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ANNEX 2

to the Commission Implementing Decision on the financing of the annual action plan 2022 in favour of the Republic of Guinea-Bissau

Action Document for ‘EU for green and inclusive cities (EU4GIC)’

ANNUAL PLAN

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

1 SYNOPSIS

1.1 Action Summary Table

1. Title CRIS/OPSYS business reference Basic Act	EU for green and inclusive cities (EU4GIC) CRIS number: 2022/044-209 / OPSYS number: ACT 61468 Financed under the Neighbourhood, Development and International Cooperation Instrument (<u>NDICI-Global Europe</u>)
2. Team Europe Initiative	No
3. Zone benefiting from the action	The Action shall be carried out in Guinea-Bissau, in Bissau and other cities, to be determined
4. Programming document	Multi-annual Indicative programme (MIP) for Guinea-Bissau 2021-2027
5. Link with relevant MIP(s) objectives / expected results	The Action is aligned to MIP priority 2 (Green and inclusive economy) and contributes to the Specific Objective (SO) 2.1: to improve urban living conditions, as well as the quality and efficiency of municipal/local services. Expected results are: R.1.1: Strategies and policies for green and inclusive urban planning are defined and implemented. R.1.2: The reform of the management and regulatory framework of local services is implemented. R.1.3: Resilient urban infrastructures (in particular on waste management and drinking water) are improved and better managed.
PRIORITY AREAS AND SECTOR INFORMATION	
6. Priority Area(s), sectors	Priority area 2: Green and Incusive Economy; Sector 2.1 Green and Inclusive Cities
7. Sustainable Development Goals (SDGs)	Main SDG : 11 - sustainable cities and communities Other significant SDGs: 1 - no poverty; 5 - gender equality; 6 - clean water and sanitation; 9 – industry, innovation, infrastructure; 12 – responsible consumption and production; 13- climate action

8 a) DAC code(s)	430 Other Multisector (43030 Urban development and management) - 50 % 140 Water and Sanitation (14030 - Basic drinking water supply and basic sanitation and 14050 - Waste management /disposal) 50%				
8 b) Main Delivery Channel	Main channels (50% each) : 41120 - United Nations Human Settlement Programme (UN-Habitat) 21000 – International NGO				
9. Targets	<input type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input type="checkbox"/> Education <input checked="" type="checkbox"/> Human Rights, Democracy and Governance				
10. Markers (from DAC form)	General policy objective @	Not targeted	Significant objective	Principal objective	
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	Aid to environment @	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Disaster Risk Reduction @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Inclusion of persons with Disabilities @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Nutrition @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	RIO Convention markers	Not targeted	Significant objective	Principal objective	
	Biological diversity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Climate change mitigation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Climate change adaptation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	11. Internal markers and Tags:	Policy objectives	Not targeted	Significant objective	Principal objective
		Digitalisation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
digital connectivity digital governance digital entrepreneurship		YES <input type="checkbox"/> <input type="checkbox"/>	NO <input type="checkbox"/> <input type="checkbox"/>		

	digital skills/literacy digital services	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
	Connectivity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	digital connectivity energy transport health education and research	YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
	Migration @ (methodology for tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities @ (methodology for marker and tagging under development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
12. Amounts concerned	Budget line: BGUE-B2022-14.020120-C1-INTPA Total estimated cost: EUR 21 000 000 Total amount of EU budget contribution EUR 21 000 000			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing	Project Modality Indirect management with the entity(ies) to be selected in accordance with the criteria set out in section 4.4 Direct management through grants			

1.2 Summary of the Action

The 2021–2027 Multiannual Indicative Programme (MIP) for Guinea-Bissau identifies three priority areas of intervention as follows: i) Human development; ii) Green and inclusive economy; iii) Good governance and Stability. The proposed Action “EU for green and inclusive cities” mainly focuses on the implementation of priority 2, while also contributing to priority 3, as regards EU interventions on governance and in addition to actions in the field of TVET in priority 1 (see AD1 of AAP 2022), as well as the EU’s long-standing support to Civil Society Organisation (CSO) foreseen under Support Measures.

The urban sector in Guinea-Bissau faces multiple needs, mostly related to shortcomings in urban governance and the absence of a functioning decentralisation/deconcentration process. As a consequence, there is an uncontrolled sprawl of urban areas, accompanied by the growth of precarious neighbourhoods, the degradation of ecosystems, social exclusion and urban poverty. Recent studies¹ defined as a priority the rehabilitation and strengthening of the infrastructures of the capital Bissau and of some identified secondary cities, as well as their connecting corridors.

This Action will follow an **integrated approach, supporting policy and institutional reforms**, with the participation of civil society, namely on the **improvement of urban planning and management**, as well as in **the area of the waste system** (treatment and separation centres) in Bissau and the **water sector** (pumping and water distribution systems) in secondary cities. These components will be associated to strong capacity building

¹ The Spatial Development Framework of Guinea-Bissau, to spatially support the implementation of the national development plan (2020-2023) – implemented by UN Habitat with EU financing, July 2021

at **different government levels** (national, regional, municipal). This will allow for comprehensive interventions to strengthen urban governance in the long term and to implement concrete and sustainable urban projects. The infrastructure component, in particular the waste management, will also contribute to promote a **circular economy** (plastic waste recycling channels) and create green jobs.

By strengthening governance and inter-institutional coordination and in line with the ambitions of the **Global Gateway**, the urban sector in Guinea-Bissau will improve its capacity to adopt an integrated and sustainable urban planning approach and to optimise local taxation. By ensuring access to services, notably waste management in Bissau and urban water and sanitation in other targeted cities, the Action will improve the living conditions of its inhabitants. This Action **is expected to trigger additional funding by private sector in complementary areas**, such as maintenance services.

This Action involving also the EIB² who is preparing to resume the collaboration with the country, in particular on waste management and road rehabilitation along the Praia-Dakar-Abidjan Strategic Corridor. In line with the ambitions of the **Global Gateway**, the construction of this crucial road axis will create the much needed connectivity of the country and set the basis for economic development and regional integration. It will attract new investments, which, paired with this Action, will have a transformative impact on the capital and cities of Guinea-Bissau and its population.

The Action will also raise awareness among local authorities on the themes of resilience in the face of climate change, gender equality, health, environmental protection, and sustainable construction techniques.

2 RATIONALE

2.1 Context

Guinea-Bissau has seen a strong increase in the **urban population** in recent years. Whilst in 1997 only 22.5% of the population lived in urban areas, this proportion almost doubled (44.2%) in 2020 according to the United Nations Department of Economic and Social Affairs (UNDESA, 2018). In absolute numbers, the same source reveals how dramatic this increase is, having passed from 391 000 people in 1995 to 884 000 people in 2020.

The largest urban agglomeration in the country is the Autonomous Sector of Bissau (SAB), which currently has a population of approximately 520 000 inhabitants, representing more than 25% of the country's total population and more than half of the total urban population. The capital city's population is growing rapidly at a rate of 4% per year. Bissau has great political and economic strength and concentrates important infrastructures at national level, such as the port, airport, universities, reference hospitals, government institutions, the army, etc.

Therefore, the general development of Guinea-Bissau is directly linked to the sustainable development of its capital. However, the regional capitals also represent important commercial hubs and centres of concentration of administrative, education and health services. The other two most densely inhabited cities are Gabu and Bafatá, with an estimated population of approx. 80 000 and 70 000 inhabitants respectively (INE – National Statistics Institute, 2009), while the other regional capitals and major cities do not exceed a population of 20 000 inhabitants each. Overall, it will be important to further develop Guinea-Bissau's secondary cities to avoid an overgrowth of Bissau, a city already located in an environmentally sensitive coastal area.

As for other major cities, access rates to basic water and electricity services are extremely low and some regional capital cities are totally lacking any municipal and public services. Available data from 2010 (INE) reveal that less than 15% of Bissau-Guineans have access to adequate **sanitation facilities** in their homes. At least 15% of people have to walk more than 15 minutes to access the nearest **water source**, and 2% have to walk more than 1 hour to do so. As a result, less than 50% of the citizens have access to improved water sources. Finally, up to two-thirds use candles as their main lighting source – only 2.5% can enjoy **electricity connection**.

In summary, INE states that more than 80% of dwellers do not enjoy all the minimum public services for an adequate living standard.

² EIB, European Investment Bank

As regards the improvement of the water and electricity access, significant works and projects are underway, in particular the OMVG³ electricity project at national level and the national electricity and water company, EAGB⁴, reform for the city of Bissau. However, at present, large portions of the SAB territory do not benefit from modern or reliable water and energy supply services and Bissau is still depending on a single diesel power-generation-boat at the port of 20 MW, which was installed in February 2019.

In the last years, the EU has been financing a number of actions in the urban context. These include a **solid and urban waste management project for the capital Bissau**, the rehabilitation of an urban park in Bissau (N'batonha Lagoon), two projects of **renewable energy** (minigrid and photovoltaic power plants of Bambadinca and Contuboele) and the **rehabilitation of water systems** for the city of Bafatá and Bambadinca.

Between May 2018 and September 2020, an EU project in the field of domestic energy under the *Covenant of Mayors in SSA Initiative* (implemented by UCCLA⁵ and Bissau Municipality), supported in particular the use of liquefied petroleum gas (LPG), as a cleaner, healthier and environmentally more sustainable alternative to charcoal in urban areas.

The EU is continuing to support (and aims to reinforce) the training, dissemination and awareness actions regarding the design, management and maintenance of **infrastructures** (in particular of water and energy), directed both to public concessionaires, and to private sectors and civil society organisations. These actions aim at improving the management of existing infrastructures as well as to favour the conditions for the realisation of new investments, allowing various institutional, social and private actors to benefit from funding possibilities offered by the EU under the European Investment Plan (EIP) notably, as well as by various donors active in these sectors.

In the agriculture, **renewable energy and water, sanitation and hygiene (WASH) sectors**, two important actions financed by the EU are still in their implementation phase: the integrated flagship Ianda Guiné Programme (EUR 44 million) and the Bijagos Civil Society and Human Rights CSO-EIDHR Programme (EUR 4.5 million), both represent interventions in rural areas (Oio and Bafatá and Bijagos regions) and in secondary cities (Mansoa, Bolama).

Through multiple initiatives undertaken according to its mandate, the United Nations Human Settlements Programme (UN-Habitat) has taken, since 2016, a key role in supporting the dialogue and the **empowerment of public institutions and stakeholders working on urban development**. In particular, in 2017 UN-Habitat facilitated the elaboration of Bafatá and Bolama Resilience Action Plans (2017-2027) and, later on, the elaboration of the “Bissau 2030 Sustainable Development Plan”. These plans were subject to several updates and public meetings between 2018 and 2019, which counted with the participation of several national and local administrations as well as others actors involved in urban planning. The presentation and discussion of the Bissau 2030 Sustainable Development Plan was held in June 2019 and the final version of the Plan was sent to all partners in August 2019. The document was then the subject of discussion and analysis in various recent events and studies and constitutes an important programmatic document for the development of the city.

Last, but not least, in 2019 the World Bank (WB) carried out a pre-feasibility study on the development potential of public private partnerships (PPPs) in Guinea-Bissau which, based on the indication of the Government, focused on solid waste management and urban transport in Bissau city.

Additionally, two new and important programmes for the next few years in the water and sanitation sector (for the city of Bissau) and electricity (at national level) with funding from WB and the African Development Bank (AfdB), are at an advanced stage of formulation and create a good perspective in terms of complementarity and synergies with the current, proposed Action.

In the last two years, some significant works for the city of Bissau have been carried out, in particular thanks to initiatives promoted by the President of the Republic and agreements with other Heads of State (Senegal, Nigeria, Niger), such as the rehabilitation of main roads and of the colonial parts of the city centre.

2.2 Problem Analysis

Urban Governance

³ Gambia River Basin Development Organisation (in French: Organisation pour la Mise en Valeur du fleuve Gambie)

⁴ Electricidade e Aguas da Guiné-Bissau company

⁵ União das Cidades Capitais de Língua Portuguesa (Union of Portuguese speaking Capital Cities)

The impact of recent projects and programmes on urban development has been limited due to the lack of consistent and structured **institutional involvement** to support urban planning and management. This was largely due to the persistent political instability at national and local levels.

The rapid urban growth in the country, which when well-planned can bring about positive socio-economic and environmental impacts, is currently mostly informal and results in a variety of negative effects. These range from greater social inequalities, deterioration of health conditions linked to the lack of access to basic services such as water and sanitation, traffic congestion, unordered waste management and heavy impacts on ecosystems, decreasing human well-being, among other aspects. Social inequalities can be more harsh for women, who have a higher need to enhance their financial independence and their access to education and health facilities. Women and groups living in vulnerable situations are also under-represented in decision-making due to the traditional roles women and men take within the household and the community.

All of this is seriously hampering the achievement of the Sustainable Development Goals and contributing to social unrest and rapid **migration** to larger urban centres or to other countries. Therefore it is important to focus not only on the capital Bissau, but also in other main cities. It is crucial to mitigate uncontrolled migration to the capital, but also to promote the local economy and strengthen intermediate cities role as regional hubs for the provision of services and socio-economic opportunities according to the needs and potentials of each region.

In addition, neither **decentralisation** nor **de-concentration** of public powers are currently effective in Guinea-Bissau. Except for a few competencies of the capital Bissau, local administrations do not enjoy organisational and financial autonomy, as the Ministry of Territorial Administration and Traditional Power (MATPL) and the Ministry of Public Works, Housing and Urbanism (MOPHU) retain most of the powers and prerogatives at central level. The Autonomous Sector of Bissau (SAB), through the Municipality of Bissau (CMB), is the only one among the nine regions of Guinea-Bissau that has administrative, patrimonial and financial autonomy. CMB also implements the infrastructure and urban development policies as established by the MOPHU. From an administrative perspective, it responds to the MATPL.

At the end of 2019, the EU hired UN-Habitat to undertake a strategic spatial analysis using the Spatial Development Framework (SDF) methodology. This study included an assessment of the population dynamics of Guinea-Bissau at the national level (rural-to-urban migration), of the accessibility to services and income opportunities and of the role played by major cities in addition to Bissau.

This UN-Habitat study allowed to present the system of cities and other settlements in Guinea-Bissau, based on a spatial and functional hierarchy and on the role and importance each city plays in a given territory (the country's Spatial Structure). This process has highlighted that the current situation of solid waste management is one of the most critical issues according to the population.

On the other hand, mapping data concerning socio-economic and environmental conditions at the sector level but over a nation-wide perspective allowed understanding of how the physical and socio-economic structures influence one another and how that can impact the demographic trends related to population growth and migration, particularly between urban and rural areas, and between the regions and the urban area of Bissau.

All in all, the SDF of Guinea-Bissau includes concrete recommendations on where to invest and why to aim at : promoting a more balanced territorial development of the country, avoiding an over-concentration of investments in Bissau and reinforcing the potential of some key geographical areas which show still an unexplored growth potential. The SDF work has also been influencing strategic national development plans such as the *Terra Ranka 2035* under the 1st government of the 10th legislature, and consequently the current government's *Guinea-Bissau in light of COVID-19 – a new opportunity for a fresh start (2020-2023)*.

Solid waste management

In the country, the only city where a Solid Waste Management (SWM) system is formally implemented is the city of Bissau, under the responsibility of the CMB.

This SWM system is currently carried out in a very basic way, which can be described as follows:

- Street cleaning is done manually; waste is collected at various points and transported to an open air dump site.
- Municipal solid waste is mostly collected by rented vehicles. The quantities collected by CMB are estimated at approximately 23 t/day, which corresponds to less than 10% of the total generated urban solid waste. In

addition, private companies licensed by the CMB also collect municipal waste. At the time of drafting Bissau's SWM plan, around 30% of municipal waste was collected.

- Uncollected garbage is left on the streets, then washed away by rainwater runoff and flooding, and ends up in rainwater drains (in the city centre only), plains, swamps and mangroves.
- Approximately 20% of waste is openly burned by citizens.
- Waste was taken to a dump in Antula district till 2019, when it was closed and a new site was activated in the Safim area, in the outskirts of Bissau.

The Safim site, identified and suggested in the SWM Plan, was supposed to be built as new sanitary landfill. Unfortunately, it ended up being used as a wild dump site as the necessary funding was not secured on time. In fact, in 2016 and 2017, thanks to a EU-funded project, the municipal SWM Plan for the city of Bissau was developed and approved by an interinstitutional committee. Importantly, the SWM Plan recommended the collection and separation of waste. A subsequent feasibility study supported by the WB suggested how to develop public private partnerships (PPPs) on the basis of the results of the previous EU project. The SWM Plan is now only partially implemented, due to lack of financial resources and institutional coordination between local and central authorities.

However, these projects and proposals, combined with the dynamic role that CMB has undertaken in recent years constitute a solid starting point for the formulation of new SWM projects, despite the current absence of any ongoing/planned consistent programme in this key sector by major donors, excluding EU and EIB.

In fact, in the context of the Clean Ocean initiative and starting from mid-2021, EIB has promoted, in coordination with the EU, various technical meetings and has elaborated a project for solid and liquid sanitation for the city of Bissau. This project is now entering in the technical and financial feasibility phase, and in case of confirmation, could integrate, in the coming years, the project proposed in this document.

Water and basic sanitation services

The rate of access to an improved water source deteriorated nationally between the MICS⁶ 5 (2014) and MICS 6 (2018-2019) surveys, from 74.8% to 66.8%. At urban level, the estimated rate is 84%. According to the MICS 6 surveys in 2018-2019, the rate of access to improved sanitation was 25% nationally, with 57% in urban areas and 7% in rural areas.

These data, due to the weight of the capital city, do not reflect the great disparities between Bissau and other secondary cities and regional capitals. Indeed, the majority of secondary cities are in a very critical situation, lacking most basic urban services (water, sanitation, electricity, etc.). Poor health service conditions, especially in the country's rural areas, impact women and children disproportionately, due to their limited access to basic services particularly with regard to the supply of drinking water, which is available within an average walking distance of about 30 minutes.

There is no wastewater treatment system in any of Guinea-Bissau's cities. Individual sanitation is the standard, via septic tanks and, for the majority of citizens, latrines. Only 18% of the population has improved sanitation facilities for human waste; in rural areas this is as low as 3%. ⁷ It is estimated that only 4.2% of the urban population is connected to septic tanks or sewers. The centre of Bissau is equipped with an old, dilapidated and non-functional sewage system connected to a sewer that empties into the Geba River, but the vast majority of the population (63.4%) uses septic tanks and improved latrines connected to storm drains, which increases the risk of bacterial pollution of surface and groundwater. The provision of services for emptying pits and latrines is underdeveloped. Sludge from latrines is usually evacuated by a municipal or private pumping truck, but as there are no facilities and no designated discharge point, it is simply dumped into nature or directly into one of the many waterways that surround Bissau. There is a lack of public policy for the collection and treatment of effluents from the pits. The rainwater drainage network is made up of a few channels, which are not very extensive and are often clogged due to silting and rubbish dumping. A Stormwater Master Plan for the city of Bissau was developed in 2008 and updated in 2015 with funding from BOAD⁸ and the Government of Guinea-Bissau. With an estimated cost of FCFA 95 billion, it has yet to be funded. In the current situation, the lack of treatment of grey and black water causes a major sanitation problem in the city.

⁶ Multiple Indicator Cluster Surveys

⁷ UNDP Guinea-Bissau gender analysis, 2021.

⁸ West African Development Bank

The EU has funded in the recent past and is continuing to support various water supply projects for secondary cities especially through institutional technical assistance. In particular, various projects have been carried out in the city of Bafatá and are now in progress in the city of Mansoa and as regards the archipelago of Bijagós, in Bolama.

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

The main stakeholders of the Action, are:

- Duty-bearers, having the obligation to respect, protect and realise the right to an adequate housing and an adequate standard of living under the International Covenant on Economic, Social and Cultural Rights and the derived rights such as access to safe drinking water and sanitation or the right to electricity. Ministry of Territorial Administration and Local Power (MATPL), responsible for local authorities and regions and in particular for the Municipality of Bissau/CMB;
- Ministry of Public Works, Housing and Urbanism (MOPHU), the national government institution responsible for the formulation, coordination and implementation of infrastructure and urban development policies, as well as territorial planning (except for the sector of Bissau, where it shares the responsibility with CMB);
- Bissau Municipality (CMB), despite its autonomy is limited at the legislative and financial level and its president is appointed and under the control of the MATPL, has a key function, for the city of Bissau, in urban planning and management and, in particular, it is responsible for waste management. It will therefore be one of the key institutions for this Action, both as a beneficiary and as part of the implementation, with the aim of creating a model on how to strengthen the role of local authorities;
- Ministry of Environment and Biodiversity (MAB), for its mandate on environmental issues related in particular to the management of solid and liquid waste;
- Ministry of Natural Resources (MRN), responsible for the water and sanitation sectors;
- Ministry of Health, important for its role in controlling the effects of waste management on citizens' health, as well as for the quality of water resources and their suitability for human use;
- UN-Habitat, coordinating agency, within the United Nations system, of urban development issues and with an active and recognised presence in Guinea Bissau;
- CSOs, with demonstrated capacities in the sectors targets of the Action;
- Resident population and the private sector, participating in the implementation of the Action;
- The European Investment Bank (EIB), who in follow-up of a high-level mission in 2021 to the country, has validated the application by CMB for the EIB/COPIP (Clean Ocean Programme), namely for a project on waste management, for which a faisability study is to be launched shortly in view of assessing possible future financing, together with the EU.
- Other donors (World Bank, AfdB, etc.) with actions complementary to those envisaged in this Action.
- The private sector, involved in a management of public services under PPP schemes, that the Action wants to improve.

3 DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

The Overall Objective (Impact) of this Action is to improve the living conditions of urban populations in Guinea-Bissau.

The **Specific Objectives (SO - Outcome)** are:

- 1 - To strengthen urban sector governance and the framework for dialogue on inclusive and climate-resilient urban development;
- 2 - To reduce the volume of unsorted solid waste (especially plastic waste) in Bissau;
- 3 - To improve sustainable access to drinking water and basic sanitation services for secondary cities in Guinea-Bissau.

The **Outputs** to be delivered by this Action contributing to the corresponding SOs (Outcome) are:

- 1.1 - Policy development and monitoring mechanisms are set up

- 1.2 - Institutional capacities of actors at the municipal/local level for urban planning & management and project development are improved
- 1.3 - Municipal/local services are improved through pilot actions
- 2.1 - Technical capacities of Bissau's Municipality in waste management are improved
- 2.2 - A more efficient waste management system in Bissau is established
- 3.1 - Technical capacities of the institutions in water and sanitation services in target cities are improved
- 3.2 - A more efficient water and sanitation services system in target secondary cities is established

3.2 Indicative Activities

As an indication, the main activities to be carried out under this Action are classified as follows:

Policy and institutional capacity building (Output 1.1, 1.2, 1.3)

- Creating coordination mechanisms between national and local institutions, as well other stakeholders, for the implementation of the action as a whole (e.g. defining the timetable of steering committees, approve key activities/interventions and the method of choosing the cities targeted by Outputs 1.2 and 1.3, as well as SO3), with a focus on the contribution to climate change adaptation/mitigation, biodiversity conservation and disaster risk reduction;
- Carry out a country-wide assessment of main urban features of urban settlements, including elements of the legal and institutional framework/decentralization related to urban planning and management, focused on basic services (transport, housing, sanitation) based on climate adaptation; the diagnosis should include, in particular, an assessment of internal migration and the COVID-19 impact in urban areas of Guinea-Bissau with a view to improve basic services delivery and infrastructure provision as part of a green recovery programme. Specific attention will be given to the need for gender sector analysis in waste management, WASH and other related areas.
- Building on the results of the diagnosis, in collaboration with local and central government authorities as well as with civil society participation: (i) support the elaboration of tailored and gender sensitive policies, strategies and legal instruments to improve urban planning and management; (ii) establish a National Urban Observatory (NUO) as the main entity to strengthen data collection, analysis and use at local level, thus effectively supporting policy/strategy development and monitoring; (iii) carry out awareness raising activities at the local level in support to the dissemination of the principles and guidelines established in the National Urbanisation Policy (NUP) and the national territorial development plan (NTDP).
- Particular attention will be given to improving the business environment by defining investment priorities in urban services and selecting areas and cities in light of their potential, while ensuring due complementarity with provisions by other donors.
- A capacity building programme in collaboration with training institutions present in Guinea-Bissau or in neighbouring countries to reinforce the institutional capacity of both central and local authorities, namely in:
 - o Management skills
 - o technical and practical knowledge, organisation, coordination, sharing and implementation of urban planning, via adequate IT infrastructure and software, with the support from the NUO
- Elaborate sustainable development strategies for the selected and priority cities, in the form of participatory urban plans (i.e. by involving the local/central authorities, the resident population, the private sector and CSOs), using a similar methodology as for Bissau 2030 and focusing on women and groups living in vulnerable situations.
- Based on the established priority of investments and elaborated urban plans, design priority bankable projects that can attract investors/donors' interest, and support their implementation by providing on-site technical assistance, actively involving the local population and mobilising capable CSOs/private sector partners.
- Provide on-the-job capacity building to the target cities to assist preparation and management of planned projects (Output 1.3), using them as an opportunity to promote and test key improvements in the regulatory framework and the private sector enabling environment, namely for:
 - o PPPs and Concession schemes (e.g. for waste management, water and sanitation, ...).
 - o land cadastre/registering, including a pilot project in mapping and registration of private and public lots, installation of ICT equipment and implementation of software for land and property

cadastre. This has the potential to allow for the implementation of land-based financing mechanisms, which in turn will be a key instrument for the sustainable funding of the operation of public services.

- Cleaning initiatives and implementation of circular plastic waste recycling channels, with a strong involvement of women and young people (environmental education).
- Medium and small-scale urban development projects (e.g. community facilities, green spaces, gutters, sustainable mobility and road safety etc.) planned and carried out with a participatory process contributing to the socio-economic development of the populations and the environment.

These projects, which will have an important dedicated budget (about 50% of SO1) will be selected and formulated, considering the following criteria:

- synergies and complementarity with sectors and areas/cities covered by outputs SO2 and SO3;
- potential to support economic activities and improve conditions for business;
- potential to contribute to climate change adaptation/mitigation, biodiversity conservation and disaster risk reduction;
- adoption of sustainable construction materials and climate proofing of infrastructures;
- focus on women's empowerment and entrepreneurship in the fields of waste management, water and sanitation.

Bissau solid waste management (Output 2.1 and 2.2):

- Support the Camara Municipal de Bissau and the national authorities involved (Ministries of territorial administration, public works, environment, health) in the institutional coordination, preparation and accompaniment of the action during its implementation.
- Trainings and capacity building for the above referred institutions, with a specific attention for young women and men.
- Feasibility and detailed studies and technical assistances (for design and control) for rehabilitation, integration, new construction of key urban infrastructures in the sector (e.g. main waste collection and treatment centers, interventions on landfill sites).
- Building works on key urban infrastructures above referred, using sustainable construction materials and climate proofing of infrastructures focused on climate change adaptation/mitigation, biodiversity conservation and disaster risk reduction. Support to construction of basic collective infrastructure and local facilities (meeting places, waste storage points, pavements, etc.) linked to the circular economy and the inclusion of women and young people in a participatory, bottom-up approach.
- Support to creation and implementation of management contracts and mechanisms of the infrastructures and systems implemented.

Urban WASH for secondary cities (Output 3.1 and 3.2):

- Support the local authorities (regions and city administrations of the target cities) and the national authorities involved (Ministries of natural resources, public works, health) in the institutional coordination, preparation and accompaniment of the action during its implementation.
- Trainings and capacity building for the above referred institutions, with a specific attention for young women and men.
- Feasibility and detailed studies and technical assistances (for design and control) for rehabilitation, integration, new construction of key urban infrastructures (e.g. pumping and distribution systems, water collection and discharge systems).
- Building works on urban infrastructures above referred, using sustainable construction materials and climate proofing of infrastructures focused on climate change adaptation/mitigation, biodiversity conservation and disaster risk reduction.
- Support to construction of basic collective infrastructure and local facilities (water points and fountains, meeting places, pavements, etc.) linked to the circular economy and the inclusion of women and young people in a participatory, bottom-up approach.
- Support to creation and implementation of management contracts and mechanisms of the infrastructures and systems implemented.

3.3 Mainstreaming

Environmental Protection & Climate Change

Overall, EU support to the urban sector in Guinea-Bissau is part of a broader approach to support the transition towards sustainable, green and inclusive urbanisation and better urban governance, in alignment with the countries' updated Nationally Determined Contribution (NDC, October 2021) and broader vision of low-carbon and climate-resilient socio-economic development, notably through the due integration of climate change mitigation and adaptation measures.

The waste action in Bissau, the water and sanitation action in the secondary cities targeted, as well as the implementation of urban planning for both, will benefit all ecosystems in the cities and will make a strong contribution to environmental protection. An environmental impact assessment and analysis will be carried out.

In 2017, a specific prefeasibility study on the waste management system improvement in Bissau was carried out but no EIA (Environment Impact Assessment) study has been undertaken at this stage. Considerations of potential negative environmental impacts on the environment and climate change - which could occur during the construction phase - will be taken into account in the design, implementation and monitoring of specific activities of this action.

Gender equality and empowerment of women and girls

As Gender DAC codes identified in section 1.1, this Action is labelled as G1. This implies that special attention will have to be paid to gender aspects in the implementation of actions, in particular by promoting girl's and women's participation in a fair and inclusive green transition according to the EU Gender Action Plan III. Socio-cultural values and practises shape both drought vulnerability and the effects of drought emergencies. Women may have less negotiating power in water management, or less access to more profitable economic activities. Drought stress intensifies the pressures on their care-giving and reproductive responsibilities and may also increase the risk of male violence. At the same time, women customarily demonstrate a high degree of skill and effectiveness during crisis.

Human Rights

The Action is aligned with the EU Action Plan on Human Rights and Democracy 2020-2024, on harnessing opportunities and addressing challenges of deprived populations in both urban and rural settings. The emphasis on facilitating access to fundamental/basic needs are not only a direct way of addressing shortcoming in human rights but also constitute important safeguards for people to be in a stronger position to strive for the respect of other human rights. The action will apply the working principles of the human rights based approach (HRBA): applying all human rights for all, meaningful and inclusive participation and access to decision-making, non-discrimination and equality, accountability and rule of law for all, and transparency and access to information supported by disaggregated data.

Disability

As per OECD Disability DAC codes identified in section 1.1, this Action is labelled as D1.

Although people with disabilities are not specifically targeted, their consideration should guide the choice of all actions and in particular will be taken into consideration in the elaboration of urban plans and pilot projects for sustainable mobility and road safety, under the SO1.

Democracy

Despite democracy in general is not a goal, the redevelopment of the city of Bissau, the implementation of urban planning, as the improvement of waste management and the access to water for secondary cities are important contributions to the proper functioning of a democratic society. The Action envisages achieving these objectives through participatory processes, stimulating and supporting in particular the role of civil society organisations.

Conflict sensitivity, peace and resilience

Urbanisation interventions aim to improve resilience on several levels: i) the establishment of a policy and institutional capacity building will contribute to establish clear responsibilities and can significantly reduce corruption; ii) the reinforcement of the municipal services will contribute to bridge power vacuums at national and local level due to the recurrent instability; iii) an adequate system of solid waste management in Bissau will reduce the pollution in the city, improving living conditions of the inhabitants, particularly during the rainy season when waste blocks drains and invades roads and cultivated fields, putting people's health at risk; iv) an adequate system of urban WASH in secondary cities will be able to improve community resilience to disease.

In order to promote peace and resilience, the Action has been designed with a highly participatory approach: the planning of the interventions to be carried out will be developed in an inclusive way with a strong focus on dialogue facilitation, peace promotion, and conflict mitigation and management.

Disaster Risk Reduction

The improvement of urban planning and management are essential elements in the prevention and management of risks. The improvement of waste collection in Bissau and rainwater drainage system should also contribute to the reduction of the risks of flooding and widespread pollution.

Other considerations if relevant

An adequate system of urban WASH and base infrastructures in secondary cities will be able to create better condition of living for their inhabitants and, consequently:

- to reduce the risk of infection and disease exposure due to contamination of available water;
 - to better manage internal rural-urban migration and reduce the internal migration to the capital Bissau, thanks to the promotion of a local economy in secondary cities through the provision of services and socio-economic opportunities. Migration considerations shall be integrated in urban planning⁹.
- Furthermore, working on the management of waste in Bissau will contribute to reduce the pollution in various cultivated fields (mainly rice and vegetable gardens) where, especially during the rainy season, waste spills over, contaminating the production and, consequently, damaging human health.

3.4 Risks and Lessons Learnt

The main risks identified from past actions in the sector are related to the political instability leading to frequent changes in the Government, limited capacities at local and central level, the incapacity of state institutions to provide basic services across the country and a protracted underinvestment in human capital, which has led to frequent strikes and disruptions in services.

Other major risks also relate to national budget limitations, inadequate financing of the infrastructure sector and low political commitment in promoting reforms.

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
External environment	1. Political or economical instability	H	M	Working with UN-Habitat and with CSOs and NGOs who have proven to be capable of assisting and supporting local and national authorities in the successful implementation of urban-related projects in recent years. In particular, this type of project management makes it possible to overcome power vacuums at national and local level due to recurring instability.
	2. Intergovernmental	H	H	Establish clear responsibilities, explicit complementarities and synergies between central and devolved

⁹ Notably as per recommendations of the **Toolkit for Integrating Migration into Urban Development Interventions**, elaborated under the EU-funded project Mainstreaming Migration into International Cooperation and Development (MMICD), in partnership with UN-Habitat. <https://eea.iom.int/resources/toolkit-integrating-migration-urban-development-interventions>
<https://eea.iom.int/sites/g/files/tmzbd1666/files/documents/urban-development-toolkit.pdf>

	friction between the two levels of government (central and devolved)			authorities roles in the implementation of the projects.
	3. Inability to transfer comprehensive knowledge to key decision makers	M	M	The project can achieve relative success even if not all elements of expected reforms are implemented The project builds on a long period of intensive policy work carried out by UN-Habitat.
Planning, processes & systems	Corruption or malpractice undermine partners confidence	M	H	Corruption is inherent to construction everywhere in the world. Adherence to international procurement standards, supervision of works, technical and financial audits and evaluation can significantly reduce the scope of corruption. Furthermore there is affirmed engagement at the highest political level to fight corruption.
People & organisation	1. Implementation may be hindered with insufficient human resources	M	M	Local and municipal authorities need an uncompromised high-level of technical expertise that might be recruited and financed. The resources are to be provided by TA projects and capacity building programmes, involving also CSOs and the private sector.
	2. Working on human rights and gender equality can encounter socio-cultural barriers (out of the control zone of the Action)	M	M	Where possible and relevant, awareness-raising sessions will be organised to highlight the Actions' attention for the promotion of gender equality and the realisation of human rights. Gender Sector Analysis will be conducted to understand these barriers and find solutions in a participatory way
Legal & regulatory	Implementation of the project may require legal and regulatory changes in the target sector	M	M	Lack of regulatory reform will reduce the impact and scalability of the project, but it can still enable significant positive results with existing legislation.
Communication & information	Scalability of the project impact will depend on efficient communication	L	M	The institutions involved in the project are experienced in communication.

Lessons Learnt:

Despite the numerous projects and studies (described in section 2.1 *Context*) carried out over the last years in the country, through EU and other donors' funding, their impact has been limited due to the lack of a planification both at the level of the capital and at of the entire country, as a result of persistent political fragility.

As indicate in Section 2.1, the most important lessons learnt from these initiatives and the solutions proposed by the Action are:

- There is a difficulty for technical services to move from the study phase to the implementation phase of plans and projects, hence the need for technical assistance and support. The Action addresses this problem by adopting an integrated approach combining studies, specific technical assistance for planning, management and governance, and support and monitoring of works at municipal, local and national level. Thus, the beneficiaries of the Action will be accompanied throughout the programme, benefiting from capacity building.
- There are problems of communication and interaction at several levels of power and responsibility, resulting in a lack of cooperation and complementarity between actions/poor sharing of data and information. The Action responds directly to this problem by creating a dialogue platform including national ministries, urban communities concerned by the Action and civil society organisations.
- The sustainability of the Action is a major concern. Capacity building at local and national levels, a main objective of the Action, is expected to mitigate the risk. Thus, through a good preparation of the planned activities, a permanent technical and political dialogue thanks to the national dialogue platform and a strong involvement of the beneficiary population, the project intends to make the actions sustainable in time.

3.5 The Intervention Logic

The underlying intervention logic for this Action is structured as follows:

The Action aims at the socio-economic inclusion and development of the urban populations living in vulnerable situations in Guinea-Bissau, through the improvement of their living conditions and provision of quality basic services.

In order to achieve the expected impact, the Action proposes an integrated approach, with a series of incremental activities in the field of policy and institutional capacity building and infrastructure interventions in solid waste management (Bissau) and urban WASH (secondary cities). If these activities succeed, they should deliver the expected **outputs**, namely:

- 1.1 - Policy development and monitoring mechanisms are set up
- 1.2 - Institutional capacities of actors at the municipal/local level for urban planning & management and project development are improved
- 1.3 - Municipal/local services are improved through pilot actions
- 2.1 - Technical capacities of Bissau's Municipality in waste management are improved
- 2.2 - A more efficient waste management system in Bissau is established
- 3.1 - Technical capacities of the institutions in water and sanitation services in target cities are improved
- 3.2 - A more efficient water and sanitation services system in target secondary cities is established

If the coordination mechanisms for the programme are functional and the necessary collaboration between local and national institutions ensured, then the implementation contracts under the SO2 and SO3 can be launched.

As regards the waste management component for the city of Bissau, the feasibility of reaching the output is corroborated by the existence of recent project and study results and recommendations, plus the close association of the EIB, which has participated in the discussion and analysis of past projects and is currently evaluating the feasibility of possible future financing, which could integrate and amplify the actions envisaged in this Action. Similarly, for the WASH sector, the ultimate selection of secondary cities by the programme's steering committee will be based on lessons learnt of recent and ongoing EU projects (in Bafata, Mansoa and Bolama), and shall be confirmed by due technical, environmental and economic feasibility studies.

If all outputs are attained, and provided the key hypothesis of political stability, communication and interaction between central and devolved government and civil society are confirmed, the anticipated **results** of 1) strengthened urban sector governance and framework for dialogue on inclusive and climate-resilient urban development; 2) reduced marine and terrestrial pollution linked to the consumption and production of solid waste (especially plastic waste) in Bissau; and 3) sustainable access to drinking water and basic sanitation services for secondary cities in Guinea-Bissau, should be accomplished, especially for households in vulnerable situations (women-led households, mono-parental households, households living in poverty and remote areas).

The interventions proposed by this Action will create favourable conditions for a sustainable socio-economic development of the country towards better regional integration and connectivity, in particular seen in combination with the ongoing rehabilitation project of the main road of the country, linking Bissau to the Senegal border. The so called Safim-M'Pack project is part of the EU West Africa Regional Transport Programme and namely the Dakar-Abidjan Corridor, for which a tripartite funding by WB, EIB and the EU is being considered. The first of the two execution lots (WB) has already secured financial coverage and is in the start-up phase, while the second (EU/EIB) has initiated the operational negotiation phase with the government.

Under these circumstances, the Action will indeed reach the desired **impact** of significantly improving the living conditions of the urban populations, contributing to their social and economic inclusion and human development, namely through a labour-intensive (HIMO) approach, stimulating entrepreneurship, job creation and raising the awareness of the potential for a circular economy, which in turn is expected to trigger emulation and additional funding by private sector in complementary areas.

3.6 Logical Framework Matrix

This indicative logframe constitutes the basis for the monitoring, reporting and evaluation of the intervention.

On the basis of this logframe matrix, a more detailed logframe (or several) may be developed at contracting stage. In case baselines and targets are not available for the action, they should be informed for each indicator at signature of the contract(s) linked to this AD, or in the first progress report at the latest.

New columns may be added to set intermediary targets (milestones) for the Output and Outcome indicators whenever it is relevant.

- At inception, the first progress report should include the complete logframe (e.g. including baselines/targets).
- Progress reports should provide an updated logframe with current values for each indicator.
- The final report should enclose the logframe with baseline and final values for each indicator.

The indicative logical framework matrix may evolve during the lifetime of the action depending on the different implementation modalities of this action.

The activities, the expected Outputs and related indicators, targets and baselines included in the logframe matrix may be updated during the implementation of the action, no amendment being required to the Financing Decision.

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
Impact	The living conditions of urban populations have improved thanks to more inclusive and greener cities in Guinea Bissau	<p>1. Proportion (and number) of green jobs created in the target cities by the action out of the total jobs created (** GEF 2.13b)</p> <p>2. Number of urban strategies receiving medium-term funding by the government, municipalities and international partners</p> <p>3. Proportion of municipal solid waste adequately collected and managed out of total municipal solid waste generated</p> <p>4. Proportion of population of the targeted cities using safely managed drinking water services</p>	<p>1. 2022: 0% (numb. tbd)</p> <p>2.2022: 0</p> <p>3. 2022: to be confirmed through baseline study</p> <p>4. 2022: to be confirmed through baseline study</p>	<p>1. 2025:40% (numb. tbd) 2027: 70% (numb. Tbd)</p> <p>2. 2027: 4</p> <p>3. 2025: 20% 2027: 50%</p> <p>4. 2025: 20% 2027: 50%</p>	Final evaluation report; baseline and final surveys, data from UN-Habitat	Not applicable
Outcome 1	1. To strengthen urban sector governance and the framework for dialogue on inclusive and climate-resilient urban development	<p>1.1 Status of the National urban Policy and its monitoring framework</p> <p>1.2 Number of cities with urban plans under implementation with the participation of CSOs and local authorities</p>	<p>1.1 2022: none</p> <p>1.2. 2022:0</p>	<p>1.1 2025: 1 approved and the implementation started</p> <p>1.2 2027: tbd</p>	<p>1.1 Decision on approval, monitoring reports</p> <p>1.2 Monitoring reports by CSO</p>	<p>Political and institutional stability facilitating the urbanisation policy formulation and approval process.</p> <p>The supported cities adoptd urban</p>

		1.3 Number of municipalities with urban services improved, disaggregated into services	1.3 2022: 0	1.3 2027: at least 2 urban services are improved per target cities	and local authorities 1.3 Monitoring reports by CSO and local authorities	development strategies and fund those from own means and/or with the support of the international partner effectively towards project implementation
Outcome 2	2. To reduce the volume of unsorted solid waste (especially plastic waste) in Bissau	2.1 Percentage and daly volume (tonnes) of solid waste sorted and recycled in Bissau	2019: 10% (23 to/day)	2025: 40% (t/day tbd) 2027: 60% (t/day tbd)	Solid waste report 2023	Municipality's capacity is sufficient for long-term planning and financing of the waste and infrastructure management system
		2.2 Number of people benefiting from waste management systems designed/upgraded by the EU-funded intervention, disaggregated by sex	2022: tbd	2027: tbd	Baseline and final survey	
Outcome 3	To improve sustainable access to drinking water and basic sanitation services for secondary cities in Guinea-Bissau	Number of people benefiting from drinking water and basic sanitation systems designed/upgraded by the EU-funded intervention, for secondary cities, disaggregated by city, sex (** GERF 2.38)	2022: tbd	2027: tbd	Baseline and final survey	The cities elaborate on and approve long-term strategies for enhancing access of population to drinking water and plan for financing of these plans
Output 1 relating to Outcome 1	1.1 Policy development and monitoring mechanisms are set up	1.1.1 Number of country-wide collaborative diagnostics on urban and territorial development	1.1.1 2021: 1 ¹⁰	1.1.1. 2025: 2	Urbanisation diagnostic Territorial diagnostic	Political and institutional stability facilitating the National
		1.1.2 Number of government policies and strategies developed with civil society and local authorities participation on urban	1.1.2. 2021: 1 ⁹	1.1.2. 2025: 3	1. NUP 2. National Territorial Dev. Plan	Urbanisation Policy (NUP) formulation and approval process, as well as the overall

¹⁰ Spatial Development Framework - SDF- part 1

		planning & management (**GERF 2.29)			3. National Capacity Building Progr.	project implementation in general
		1.1.3 Number of cities with urban strategic or detailed plans developed with civil society and local authorities participation	1.1.3. 2021: 3 city strategic plans (Bissau, Bubaque, Bolama)	1.1.3. 2025: 5 city strategic plans and 3 detailed urban plans	1.1.3. Progress reports; produced urban plans and minutes of discussion	Administrative teams in the target cities cooperate effectively towards project implementation
Output 2 relating to Outcome 1	1.2 Institutional capacities of actors at the municipal/local level for urban planning & management and project development are improved	1.2.1 Number of national level entities with enhanced capacity to support the inclusive monitoring and implementation of urban and territorial policies	1.2.1. 2022: 0	1.2.1. 2027: 3 (Ministry of Public Works, Housing and Urbanism; National Institute of Statistics; National Urban Observatory)	1.2.1. Pre- and post assessment of the; final project evaluation	The cities endorse and officially approve the urban development plans
		1.2.2 Number of cities with improved technical capacities and equipment for urban planning and management	1.2.2. 2022: 0	1.2.2. 2025: 3	1.2.2. Progress reports, list of equipment, handover certificate and records of training on usage of the equipment	The trained officials stay at their job
		1.2.3 Number of feasibility studies for urban projects developed for target cities	1.2.3. 2022: 0	1.2.3. 2025: 6	1.2.3. Feasibility Study reports and their discussion minutes	The cities are capable of maintaining and upgrading the equipment received
						The feasibility studies receive further funding by the cities and development partners
Output 3 relating to Outcome 1	1.3 Municipal/local services are improved through pilot actions	1.3.1 Number of cities / municipalities supported with pilot actions for improving the municipal services, disaggregated by a number of services and pilots for each city	1.3.1. 2022: 0	1.3.1. 2027: at least 20 pilot interventions in at least 3 cities	1.3.1. On-site inspection reports of physical works	
Output 1 relating to Outcome 2	2.1 Technical capacities of Bissau's Municipality in waste management are improved	2.1.1 Number of institutional officers benefiting with enhanced capacity building in waste management through EU support (disaggregated by institution and sex)	2.1.1. 2022: 0	2.1.1. 2027: tbd (by end 2023)		The trained officials stay at their job
						The supported cities are capable of further

		2.1.2 Number of beneficiaries trained by the EU-funded intervention with increased knowledge and/or skills in urban waste management, disaggregated by sex	2.1.2. 2022: 0	2.1.2. 2027: tbd (by end 2023)	Pre- and post assessments of the knowledge of trainees	maintaining and developing the waste management infrastructure and services
Output 2 relating to Outcome 2	2.2 A more efficient waste management system in Bissau is established	2.2.1 Number of basic infrastructure in Bissau	2.2.1. 2022: 1	2.2.1. 2027: tbd (by end 2023)	On-site inspection of physical works	The waste infrastructure operators are capable of maintaining the modes of management and contractual relationships supported by the Action The EIB develops and deploys assistance in waste sector
		2.2.2 Number of waste recovery projects developed in Bissau with EU support	2.2.2.. 2022: 1	2.2.2.. 2027: tbd (by end 2023)	2.3.1. On-site inspection of physical works	
		2.2.3 Number of formal jobs created in Bissau in the recycling and circular economy sector, disaggregated by entity and sex (** GEF 2.13)	2.2.3 2022: 0	2.2.3 2027: tbd (by end 2023)	2.3.2. On-site inspection of physical works	
Output 1 relating to Outcome 3	3.1 Technical capacities of the institutions in water and sanitation services in target cities are improved	3.1.1 Number of institutional officers benefiting with enhanced capacity building in water and sanitation management through EU support (disaggregated by institution and sex)	3.1.1. 2022: 0	3.1.1. 2027: tbd (by end 2023)	Pre- and post assessments of the knowledge of trainees	The trained officials stay at their job The supported cities are capable of further maintaining and developing the water infrastructure and services The water infrastructure operators are capable of maintaining the modes of management and contractual relationships supported by the Action
		3.1.2 Number of beneficiaries trained by the EU-funded intervention with increased knowledge and/or skills in water and sanitation management, disaggregated by institution and sex	3.1.2. 2022: tbd (by end 2023)	3.1.2. 2027: tbd (by end 2023)		

Output 2 relating to Outcome 3	3.2 A more efficient water and sanitation services system in target secondary cities is established	3.2.1 Number of cities with improved water services	3.2.1. 2022: tbd (by end 2023)	3.2.1. 2027: tbd	3.2.1. On-site inspection of physical works	
		3.2.2 Number of water and sanitation system management models implemented	3.2.2. 2022: tbd (by end 2023)	3.2.2. 2027: tbd	3.2.2. On-site inspection of physical works	
		3.2.2 Number of formal jobs created in the water and sanitation services system , disaggregated by entity and sex	3.2.2. 2022: tbd (by end 2023)	3.2.22. 2027: tbd (by end 2023)	2.3.2. On-site inspection of physical works	

4 IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this Action, it is envisaged to conclude a financing agreement with the partner country.

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 60 months from the date of entry into force of the financing agreement.

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 of the Budget Support Component

Not applicable

4.4 Implementation Modalities

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

4.4.1 Direct Management (Grants)

Grants: (direct management)

(a) Purpose of the grant(s)

This modality will be used to achieve outcome 2 (waste management in Bissau), through an open call for proposals.

(b) Type of applicants targeted

The circle of potential applicants for funding are legal entities, and according to their type, include the following: civil society organisations and non-governmental organisations (NGO).

The potential applicants should be based in Guinea-Bissau and should have extensive experience in the sector.

The grant may be awarded using the following criteria: the operational and financial capacity of the organisation (or consortium), in particular its knowledge of the country's environment, its experience in the theme in question, the quality of the staff it can mobilise, the coherence and synergies with ongoing or recent actions financed by the EU or by other development partners, the relevance of the proposed action to the objectives of the programme, the design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

4.4.2 Direct Management (Grants)

Grants: (direct management)

(a) Purpose of the grant(s)

This modality will be used to achieve outcome 3 (water services in secondary cities), through an open call for proposals.

(b) Type of applicants targeted

The circle of potential applicants for funding are legal entities, and according to their type, include the following: civil society organisations and non-governmental organisations (NGO).

The potential applicants should be based in Guinea-Bissau and should have extensive experience in the sector.

The grant may be awarded using the following criteria: the operational and financial capacity of the organisation (or consortium), in particular its knowledge of the country's environment, its experience in the theme in question, the quality of the staff it can mobilise, the coherence and synergies with ongoing or recent actions financed by the

EU or by other development partners, the relevance of the proposed action to the objectives of the programme, the design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

4.4.3 Indirect Management with a pillar assessed entity

This modality will be used to achieve outcome 1 through indirect management implemented by **UN-Habitat**, which has been selected by the Commission's services using the following criteria:

- Its distinct competencies in the operationalisation of in providing guidelines and revisions on the elaboration of architectural and urban designs
- Its experience in supporting and ensuring coordination of different actors and programmes

UN-Habitat, in collaboration with governments, is responsible for promoting and consolidating collaboration with all partners, including local authorities, private and non-governmental organisations in the implementation of the Sustainable Development Goals (SDGs), in particular, Goal 11 of "*Making cities and human settlements inclusive, safe, resilient and sustainable*", as well as the task manager of the human settlements chapter of Agenda 21 and focal point for the monitoring, evaluation and implementation of the New Urban Agenda adopted during the United Nations Conference on Housing and Sustainable Urban Development (Habitat III), held in Quito, Ecuador in 2016. In Guinea-Bissau UN Habitat has implemented in recent years various projects and studies with EU funding as well as those of other donors, and has shown an excellent performance, thanks to an excellent presence in the country and a dynamic and motivated staff.

The implementation by this entity entails the implementation for specific outcome 1 (urban governance and management).

4.4.4 EFSD+ operations covered by budgetary guarantees

Not foreseen directly under this Action Document, however, it is expected that future EFSD+ windows could complement or even expand this Action.

4.4.5 Changes from indirect to direct management mode (and vice versa) due to exceptional circumstances (one alternative second option)

In case the envisaged implementation modality point **4.4.1** would need to be replaced, the Commission's services may carry out the action in indirect management, with UNOPS, which could be selected by the Commission's services using the following criteria:

- strong experience in infrastructure construction and management
- long and recognised experience in Guinea-Bissau

In case the envisaged implementation modality point **4.4.2** would need to be replaced, the Commission's services may carry out the action in indirect management, with UNOPS, which could be selected by the Commission's services using the following criteria:

- strong experience in infrastructure construction and management
- long and recognised experience in Guinea-Bissau

If negotiations with the entity mentioned above in section **4.4.3** fail, part of this Action may be implemented under direct management via a combination of procurement and grants, in accordance with the criteria and methods of implementation mentioned below.

- **Direct Management (Procurement)**

This modality will be used to achieve Output 1.1 (Policy development and monitoring mechanisms are set up) and 1.2 (Institutional capacities of actors at the municipal/local level for urban planning & management and project development are improved).

The maximum amount for procurements is EUR 4 000 000

- **Direct management(Grants)**

(a) Purpose of the grant(s)

This modality will be used to achieve output 1.3 (Municipal/local services are improved through pilot actions).

(b) Type of applicants targeted

The circle of potential applicants for funding are legal entities, and according to their type, include the following: civil society organisations and non-governmental organisations (NGO).

The potential applicants should be based in Guinea-Bissau and should have extensive experience in the sector.

The maximum amount for procurements is EUR 5 850 000

4.5. 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).

4.6 Indicative Budget

Indicative Budget components¹¹	EU contribution in EUR
Implementation modalities – cf. section 4.4	
<u>Policy and institutional capacity building and municipal services (Output 1.1, 1.2, 1.3)</u> Indirect management with UN-HABITAT	9 850 000
<u>Bissau solid waste management</u> (Output 2.1, 2.2 and 2.3) Direct management through a grant contract to a CSO consortium (<u>Solid Waste</u>)	6 000 000
<u>Urban WASH for secondary cities (Output 3.1 and 3.2):</u> Direct management through a grant contract to a CSO consortium (<u>Urban WASH</u>)	5 000 000
Total of grants	11 000 000
Evaluation – cf. section 5.2	100 000
Audit – cf. section 5.3	50 000
Totals	21 000 000

4.7 Organisational Set-up and Responsibilities

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the Action.

The implementing partners will be responsible for the day-to-day management of the planned actions and for the organisation of working groups, workshops and events related to the actions. The EU will be invited to all important events and will be involved in the decisions taken in relation to the activities.

¹¹ N.B: The final text on audit/verification depends on the outcome of ongoing discussions on pooling of funding in (one or a limited number of) Decision(s) and the subsequent financial management, i.e. for the conclusion of audit contracts and payments.

Contractually, the implementing partners will have to submit an annual report describing the activities and events that took place during the previous year. These reports should also include information on financial aspects as well as activities.

The implementing partners of the different components will propose appropriate steering mechanisms for each activity. However, in order to have an overview of the different activities foreseen in the action sheet, it is also planned to organise annual extended Steering Committees with the different partners and beneficiaries of the programme. These will provide an opportunity to discuss ongoing activities, ensure the coherence of the approach and share information.

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), surveys 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). All monitoring and reporting shall assess how the action is taking into account the human rights based approach and the promotion of gender equality.

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:

In addition, the targets of the indicators of the logical framework in section 3.6, as well as the baseline, will be defined at the time of contracting, and as a first action of the monitoring and evaluation activities. To this end, the Delegation will ask contractors to allocate resources to collect the information and data needed to define the targets and baselines.

5.2 Evaluation

Having regard to the importance of the Action, a mid-term and final evaluations will be carried out for this Action or its components via independent consultants contracted by the Commission.

The mid-term evaluation will be carried out for problem solving and learning purposes, in particular with respect to the processes of supporting CSOs and their engagement in local problem solving for the benefit of the people and public policy dialogue.

The final evaluation will be conducted for accountability and learning purposes at various levels (including policy revision). All evaluations shall assess to what extent the action is considering the human rights based approach, as well as how it contributes to gender equality and women's empowerment. Expertise on human rights and gender equality will be ensured in the evaluation teams.

The Commission shall inform the implementing partner at least 1 month in advance of the dates envisaged for the evaluation missions. The implementing partner 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 may be shared with the partners 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, apply the necessary adjustments.

Evaluation services may be contracted under a framework contract.

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 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

It will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.

Appendix 1 REPORTING IN OPSYS

An Intervention (also generally called project/programme) is the operational entity associated to a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Interventions are the most effective (hence optimal) entities for the operational follow-up by the Commission of its external development operations. As such, Interventions constitute the base unit for managing operational implementations, assessing performance, monitoring, evaluation, internal and external communication, reporting and aggregation.

Primary Interventions are those contracts or groups of contracts bearing reportable results and respecting the following business rule: ‘a given contract can only contribute to one primary intervention and not more than one’. An individual contract that does not produce direct reportable results and cannot be logically grouped with other result reportable contracts is considered a ‘support entities’. The addition of all primary interventions and support entities is equivalent to the full development portfolio of the Institution.

The present Action identifies as

Action level		
<input type="checkbox"/>	Single action	Present action: all contracts in the present action
Group of actions level		
<input type="checkbox"/>	Group of actions	Actions reference OPSYS:
Contract level		
<input checked="" type="checkbox"/>	Single Contract 1	Contribution Agreement with UN-HABITAT
<input checked="" type="checkbox"/>	Single Contract 2	Grant with NGOs consortium for SO2 (Solid Waste Bissau)
<input checked="" type="checkbox"/>	Single Contract 3	Grant with NGOs consortium for SO3 (WASH secondary cities)
<input type="checkbox"/>	Group of contracts 1	