



This action is funded by the European Union

ANNEX I

Commission Implementing Decision on the ENI South Annual Action Programme 2019, part 2, including some actions to be carried out in 2020

Action Document for Inclusive Economic Development and Job Creation in the Neighbourhood South

ANNUAL PROGRAMME

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation and action programme/measure in the sense of Articles 2 and 3 of Regulation N° 236/2014.

1. Title/basic act/ CRIS number	Inclusive Economic Development and Job Creation in the Neighbourhood South CRIS number: 2019/042-205 financed under the European Neighbourhood Instrument	
2. Zone benefiting from the action/location	Southern Neighbourhood countries: Algeria, Egypt, Israel ⁽¹⁾ , Jordan, Lebanon, Libya, Morocco, Palestine ⁽²⁾ , Syria ⁽³⁾ and Tunisia	
3. Programming document	Programming of the European Neighbourhood Instrument (ENI) 2014-2020 – Regional Neighbourhood South Strategy Paper (2014-2020) – and Multiannual Indicative Programme (2018-2020)	
4. Sustainable Development Goals (SDGs)	Main SDG(s): SDG 8: Decent work and Economic Growth; SDG 10: Reducing Inequalities. Other significant SDG(s): SDG 1: No Poverty; SDG 5: Gender Equality; SDG 9: Industry, Innovation, and Infrastructure; SDG 12: Responsible Consumption and Production	
5. Sector of intervention/	Trade Related Technical	DEV. Assistance: YES

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

⁽²⁾ 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.

⁽³⁾ On hold – activities suspended in previous phases due to conflict.

thematic area	Assistance-Aid for Trade			
6. Amounts concerned	Total estimated cost: EUR 11 million Total amount of European Union (EU) contribution: EUR 11 million			
7. Aid modality(ies) and implementation modality(ies)	Project Modality Indirect management with: Component 1: the International Trade Centre (ITC) Component 2: the Organisation for Economic Co-operation and Development (OECD) Component 3: the International Labour Organization (ILO)			
8 a) DAC code(s)	250- Business and Other Services 25010- Business support services and institutions (trade information)			
b) Main Delivery Channel	41000- United Nations agency, fund or commission (UN) 47080- The Organisation for Economic Co-operation and Development (OECD)			
9. Markers (from CRIS DAC form)	General policy objective	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	x	<input type="checkbox"/>
	Aid to environment	x	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and Women's and Girl's Empowerment	<input type="checkbox"/>	x	<input type="checkbox"/>
	Trade Development	<input type="checkbox"/>	<input type="checkbox"/>	x
	Reproductive, Maternal, New born and child health	x	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity	x	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	x	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	x	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	x	<input type="checkbox"/>	<input type="checkbox"/>
	10. Global Public Goods and Challenges (GPGC) thematic flagships	Not applicable		

SUMMARY

The action is aiming at contributing to inclusive and sustainable economic growth focused on decent job creation and greater regional integration through enhanced and better informed trade and investment policy-making processes in Southern Neighbourhood countries. It is articulated around three components:

1) Broadening the scope of the Trade and Investment Facilitation Mechanism (TIFM) on-line one-stop shop to also cover services and investment, in co-operation with ITC which developed and implemented the initial phase.

This initiative was endorsed at the Union for the Mediterranean (UfM) Trade Ministerial in March 2018, where UfM Ministers officially launched the Euromed Trade Helpdesk-TIFM.

2) Improving the investment climate in the South Mediterranean region towards sustainable jobs and growth;

The action, in co-operation with the OECD, seeks to achieve the following expected results:

1. Targeted policy advice to support and ensure effective implementation of investment climate reforms; 2. Improved investment climate reforms in the EIP (External Investment Plan) investment windows through strengthened regional and national public-private dialogues; 3. Improved monitoring process for the implementation of selected reforms supported by the intervention in selected beneficiary countries.

3) Strengthening trade and investment policy reforms, in particular their links with job creation and quality of work created, in cooperation with the ILO.

The project aims to strengthen the capabilities of partner countries to analyse and design sectoral, trade and investment policies that would enhance employment creation and better jobs. It aims at supporting and building capacity among partner countries to enhance the positive impact of sector, trade and investment policies on employment; and at assisting partner countries in the region in harnessing international trade and foreign investment to provide more opportunities for decent work and increase the number of productively employed workers.

1. CONTEXT ANALYSIS

1.1 Context Description

Much of the Southern Neighbourhood continues to be dominated by the enduring effects of the global recession of 2008 and the Arab Spring in 2011. The civil war in Syria and current conflict situation in Libya have serious implications for the political and social stability of their neighbours and the region.

Foremost among the challenges is the need to create jobs for a high number of young people coming into the labour market every year. Almost 60% of the regional population is today under the age of 30 and the number of young people under the age of 15 is forecast to increase by over 18% by 2020. With an average of about 30% rate of youth unemployment and around 50% for young women (to be noted that female labour force participation in Middle East and North Africa (MENA) countries stands at only 20.2% according to ILO 2018 statistics), the region has one of the highest youth unemployment rates in the world. Employment and growth are still very much dependent on the informal sector, representing often more than 30% of the economy, but employment is in that case very vulnerable.

After a sharp fall in 2017, the World Bank expects economic growth in MENA to continue at a modest pace of about 1.5% to 3.5% during 2019-2021. Foreign Direct Investment (FDI) in the MENA region experienced a 47% decrease in FDI inflows between 2010 and 2017, owing

in part to a spike in risk perceptions in the wake of the Arab Spring. FDI fell to an all-time low of 1% of the GDP in 2015. Similarly, the MENA region only captured 6.5% of total FDI inflows to developing countries in 2017, compared to 19% in 2008.

According to UNCTAD (United Nations Conference on Trade and Development), FDI represented in 2017 37.7% of the GDP (Gross Domestic Product) in North Africa, against 36.3% in 2016. Looking at the Middle East countries, and excluding Israel, FDIs are not increasing yet, and are still 36.5% lower than in 2010.

If the limited growth perspectives and the persistent insecurity can explain part of the poor performance, much has still to do with the investment and business climate that are not necessarily conducive. The Doing Business (DB) 2019 score for the region (excluding Libya and Syria) stands now at 61.6, just slightly better than the 58.7 of the DB 2010. Only Morocco, Jordan and Palestine have substantially improved, with Egypt benefitting from a new wave of reforms that have led to improve the score from 55.8 to 58.6 in the last year.

Export performance has been modest for all countries, with the exception of Morocco as well as with an improvement in 2016 for Tunisia, Lebanon, and more recently for Egypt. The Southern Mediterranean is one of the least integrated regions in the world with intra-regional trade accounting for only 9% of all exported goods. The potential for increased integration is huge and would bring significant benefits for the region. However, this could only be achieved through higher levels of direct investments, facilitation of trade and wider market access. EU-Partner Country Association Agreements that are also free trade agreements have provided a positive framework for the development of economic relations in the region but insufficient progress has been achieved so far, with a strong trade imbalance in favour of the EU for some of the partner countries.

1.2 Policy Framework (Global, EU)

The EU strategic objectives for the South Mediterranean region are building state and societal resilience as well as stabilisation, in the framework of the revised ENP (European Neighbourhood Policy) and the Global Strategy, the policy frameworks that govern the European Neighbourhood Policy. Fostering inclusive economic development and job creation can make a key contribution towards resilience and stabilisation. It therefore constitutes one of the three main thematic pillars of the Regional South Multiannual Indicative Programme 2018-2020.

The Regional South Multiannual Indicative Programme 2018-20 identifies four specific objectives for fostering inclusive and sustainable economic development and job creation: a) facilitating regional economic cooperation and integration; b) strengthening a regional approach to economic reforms and an effective business climate; c) promoting access to finance and financial inclusion for MSMEs (Micro, Small and Medium-sized Enterprises), and d) supporting emerging forms of economic activity and new actors with an impact on socio-economic inclusion and job creation, especially among young women and men, such as social economy/social entrepreneurship and green and circular economy.

In addition, the Neighbourhood Investment Platform (NIP) and the European External Investment Plan (EIP), the EU initiative launched in 2017 to leverage an estimated EUR 40 billion of investment in the Neighbourhood regions and Africa, also play a vital role in mobilising finance where grant funds alone are insufficient. Energy grids, transport networks and digital infrastructures are the backbone of economic development and competitiveness. The EIP seeks a comprehensive and integrated approach, linking investment mobilisation, in

particular through guarantee and blending operations (Pillar 1), with technical assistance (Pillar 2) and investment climate improvements (Pillar 3). Without adequate reforms, the large-scale investments foreseen will not have the desired effect on growth and employment. Pillar 3 of the EIP therefore focuses on removing constraints to private investment in partner countries, supporting priority reforms, and establishing or strengthening the structured and sustained dialogue with the local and European private sector present in partner countries to identify the most important barriers to investment and prioritise the investment climate reform agenda.

Regional programmes can play a significant role, aiming at facilitating economic cooperation through enhanced trade and investment policies, by improving the investment climate, setting up tools for trade facilitation, supporting the EU External Investment Plan through in-country dialogues, and creating better understanding for the nexus between trade and investment policies and employment creation. These actions will be in the mutual interest of both the Southern Mediterranean partners and the EU.

1.3 Stakeholder analysis

The main stakeholders will be the governments and key line ministries, trade and investment promotion agencies, sectorial business organisations, national and regional chambers and business councils, IFIS (International Financial Institutions), EFIS (European Financial Institutions), local banking sector, private companies, in particular SMES, NSAs (Non-State Actors), employers and workers associations, workers and unemployed people, especially young and women which are the ultimate beneficiaries of the interventions covered by this action.

Component 1: EUROMED TIFM-Trade and Investment Facilitation Mechanism (ITC)

The main stakeholders will be policy makers; key line ministries; trade and investment support institutions; regional trade configurations, such as the Agadir Agreement Technical Unit; the Primary and Secondary National Focal point institutions and individuals that were already appointed by the countries in the previous phase, economic operators in the region; and private sector.

Component 2: Improving the investment environment in the South Mediterranean region towards sustainable jobs and growth (OECD)

The main stakeholders will be institutional authorities and administrations in charge of investment and business climate policies; policy makers; Ministries of Investment, Trade, Industry, and other line ministries, such as Finance, Justice, Agriculture or Planning, when relevant, as well as relevant national agencies involved in the promotion of investment (Investment Promotion Agencies - IPAs), but also in trade promotion (exports agencies), statistics (Central Banks, Statistical Units) or infrastructure (PPP Units).

The private sector, sectorial business associations (in particular those of the sectors covered by the 5 investment windows of the EIP), national and regional chambers of commerce (i.e. the Arab League Chamber of Commerce), IFIS, EFIS and local banking sector will also benefit, as well as trade unions and civil society. Journalists specialised in economic issues might also benefit from some awareness raising and communication activities.

Component 3: Mainstreaming employment into Trade and Investment Policies (ILO)

There is a need for a shared understanding among key stakeholders, such as policy-makers and social partners, on the positive interaction between sectoral, trade and employment policies and the elaboration of a policy framework allowing sectoral and trade and investment policies to be formulated and implemented in a coherent way aiming at job creation and inclusive growth. Key stakeholders for this component are ministries responsible for Trade, Labour, Agriculture, Industry, Finance, Economic Policy Planning; National Statistical Agencies and Central Bank Balance of Payments Statistics units, employer confederations and workers associations and NSAs.

1.4 Problem analysis/priority areas for support

One of the key constraints in the Southern Mediterranean region remains the relatively low and erratic levels of economic growth, which are currently insufficient to deal with the rapidly expanding workforce.

High unemployment rates remain a key social, economic and stability challenge, as job creation has remained concentrated in low-paying and low-productivity sub-sectors, in narrow geographic clusters and in the expanding informal economy. Job creation, in particular for youth and women, is the biggest challenge for the region and a top priority that the European Neighbourhood Policy addresses, since it is closely related to the sustainability of democratic reforms, political stability and inclusive policy making.

With the current demographic trends, at least 5 million new jobs need to be created every year to employ a growing work force and ensure social inclusion. To create this number of jobs, economic growth in the region should accelerate from the previous 2.5% to 3.5% in recent years to above 6%.

Trade and investment reform policies and their impact on employment is another area of concern. A limited regional integration (low intra-regional trade and investment) slows down the region's significant potential for economic growth and job creation. In the case of North African countries, trade remains oriented mainly towards Europe. Intra-regional trade among MENA countries is limited to less than 9% of all exported goods, a figure well below that of other regions. In 2016, intra-African exports made up 18% of total exports, compared to 59 and 69 percent for intra-Asia and intra-Europe exports, respectively.

Equally worrying are the inflows of foreign direct investment (FDI) to the Southern Neighbourhood region, which decreased by almost half between 2010 and 2017. While the latest data shows an upward trend, FDI has still not reached pre-2010 levels. Private domestic investment is also low in most of these countries, at below 15% of the GDP.

Much still remains to be done to improve the investment and business environment, since many Southern Neighbourhood countries still suffer from a weak regulatory and administrative environment. Policymaking in the region in the areas of trade and investment is complex, non-inclusive, non-structured and can be biased.

- Poor governance and insufficiently inclusive models of participatory decision-making affect economic policymaking;
- Economic policymaking is generally weak and over-captured by special interests, including for trade and investment.
- Investment policy is superficial and not strategically targeting efficiency-seeking investment.

- Trade policy is increasingly influenced by populist protectionism and mostly uncoupled from investment policy.
- Lack of trade and investment is impacting employment policy coherence.

Moreover, regional economic integration can be perceived by some stakeholders as an employment threat, rather than an inclusive growth and job creation opportunity. The employment benefits of regional trade and economic integration need to be better unveiled in a manner coupled with investment opportunities, to entice the private sector and special interests to press governments for greater and higher quality reforms.

It is worth mentioning the limited awareness and understanding of the links between trade and investment policies and employment; the scarcity of quality data and statistics on trade, investment and employment (and their interconnection); limited institutional capacity for assessing and analysing impact of investment and trade on employment and job creation; and limited and not structured and not systematic public-private dialogue.

In this context, there is a great need for creating new trade and investment opportunities that will lead to quality job creation. Openness to trade and investment stimulates job creation, technological progress and innovation. All the challenges mentioned above can be properly addressed through structural interventions aiming at:

- Improving the investment and business climate and regulatory frameworks;
- Reforming labour markets and improving skills development systems to reduce unemployment, especially for youth and women;
- Promoting the public-private dialogue and the involvement of the private sector in the policy making;
- Supporting the deepening of regional economic integration, in particular trade integration;
- Increasing transparency of trade- and investment-related information towards economic operators in the region;
- Supporting economic diversification.

The three components of the intervention proposed aim at addressing the main problems encountered in the region that are job creation, lack of regional economic integration and diversification of the economies. The proposed regional program complements the priorities set out under the bilateral cooperation jointly agreed with the beneficiary countries. It will leverage bilateral trade and investment cooperation by providing regional means that will bring policy-makers, national agencies and the private sector from these countries to engage in a wider South-South dialogue as well as an EU-South dialogue. It will also allow for more convergence of trade and investment policies to be conducive to regional trade integration and intra-regional investment leading to sustainable growth and job creation.

The **regional value added** of this programme is intrinsic to the objectives insofar as it introduces and pilots new trade and investment policy approaches, methodologies and tools to the region, specifically with regard to the assessment of trade and investments on employment, with a particular focus on the interplay of these policy frameworks within the Euromed context. The programme also represents a vehicle for experience sharing and peer learning mechanisms that can contribute to enhanced institutional capacity.

2. RISKS AND ASSUMPTIONS

Risks	Risk level	Mitigating measures
Changes in beneficiary governments' priorities	Medium	Any potentially relevant changes in the political environment will be closely monitored and the necessary adjustments will be taken during the implementation of the actions proposed.
Challenge of bringing together different ministries, public and private stakeholders	Medium	The action will enhance a public-private dialogue by providing venues for dialogue and cooperation through different activities in the three proposed components, with a view to steering structured dialogue and building consensus on reforms needed. The role of the private sector in the policy-making will be strengthened through targeted interventions.
Lack of national involvement in the initiatives presented	Medium	Communication efforts will emphasise the ownership of the initiative by the national institutions involved in the implementation of the action. The initiative will complement existing systems to avoid duplication and a lack of up-take by potential users and providers.
Sustainability of the action	Medium	It will enable capacity building for key stakeholders during the implementation of the three interventions. When needed MoU will be signed with national institutions to secure institutional involvement and commitment.
Overlapping with other ongoing initiatives at the national level	Medium	The projects' management will be in close contact with NEAR B2 colleagues, the EU delegations in the region and other development partners in order to avoid duplication. In some cases, this may result in adapting the proposed approach.
Poor statistics and data availability in the countries	Medium	The three implementing partners will collaborate closely with various national stakeholders to ensure that the provision of data can be sustained beyond the lifetime of the project. Capacity building actions are foreseen concerning those areas that might require building of national capacities. A Training of

		Trainers (ToT) approach will be used for the capacity building and skills development activities foreseen to make it sustainable.
Assumptions		
There are no substantial changes in national governments' policies on trade and investment policy reforms; general political situation is stable and conducive for the implementation of the projects in the MENA countries.		

3. LESSONS LEARNT AND COMPLEMENTARITY

3.1 Lessons learnt

It is important that regional programmes build on a proper assessment of the problems faced by the Neighbourhood South region related to the implementation of policies and the regional integration and build on past lessons learned, especially those drawn by the Mid Term Review of the ENI instrument and in a recent evaluation on competitiveness. This Review considered that regional cooperation responded to ENI policy orientations and promoted regional dialogue, but it also emphasised that the impact of regional cooperation suffered from the weakness of regional organisations, insufficient exchange of information between regional and bilateral programmes and limited support received from the beneficiaries, which put the ownership at stake. The dedicated evaluation on competitiveness also pointed out the fact that regional cooperation responds more to an EU-perceived interest rather than beneficiaries' interest in the region.

In general, trade and investment facilitation reforms in the region have been insufficient for achieving regional integration. Investment climate reforms have not yet resulted in attracting sustainable and employment-intensive investments. This is coupled with a lack of coherence between investment and trade policies and limited understanding of how to create a positive employment impact in the region.

The identification study for this action confirmed the limited enthusiasm for regional integration as well as the fact that visibility of regional programmes, complementarity with bilateral programmes and the engagement of counterparts in partner countries require particular attention. In this respect, in the new programmes, an improved exchange of information with regional actors and EU delegations, complementarity with bilateral programmes and improved synergies will be explicitly sought.

The regional approach is pursued in the understanding that strengthened institutional capacities, better access to information for both private and public sector actors, strengthened capacities to assess a potential employment impact of trade and investments as well harmonisation of approaches can enhance integration opportunities, especially now that a more global integration is sought also at an African continental level, with the new Africa-EU Alliance.

Lessons learned from previous phases have been integrated for all three components, notably:

Component 1: EUROMED-TIFM: Trade and investment Facilitation Mechanism (ITC)

EuroMed TIFM project had a trade ministerial level commitment and its launch was endorsed at the latest UfM Trade Ministerial in 2018. TIFM National Focal Points were selected among governmental organisations in each country. Yet, during the previous phase, the main difficulty was countries' ownership. National Focal Points requested more capacity building and trainings. It was noted that another recurrent problem in some countries was the overlapping lack of information to populate the tool, the multiplicity of actors overlapping mandates. In some cases, NFPs were not clearly appointed or there were several focal points, which are changeable. It is of a paramount relevance to identify and appoint only one national contact point since the beginning of the intervention.

In the first phase, there were no resources allocated for training, capacity building, networking and promotion of the tool. For long-term sustainability in the second phase, there will be structured ToT (Training of Trainers) in place for the NFPs; annual meetings for the NFPs and a communication and visibility component, with raising awareness events on the tool in each country. The need to strengthen awareness raising and dissemination of information on the potential of the tool has been clearly identified and output 3 will focus on this particular area. During the first phase, there had been few interactions with other bilateral programmes on trade. Such interaction and exchanges of information will therefore be facilitated during the implementation of the next phase.

Component 2: Improving the investment Climate in the South Mediterranean region towards sustainable jobs and growth (OECD)

From the first EU-OECD programme on investment, one of the lessons that can be drawn is the need to further involve the private sector in the implementation of the action. Therefore, the private sector will be one of the main stakeholders in the new action. Regional policy discussions will need to be brought down to the national level to cover the specificities of each country. It will also be necessary to better cater for beneficiaries' demands at the regional level, with a focus on concrete recommendations to improve the investment climate in the relevant region, in particular in areas where there is no risk of overlapping with already ongoing bilateral initiatives. Ongoing bilateral public-private dialogues will be taken into account to complement the work already carried out by the EU delegations in each country. Emphasis should be put on those countries where there is a more limited support to trade, investment and private sector development at the bilateral level. In addition, the new phase will support the implementation of the EIP, in particular the thematic areas covered by the five Investment Windows.

Component 3: Mainstreaming employment into Trade and Investment Policies (ILO)

Based on the implementation of the STRENGTHEN programme in Morocco, several lessons learnt can be taken into consideration for a similar intervention at the regional level, including the importance of well defining the sectors to be studied from the beginning of the project, since sectoral studies are a tool for mobilising stakeholders. The need to take into account the difficulty of conducting a survey at the sector level because of the unavailability of quantitative data and the low response rate of companies; the difficulties of the topic to be dealt with as well as the multitude of partners must be taken into consideration to allow for an adequate implementation period. Potential synergies and complementarities will be explored with sectoral strategies developed through other interventions at the bilateral level.

3.2 Complementarity, synergy and donor co-ordination

The intervention will be aligned with EU's and other development partners' already ongoing programmes/interventions in the region, at the regional and national level, and will seek synergies and complementarities with other projects already implemented by the OECD, the ILO, the ITC, and the EU, such as:

- Business at OECD (BIAC) is an international business network with a global membership representing over 7 million companies, which officially represents the business voice to the OECD. It represents a source of practices, knowledge and contacts for the development of this component.
- The MENA-OECD Business Advisory Board (BAB) was launched in 2018 under the co-chairmanship of the main Spanish and Tunisian Employers' Organisations (CEOE and UTICA) to bring in the private sector into the policy networks of the MENA-OECD Competitiveness Programme and promote PPD (Public-Private Dialogue) in the MENA region. A specific platform was also developed to build policy advocacy capacity of Youth Business Associations. In this context, the OECD is developing analytical work on PPD in the region and mapping existing business associations.
- The MENA-OECD Programme on Competitiveness and MENA Transition Fund projects.
- The STRENGTHEN project (Morocco) is a **joint initiative of the EU and the ILO** and aims to strengthen capabilities of partner countries to analyse and design sector and trade policies and programmes that would enhance employment creation. The programme focuses on sector policies and supports and builds capacity among partner countries and development practitioners to enhance the positive impact of sector policies and programmes on employment; and on trade policies to assist countries in harnessing international trade and trade-related foreign investment to provide more opportunities for decent work and increase the number of productively employed workers.

The EU and the ILO promote job creation and decent work in the MENA countries with different interventions in:

Morocco: territorialisation of the national employment strategy; decent work promotion; protection of the rights of migrant workers;

Algeria: improving employability and access to employment of youth; entrepreneurship development for women and youth; the ILO-TAWDIF project in Algeria closely co-ordinated with the EU-AFEQ Project (Adequation, Formation Emploi Qualifications);

Tunisia: creating employment opportunities and improving the employability of youth; strengthening social dialogue and governance; protection of migrant workers; support to the decentralisation process; support to the national employment policy; support to the social and solidarity economy;

Libya: an intervention planned to develop the capacities of constituencies in the strategic framework of post-crisis reconstruction;

Egypt: EU-ILO Support to the Micro, Small and Medium Enterprise Development Agency and affiliates by developing their capacity to analyse and address business development services needs of MSMEs in manufacturing and traded services; support the operationalisation of the newly created SME Unit of the Federation of Egyptian Industries by developing their capacity to analyse and address business environment challenges for MSMEs;

Jordan: EU-ILO Collaboration in e monitoring of labour aspects in the implementation of the EU's rules of origin initiative for Jordan; ILO's response to the Syrian refugee crisis in Jordan; programme of support to the Jordan compact; employment centres for Jordanians and Syrian as well as services provided at these employment centres;

Lebanon: the Employment Intensive Infrastructure Programme in Lebanon; improved access to employment opportunities for Lebanese host communities and Syrian refugees;

Complementarities and synergies will be established with relevant **regional EU programmes**, in particular:

- 'Support to an enabling business environment for MSME development and financial inclusion';
- EBSO MED 'Support to Business Support Organisations';
- 'Support to the implementation of Agadir Agreement (Phase IV)';
- Trade and Competitiveness programme under the NIP regional envelope with EBRD and EIB covering Morocco, Tunisia, Egypt and Jordan;
- 'Enhancing investment policies and promotion in the Southern Mediterranean' (OECD);

In addition, with **bilateral EU programmes**:

Algeria: Improvement of business climate in Algeria (PADICA); Twinning Project in support of the Customs Direction General;

Egypt: Trade and Domestic Market Enhancement Programme (TDMEP);

Lebanon: Supporting Lebanon's 'Vision for Stabilization, Growth and Employment'; 'Supporting the private sector development: enhance productivity and competitiveness'; TAIEX experts missions on Rules of Origin (RoO), pharmaceutical sector, technological transfer; ad hoc assistance to IDAL the Investment Agency on investment and export promotion;

Libya: 'EU for Private Sector in Libya' which will develop and establish EU Trade Helpdesks within Chambers of Commerce in Libya; and 'Support to Libya for Economic Integration, Diversification and Sustainable Employment';

Morocco: Support to Youth Employment; Support to Investments SMEs/SMEs for Youth +;

Jordan: 'EU Support to the Private Sector Development in Jordan'; 'EU Support to Economic Reforms for Growth and Jobs in Jordan'; Trade-for Development Measures to Support Inclusive Economic Growth in Jordan'; Macro financial assistance: increase job opportunities; Economic stability, growth, and job creation: reforms enabling growth and job creation; access to finance; innovation policy framework;

Palestine: Productive investment and ensuring territorial contiguity;

Tunisia: Budget Support Programme for Competitiveness and Exports (PACE)-regulatory simplification; State Building Contract multi-sectorial: improving investment climate.

4. DESCRIPTION OF THE ACTION

4.1 Overall objective, specific objective(s), expected outputs and indicative activities

The overall objective of the action is to contribute to inclusive and sustainable economic growth focused on decent job creation and greater regional integration through enhanced, better-informed trade and investment policy-making processes in the Neighbourhood South countries.

This objective will be pursued through three different but complementary specific interventions aiming at an improved access to market information related to trade and investment (component 1); the promotion of an improved investment climate and investment facilitation (component 2), and a trade and investment policymaking that reflects a more informed perception of what the employment implications of those policies can bring about (component 3).

The activities mentioned below are indicative and may be modified and/or completed at a later stage during the contracts negotiations.

Component 1: EUROMED Trade and Investment Facilitation Mechanism (ITC)

The first component aims at enabling SMEs in EuroMed countries to have more data on market access, information on investment and on export trade potential as well as enhancing the understanding of the regulatory and procedural obstacles to trade in goods and services faced by SMEs.

Specific Objectives:

- Facilitate closer economic ties between the EU and South Mediterranean countries and enhance regional economic integration between these countries;
- Improve trade and investment transparency by providing free access to information for economic operators and policy makers to a state of the art online portal to facilitate trade in goods and services and investment.

Expected results:

Output 1: Enhance Euromed TIFM (investment, rules of origin, WTO notifications, export potential assessment tool, trade procedures guides, and trade in services).

Output 2: Enhance understanding of regulatory and procedural trade obstacles faced by SMEs in the region and identify options to reduce costs of trade in goods and in services.

Output 3: Raise awareness on the Euromed Trade Helpdesk and strengthen market analysis and research skills using the tool.

Indicative Activities:

Activities Output 1:

- Assess availability and quality of additional trade- and market-related data, including investment information and trade in services.
- Develop new modules to include investment, rules of origin, WTO notifications on SPS (Sanitary and Phytosanitary Measures) and TBT (Technical Barriers to Trade), untapped trade potential and trade in services.
- Collect in-depth documentation of trade procedures for selected products displayed in an online guide;
- Build capacity of key institutions on the methodology for the collection and processing of data;
- Enhance the problem-solving network of the Helpdesk function to answer queries related to new added types of information.

Activities Output 2:

- Hold stakeholder consultations in each of the eight EuroMed countries to adjust the survey methodology to country's context, and once survey results are available, validate results and build consensus on mitigating actions;
- In each country, compile a business register of companies involved in international trade in goods and services and calculate the country's sample size for the goods sectors and for two to three services sectors;
- Hold national workshops to present the survey results and propose means to resolve the issues identified;
- Present the survey results and outcomes of the national workshops at a regional workshop to the EuroMed Trade Panel.

Activities Output 3:

- Customise for each country a training programme on market analysis and the new EuroMed Trade Helpdesk, including a training of trainers to certify key actors in the country and ensure sustainability;
- Deliver trainings as per the training programme;
- Conceptualise a communication and visibility plan; develop and produce communication and visibility materials, including for dissemination via media and social media channels, and organise annual meeting of the National Focal Points (NFPs), the ITC and the EU;
- Prepare and validate with national stakeholders the ownership and sustainability plan beyond the project.

With the aim of ensuring coherence and effectiveness of this component, Turkey, which is already participating in TIFM's first phase, will be one of the countries participating in Phase II.

Component 2: Improving the investment climate in the South Mediterranean region towards sustainable jobs and growth (OECD)

This second component aims at supporting sustainable growth and decent jobs creation through an integrated approach to investment climate development and enhancing the ability of Neighbourhood South countries to self-assess, improve and implement investment climate

policy reforms that attract higher quality investment, including leveraging public-private dialogues to reflect demand-driven policy reforms.

Specific Objectives:

- Improve sustainable impact of investment, based on more robust and transparent legal and institutional frameworks governing businesses activities and clear, reliable FDI statistics;
- Design and implement sound business climate reforms in the areas covered by the five EIP Investment Windows, both at the regional and national levels, by facilitating a more structured process of a public-private dialogue.

Expected results:

Output 1: Targeted policy advice to support and ensure effective implementation of investment climate reforms;

Output 2: Improved investment climate reforms in the EIP investment windows through strengthened regional and national public-private dialogues;

Output 3: Improved monitoring process for the implementation of selected reforms supported by the intervention in selected beneficiary countries;

An inception phase (three months) will allow to fine-tune the below activities according to priority needs of the beneficiary countries.

Indicative Activities:

Activities Output 1:

- Support investment-related regulatory reforms and reinforce legal certainty to improve the investment environment;
- Strengthen investment promotion and facilitation frameworks;
- Identify policies that maximise the impact of foreign investment on sustainable development, skills upgrading and decent job creation;
- Strengthen FDI statistics, with particular focus on Algeria, Lebanon, Libya and Palestine that have not yet benefitted from the OECD technical assistance on FDI statistics.

Activities Output 2:

- Map and assess private sector representation and engagement in the five EIP investment windows;
- Organise regional and national dialogues with the private sector on the investment constraints in the investment windows.;
- Produce position papers on the challenges and recommendations identified by the private sector in light of public strategies and policies to inform the public-private policy dialogues;
- Further assess investment constraints in selected EIP investment windows;
- Organise national and regional public-private dialogues to discuss the position papers and the assessments towards effective implementation;
- Provide policy guidance and capacity building on due diligence in agribusiness sector.

Activities Output 3:

- Report periodically on various reforms implemented by targeted countries;
- Analyse FDI trends in the region against global trends using OECD tools;
- Develop country-specific mechanisms for monitoring reforms in selected countries;
- Present the results of the reporting and the country-specific monitoring at dedicated seminars;
- Enhance communication on reforms and raise awareness of the action through a wide range of stakeholders.

Component 3: Mainstreaming employment into Trade and Investment Policies (ILO)

The aim of the third component is to strengthen the capacity of the Neighbourhood South countries to anticipate the effects of trade and investment policies on employment, enabling them to design effective and coherent investment, trade and labour market policies that enhance sustainable employment creation, in terms of both quantity and quality of jobs.

Specific Objectives:

- Strengthen country-level knowledge on the impact of sectoral, trade and investment policies in the Neighbourhood South on productive and decent employment and measures to optimise the employment effects of these policies;
- Build capabilities of governments, social partners, development practitioners, and other relevant stakeholders in partner countries to identify, measure and assess the employment effects of sectoral, trade and investment policies, as well as conduct policy dialogue based on such assessments;
- Develop ways to address the employment opportunities and challenges resulting from sectoral, trade and investment policies in the Neighbourhood South countries;
- Provide assessments to governments, financial institutions, EU delegations and other relevant stakeholders on the implications of infrastructure investments in relevant sectors/subsectors for employment in the Neighbourhood South countries.

Expected results:

Output 1: Knowledge on the positive and negative impact of trade and investment policies and infrastructure on productive and decent employment in the Neighbourhood South countries is generated, improved, discussed and disseminated.

Output 2: Capacity of policy makers, social partners, and staff in statistical offices and research institutions in participating countries to collect and analyse trade, investment and employment data, to produce and use evidence on the effects of trade and investment policies on productive and decent employment and to discuss and design policies is improved.

Output 3: Employment opportunities arising from trade and investment policies specifically are enhanced and export-oriented value chains and industries that are job-rich are promoted.

Output 4: Governments, financial institutions, EU delegations and other relevant stakeholders are aware of the potential employment effects of infrastructure investments in the Neighbourhood South countries in relevant sectors/sub-sectors.

Indicative Activities:

Inception Phase:

The project will start with a six-month inception phase that will include assessments of institutional capacities and knowledge and training needs of governments, social partners, development practitioners and other relevant stakeholders in relation to mainstreaming employment into trade and investment policies.

Activities Output 1:

- Data collection and analysis;
- Review studies on the impact of trade and investment policies on employment in all partner countries;
- Country-level studies will be conducted in collaboration with national researchers in the partner countries to assess the impact of trade on productive employment. All country studies will be discussed with stakeholders, published and disseminated.

Activities Output 2:

- Strategic training for high-level planners, policy and decision-makers and social partners on the relationship between trade and investment, on assessing the effects of trade and investment (including infrastructure) policies and employment;
- Technical training for specialists and researchers on assessing the effects of trade and investment on employment, including data and methodological considerations;
- Establishing policy working groups to facilitate knowledge sharing, policy coherence and, tripartite social dialogue.

Activities Output 3:

- Implement the ILO's TRAVERA (Trade and Value Chains in Employment-Rich Activities) approach to raise productive employment and mitigate unproductive employment. TRAVERA aims to help firms in developing countries integrate into export value chains in a way that results in higher employment and increasing levels of productivity and incomes for workers. At the core of TRAVERA are two activities:

- i) the selection of a value chain based on export and employment potential, and
 - ii) a survey among enterprises whose activities contribute to the selected export value chain.
- The outputs of TRAVERA are: i) an analysis of export and employment potential, ii) a value chain study based on survey data and iii) consultations and policy-discussion workshops at national and sectoral levels.

- Use the ILO's STED (Skills for Trade and Economic Diversification) methodology for the selected export value chain to map out and identify relevant and existing policies on skills, the current gaps and challenges in skills and the potential skills and skills opportunities for increased trade and export growth and economic diversification. The outcomes of STED are concrete recommendations at the policy, institutional, and enterprise level. The tool will be applied in selected value chains of partner countries.

- Raising awareness and stimulating dialogue in the partner countries among key actors within the selected export value chains.

- The activities in Output 3 will be aligned with related EU initiatives under the EIP (External Investment Plan) or the EU Trade and Competitiveness programmes.

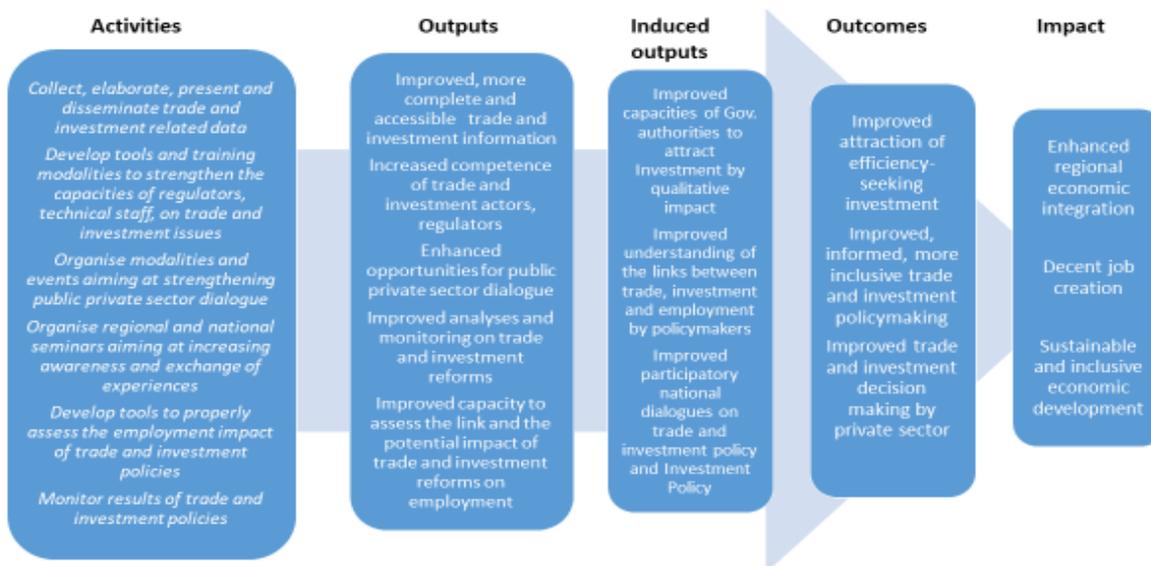
Activities Output 4:

- Studies on the potential employment impact of infrastructure investments in relevant sectors/subsectors in selected partner countries;
- Validation meetings of the studies with policy and decision makers, social partners and other relevant stakeholders.

4.2 Intervention Logic

The following graph attempts to represent the theory of change behind the proposed intervention. The overall coherence of the intervention could be ensured by setting up of a Joint Steering Committee and/or participation of the three implementing partners in each project's steering committee, aiming at encompassing the different interventions, with the involvement of the three organisations implementing the action, as well as other relevant stakeholders. During the implementation period, it will be important to build and complement existing interventions at national level.

The proposed approach takes into account the assessment of the situation of the Neighbourhood South region. It tries to address the need to enhance sustainable development, with a special attention to decent job creation and regional integration, looking at the interlink between trade and investment policies and their impact on employment, working on a series of tools and events on capacity development and public-private dialogues that can contribute to the overall objective from a regional perspective.



4.3 Mainstreaming

The intervention will address the gender aspects of trade and investment through equity policies and reforms, including equal pay for work of equal value by 2030. By offering increased and free access to data, transparency of data and market access issues, the intervention will provide a valuable information asset to women-owned enterprises and young

entrepreneurs, facilitating women and youth economic empowerment. The projects will be aligned with the EU Gender Action Plan.

The intervention will address human rights issues, in particular core labour standards, through the interventions proposed aiming at creating sustainable and decent jobs; reducing wages gaps and inequalities; skills development schemes and policies to make workers more employable.

Public-private policy dialogue and civil society engagement are very important for the success of this intervention.

Sustainable Development and Core Labour Standards are fully integrated in the EU trade agenda. The new waves of FTAs (Free Trade Agreements) negotiated by the EU contain a Sustainable Development Chapter.

Our interventions will support investors and traders in aligning with Responsible Business Conduct policies with economic, social and environmental impacts.

4.4 Contribution to SDGs

This intervention is relevant for the achievement of the 2030 Agenda. It contributes primarily to the progressive achievement of SDG 8, which aims to ‘promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all’, specifically through Target 8.5 concerning ‘achieving full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value by 2030’.

The intervention will also contribute to SDG 1: No Poverty; SDG 5: Gender Equality; SDG 9: Industry, Innovation, and Infrastructure; SDG 12: Responsible Consumption and Production.

International trade has been advocated as a means of achieving sustainable development. Paragraph 79 of the Addis Ababa Action Agenda states that 'with appropriate supporting policies, infrastructure and an educated work force, trade can also help to promote productive employment and decent work, women’s empowerment and food security, as well as a reduction in inequality, and contribute to achieving the sustainable development goals'.

Investment is a powerful development tool that delivered in a sustainable way and through the right channels can have a big impact on creating jobs, building skills, boosting economies, increasing the capacity of the local economy and the public sector, facilitating innovation and transfer of know-how. Sustainable development goals are every time more present in domestic and international investment policies and investors and companies are increasingly aligned with Responsible Business Conduct policies with economic, social and environmental impacts. Investment, in particular from the private sector, can spur sustainable development and play a crucial role in the implementation of the SDGs.

5. IMPLEMENTATION

5.1 Financing agreement

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

5.2 Indicative implementation period

The indicative operational implementation period of this action, during which the activities described in section 4 will be carried out and the corresponding contracts and agreements implemented, is 60 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 Decision and the relevant contracts and agreements.

5.3 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 measures⁴.

5.3.1 Indirect management with entrusted entities

This action may be implemented in indirect management with the International Trade Center (ITC), the Organisation for Economic Co-operation and Development (OECD) and the International Labour Organization (ILO).

This implementation entails carrying out of the activities identified in section 4.1, related to the objectives of the action.

The envisaged entities have been selected using the following criteria: in the case of the ITC and the OECD to continue and broaden the scope of the work already carried out in previous actions. The ILO has been selected to implement the component 3 since it possesses a wealth of technical expertise as well as empirical and policy research. A core part of the ILO's work on trade, investment and employment is geared towards assessing the employment's effects of trade and investment reform policies. The ILO has developed global and country-specific assessment tools, which have been applied to evaluate the labour market effects of trade shocks. The ILO has carried out a number of assessments in beneficiary countries and has experience in cooperating with the EU in this area since 2009 as well as experience in (and local presence) in many of the Neighbourhood South countries. Specifically, the ILO can leverage its existing relationship with the main stakeholders identified for the component 3 in the beneficiary countries.

In case one of the envisaged entities would need to be replaced, the Commission's services may select a replacement entity using the same criteria.

5.4 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 provision.

⁴ 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.

The Commission’s authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

5.5 Indicative budget

	EU contribution (amount in EUR)
Indirect management with (cf. section 5.3.1):	
- ITC for Component 1	2,500,000
- OECD for Component 2	4,000,000
- ILO for Component 3	4,500,000
Total	11,000,000

5.6 Organisational set-up and responsibilities

A project steering committee will be established for each of the three components, including representatives of the EU (relevant Commission services as appropriate) and the implementing partners: the ITC, the OECD and the ILO. The steering committee of each project shall meet at least once a year to assess progress and issue recommendations on the direction of the project. To ensure better coordination, complementarity and synergies between the three components, the three implementing partners will be invited to attend the steering committees of all three projects and some ad hoc technical meetings can be foreseen to discuss possible joint actions to be carried out by the implementing partners.

Considering that the trade and investment dimension is present in all three-programme components, a Joint Steering Committee (JSC) might be set up at the action level to ensure complementarity and proper monitoring of implementation of activities as well as good cooperation among different partners. Besides the three implementing organisations, the EU's relevant services, including DG NEAR units dealing with bilateral programmes, DG TRADE, DG GROW, EEAS, the UfM and other key stakeholders will be part of the JSC.

5.7 Performance and Results 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 partners’ 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 results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the log frame matrix.

SDGs indicators and, if applicable, any jointly agreed indicators, as for instance per Joint Programming document, should be taken into account.

The report 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.

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

5.8 Evaluation

Having regard to the nature of the action, a final evaluation will be carried out for this action or its components 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 months in advance of the dates foreseen for the evaluation 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. The implementing partners and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in consultation with the partner countries, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

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

5.9 Audit

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 audits or expenditure verification assignments for one or several contracts or agreements.

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

5.10 Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner countries (for instance, concerning the reforms supported through budget support), contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and contribution agreements.

The Communication and Visibility Requirements for European Union External Action (or any succeeding document) shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

6. PRE-CONDITIONS

Not applicable.

APPENDIX - INDICATIVE LOG FRAME MATRIX (FOR PROJECT MODALITY)

The indicative AD log frame should have a maximum of 10 expected results (impact, outcome and output) and associated indicators.

On the basis of this indicative log frame matrix, a more detailed log frame(s) might be developed at contracting stage linked to this AD. The indicative log frame matrix will evolve during the lifetime of the Intervention. The activities, the expected outputs and related indicators are indicative and may be updated during the implementation of the Intervention as agreed by the parties (the European Commission and the implementing partner/s).

The log frame matrix must be used for monitoring and reporting purposes. At the latest in the first progress report, implementing partner/s should include the complete log frame including all baselines and targets for each indicator. Each progress report should provide the most up to date version of the log frame as agreed by the parties (the European Commission and the implementing partner/s) with current values for each indicator. The final report should enclose the log frame with baseline and final values for each indicator.

Indicators to be presented, when relevant and possible, disaggregated by sex, age, urban/rural, disability, any disadvantaged group, income quintile etc.

Additional notes: The term ‘results’ refers to the outputs, outcome(s) and impact of the action. Assumptions should reflect risks and related management strategies identified in the Risk analysis.

	Results chain: Main expected results (maximum 10)	Indicators (at least one indicator per expected result)	Sources of data	Assumptions
Impact (Overall Objective)	Contribute to inclusive and sustainable economic growth focused on decent job creation and greater regional integration through enhanced and better informed trade and investment policy-making processes in EU Southern Neighbourhood countries;	SDG 8 ‘promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all’, specifically, Target 8.5 concerning ‘achieving full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value by 2030’ Employment rate, disaggregated by sex, age Trade/GDP (%) Doing Business score World Competitiveness Index	SDG Reviews Eurostat, UNCTAD, World Bank World Economic Forum	<i>Not applicable</i>

<p>Outcome(s) (Specific Objective(s))</p>	<p><u>Component 1: EUROMED TIFM</u> -Facilitate closer economic ties between the EU and South Mediterranean countries and enhance regional economic integration; -Improve trade and investment transparency by providing free access to information for economic operators and policy makers.</p> <p><u>Component 2: Improving the investment climate in the South Mediterranean region towards sustainable jobs and growth</u> -Improve sustainable impact of investment, based on more robust and transparent legal and institutional frameworks as well as clear and reliable statistics; -Design and implement sound investment climate reforms in the areas covered by the five EIP (External Investment Plan) Investment Windows, both at the regional and national levels, by facilitating a more structured process of public-private dialogue.</p> <p><u>Component 3: Mainstreaming employment into Trade and Investment Policies</u> -Strengthen country-level knowledge on the impact of sectoral, trade and investment policies on productive and decent employment and on measures to optimise the employment effects of these policies; -Build capabilities of governments, social partners, and other relevant stakeholders to identify, measure and assess the employment effects of sectoral, trade and investment policies as well as conduct policy dialogue based on such assessments; -Develop ways to address the employment opportunities and challenges resulting from sectoral, trade and investment policies; -Provide assessments to governments, financial institutions, EU delegations and other relevant stakeholders on the implications of relevant</p>	<p>Number of SMEs reporting that their trade decisions have benefited from the market information available on EuroMed Trade Helpdesk, and/or from the Helpdesk's problem solving network</p> <p>Infra-region trade flows/total trade flows</p> <p>Intra- countries trade in goods (imports and exports) as a percentage of total trade in goods</p> <p>Intra-target countries trade in services (imports & exports) as a percentage of total trade in services</p> <p>Intra-target country stock of FDI as a percentage of total FDI (inflows & outflow)</p> <p>Trade flows/GDP</p> <p>OECD FDI Regulatory Restrictiveness Index</p> <p>Global Competitiveness Index</p> <p>Doing Business scores</p> <p>FDI/GDP</p> <p>Employment in foreign-controlled enterprises as a share of total domestic employment</p> <p>Employment development in foreign-controlled enterprises and foreign affiliates</p> <p>Unemployment rate, disaggregated by sex</p> <p>Ratio of male to female unemployment rates</p> <p>Wage employment share of people in income-earning activities (percentage; total and disaggregated by sex)</p>		<p>Country's ownership and NFP availability for the full duration of the project's implementation</p> <p>Political stability. Willingness on governments' side to share national statistics and release key information</p> <p>National institutions, social partners and other stakeholders agree to participate in the policy analysis of the impact on employment of trade and investment policies</p>
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	infrastructure projects under the EIP for employment.			
Outputs	<p><u>Component 1: EUROMED TIFM</u></p> <p><i>Output 1:</i> The Euromed TIFM is enhanced with additional information on investment, services, rules of origin, WTO notifications on regulations and export potential assessment tool.</p> <p><i>Output 2:</i> Enhance the understanding of regulatory and procedural trade obstacles faced by SMEs in the region and identify options to reduce costs of trade in goods and services;</p> <p><i>Output 3:</i> Raise awareness on the Euromed</p>	<p><u>Component 1: EUROMED TIFM</u></p> <p><i>Output 1:</i> Number of new modules or features in the EuroMed Trade Helpdesk Number of countries with investment data on priority sector Number of trade agreements for which detailed information is displayed Number of new or updated support materials Number of participants to trainings delivered for NFP Number of launch events Level of satisfaction on advisory services delivered to gather detailed information on administrative procedures Number of administrative procedures on-line Number of new NTM business surveys implemented Number of country for which trade in services data are available in EuroMed Trade Helpdesk</p> <p><i>Output 2:</i> Number of stakeholder consultations Number of participants disaggregated by sex to stakeholder events to share results and recommend solutions to overcome the issues identified in the NTM (Non-Tariff Measures) surveys Number of participants disaggregated by sex to be delivered trainings on methodology to collect services data Business register compiled in each country</p>	Eurostat, ITC statistics, TIFM number of visits and number of technical enquiries received and answered, WB, UNCTAD and national statistics ICT evaluation and certification on trade in services; data collection and processing Media monitoring system: ITC will track items in the media that mention, or use data, from the portal and compile them into a report.	SMEs willing to share experiences on the use of the portal and its influence on their business decisions; National governments remaining committed to operate the portal; Data to populate the tool supplied in a timely manner; National agencies represented by the National Focal Points participating in an active way in the network and its annual meetings;

	<p>Trade Helpdesk and strengthen market analysis and research skills using the tool;</p> <p><u>Component 2: Improving the investment climate in the South Mediterranean region towards sustainable jobs and growth</u></p> <p><i>Output 1:</i> Targeted policy advice to support and ensure effective implementation of investment climate reforms;</p> <p><i>Output 2:</i> Improved investment climate reforms in the EIP investment windows through strengthened regional and national public-private dialogues;</p> <p><i>Output 3:</i> Improved monitoring process for the implementation of selected reforms supported by the intervention in selected beneficiary countries.</p> <p><u>Component 3: Mainstreaming employment</u></p>	<p><i>Output 3:</i> Number of participants, disaggregated by sex, to customised capacity building programmes established in consultation with national focal points Number of trained people, including share of women participants Number of national communication and visibility plans conceptualised and implemented Number of participants, disaggregated by sex ,attending annual meetings with the ITC, the EU and the NFP Number of national communication materials produced and disseminated A credible sustainable plan for the tool produced and in place</p> <p><u>Component 2: Improving the investment climate in the South Mediterranean region towards sustainable jobs and growth</u></p> <p><i>Output 1:</i> Number of regional peer-learning seminars and technical consultations at the national level on specific investment related policy reforms; FDI statistics produced with a particular focus on Algeria, Lebanon, Libya and Palestine</p> <p><i>Output 2:</i> Number of PPDs and focus groups meetings for the 5 EIP windows; Increased engagement of private sector in the policy making and production of policy papers Impact stories on reforms Number of reforms accompanied</p> <p><i>Output 3:</i> Development of monitoring mechanisms at the</p>	<p>OECD and national FDI statistics ; IPAs monitoring and reporting on policy advising on investment reforms and climate; PPDs meetings’ reports and recommendations produced; List of companies and sectoral business organisations consulted; Sectoral business position papers produced to influence policy; OECD monitoring reports</p>	<p>Willingness of governments and other key stakeholders to share national FDI statistics and release key information; full commitment to actively participate in PPD process</p>
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	<p><u>into Trade and Investment Policies</u> <i>Output 1:</i> Knowledge on the positive and negative impact of trade and investment policies on productive and decent employment in Neighbourhood South countries is generated, improved, discussed and disseminated.</p> <p><i>Output 2:</i> Capacity of policy makers, social partners, and staff in statistical offices and research institutions in participating countries to collect and analyse trade, investment and employment data, to produce and use evidence on the effects of trade and investment policies on productive and decent employment and to discuss and design policies is improved.</p> <p><i>Output 3:</i> Employment opportunities arising from trade and investment policies specifically are enhanced and export-oriented value chains and industries that are job-rich are promoted.</p> <p><i>Output 4:</i> Governments, financial institutions, EU delegations and other relevant stakeholders are aware of the potential employment effects of infrastructure investments in the Neighbourhood South countries in relevant sectors/subsectors.</p>	<p>national level Number of reforms monitored</p> <p><u>Component 3: Mainstreaming employment into Trade and Investment Policies</u> <i>Output 1:</i> Country-level impact studies produced; Studies disseminated among policy makers, social partners and other relevant institutions in partner countries</p> <p><i>Output 2:</i> Number of specialists, policy makers and researchers trained on assessing the effects of trade and investment on employment; Number of social partners trained on the relationship between trade and employment; policy working groups established; Workshops organised for tripartite social dialogue and knowledge sharing;</p> <p><i>Output 3:</i> Policy briefs based on impact assessments are provided to stakeholders to facilitate the design of sectoral programmes; Better intra-national coordination, policy planning and the policy making itself; Enhanced quality and more focused national dialogue on mainstreaming employment into trade and investment policymaking</p> <p><i>Output 4:</i> Results of analysis/studies disseminated among policy makers, social partners and other relevant institutions in the partner countries; Number of stakeholders validation meetings on the studies</p>	<p>National labour market and employment statistics</p> <p>Training curricula</p> <p>Trainings evaluation surveys</p> <p>Data Collection Guidelines</p> <p>Trade and Value Chains in Employment-Rich activities (TRAVERA) survey STED studies mapping out skills opportunities for increased trade and export growth and economic diversification</p> <p>Studies on infrastructure investments in the Neighbourhood South</p>	<p>National governments and local authorities grant access to available data</p> <p>National officials available for data collection and training</p> <p>Sustained Tripartite Dialogue at the national and regional levels</p>
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