution from the EFSD+ (European Fund for Sustainable Development plus). A **guide for building ICT entrepreneurial ecosystems** was developed with the aim to boost the growth of tech-enabled start-up ecosystems in the EaP as well as to encourage the governments to strengthen the role and competences of ecosystem builders.

A roadmap and know-how package were created for a **Women in Tech mentorship programme**, with the aim of tackling the gender gap and to enable national organisations to implement such programmes locally and nationally. In addition, six **ICT Innovation networking** events on different policy areas were organised in partnership with key EU organisations bringing together a wide yet targeted audience from across the EaP region and its various business and governmental sectors.

*Under eHealth:*

Harmonisation and interoperability guidelines have been developed to enable a common approach for cross-border eHealth services in the Eastern partner countries. An **eHealth portal and collaboration platform** was launched and an expert community built, enabling eHealth ecosystem players to collaborate across borders, including in the exchange of best practices and information on COVID-19. A roadmap was developed to involve EaP countries in the **European Innovation Partnership on Active and Healthy Ageing (EIP on AHA)**.

*Under Digital skills:*

A methodology to measure and forecast digital skills gaps in the EaP region was developed in line with the EU's Digital Economy and Society Index (DESI). A **Digital Competence Framework** for SMEs and microbusinesses in the EaP has been created based on the European e-Competence Framework (e-CF) and Digital Competence Framework for Citizens, including guidelines and job role profiles. **National coalitions** for skills and jobs have been established in Armenia (2017) and Ukraine (2019) and support to do the same in the other EaP countries is ongoing.

*In terms of communications and visibility:*

The Facility established a strong EU4Digital brand identity, with a website in 8 languages that has attracted over 100.000 unique visitors to date. Three social media outreach campaigns reached over 5.5 million people, while 2 more campaigns will be launched in 2021. A monitoring framework has been established.

The above priority sectors were identified in consultation with the Eastern Partnership countries at the Eastern Partnership summits in 2015 (Riga) and 2017 (Brussels). Representatives of the partner countries participate actively in the Eastern Partnership policy framework, including the yearly political and strategic discussions at the Eastern Partnership Panel on Harmonisation of Digital Markets and the Platform on Economic Development and Market Opportunities. The EU4Digital Facility has actively supported the six related Thematic Networks, grouping together experts from Ministries and National Regulatory Authorities, who have formed a strong and vibrant community of practice and offer regular contributions to policy dialogues on priority areas for the partner countries.

EU investment in the Digital Transformation of the EaP region is strategic, and never more necessary than today, as the hard-hit Eastern partner countries build back better and chart a course out of the COVID-19 induced economic crisis.

## **2.2. Problem Analysis**

As the Eastern partner countries aim at building back better after the pandemic, the EU stands ready to support them with a new Economic Investment Plan<sup>6</sup>. In the area of Digital Transformation specifically, the Communication of March 2021, entitled “2030 Digital Compass: the European way for the Digital Decade” defines the strategic priorities for the Digital Single Market for the next decade<sup>7</sup>. The present action, for the

---

<sup>6</sup> Joint Staff Working Document ‘Recovery, resilience and reform: post 2020 Eastern Partnership priorities’ SWD (2021) 186 final.

<sup>7</sup> COM/2021/118 final.

benefit of the EaP countries, is designed in close alignment with the priorities set for the EU, as the ambition remains to extend the benefits of the Digital Single Market to the Eastern partner countries. This action seeks to address the remaining gaps in the Eastern partner countries across all four priority areas laid out in the Communication on the 2030 Digital Compass.

### *Digital infrastructure*

Today the mobile connectivity landscape across the EaP region is fragmented and cross-border mobile communication is expensive. As affordable international mobile roaming services play an important role in facilitating economic and social interactions, both for trade and people-to-people connections, the EU has been supporting EaP countries in their joint work towards a common international roaming space, to be established via a Regional Roaming Agreement (RRA). Once the RRA is signed, this action will provide technical assistance to its implementation over the years ahead.

In addition, the Eastern Partner countries are not yet fully prepared for the roll-out of 5G technology. This is why EU4Digital Phase I has supported joint work, between EaP countries and with the EU, on freeing the same frequency bands for mobile operators in all countries, which is a prerequisite for the launch of interference-free mobile 5G services.

In this respect, the EaP countries join the EU's coordinated approach to secure 5G networks, by taking proportionate, appropriate and risk-based security measures for 5G networks and services, taking account of the EU's Risk Assessment of October 2019 and the Toolbox for the Security of 5G networks published on 29 January 2020.

Today only 28% of households in the region have access to high-speed internet through fibre-to-home connections. Under this action, further support in the area of secure and affordable high-speed internet will ensure the digital transformation is of real benefit for citizens and businesses in all parts of the countries in the region. This action will improve digital connectivity between the EU and its partners and help position the EU as a world-class data hub in line with the 'Ministerial Declaration on European Data Gateways' as a key element of the EU's Digital Decade<sup>8</sup>.

### *Interoperability and eGovernance*

At present, less than 50% of public services across the region are provided digitally. Often, these services are fragmented and lack interoperability, both within countries and cross-border. Furthermore there is currently no international recognition of trust services from the EaP countries, which hampers international trade and cross-border recognition of government-issued documentation and certification.

Building on the work done under EU4Digital Phase I, notably the pilots on eSignature and eID, this action will facilitate the adoption of legal frameworks for electronic identification schemes and electronic trust services, alongside implementation of the respective technological solutions in the EaP, in line with relevant EU legislation and best practices.

The goal of digital transformation for governments is to enhance delivery of services through a citizen-centric and digital-by-default approach, which means that all citizens and businesses prefer and use digital services instead of the physical equivalent. For enabling the proliferation of such services, EaP countries will have to strengthen underlying conditions for digitalisation, such as digital data availability in key registers built on EU standards, interoperability, and digital governance and organisational structures. Interoperability platforms should be developed respecting the 'once-only principle' that requires citizens and businesses to provide data only once, when in contact with public administrations, while public administration bodies take actions to internally share and reuse these data respecting data protection regulations. Recognition of digital signatures

---

<sup>8</sup> <https://digital-strategy.ec.europa.eu/en/news/digital-day-2021-europe-reinforce-internet-connectivity-global-partners>

instils trust, which in turn facilitates digital interaction between citizens and with public institutions, amplifies business-to-business connections, and accelerates trade flows.

Businesses and governments collect and store large amounts of data that could be used to facilitate faster and more secure border crossings. Through EU4Digital Phase I, the EU has supported the introduction of digital solutions for advanced customs and sanitary and phytosanitary information exchange, and strengthened border management and coordination. Building on the EU's Digital Transport and Logistics Forum (DTLF), and in particular on the recently adopted regulation on electronic freight transport information (eFTI), this action could support the development of digital transport corridors pilots in EaP countries.

#### *Digital transformation of businesses:*

While all EaP countries have a cohort of highly skilled scientists, technicians, engineers and mathematicians (STEM), EaP start-ups often lack critical skills, such as in marketing and financial analysis, and/or are poorly connected with customers and value chains. Even though the ICT sector sees a 20% growth year on year, without the provision of dedicated support to incubate ideas and accelerate the development of start-ups, this growth cannot be sustained. Based on the design of the national entrepreneurial ecosystems guidebooks prepared under EU4Digital Phase I, this action will strengthen the start-up ecosystems (from talent to creation, investment and exit) with a coordinated approach. To address the lack of capital, European Foreign Direct Investment (FDI) should be mobilised to support incubation of start-ups and contribute to integrating EaP start-ups into EU value chains. To bolster the now fragmented technology landscape in the countries, this action further aims to design country-specific recommendations to cluster specialisation in strategic tech sectors, building on a smart specialisation analysis.

#### *Skills:*

A digital skills divide exists in all Eastern partner countries, and between the EaP countries and EU Member States. And as businesses and governments are digitalising at an ever-increasing pace, the risk is that large parts of the region's populations will be left behind. Therefore, this action aims to design a portfolio of pilot interventions to make EdTech solutions available to citizens in the region. A digital skills framework for civil servants will be piloted alongside a Digital Competence Framework for SMEs and microbusinesses. Digital skills are indispensable for EaP citizens to benefit from the availability of online public services, and a key tool in empowering SMEs to embrace the opportunities provided by greater digitalisation of the economy and easier cross-border trade.

#### *Tailored Support to Georgia:*

Approaching its digital transformation journey from a holistic point of view, Georgia has identified weaknesses in its digital start-up ecosystem, in the country's connection to international markets, and in women's participation in the digital economy. Therefore, this action will address these inter-linked weaknesses with an integrated approach including strengthening the capacity of Georgia's Innovation and Technology Agency GITA to lead the development of the country's digital start-up ecosystem. In addition, this action will support the full implementation of the country's connection to main EU eCommerce platforms through a Virtual Warehouse which shall serve as a hub for Georgian SMEs, building on the country's participation in the pilot under EU4Digital Phase I. A pilot phase of the Women In Tech mentorship approach will aim to address the comparatively low number of women who choose digital and tech-enabled career paths.

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

The following core stakeholders will be involved in programme activities and become the main partners in implementation of the action:



- National Governments and Parliaments in their capacities of co-legislators.
- National Ministries, including but not limited to Economy and High-Tech/Digital Industry of the six EaP countries with relevant competences in the areas of intervention under this action.
- Competent authorities within national governments in charge of the regulation of telecommunications markets.
- International Financial Institutions.
- Private investors and international venture capital funds or incubators.
- Businesses, including SMEs and business associations across the EaP countries.
- Other stakeholders including regional and local governments, civil society organisations (e.g. NGOs, academia, professional associations, etc.).
- National coalitions of learning and education providers.
- Citizens in their capacity as final beneficiaries of the activities developed under this project, especially citizens who do not yet benefit from affordable internet connectivity in their local area or citizens who are at a disadvantage with regard to digital skills.

### 3. DESCRIPTION OF THE ACTION

#### 3.1. Objectives and Expected Outputs

The Overall Objective (Impact) of this action is to extend the benefits of the Digital Single Market to Eastern Partnership countries.

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

1. Secure and sustainable digital and telecom infrastructure across the Eastern partner countries.
2. Improve digitalisation of public services and interoperability between governmental services on the national level, the EaP level, and between the EaP and the EU.
3. Support digitalisation of businesses in the EaP countries.
4. Support the development of digital skills and digitally empower citizens, businesses and governments in the Eastern Partnership countries.
5. Provide tailored support to Georgia's digital economy.

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

contributing to **Outcome 1** (or Specific Objective 1):

- 1.1 EaPeReg secretariat enabled to perform its coordination role for Telecom Regulators.
- 1.2 Regional Roaming Agreement fully implemented.
- 1.3 Regional Spectrum Agreement fully implemented.
- 1.4 Investments in last-mile broadband connectivity through public private partnerships prepared.

contributing to **Outcome 2** (or Specific Objective 2):

- 2.1 95% of public services made available through digital interoperability platforms.
- 2.2 Regional agreements for cross-border mutual recognition of eSignatures and certificates developed (EaP-EU).
- 2.3 Pilot projects and recommendations to facilitate eCustoms interoperability delivered (intra-EaP, EaP-EU).
- 2.4 Digital Transport Corridors operationalised in at least four EaP countries.
- 2.5 Interoperable eHealth solutions piloted.

contributing to **Outcome 3** (or Specific Objective 3):

- 3.1 Cross border eCommerce increased by 50%.
- 3.2 Start-up ecosystem in each country reinforced.
- 3.3 EaP DISC Venture Capital Fund set up and operational.

contributing to **Outcome 4** (or Specific Objective 4):

- 4.1 One million EaP citizens digitally empowered.
- 4.2 Portfolio of EdTech solutions informing country strategies developed.

contributing to **Outcome 5** (or Specific Objective 5):

- 5.1 Georgia's digital warehouse connected to main EU eCommerce platforms and serving as a hub for SMEs.
- 5.2 GITA capacitated in its leading coordinating role on the digital start-up ecosystem in Georgia.
- 5.3 Number of female tech entrepreneurs in Georgia increased.

### **3.2. Indicative Activities**

#### ***1. Digital Infrastructure:***

Activities related to Output 1.1

- Support EaPeReg to carry out its oversight over the implementation of the RRA and RSA, with secretarial, regulatory and technical assistance.

Activities related to Output 1.2

- Support to national consultations on the implementation of the Regional Roaming Agreement (RRA).
- Empower National Regulatory Authorities to monitor and ensure competitiveness in the telecommunication markets.

Activities related to Output 1.3

- Support to national consultations on the implementation of the Regional Spectrum Agreement (RSA)
- Provide support to preparing national 5G licensing auctions.

Activities related to Output 1.4

- Support the implementation of the national broadband strategies.
- Participate to increase digital connectivity between the EU and EaP countries.
- Preparation of a roadmap to achieving 80% affordable high-speed internet in all six EaP countries and support its implementation.
- Develop Public Private Partnership investment models to increase broadband access in rural areas.

#### ***2. Interoperability and eGovernance:***

Activities related to Output 2.1

- Recommendations and coordination support provision to countries in support of eGovernance development, building on the framework elaborated under EU4Digital Phase I.

Activities related to Output 2.2

- Pilot interoperable cross-border eServices based on cross-border eServices interoperability frameworks.
- Pilot further EU CEF Building blocks (in addition to the eDelivery pilot under EU4Digital Phase I), e.g. extend access to the European Blockchain Services Infrastructure (EBSI) to EaP countries.

Activities related to Output 2.3

- Build on the SEED pilot under EU4Digital Phase I by assisting implementation across EaP countries, including facilitating links with Western Balkan (CEFTA) countries.
- Pilot advanced sanitary and phytosanitary information exchange (solutions: SEED+, TRACES).
- Facilitation of regional agreement(s) for cross-border mutual recognition of eSignatures EaP-EU.

#### Activities related to Output 2.4

- Assist creating interoperable digital documentation exchange solutions in Moldova and Ukraine.
- Map alternative interoperability corridors in the south Caucasus countries.
- Coordinate harmonisation of multi-modal data exchange standards across the EaP countries.
- Develop Digital Transport Corridors pilots.

#### Activities related to Output 2.5

- Pilot cross-border digital green certificates providing proof of COVID-19 vaccination status.
- Develop a cross-border Health Data space, including for an effective response to counterfeit medication and/or communicable diseases.
- eHealth strategies and eHealth development roadmaps in Eastern partner countries.

### **3. Digitalisation of businesses:**

#### Activities related to Output 3.1

- Design country-specific recommendations to cluster specialisation in strategic tech sectors.
- Promote European value chain integration for tech-enabled start-ups from the EaP region.
- Extend of the EaP start-ups platform, building on work done under Phase I.
- Organise networking events on specific EU regulations and technologies, building on the success of these events under Phase I.

#### Activities related to Output 3.2

- Develop the eCommerce pilots tested in three Caucasus countries under Phase I in the other EaP countries.
- Provide recommendations for national postal services to facilitate eCommerce with the EU.
- Engage with European eCommerce platforms to facilitate dialogue with EaP SMEs through developed solutions including the Virtual Warehouse.

#### Activities related to Output 3.3

- Assist lead organisations in the partner countries in designing start-up ecosystems, based on the analysis done under Phase I.
- Prepare the design of the DISC Capital programme for the EaP, including terms of references, with emphasis on regional scope and scale.

### **4. Skills:**

#### Activities related to Output 4.1

- Design a portfolio of pilot interventions to support EdTech development in the region using a complex system approach.
- Pilot digital skills framework for civil servants in Eastern partner countries to improve digital skills.
- Pilot digital Competence Framework for SMEs and microbusinesses.

### **5. Tailored support to Georgia's digital economy:**

#### Activities related to Output 5.1

- Implement in full the eCommerce Virtual Warehouse solution, following the pilot undertaken under Phase I.

#### Activities related to Output 5.2

- Support Georgia's lead organisation in designing a national action plan for building a digital entrepreneurship ecosystem.

#### Activities related to Output 5.3

- Pilot Women In Tech mentorship approach in Georgia.

### 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 this 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 no or low risk (no need for further assessment).

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

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that the action is designed with a gender lens and that addressing gender equality within the digital transformation of the Eastern partner countries is a significant objective. The action will aim at harnessing the opportunities offered by the digital transformation for gender equality and empowerment of women and girls, in line with the EU Gender Equality Strategy 2020-2025<sup>9</sup> and the EU Gender Action Plan (GAP) III<sup>10</sup>.

This action will continue to address the structural barriers that underpin the digital gender divide and place special emphasis on gender equality and inclusiveness which will be mainstreamed across all project activities. The latter shall be analysed with specific reference to the experience and needs of women and men, boys and girls in the relevant fields of the digital transformation of the Eastern partner countries. In the field of Digital Skills, the digital empowerment of citizens in the Eastern Partnership will have a dedicated focus on supporting women innovators and entrepreneurs through participation and skills training. Promoting women's equal access to digital technologies can accelerate progress on gender equality and women's empowerment in areas such as education, employment and entrepreneurship.

#### Human Rights

The activities under this action will be implemented following a right-based approach, with a view to respect for all human rights and fundamental freedoms. This carries particular relevance for people in vulnerable and disadvantaged situations, those living in rural areas, and those whose rights may be under threat from being infringed upon through digital technologies or the non-respect of digital fundamental rights and data protections. The five working principles below will be applied at all stages of implementation: legality, universality and indivisibility of human rights; participation and access to decision-making processes; non-discrimination and equal access; accountability and access to the rule of law; transparency and access to information. The Steering Committees co-chaired by the European Commission and the implementing partners will ensure that this approach is ensured across all activities implemented throughout the different activities. Efforts will be made to promote accessibility, equality, environmental sustainability and climate change adaptation as well as to identify opportunities where digital transformation can support change in these areas

#### Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0. This implies that the action does not specifically target the inclusion of persons with disabilities.

#### Democracy

---

<sup>9</sup> COM/2020/152 final.

<sup>10</sup> JOIN (2020) 17 final.

This action complements existing Public Administration Reform efforts by the partner countries aiming at increasing efficiency, transparency and accountability. Co-creation processes involving civil society and academia through consultation and close cooperation are a core element of Outputs 1 and 2, and critical in ensuring inclusive and responsive processes and sustainable results on the ground.

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

In its regional scope, the current action will be undertaken with a conflict-sensitive approach including a strict neutrality towards the bilateral relations between the six Eastern Partnership countries. As is common practice under EU4Digital Phase I, the selection of participant countries to pilots will be conducted in a balanced and equitable way where possible. Political sensitivities will be accommodated for in close coordination with EU Delegations and HQ services including DG NEAR and the EEAS. As a regional project, an orientation towards the commonality of interests and challenges across the Eastern Partnership region will guide the decisions and activities under this action.

### **Disaster Risk Reduction**

N/A

### **Other considerations if relevant**

N/A

## **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>
External	Changes in beneficiaries' commitment or priorities in the area of digital transformation.	L	H	The project team will work closely with stakeholders in partner countries on a daily basis and identify any changes in commitment early on. Necessary adjustments to the activities will be made should a country indicate to be unable to partake in an activity.
External	Political turmoil in EaP countries might impact stakeholders' decision-making process and results validation, potentially causing delays and impact overall results.	H	H	The EU4Digital Facility will continue cooperation with all countries on a technical level, or use existing data sets and information when political guidance prevents further direct engagement with stakeholders. Activities can also be sequenced, or undertaken with a subgroup of EaP countries.
External	Pandemic induced restrictions such as quarantines, travel bans and other will impact the implementation of the action.	L	L	Though a risk, EU4Digital will continue to be fully operational, as it has been under the "working from home" guidelines that have been in place for 1+ year, any new circumstances or arrangements, including on hybrid ways of working will be implemented in a forthcoming and flexible way.

External	Implementation difficulties in Belarus owing to hampered political relations or administrative requirements to register externally funded actions.	M	M	The action will strictly follow political guidance from the European Union and its Institutions and Bodies. When relevant and in line with EU political guidelines, implementation in Belarus will be ensured through early notification of the intent to extend the project’s current registration. In addition, local partners could further be identified to undertake project activities in Belarus
Internal	Insufficient technical, administrative or financial absorption capacity may impede on a partner country’s capacity to implement project activities	L	M	For every activity, this action will seek national counterparts and build coalitions of stakeholders, which may act as “owners” of solutions or as lead organisers. This action will identify gaps and provide roadmaps towards attainment of the results per activity. Where it appears that insufficient capacity is available, and that the provision of training within this action is likely to be insufficient to build up the required capacity in an EaP country, alternative ways of acquiring that capacity, including through other, separate, EU instruments including TAIEX and Twinning will be sought.

**Lessons Learned:**

The first phase of the EU4Digital Facility has provided important lessons learned which have informed the design of this action.

Notably, the Thematic Networks under the EU4Digital Initiative have proven to be a true catalyst for EaP stakeholder engagement, and this action will build upon the strengths of this community of practice, and the genuine partnership that was formed between the consultants’ team under Phase I, the Networks and the European Commission.

The Thematic Networks have been particularly active in the area of harmonisation of national legislation with (new) EU Regulations in the area of the Digital Single Market. Here, benchmarking studies undertaken by the EU4Digital Facility have proven to be instrumental in the decision-making and prioritisation of national Ministries and Regulatory Authorities. Therefore, benchmarking studies will continue to underpin the activities under this action, and therewith inform the policy dialogue between the EaP countries and the European Union.

There has been strong interest from the EaP countries to pilot solutions and develop technical solution to inform policies and the design of national action plans. The piloting of new solutions shall continue under Phase II and emphasis shall be placed on connecting pilot countries, including making stronger links between the intra-EaP and EaP-EU pilot pairs, which remain important each in their own right as this action seeks to promote intra-EaP integration as well as EaP-EU integration.

EaP countries have continuously demonstrated a strong willingness to work together with the EU4Digital Facility team. National Authorities do not always have the requisite in-house technological capacities to implement solutions that are part of the EU’s Digital Single Market. This action shall continue to provide technical assistance to the national authorities, including through information sharing and networking events.

At the same time, more emphasis shall be placed on the responsibility that rests upon partner countries to integrate piloted solutions into their national strategies, where possible with support from EU Delegations.

Therefore, a solid foundation in studies, an increased focus on integration of pilot scenarios as well as continuous knowledge-sharing will underpin the working methods of the action, across every activity that shall be developed.

### **3.5 The Intervention Logic**

The underlying intervention logic for this action is that benchmarking the Eastern partnership's regulatory framework and interoperability solutions in the area of digital transformation against those in place in the European Union will enable the approximation to, and, where possible, integration into, the EU's Digital Single Market of the Eastern partner countries.

The intervention is aligned with the strategic priorities of the EU's Digital Single Market, as set forth in the Communication on the 2030 Digital Compass, and responds to the priorities expressed by the partner countries through our policy dialogue, both through the bilateral programming missions and during the yearly political and strategic discussions during the Eastern Partnership Panel on Harmonisation of Digital Markets and the Platform on Economic Development and Market Opportunities. Both the Panel and Platform will remain the main vectors through which partner countries can contribute to the design and prioritisation of the interventions under this action. Outside these formats, bilateral dialogues between national ministries and civil society stakeholders on the one hand and the implementing team and EU Delegations on the other will further feed in to this action.

In the area of digital infrastructure, there is a clear need for better integrated and cheaper mobile communication. If the Regional Roaming Agreement and the Regional Spectrum Agreement are implemented in full in all Eastern Partner countries, then this will complement the broadband infrastructure on the ground and help secure and sustain a digital infrastructure that is affordable and interconnected. Therefore, the action will support the implementation of the two regional agreements and focus on strengthening the coordinating role of EaPeReg.

Following an organic development of e-services in most of the countries, uncoordinated or overseen by a dedicated agency or Ministry tasked to ensure interoperability, there is a clear need to define country-specific frameworks to ensure interoperability and efficiency of eServices, while ensuring core values including data protection and cyber security are properly factored in. This action will address that need through building on the eGovernance framework developed under Phase I and will continue developing interoperability pilots in particular between countries.

Success of the proposed pilots on interoperable cross-border eServices and further EU CEF building blocks will pave the way for regional agreements for cross-border mutual recognition of eSignatures and certificates, including potentially on digital green certificates proving COVID-19 vaccination status. By building on the benchmarking studies and pilots on eCustoms interoperability and multi-modal digital transport solutions elaborated under EU4Digital Phase I, the action will result in digitalisation of large parts of public services that today function mostly on paper, and will facilitate trade and exchange of goods and services. The digitalisation of additional public services through the activities under this action, and the conclusion of agreements on interoperability and cross-border recognition, will significantly contribute to our objective of having 95% of public services available through interoperability platforms.

All Eastern partner countries have identified the necessity, and professed the ambition, to promote the digitalisation of businesses, in particular of SMEs. Full completion of the eCommerce pilots, in connection with European and international eCommerce platforms, will provide incentives for businesses in the EaP to

digitalise in order to exploit the new market opportunities. This will further strengthen the integration of EaP SMEs into EU value chains. Development of the start-up ecosystems under the EaP DISC Capital programme will attract both knowledge and investment to the region, allowing for more digital start-ups to incubate and develop into fully fledged companies. This will contribute to the digitalisation of businesses, which would in turn create jobs and act as a catalyst for the further digitalisation of the private sector in the region.

There is a need to overcome the digital skills divide within the EaP countries and between the EaP countries and EU Member States. Deployment of a systems analysis to make the internationally EdTech solutions available to the region could result in a powerful tool for the empowerment of citizens, businesses and governments in the region, and lead to an increasing participation of citizens in the digital society and economy. In this regard, as dedicated solutions to provide digital education and skills within the EaP region would have to be created, development and piloting of a portfolio of EdTech delivery modalities under this action would appear to be the appropriate way to inform policies and decision-making in this complex and multi-faceted environment.

Georgia clearly identified a need to strengthen its eCommerce sector and the country's supporting ecosystem. The full implementation of the eCommerce solution piloted under EU4Digital Phase I has connected the country to international markets, making it a powerful enabler for Georgian SMEs to exploit new international market opportunities and for the country to expand the business sector. By developing the Georgia's digital start-up ecosystem, then more businesses could enter the market and benefit from these opportunities. In parallel, completion of the Women In Tech mentorship programme would widen the talent pool for start-ups and potentially even create more women-led start-ups, thus enabling a more inclusive and vibrant entrepreneurial ecosystem.

The mainstreaming of gender equality across all project activities, and analysing activities with specific reference to the experience and needs of women and men, boys and girls, the action will promote equal access to digital technologies for all members of society in the region, which can accelerate progress on gender equality and women's empowerment in areas such as education, employment and entrepreneurship. A specific intervention on women's mentorship programmes will address the clear gaps in digital skills and entrepreneurship identified under EU4Digital Phase I.

With the activities of this action achieving these objectives and leading to a more integrated and affordable digital infrastructure, significantly improved digitalisation of interoperable public services, increased digitalisation of businesses, more digitally empowered citizens and a more robust digital business sector in Georgia, with a more equal and inclusive participation of all members of society, the Eastern partner countries will be closer integrated with, and reap more benefits from, the EU's Digital Single Market. This would have the action achieve its overall objective, and thus the EU's strategic priority to extend the benefits of the Digital Single Market to the partner countries.



### 3.6 Indicative Logical Framework Matrix

PROJECT MODALITY (3 levels of results / indicators / Source of Data / Assumptions - no activities)

Results	Results chain (e): Main expected results (maximum 10)	Indicators (e): (at least one indicator per expected result)	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
<b>Impact</b>	Extend the benefits of the Digital Single Market to the Eastern partnership countries.	Number of EU solutions piloted and studied for implementation in EaP countries	15 (2021)	30 (2025)	National Ministries; EU4Digital project reports	<i>Not applicable</i>
<b>Outcome 1</b>	Secure and sustainable digital and telecom infrastructure rolled out across the Eastern partner countries	Percentage of population having affordable high-speed internet connection.	<74% (2021)	>80% (2025)	National operators, statistics offices and Ministries	Including fixed, fibre and mobile connection
<b>Outcome 2</b>	Significantly improved digitalisation of public services and interoperability between governmental services on the national level, the EaP level, and between the EaP and the EU	Percentage of public service available through interoperable platforms.	<50% (2021)	>95% (2025)	National Governments; EU4Digital project reports	
<b>Outcome 3</b>	Digitalisation of businesses in EaP countries supported	Number of start-ups benefitted from financial investment or mentoring through the Digital Innovation and Scale Up Initiative and ecosystem programmes	0 (2021)	1500 (2025)	EU4Digital project reports	
<b>Outcome 4</b>	Supported the development of digital skills and digitally empowered citizens, businesses and governments in the EaP countries	Number of EdTech delivery modalities piloted and adapted for EaP users with support from EU4Digital	0 (2021)	3 (2025)	EdTech providers; EU4Digital project reports	

<b>Results</b>	<b>Results chain (@): Main expected results (maximum 10)</b>	<b>Indicators (@): (at least one indicator per expected result)</b>	<b>Baselines (values and years)</b>	<b>Targets (values and years)</b>	<b>Sources of data</b>	<b>Assumptions</b>
<b>Outcome 5</b>	Tailored support to Georgia's digital economy provided	Dedicated programmes implemented in Georgia under EU4Digital	0 (2021)	3 (2025)	EU4Digital project reports	
<b>Output 1 related to Outcome 1</b>	Regional Roaming Agreement implemented in full	Number of countries having implemented the RRA	0 (2021)	6 (2025)	National Regulators	
<b>Output 2 related to Outcome 2</b>	Facilitated regional agreements for cross-border mutual recognition of eSignatures and certificates (EaP-EU)	Number of agreements in place.	0 (2021)	4 (2025)	National Ministries; EU4Digital project reports	
<b>Output 3 related to Outcome 3</b>	Supported start-up ecosystem of individual EaP countries	Number of start-up ecosystem facilitation programmes implemented based on developed ecosystem guides	0 (2021)	4 (2025)	National Ministries; EU4Digital project reports	
<b>Output 4 related to Outcome 4</b>	EdTech solutions made available to EaP citizens	Number of unique EdTech course participants from EaP countries	0 / Solution to be developed (2021)	1 Million (2025)	EdTech market players; National statistics offices EaP countries	
<b>Output 5 related to Outcome 5</b>	Connected Georgia to main EU eCommerce platforms	Number of Georgian businesses using the Virtual Warehouse solution to place goods on European digital market places	0 / Pilot to be implemented in full (2021)	1000 (2025)	EU4Digital and eCommerce Europe project reports	

## **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 48 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 [applicable for Project modality]**

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.

#### **4.3.1 Direct Management (Procurement)**

The procurement shall contribute to achieving all objectives identified in Chapter 3 of this Action Document. As described in Chapter 3, the Overall Objective (Impact) of this action is to extend the benefits of the Digital Single Market to Eastern Partnership countries.

The Specific Objectives (Outcomes) of this action are to:

1. Secure and sustainable digital and telecom infrastructure across the Eastern partner countries.
2. Improve digitalisation of public services and interoperability between governmental services on the national level, the EaP level, and between the EaP and the EU.
3. Support digitalisation of businesses in the EaP countries.
4. Support the development of digital skills and digitally empower citizens, businesses and governments in the Eastern Partnership countries.
5. Provide tailored support to Georgia's digital economy.

### **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>Indicative third-party contribution, in currency identified</b>
EU4Digital: supporting digital economy and society in the Eastern Partnership – Phase II	11 000 000,00	
<b>Total envelope</b>	11 000 000,00	N.A.
<b>Evaluation</b> – cf. section 5.2 <b>Audit</b> – cf. section 5.3	will be covered by another Decision	N.A.
<b>Communication and visibility</b> – cf. section 6	N.A.	N.A.
<b>Total</b>	<b>11 000 000,00</b>	N.A.

## 4.6 Organisational Set-up and Responsibilities

This action will be governed by a Steering Committee, which shall meet annually, and bring together the European Commission, the Contractor, and key stakeholders from the Eastern Partner countries, including technical level experts from national Ministries and National Regulatory Authorities.

The Contractor shall prepare monthly progress reports, for approval by the European Commission, highlighting progress on the project's activities. In line with Section 5.4 below, the Contractor shall submit Bi-Annual Reports, for approval by the European Commission, giving a full account of the projects' progress as measured against its results framework. Regular monitoring will take place as part of the project implementation.

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.

## 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 results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support).

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:

The Contractor will be responsible for continuous technical and financial monitoring of the implementation of this action. To this aim, the Contractor 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 where progress is reported against baselines which shall be the result of detailed sectorial studies undertaken by the Contractor within the first year of the action. These studies will form part of the activities under this contract. Baselines and indicators shall be calculated country-by-country based upon which an aggregate for the region shall be presented.

Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the progress towards achievement of its results (outputs and direct outcomes) as contained in the logical framework matrix.

Reports shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

Before approval, reports shall be shared with key stakeholders, including the EU Delegations in the partner countries. Reports shall further be published on the website's online library providing for public accountability.

## **5.2 Evaluation**

Having regard to the importance of the action, a mid-term evaluation will be carried out for this action by the Commission.

It will be carried out for learning purposes, in particular with respect to ensuring alignment of the project activities with the political priorities of the partner countries and the policy framework of the European Union. Further attention will be placed on the contribution of the project activities to the attainment of the overall and specific objectives. The evaluation will also inform the European Commission in its programming process and other planned interventions to support the digital transformation of the Eastern partner countries.

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

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.

## 6. COMMUNICATION AND VISIBILITY

Communication and visibility is a contractual obligation for all entities implementing EU-funded external actions to advertise the European Union's support for their work to the relevant audiences.

To that end they must comply with the instructions given in the [Communication and Visibility Requirements of 2018](#) (or any successor document), notably with regard to the use of the EU emblem and the elaboration of a dedicated communication and visibility plan, to be completed for every action at the start of implementation.

These obligations apply equally, regardless of whether the actions concerned are implemented by the Commission, the partner country (for instance, concerning the reforms supported through budget support), contractors, grant beneficiaries or entrusted entities. In each case, a reference to the relevant contractual obligations must be included in the respective financing agreement, procurement and grant contracts, and delegation agreements.

Communication and visibility measures may be funded from the amounts allocated to the action. For the purpose of enhancing the visibility of the EU and its contribution to this action, the Commission may sign or enter into joint declarations or statements, as part of its prerogative of budget implementation and to safeguard the financial interests of the Union. Visibility and communication measures should also promote transparency and accountability on the use of funds. Effectiveness of communication activities on awareness about the action and its objectives as well as on EU funding of the action should be measured.

Implementing partners shall keep the Commission and concerned EU Delegation/Office fully informed of the planning and implementation of specific visibility and communication activities before work starts. Implementing partners will ensure adequate visibility of EU financing and will report on visibility and communication actions as well as the results of the overall action to the relevant monitoring committees.