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**ANNEX II**

to the Commission Implementing Decision on the financing of the annual action plan in favour of Nicaragua for 2024

**Action Document for “Support to forcibly displaced persons and economic migrants in Costa Rica (HOPE Project)”**

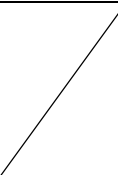
**ANNUAL PLAN**

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

## 1 SYNOPSIS

### 1.1 Action Summary Table

<b>1. Title</b> <b>CRIS/OPSYS</b> <b>business reference</b> <b>Basic Act</b>	<b>Support to forcibly displaced persons and economic migrants in Costa Rica (HOPE Project)</b> <b>OPSYS ACT –61857</b> Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
<b>2. Team Europe Initiative</b>	N/A
<b>3. Zone benefiting from the action</b>	The action shall be carried out in Costa Rica, with particular focus on areas close to Nicaraguan borders and the Great Metropolitan Area with high population density of Nicaraguans.
<b>4. Programming document</b>	Multi-annual indicative programme (MIP) 2021-2027
<b>5. Link with relevant MIP(s) objectives / expected results</b>	MIP Priority Area 2 “Inclusive, sustainable, economic growth”. SO1. To promote sustainable chains with the potential for economic recovery and social inclusion and female empowerment to be more inclusive and climate-sensitive. SO 2. To increase resilience to food crises and climate change <b>Expected Result(s)</b> ER. 2.2 improved prevention of, and preparedness for, food crisis ER 1.2 Enhanced rural economic diversification, including entrepreneurship opportunities, alternative livelihoods and strengthened participation in the green and circular economy, especially for women and youth; ER.3.1 Increased access to training opportunities in disciplines relevant to climate-sensitive and diversified, sustainable economy, in prioritised areas, particularly for youth and women.
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>	
<b>6. Priority Area(s), sectors</b>	<b>Social cohesion, Economic integration, Migration and Forced Displacement, Human Rights, Ending Violence against women and girls</b>

<b>7. Sustainable Development Goals (SDGs)</b>	<p>1.1.1 Main <b>SDG: 10 - Reduction of inequalities</b>. Target 10.7 - Facilitate orderly, safe, regular and responsible migration and mobility people, including through the implementation of planned and well-managed migration policies. AND Target 10.2: Promote universal social, economic and political inclusion</p> <p>Other significant SDGs and where appropriate, targets: SDG 1 (End poverty), SDG 3 (Health and well-being), SDG 5 (Gender equality), SDG 8 (Decent work and economic growth), SDG 16 (Promote peaceful and inclusive societies for sustainable development).</p>			
<b>8 a) DAC code(s)</b>	<b>15190 Migration and forced displacement – (100 %)</b>			
<b>8 b) Main Delivery Channel</b>	<b>To be determined</b>			
<b>9. Targets</b>	<input checked="" type="checkbox"/> Migration <input 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			
<b>10. Markers (from DAC form)</b>	<b>General policy objective @</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Biological diversity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>11. Internal markers and Tags:</b>	<b>Policy objectives</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Digitalisation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	digital connectivity digital governance digital entrepreneurship	YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	

	digital skills/literacy	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	digital services	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	Connectivity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	digital connectivity	YES	NO	
	energy	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	transport	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	health	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
education and research	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Migration @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Reduction of Inequalities @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>BUDGET INFORMATION</b>				
<b>12. Amounts concerned</b>	Budget line: <b>BGUE-B2024-14.020140</b> –Cooperation with Latin America Total estimated cost: <b>EUR 10 000 000</b> Total amount of EU budget contribution <b>EUR 10 000 000</b>			
<b>MANAGEMENT AND IMPLEMENTATION</b>				
<b>13. Type of financing</b>	<b>Indirect management</b> with the entrusted entities to be selected in accordance with the criteria set out in section 4.4.2 Direct management grants – section 4.4.1 are also included in section 4 of the AD as implementation modalities.			

## 1.2 Summary of the Action

Within the flexibility of a MIP designed for a fragile context and in direct response to a significant and evolving phenomenon, an Action is proposed to address the consequences of Nicaraguan mixed migration movements towards Costa Rica. The situation in Nicaragua has led thousands of nationals to seek refuge or better economic opportunities abroad, mainly in Costa Rica and in the United States. This Action proposes support the government of Costa Rica and key stakeholders e.g Directorate General for Migration and Immigration (DGME), Costa Rican Social Security Fund, Ministry of Labor, Local authorities, Civil Society, community Organisations, among others in its efforts to manage the recent surge of Nicaraguan migrants and asylum seekers in a transparent and responsible way, in complementarity with efforts of key partners in the region, including Spain, Luxemburg, and the USA among others. The Action also proposes to support the socioeconomic integration of the Nicaraguans migrants enhancing social cohesion in the host communities.

Since Nicaragua's political and economic crisis began, exacerbated by natural disasters like hurricanes ETA and IOTA (2020) and the El Niño phenomenon, thousands of Nicaraguans have fled to Costa Rica for international protection and better living conditions. From 2018 to 2023, over 314,000 Nicaraguans sought asylum in Costa Rica, with 171,169 pending applications by December 2023 (estimates vary). The first five months of 2023 saw 17,637 new refugee applications, while the US reported 139,000 border encounters with Nicaraguans in the 2023 fiscal year. In 2021, Nicaragua was according to some estimates the second-largest source of new asylum applications globally.

Costa Rica, the fourth-largest recipient of new asylum applications in 2021 and 2022, has struggled to support the influx, with Nicaraguans comprising 88% of 2023's refugee status requests. Over 200,000 asylum seekers now represent more than 4% of Costa Rica's population, a high regional proportion similar to Colombia. In December 2022, Costa Rica introduced significant changes to the asylum process, including stricter work restrictions for applicants, impacting their ability to meet basic needs.

**The Overall Objective (Impact) of this action is:** “Enhanced socioeconomic integration and social cohesion of forcibly displaced persons and migrants in Costa Rica”.

**The Specifics Objectives (SO) / Outcomes of this Action are:**

**SO 1:** Improved regularization process of Nicaraguans forcibly displaced persons, economic migrants and other people in need of protection and economic opportunities in Costa Rica as well as ensure effective access to basic rights and services.

**SO 2:** Enhanced economic inclusion and social cohesion of forcibly displaced persons, migrants and host communities in Costa Rica, with a particular focus on vulnerable women, children and youth.

The proposed Action is aligned with Priority Area 2 of the MIP 2021-2027, "Inclusive, sustainable economic growth." It is specifically designed to facilitate the socioeconomic integration through the regularization of forcibly displaced persons and migrants in Costa Rica, who are in majority Nicaraguans. The initiative will also support entrepreneurship and employment as key drivers for socioeconomic development, also considering the impact of climate change on displaced people and host communities.

Acknowledging the pivotal role of migrant population in national development, the Action will closely collaborate with local authorities, the private sector, civil society, and the host communities. Particular attention will be given to ensure that gender specific needs are addressed to mitigate risks of GBV and empower women and marginalized groups within these collaborative efforts.

The focus areas have been identified in the framework of some consultation meeting with key stakeholders, including UN agencies, the Directorate General for Civil Protection and Humanitarian Aid (DG ECHO), EU Member States, and Civil Society Organizations.

In addition, the Action will address migration challenges in line with the new Costa Rican “Comprehensive Immigration Policy 2024-2034”.<sup>1</sup>

This action is in line with the EU’s commitments towards achieving the Sustainable Development Goals (SDGs), particularly SDG 1 (No poverty), SDG 3 (Good health and well-being), SDG 5 (Gender equality), SDG 8 (Decent work and economic growth), SDG 10 (Reduced inequality), SDG 16 (Peaceful, justice and strong institutions).

The action will contribute to the EU Gender Action Plan III<sup>2</sup>, in particular to its thematic areas: “Promoting economic and social rights and empowering girls and women” and “Ensuring freedom from all forms of gender-based violence”. Likewise, it will contribute to the implementation of the EU Strategy on the Rights of Persons with Disabilities<sup>3</sup>, and the EU’s Action Plan on Human Rights and Democracy 2020-2024.<sup>4</sup>

### 1.3 Zone benefitting from the Action

Costa Rica/ Nicaragua

## 2 RATIONALE

### 2.1 Context

Nicaragua is a low-income country with a small, open economy, and an estimated population of 6.7 million people<sup>5</sup>. In spite of sustained economic growth and improvements in access to basic social services and social infrastructure over the past two decades, it remains the second poorest country in Latin America and the Caribbean, with a GDP per capita of US\$2,255 in 2022<sup>6</sup>, just after Haiti. The country is highly vulnerable to climate change and natural hazards (droughts, floods, hurricanes and earthquakes) and according to World Food Programme

<sup>1</sup> Published in the Official Diary “La Gaceta” No. 47, on March 12th 2024 (Decret 44385 MGP).

<sup>2</sup> [https://www.eeas.europa.eu/eeas/gender-action-plan-iii-towards-gender-equal-world\\_en](https://www.eeas.europa.eu/eeas/gender-action-plan-iii-towards-gender-equal-world_en)

<sup>3</sup> <https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8376&furtherPubs=yes>

<sup>4</sup> [https://www.eeas.europa.eu/sites/default/files/eu\\_action\\_plan\\_on\\_human\\_rights\\_and\\_democracy\\_2020-2024.pdf](https://www.eeas.europa.eu/sites/default/files/eu_action_plan_on_human_rights_and_democracy_2020-2024.pdf)

<sup>5</sup> Central Bank of Nicaragua - Nicaragua in figures, 2022.

<sup>6</sup> <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=NI>

(WFP), almost 25% of families live in poverty and more than 8% in extreme poverty, living on less than US\$2.15 a day<sup>7</sup>.

Nicaragua is facing a protracted socio-political crisis that has turned into the most complex conflict scenario since the Contra war in the 1980s. Socio-economic conditions deteriorated rapidly since the onset of the social protests in April 2018. Immediate effects of the unrest included a sharp economic contraction (-3.36 percent and -3.78 percent in 2018 and 2019, respectively) and the loss of an estimated 500,000 jobs. The country's socio-economic indicators had not stabilised to pre-2018 levels before having to face a third consecutive year of economic contraction (-1.79 percent), along with the impact of coronavirus pandemic and two major hurricanes that struck the North Autonomous Caribbean Coast in November 2020. The impact of the socio-political crisis, the COVID19 pandemic and the damages caused by the hurricanes exposed the country's high vulnerability to external and internal shocks. The United Nations Economic Commission for Latin America and the Caribbean (ECLAC) estimated that general poverty rate rose to 46,8% in 2022 (from 45,3% in 2021) as a result of 3 consecutive years of economic contraction between 2018 and 2020, the COVID19 pandemic and the war in Ukraine.

Although historical Nicaraguan migration has been rooted in the search for better economic conditions, the most significant migration waves over the last fifty years were driven by recurrent political conflict or natural disasters.<sup>8</sup> In spite of recent economic recovery, Nicaraguans have emigrated in large numbers in the last four years, fuelled by political repression, violence and deteriorating social and economic conditions. A researcher at the Inter-American Dialogue estimate that between 2018 and 2022, 604,485 Nicaraguans have left the country: some 100,000, between 2018 and 2019; 14,773 in 2020 (the year of the pandemic); 161,269 in 2021; and 328,443 in 2022. Sources from the Costa Rican government offer lower but still significant figures, indicating that between January and November 2022, immigration authorities counted 76,676 refugee application requests from Nicaraguans. Adding these and the US Customs and Border Protection (CBP) estimate of 181,566 "encounters", around 258,000 people would have left the country.<sup>9</sup> The Office of the United Nations High Commissioner for Refugees (UNHCR) reports that, as of June 2023, there were 271,740 Nicaraguan asylum seekers and 18,545 Nicaraguans recognized as refugees worldwide. One of the main migrant recipient countries is Costa Rica, that is currently facing a migration crisis. The very large influx has strained the capacity of the relevant government agencies and the organizations that provide assistance to asylum seekers.

As stated in the MIP 2021-2027 for Nicaragua, the EU maintains a strong interest to preserve regional stability, deepen regional integration and prevent migration-related tensions in Central American region, out of the conviction and experience that intra-regional integration brings greater security, economic and social gains. To this end, it is proposed to address the migration crisis and more specifically to support the vulnerable Nicaraguans, currently economic migrants, refugees or asylum seekers, and other people in need of protection and economic opportunities in Costa Rica.

Women and girls make up around half of all refugee, internally displaced or stateless population and those who are unaccompanied, pregnant, heads of households, disabled or elderly are especially vulnerable<sup>10</sup>. The issue of migrant women is emphasized in the EU Gender Action Plan III, where it is stated that the EU should ensure that the human rights of migrant women and girls are fully realised through gender-responsive migration policies, programmes and laws, and gender-responsive migration governance at global, regional and national levels reinforced. Furthermore, to leave no one behind, the EU GAP III seeks to tackle all intersecting dimensions of discrimination, paying specific attention for example to women with disabilities, migrant women, and discrimination based on age or sexual orientation.

Under the principles of the EU GAP III, the EU seeks to ensure that migration-management programmes are gender-responsive through protection and prevention measures to address the risks for women and girls of gender-based violence, trafficking in human being and sexual exploitation.

<sup>7</sup> <https://www.wfp.org/countries/nicaragua>

<sup>8</sup> For instance, the uprising against the Somoza dictatorship (1937-1979); the 1972 earthquake; the Sandinista revolution and the Contra war (1979-1990), the transition to liberal democracy following the 1990 elections; and the current political conflict (2018 onwards).

<sup>9</sup> <https://confidencial.digital/english/year-of-the-exodus-328000-nicaraguans-left-in-2022/>

<sup>10</sup> <https://www.unhcr.org/what-we-do/how-we-work/safeguarding-individuals/women#:~:text=Women%20and%20girls%20make%20up%20around%2050%20per,of%20households%2C%20disabled%20or%20elderly%20are%20especially%20vulnerable.>

Costa Rica has made several international commitments regarding migration and forced displacement including pledges at the 2019 Global Refugee Forum and a commitment to contribute to the eradication of statelessness, aligning itself with various conventions, agreements, and declarations. The Country is committed to upholding international standards and principles related to migration and forced displacement, working in collaboration with international organizations and partners to address these complex issues within its national context.

Costa Rica has endorsed the Global Compact on Safe, Orderly and Regular Migration (GCM) and the Global Compact on Refugees (GCR) which are also supported by the EU. These compacts provide frameworks for international cooperation on migration and refugee issues, emphasizing the importance of protecting human rights, providing access to services, and promoting sustainable solutions.

**Recent developments on Costa Rica's asylum system:** people mostly from Nicaragua continue to seek protection in Costa Rica, as the political and human rights situation persists. Costa Rica has implemented a temporary complementary protection programme in 2021-2022 (over 3,000 Nicaraguans, Venezuelans and Cubans applied), and a Special Temporary Category in March 2023 for asylum-seekers from these three countries to provide an option to those whose claims were rejected or who want to expedite their regularization process by a different pathway. Both efforts have been aimed at reducing the current backlog of asylum claims.

The asylum system in Costa Rica underwent profound changes at the end of 2022. Executive Decree 43.810 of 1 December 2022 introduced multiple changes to the criteria for granting refugee status, including the imposition of a 30-day limit for asylum claims submission; a safe third country to asylum, and a new admissibility procedure for clearly unfounded claims, as well as restrictions to freedom of movement and the right to work.

As part of the implementation of the Global Compact on Refugees, countries in Central America and Mexico created the Comprehensive Regional Protection and Solutions Framework (MIRPS), the regional CRRF coordination platform to develop cooperation and responsibility-sharing mechanisms among its members. Costa Rica developed its own national chapter of the MIRPS (known as MINARE for its Spanish acronym) in 2017. By adopting the national plan as a guiding strategy, the country has organized its response to refugee situations by implementing a whole-of-society, whole-of-government approach.

## 2.2 Problem Analysis

### **Short problem analysis:**

Over the past five years Costa Rica has experienced a record increase in the volume of asylum and refugee applications, predominantly originating from Nicaragua, Cuba and Venezuela. Additionally, it has become a transit country for thousands of people engaged in mixed movements, including from the border between Colombia and Panama through the Darien crossing, towards the north of the continent. During the first months of 2024, Costa Rica experienced a notable increase in the entry of people on the move across the Americas, in comparison with previous years. According to estimations from IOM, 4,826 people entered in the first 3 months of 2021, 13,028 in 2022, 84,466 in 2023, and 114,868 in the first 3 months of 2024<sup>11</sup>.

UNHCR 2021 annual report ranked Nicaragua second country of origin of new asylum applications (111,600) globally, only after Afghanistan while Costa Rica became the fourth recipient country of new individual asylum applications. UNHCR reports that as of June 30, 2023, there were 440,260 formalized asylum requests from Nicaraguan individuals worldwide since 2018. In December 2023, Costa Rica hosted 211,665 individuals forced to flee their homes, of whom 16,683 were officially recognized as refugees. Additionally, there were 171,169 pending requests from Nicaraguans awaiting resolution as of December 2023.<sup>12,13</sup> It must be noted that statistics vary, but all indicate a significant challenge.

The capacity of Costa Rican institutions to manage this influx is markedly insufficient, leaving critical systems overwhelmed. This deficiency has notably compromised the nation's ability to provide migrants, asylum, refugees and stateless people with essential services, including but not limited to regularization, healthcare, education, social protection, legal assistance, and opportunities for decent employment. These challenges underscore an urgent need

<sup>11</sup> <https://dtm.iom.int/reports/flow-monitoring-people-move-across-americas-locations-high-transit-and-presence-migrants-4?close=true>

<sup>12</sup> UNHCR Estrategy 2025-2027 for Costa Rica

<sup>13</sup> <https://data.unhcr.org/en/documents/details/108747>

for enhanced institutional capabilities and system reforms to adequately address the ongoing and increasing migration crisis.

Costa Rica has also one of the highest rates of migrant population in Latin America.<sup>14</sup> Historically, the migration of Nicaraguan citizens to Costa Rica was associated with seasonal economic opportunities (construction, agriculture) as well as permanent economic migration linked to the long-empoverished Nicaraguan economy, but also to political situations like the Somoza dictatorship and the Contra War. Nevertheless, the migratory dynamics were recently marked by the 2018 crisis, covid and the hurricanes Eta and Iota. After 2018, in addition to continued economic migration, a surge in asylum requests was observed from individuals who were forced to move, escaping political repression. Some of the people seeking international protection were students, youth, opposition leaders, and former political prisoners, many deprived of nationality, with restrictions in their travel movements or lacking documentation needed for establishing in the Country.

The migrant population faces significant challenges such as the regularization of their migration status, access to basic services, barriers to access education, health, formal employment, limited access to the internet and digital technologies, which limits their development opportunities and professional growth. The lack of formal jobs and job insecurity are significant obstacles on their path to socioeconomic inclusion, such circumstances leave them vulnerable to discrimination, abuse, trafficking in human beings, exploitation, and marginalization. Furthermore, the fear of deportation, stemming from the lack of legal status, frequently inhibits these individuals from reporting violations of their rights, thereby hindering their access to essential human rights protections. Moreover, migrants who often arrive with limited resources and in precarious situations, are particularly vulnerable to food insecurity and the adverse effects of climate change, such as extreme weather events and agricultural disruptions. Increasing citizen insecurity and crime also have a strong impact on Nicaraguan migrants.

The host communities in central and northern part of the country where the majority of the Nicaraguan most vulnerable migrants are located, suffer of high levels of poverty and socioeconomic inequality. This is aggravated by the migration crisis which poses additional strain on their resources and services. Migrants, especially women, live in precarious conditions and face difficulties in accessing basic services such as health, education and employment. Migration has a disproportional impact on women, youth and girls, who are at a heightened risk of being victims of violence, trafficking in human beings, labour and sexual exploitation and other forms of Gender-Based Violence (GBV). Migrant women encounter an additional disadvantage associated with the disproportionate burden of care and domestic work. Furthermore, there are other groups in highly vulnerable situation among the migrants such as stateless, LGBTQ+, persons with disabilities, children and older adults, indigenous and vulnerable young people in working age, who need special assistance and protection.

Given the high number of forcibly displaced people and migrants in Costa Rica, the efforts made to build resilience of affected communities and to create a peaceful environment, have not been enough, resulting in secondary and tertiary displacement, which contributes to enhance vulnerabilities.

The government of Costa Rica has made recent changes to the migration policy and the international protection system in force in the country, limiting the refugee system as a measure to manage the crisis. Particularly through the issuance of two executive decrees: i) decree 43810-MGP that restricts access to the refugee system to avoid “abuses” of economic migrants through the international protection system; and ii) decree 43809-MGP, which creates a temporary special category for Nicaraguan, Venezuelan and Cuban migrants.

Nevertheless, it is deemed that restrictive measures will increase pressure on aid programs and could lead to a humanitarian crisis. Judicial appeals have been filed before the Constitutional Chamber of Costa Rica alleging the unconstitutionality of said regulations (17 appeals have already been declared admissible by the court). Denoting that immediate funds and interventions are necessary to safeguard the protection and refugee system based on human rights that has historically characterized Costa Rica.

Costa Rica together with UNHCR, and the UN Agencies as well as the Commission (EU Humanitarian Office-DG ECHO), Member States and other relevant stakeholders have made important efforts to support the country to receive and integrate migrant population through humanitarian assistance programs, by supporting the asylum system, providing livelihood and opportunities to the most vulnerable, in coordination with local actors, including civil society and the private sector, thus seeking to respond to the enormous challenges and demands for international protection of refugees and asylum seekers. However, the country's efforts have been overwhelmed,

<sup>14</sup> According to the study “The state of Costa Rica's migration and integration policy”, carried out by Migration Policy Institute, 2021.



making it difficult to provide an effective and timely response to the requests that come mainly from the Nicaraguan population.

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

The main stakeholders are Nicaraguan refugees, asylum-seekers, migrants and stateless persons, more specifically marginalised groups such as women in vulnerable situation, children, indigenous peoples, LGBTIQ+, people with disabilities and the host communities, where most Nicaraguans are located. Other key stakeholders include:

**UN agencies:** As international partners considered for the action, i.e. the United Nations High Commission for Refugees (UNHCR) and the International Organisation for Migration (IOM) are key actors in the migration/displacement sector and are considered key stakeholders in this Action given their mandates, experience in the field and current priorities.

**Civil Society Organisations:** The engagement, participation and coordination with civil society actors like NGOs, entrepreneurs associations, women and children's associations, organisations of indigenous people or people with disabilities, academia, community leaders, among others, are important implementing partners of activities at community level. The latter includes the provision of support to refugees, economic migrants and migrants in vulnerable situation.

**Government: National institutions and local authorities mainly those located close to Nicaraguan borders:** The activities will be implemented in close coordination with the relevant government entities at national and local levels. These institutions are key for a successful implementation and for the sustainability of the Action.

Potential stakeholders are:

The Directorate General of Migration (DGME) and national entities involved in migration issues;

Ministry of Labour and Skills as well as their local offices;

Ministry of Women Affairs;

Costa Rican Social Security Fund;

Local authorities in the north part of the country (i.e. Los Chiles, Upala, etc)

**EU Member States (MS):** Some EU MS agencies are also considered as key stakeholders and partners as they are either already implementing projects in the sector or are currently formulating new ones. Among these are LuxDev, GIZ, AECID and Expertise France, which are main actors in the migration/displacement sector. Coordination, complementarity and straight collaboration will be sought at country level.

### 3 DESCRIPTION OF THE ACTION

#### 3.1 Objectives and Expected Outputs

**The Overall Objective (Impact) of this action is:** "Enhanced socioeconomic integration and social cohesion of forcibly displaced persons and migrants in Costa Rica".

**The Specifics Objectives (SO) / Outcomes of this Action are:**

**SO 1:** Improved regularization process of Nicaraguans forcibly displaced persons, economic migrants and other people in need of protection and economic opportunities in Costa Rica to ensure effective access to basic rights and services

**SO 2:** Enhanced economic inclusion and social cohesion of forcibly displaced persons, economic migrants and host communities in Costa Rica, with a particular focus on vulnerable women, children and youth.

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

**1. Contributing to SO 1:**

1.1 Improved Costa Rican institutional technical and logistical capacities for regularization.

1.2 Enhanced access to legal status for forcibly displaced and stateless people and economic migrants in Costa Rica.

1.3 Ensured access to social protection services for target groups.



## **2. Contributing to SO 2**

2.1 Strengthened income generation opportunities, including self-employment, skills, capacity-building for Nicaraguan forcibly displaced people, economic migrants and other people in need of protection and economic opportunities and host communities, considering specific needs and opportunities in the Central and Northern Regions in coordination with public, private institutions and CSOs. Special focus will be given to youth and women.

2.2 Promoted economic empowerment of women and Gender-Based Violence (GVB) prevented at community and national level.

2.3 Social cohesion strengthened and conflict prevention promoted between host communities, economic migrants and forcibly displaced people fostering community integration efforts to promote harmony and reduce discrimination and xenophobia.

The entrusted entities will also work with Costa Rican and Nicaraguan civil society organisations and public institutions in Costa Rica, as appropriate, in the provision of support to refugees, asylum seekers and economic migrants in vulnerable situation. They will coordinate with UN agencies, EU MS agencies and other key partners in the sector. Vulnerabilities may relate to specific protection needs, uncertainty about refugee status and statelessness, as well as sexual orientation, ethnicity and other.

The action will be implemented taking into account and operationalising the Humanitarian – Development - Peace nexus approach and will also work under the premise of “Leaving no one behind”.

## **3.2 Indicative Activities**

### **Activities relating to Output 1.1**

1.1.1 Support the digitalisation of asylum requests and approval processes (acquisition of software, provision of equipments, training as needed).

1.1.2 Conduct training programs to officials/staff, on national and international migration regulatory framework and human rights issues, with a focus on gender-sensitive approaches.

1.1.3 Articulate and coordinate institutional actions among the different entities in charge of the identification, registration and regularization of migrants.

1.1.4 Information campaigns on asylum and immigration procedures that are friendly and accessible to everyone, including information centers and dissemination of information to prevent illegal flows and trafficking in human beings.

1.1.5 Support and develop public policy at national, regional, local level e.g. on migration, climate change, etc.

### **Activities relating to Output 1.2**

1.2.1 Ensure access for most vulnerable refugees and migrants to identity document for foreigners (DIMEX, temporal IDs for asylum seekers, SITLAM ID, etc) by providing guidance and legal assistance to asylum seekers and economic migrants to comply with the requirements for regularisation.

1.2.2 Offer legal aid services to assist migrants and refugees in regularizing their status and accessing their rights.

### **Activities relating to Output 1.3**

1.3.1 Guarantee the access to social protection services, including among others, social assistance, protection, assistance of victims of trafficking, child welfare, health care to vulnerable forcibly displaced people and economic migrants, e.g. in the framework of the UNHCR agreement with the Costa Rican Social Security Fund (CCSS), etc.

1.3.2 Support the implementation of governmental and complementary civil society measures to ensure access to social protection services (social assistance, medical, psychosocial support, legal assistance, among others) to vulnerable forcibly displaced persons, host communities and economic migrants aligning with national regulations and standards in refugee host communities.

**Activities relating to Output 2.1**

2.1.1 Develop and implement inclusive targeted economic empowerment training programmes for forcibly displaced persons, economic migrants and host communities with high vulnerabilities, including livelihood, skills development, entrepreneurship support, self employment, seed capital, linked to economic profitable sectors in host communities.

2.1.2 Implement vocational training programs tailored to the needs of the local job market for Nicaraguan forcibly displaced persons, economic migrants and host community members.

2.1.3 Facilitate access to certification programmes validating the skills acquired by the beneficiaries of EU-supported professional trainings.

2.1.4 Establish partnerships with the private sector for job opportunities, targeting the most vulnerable economic migrants, refugees and host community members.

2.1.5 Increase knowledge and actions on climate change and food security issues promoting CSOs initiatives linked to these fields and working with migrants and host communities members. This could include, seed capital supporting start-up initiatives related to climate smart and sustainable agriculture , women-led entrepreneurship programs in green sectors (e.g. recycling, organic products) and related follow-up technical assistance.

**Activities relating to Output 2.2**

2.2.1 Build capacities to prevent migration-related Gender-Based Violence (GBV) against women and children.

2.2.2 Develop support networks and counselling services for vulnerable groups, particularly women, children, disability persons, victims of trafficking, among others.

2.2.3 Organize capacity-building activities and vocational training programs tailored to the needs of the local job market for migrant women and host community members.

2.2.4 Promote awareness-raising campaigns on migration-related GBV and trafficking in human beings.

**Activities relating to Output 2.3**

2.3.1 Organise community events, cultural exchange programmes and community awareness initiatives that involve both economic migrants, refugees and host communities to foster understanding and encouraging personal relationship between migrants, refugees and host communities to increase interpersonal / intergroup trust.

2.3.2. Develop mentorship programmes where host community members support the integration of migrants and refugees.

2.3.3 Launch public awareness-raising campaigns to counteract xenophobia and promote the benefits of diversity and inclusion.

### 3.3 Mainstreaming

**Environmental Protection & Climate Change**

Adequate consideration for environment protection and sustainable management of natural resources will be ensured in the design and implementation of supported initiatives at country level.

Given the Action's objectives, which are not likely to produce significant negative impacts on the environment, it is not necessary to carry out an Environmental Impact Assessment.

**Outcomes of the EIA (Environmental Impact Assessment) screening**

The EIA (Environment Impact Assessment) screening classified the Action as Category B (not requiring an EIA, but for which environment aspects will be addressed during design).

**Outcome of the CRA (Climate Risk Assessment) screening**

The Climate Risk Assessment (CRA) screening concluded that this Action is at no or low risk (no need for further assessment).

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

As per the OECD Gender DAC codes identified in section 1.1, this action is labelled as **G1**.

This implies that the intervention will promote women increased participation and actions for the reduction of gender gaps and the socio-economic and technical women empowerment. Support strategies that accelerate the use of social services by migrant women and girls; ensure that the design and implementation of initiatives take into account care alternatives that guarantee women's participation. The Action will promote the access of women and LGBTI migrants to technical and professional training on equal terms with men and in non-traditional areas (i.e. avoiding the reinforcement of gender stereotypes). This will be done by promoting consultation with organisations representing rights of women and HR organisations. The action will ensure the participation of women in all activities providing disaggregated data.

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**Human Rights**

The action will adhere to the implementation of the Rights-Based Approach (RBA) under the principles of respect to all human rights, participation, non discrimination, transparency and accountability.

The action guarantees the right of Nicaraguan forcibly displaced persons, economic migrants and other migrants to fundamental human rights like, the right to a nationality for stateless persons, the right to decent work, protection, health, education, based on the principle of “leaving no one behind” and “do not harm” besides considering people in most vulnerable situation. (indigenous peoples, persons with disabilities, LGBTI, as well as minorities.)

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**Disability**

As regards the OECD Disability DAC codes identified in section 1.1, this action is labelled as D1. This implies that disability is a significant component, and therefore this Action, in alignment with the 2021-2030 EU disability strategy, will contribute to promoting health services and education to persons with disabilities. Disability inclusion will also be mainstreamed in livelihoods interventions and active participation of people with disabilities will be promoted. As the UN Special Rapporteur on the situation of human rights underlines in its last report (A/HRC/55/80 – February 2024), persons with disabilities experience increased vulnerability including in terms of access to essential services being necessary to shift away from a charity-based model towards a rights-based approach.

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**Reduction of inequalities**

As per Inequality Marker, the action is labelled as I-1.

The Action will address the needs of the population in most vulnerable situation, in particular asylum seeker, forcibly displaced people, women and youth that have been more affected by the socio-political and HR crisis in Nicaragua as well as those people affected by natural disasters and economic crises. By restoring their capacities, and improving their access to basic services and livelihoods, the Action will contribute to decreasing inequalities.

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**Democracy**

Integration of migrants is vital for social cohesion and economic development. Depending on their status in the country, migrants have limited rights to political participation. In this sense, this action will promote the civil participation of migrants and their integration in host communities as a way to build bridges and promote self reliance. The project will promote the participation of migrants’ organisations, in decision-making regarding public policies that affect them.

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**Conflict sensitivity, peace and resilience**

The action will take into account conflict sensitivity, peace and resilience by promoting working with Nicaraguan migrants as well as Costa Rican in vulnerable situations at community level to avoid conflict and promote the inclusion of migrants and refugees. The action will ensure that all processes and actions minimise negative and maximise positive effects in the intervention areas. Besides, it will foster cooperation between migrants and host communities. It is key to ensure that all activities are presented and discussed with community leaders from both communities to avoid misconceptions mainly with regards to access to resources which is the main driver of conflict. Coordination with local authorities is also considered.

The action will have an inclusive approach and provide special attention to the selection of beneficiaries, locations, timing, relations with authorities, etc

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**Disaster Risk Reduction**

Migrants are more vulnerable to a disaster due to their living conditions that generally are below average. Besides, they may not be aware of the places and systemic and complex risks that might arise from their settlement in exposed areas. In cooperation with civil society organisations this action will assess the specific risk levels of the supported communities to provide them with timely support and information to reduce risks and promote cooperation and the active participation of migrants in the risk reduction process of the host communities.

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### 3.4 Risks and Lessons Learnt

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
Security	Deteriorating security conditions due to the presence of criminal gangs and armed groups, pursuing illegal economic activities and recruiting migrants and vulnerable locals.	Medium	High	Medium Continuous dialogue with the national, and local authorities throughout the whole intervention will be reinforced in case national, regional, and local situation further deteriorates. Government will be reinforced throughout the whole intervention and will be reinforced in case security situation worsens. The Action will cooperate with civil society and private partners that are recognised by the different stakeholders in the territories
Political	Political situation in Nicaragua could provoke an even more massive outflow of refugees and migrants in the future.	Medium	Medium	The humanitarian crisis of refugees and migrants from Nicaragua has consequences for Costa Rica and Latin American region. An effective contribution of different stakeholders to solving this crisis can be part of a regional effort. Continuous coordination with local, national and regional stakeholders and authorities to monitor the political situation in order to be prepared and take the adequate contingency measures
Social cohesion	Discrimination, stigmatisation and xenophobia	Medium	High	Promote sensitization campaigns based on facts and verifiable data, as well as other measures to prevent and address discrimination and stigmatisation such as working with a community-based approach that also benefits host communities.
Political	Shifting priorities of Costa Rican government	Medium	Medium	Continued efforts will be made to ensure that existing good relations with implementing partners and national government are maintained. Conduct advocacy activities with the institutions to demonstrate the effectiveness and impact of the Action.
Institutional	Structural weakness of public institutions, decentralised local authorities and communities	Medium	Medium	Support community and institutional strengthening activities.

Environmental	Disasters, epidemic and extreme weather events that could affect the development of the project's activities	Medium	Medium	Implement adaptation actions, best practices and develop contingency plans.
Gender equality and the inclusion of people with disabilities	Limited engagement in favour of gender equality and the empowerment of women, a human rights-based approach, and persons with disabilities by the targeted institutions and non-state actors	Medium	Medium	The project will provide adequate resources to work with institutions and non-state actors on the importance of integrating gender equality, a human rights-based approach, and the rights of persons with disabilities.
Civil society and local authorities involvement	Weak participatory mechanisms to ensure active representation of the civil society and local authorities.	Low	Medium	The program includes the active participation of CSOs and local authorities in the activities at local level.

### Lessons Learnt:

This programme is a novelty for the Delegation of Nicaragua. The EU has supported the Government of Costa Rica in its efforts to provide an adequate response to migration flows, but there are important gaps to cover. The migration crisis has revealed the limited institutional and financial capacities of Costa Rica.

Even though the volume of the migratory phenomena may provide difficulties for the Costa Rican authorities, different studies have highlighted the positive contributions of refugees towards the countries and local economies.

The Action is also aligned with programmes funded by various Member States, notably Germany, Luxembourg, Spain, France, and some NGOs, thus, coordination and complementarity is needed to guarantee a major impact of EU interventions. Besides, during implementation a close coordination between EU Delegation to Nicaragua and Costa Rica must be assured.

To effectively promote socioeconomic integration among migrant and host communities, a multifaceted approach is crucial. This approach should prioritize the following strategies: (a) targeting at an individual level: this involves enhancing relevant labour-market skills through tailored training programs, while addressing barriers to access, such as limited capacity building opportunities (including in non traditional sectors for migrant population eg. green economy, digitalization, etc). Additionally, providing resources and support for self-employment and entrepreneurship can empower individuals to pursue economic independence; (b) involving the private sector: collaboration with local and regional private sector entities is essential to stimulate demand in the labour market. By engaging with businesses, opportunities can be created for qualified individuals, facilitating their entry into the formal labour market and fostering economic participation; (c) working with public institutions: cooperation with public institutions at the local, regional, and national levels is indispensable. In this regard, the new action can consider the valuable lessons learned from the project "Inclusive Cities, Communities of Solidarity", a thematic action targeting Venezuelan migrants and refugees with a regional scope that promoted an innovative urban-territorial focus to address vulnerabilities in a holistic and inclusive manner<sup>15</sup>. Timely regularization of migrant communities is crucial as it serves as a prerequisite for their successful integration into the formal labor market and the social welfare system. Ensuring favorable overall conditions for socioeconomic integration needs close coordination with relevant public bodies to implement policies and initiatives effectively; (d) government ownership: Interventions require government ownership, to ensure that migrants, refugees, forcibly displaced people and host communities can benefit from the actions. It will be important to guarantee the national and local authorities engagement to mitigate the risk of low capacity in the implementation of this Action.

<sup>15</sup> <https://unhabitat.org/project/inclusive-cities-communities-of-solidarity>

### 3.5 The Intervention Logic

The intervention logic is that if the action provides the adequate conditions to Nicaraguan economic migrants and forcibly displaced persons and other people in need of protection and economic opportunities in Costa Rica, it will facilitate a quick regularization and socioeconomic integration, resulting in the improvement of the situation of thousands of refugees as well as asylum applicants and economic migrants who are in a vulnerable situation while their applications are pending, with procedures taking up to 10 years due to limited capacity and resources. This is because the massive and continuous flow of migrants, increasing since 2018 poses significant strains on the country's response capacity in terms of regularisation, with direct impact on access to education, health, social protection, legal assistance, among others. The action has been built on previous interventions supported by the Commission with a nexus approach, consolidating efforts in providing basic needs while building local capacities to respond systematically in future. It also builds on crisis response projects funded by FPI in the past, taking forward our support to more strategic and long-term intervention, complementing efforts already ongoing by the regional team, MS and other key actors such as the US.

This Action encompasses two complementary approaches:

(i) Support to the regularization process by strengthening the capacities of institutions managing migration and asylum issues, will enhance their efficiency and quality in accordance with international commitments. This will ensure access to basic rights and services for economic migrants and forcibly displaced persons. If the activities related to Specific objective 1 (support to institutional capacity and social protection) are undertaken, then migrants and host communities will have access to regularization and other measures facilitating labor and economic integration, as well as local economic development. Strengthening public institutions will be instrumental in promoting the inclusion and well-being of migrants and host communities, fostering a conducive environment for their sustainable integration into society and the economy.

(ii) Improving economic inclusion and promoting social cohesion, will facilitate integration and conflict prevention within host communities. If the activities related to Specific objective 2 (trainings and empowerment programmes) are undertaken, then they will enhance the socio-economic inclusion and social cohesion of economic migrants, forcibly displaced persons and host communities, ensuring equal opportunities for women, combating gender-based violence, and improving resilience to climate change and food security challenges. Achieving this objective requires robust coordination among various stakeholders, including the private sector, civil society, and host communities. Enhanced collaboration will improve public services to address the specific needs of these populations and promote employability through skills development. Additionally, the initiative will create self-employment opportunities and decent employment, particularly for disadvantaged groups within both migrant and host communities, thereby promoting social cohesion. Building resilience in both populations is essential for ensuring food security, mitigating climate impacts, and fostering harmonious coexistence and integration.

Partnerships aimed at advancing integration, in accordance with the sequential logic of the triple nexus (humanitarian, development, and peace), will be coordinated in collaboration with Member States actively involved in humanitarian response and rehabilitation efforts. Furthermore, the Spanish Agency for International Cooperation and Development (AECID), Luxemburg, Germany, France, have indicated potential parallel co-financing opportunities in selected prioritized regions and thematic areas of this Action. Further exploration of this prospect will be undertaken during the forthcoming formulation phase.

### 3.6 Logical Framework Matrix

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

Results	Results chain (a): Main expected results (maximum 10)	Indicators (a): (at least one indicator per expected result)	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	Enhanced socioeconomic integration and social cohesion of forcibly displaced persons and economic migrants in Costa Rica	<p>1. % of economic migrants and forcibly displaced people reporting improved integration and quality of life (disaggregated by sex, age and disability whenever possible).</p> <p>2.# of economic migrants, forcibly displaced people or individuals from host communities protected or assisted with EU support (GERF - Global Europe Results Framework core indicator)</p> <p>3. % reduction of incidents of xenophobia and social conflict in host communities</p>	<p>1. TBD in the inception phase</p> <p>2. 0</p> <p>3. TBD in the inception phase</p>	<p>1. TBD in the inception phase</p> <p>2. TBD in the inception phase</p> <p>3. TBD in the inception phase</p>	<p>Governmental and IPs statistics/data</p> <p>Baseline and endline surveys conducted by the EU-funded intervention</p>	<i>Not applicable</i>
Outcome 1	Improved regularization process of forcibly displaced people and economic migrants to effective access of basic rights/services.	<p>1.1 # of economic migrants and forcibly displaced people <b>regularized annually</b> with the support of EU. Disaggregated by sex, age, status, disability.</p> <p>1.2 % of forcibly displaced people and economic migrants having their legal status processed in line with international standards, disaggregated by sex, age group and nationality.</p> <p>1.3 # of target beneficiaries (host communities, forcibly displaced people, migrants) <b>accessing social protection schemes</b>, disaggregated by sex, migration status, age group and nationality, disability.</p>	<p>1.1 0</p> <p>1.2 TBD in the inception phase</p> <p>1.3 TBD in the inception phase</p>	<p>1.1 TBD in the inception phase</p> <p>1.2 TBD in the inception phase</p> <p>1.3 TBD in the inception phase</p>	<p>Government Reports and databases from public and partner institutions (e.g., grant recipients)</p> <p>Administrative data from the Ministry of Interior or immigration agencies, or responsible line Ministries.</p>	<p>Political will of Costa Rican government to improve the regularization process and support migrants and forcibly displaced persons according to the international standards.</p> <p>Continued international support</p> <p>Costa Rican Government remains committed to implement its migration policies and engage in the intervention action.</p> <p>There is political will of the government to</p>



						provide access to regularised migrants to social services including social security scheme.
<b>Outcome 2</b>	Enhanced economic inclusion and social cohesion of forcibly displaced persons, economic migrants and host communities in Costa Rica, with particular focus on vulnerable women and youth.	<p>2.1# of economic migrants, forcibly displaced people or individuals from host communities protected or assisted with this Action, broken down by nationality, age and sex.</p> <p>2.2 # of members of economic migrant and host communities who have access to decent work or self employment/entrepreneurship opportunities (at least 50% women, 25% migrant community, 25% host community). Disaggregated by status, sex, age, nationality, disability.</p> <p>2.3 % of participation of economic migrants and forcibly displaced people (particularly women and youth) in non-formal education or trainings related to their field of interest, in the previous 12 months, compared to the resident/host communities, disaggregated by sex, age group, type, disability</p> <p>2.4 # of refugees in partner country who receive government and civil society services, disaggregated at least by sex (GAP III)</p>	<p>2.1 0</p> <p>2.2 TBD in the inception phase</p> <p>2.3 0</p> <p>2.4 0</p>	<p>2.1 TBD in the inception phase</p> <p>2.2 TBD in the inception phase</p> <p>2.3 TBD in the inception phase</p>	<p>Baseline and endline studies conducted and budgeted by the EU-funded intervention</p> <p>Employment statistics, Program reports</p> <p>Ministry/agency administrative data. If data is not available, baseline and endline surveys must be conducted and budgeted by the EU-funded intervention.</p> <p>Reports and databases from public and partner institutions (e.g., grant recipients)</p>	<p>Adequate public support systems and processes that create the conditions to facilitate the integration of the migrant and host communities.</p> <p>No major exceptional social conflicts or economic crises occurred in the target area.</p>

<b>Output 1 relating to Outcome 1</b>	1.1 Improved Costa Rican institutional technical and logistical capacities for regularization.	1.1.1 # of institutional official/staff trained in regularisation process, human rights, asylum process, etc through this Action (desagregated by sex, institution, topic)	1.1.1 0	1.1.1 TBD in the inception phase	Institutional reports.	There is political will of the government to improve asylum and migration system and accelerate related processes.
		1.1.2 Average processing time for regularization of applications, disaggregated by sex .	1.1.2 0 TBD in the inception phase (current average processing time)	1.1.2(reduced average processing time by specific percentage or number of days)	Government Reports and databases from public and partner institutions (e.g., grant recipients)  EU intervention monitoring and reporting systems: annual and final reports from implementing organisations (e.g. governments, international organisations, non-state actors), ROM , etc.  Institutional processing time records	
<b>Output 2 relating to Outcome 1</b>	1.2 Enhanced access to legal status for forcibly displaced and stateless people and economic migrants in Costa Rica	1.2.1 # of economic migrants, forcibly displaced people that obtain their Costa Rican identity card and/or alternatively regular migratory status with EU support (disaggregated by sex and status).	1.2.1 0	1.2.1 TBD in the inception phase	Institutional reports	Efficient implementation of new systems  Sufficient Staff allocated in relevant public services working on the regularization processes.

<b>Output 3 relating to outcome 1</b>	1.3 Ensured access to Social Protection Scheme for target groups.	1.3.1 # of target beneficiaries (host communities, forcibly displaced people, economic migrants) accessing social insurance schemes, disaggregated by sex, migration status and age group	1.3.1 0	1.3.1 TBD in the inception phase	Ministry/agency administrative data. If data is not available, baseline and endline surveys must be conducted and budgeted by the EU-funded intervention.	
<b>Output 1 relating to Outcome 2</b>	2.1 Strengthened employment skills capacity-building for FDP persons, economic migrants and host communities considering specific needs and opportunities in the Central and Northern Regions working in coordination with public, private institutions and CSOs and with special focus on youth and women	<p>2.1.1 # of economic migrants and individuals from host communities that have received training in technical/vocational or soft skills, including on entrepreneurship or have received seed capital or start up support, relevant to the labour market (disaggregated by training topic, age, sex, nationality, status)</p> <p>2.1.2# of beneficiaries that have access to certification programs to validate their skills (disaggregated by sex, location, training topic and duration, age and displacement status)</p> <p>2.1.3 # of target group persons accessing to decent jobs in the framework of the partnership established with the private sector (disaggregated by sex and status).</p> <p>2.1.4 # of start-up initiatives of migrants and host communities supported, related to climate change /food security (disaggregated by sex, status, topic)</p>	<p>2.1.1 0</p> <p>2.1.2 0</p> <p>2.1.3 0</p> <p>2.1.4 0</p>	<p>2.1.1 TBD in the inception phase</p> <p>2.1.2 TBD in the inception phase</p> <p>2.1.3 TBD in the inception phase</p> <p>2.1.4 TBD in the inception phase</p>	Database of training participants (disaggregated by sex, location, training topic and duration, age and displacement status) and statistics to be provided in progress	

<b>Output 2 relating to Outcome 2</b>	2.2 Promoted economic empowerment of women and GVB prevented in host communities at local and national level.	2.2.1 # of women benefitted with economic empowerment/support in host communities dissagregated by type of project, location  2.2.2 # of awareness raising and sentitization compaings on GVB promoted including the risk of trafficking in human beings	2.2.1 TBD in the inception phase  2.2.2 TBD in the inception phase	2.2.1 TBD in the inception phase  2.2.2 TBD in the inception phase	Database of NGOs; Progress reports for the EU-funded intervention  Database of NGOs; Progress reports for the EU-funded intervention	Local authorities of host communities are willing to support and promote the initiatives and coordinate actions.
<b>Output 3 relating to Outcome 2</b>	2.3 Social cohesion streghened and conflict prevention promoted between host communities, economic migrants and forcibly displaced people, fostering community integration efforts to promote harmony and reduce discrimination and xenophobia.	2.3.1 # of initiatives promoting social cohesion and conflict prevention between host communities and displaced people supported, including awareness raising campaigns to reduce discrimination and xenophobia.  2.3.2 # of mentorship programs implemented at local level to support integration of migrants and refugees.	2.3.1 0  2.3.2 TBD in the inception phase	2.3.1 TBD in the inception phase  2.3.2 TBD in the inception phase	Database of NGOs; Progress reports for the EU-funded intervention	

## 4 IMPLEMENTATION ARRANGEMENTS

### 4.1 Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement with the partner 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 **72 months** from the date of adoption by the Commission of this Financing Decision.

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

### 4.3 Implementation of the Budget Support Component

N/A

### 4.4 Implementation Modalities

The Commission will ensure that the EU rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures.<sup>16</sup>

#### 4.4.1 Direct Management (Grants)

##### **Grants: (direct management)**

**(a) Purpose of the grant(s)** The grant will contribute to the implementation of SO 2: Enhance economic inclusion and social cohesion of forcibly displaced persons, economic migrants and host communities in Costa Rica, with a particular focus on vulnerable women and youth. Outputs: 2.1 Strengthened income generation opportunities, including self-employment, skills, capacity-building for Nicaraguan forcibly displaced people, economic migrants and host communities, considering specific needs and opportunities in the Central and Northern Regions in coordination with public, private institutions and CSOs. 2.2 Promoted economic empowerment of women and GVB prevented at community and national level. 2.3 Social cohesion strengthened and conflict prevention promoted between host communities, economic migrants and forcibly displaced people fostering community integration efforts to promote harmony and reduce discrimination and xenophobia.

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

Civil Society Organizations working in Costa Rica on economic migration and asylum and HR issues.

##### **(c) Justification of a direct grant**

Under the responsibility of the Commission's authorising officer responsible, the grant may be awarded without a call for proposals to a Civil Society Organization selected using the following criteria:

<sup>16</sup> 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 entity should be a civil society organisation registered and established in Costa Rica implementing similar projects in the country/region.

-Previous experience as implementing partner of EU-funding.

Significant experience and technical expertise, in the area relevant for the action

- Presence in critical areas of the country in response to the migration crisis.

- Good knowledge of the territorial context in migration areas and a good relationship with national and local stakeholders.

-Working experience and good coordination level with local/international NGOs in the field

- Human resources, organisational capacity to carry out the tasks

-Good working relationship with Government will be considered as an added value.

Under the responsibility of the Commission's authorising officer responsible, the recourse to an award of a grant without a call for proposals is justified because Nicaragua sustains a socio-political crisis since 2018. A direct result of this crisis has been the targeting and criminalisation of civil society organisations. This is one of the reasons **Nicaragua has been granted a Declaration of Crisis situation since 2018 to this day. As such, implementation of the portfolio has been done in line with this declaration, Article 2(21) of the Financial Regulation, to prevent putting implementing partners at risk. A direct award grant is foreseen according to new article 195 of the Financial Regulation (a) Crisis management aid.**

The part of the action under the budgetary envelope reserved for grants may, partially or totally, and including where an entity is designated for receiving a grant without a call for proposals, be implemented in indirect management with a pillar assessed entity, which will be selected by the Commission's services using the following criteria: (See section 4.4.2).

#### 4.4.2 Indirect Management with an entrusted entity

This Action may be implemented in indirect management with one or several entities, which will be selected by the Commission's services using the following criteria:

- The entity should be an organisation with a proven track record on migration and/or forced displacement and developed expertise in operationalisation of similar programmes in the country/region.
- An Strategic partner to the EU as part of its multilateral engagement.
- Good working relationship with Government will be considered as an added value. Presence in critical areas of the country in response to the migration crisis. Good knowledge of the territorial context in economic migration and forced displacement areas and a good relationship with national and local stakeholders.
- Working experience with local/international NGOs in the field.

The implementation by this entity entails: The entrusted entity will be responsible of the desing of the project implementation plan, identification and selection of beneficiaries, coordination with local actors, management of the action budget of SO1 and SO2, Policy dialogue with Costa Rican Authorities at central and local level, project monitoring and reporting to the EUD, coordination with other stakeholders, provide technical advise on migration issues, among others.

In case the envisaged entity would need to be replaced, the Commission's services may select another replacement entity using the same criteria. If the entity is replaced, the decision to replace it needs to be justified.

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

In the case indirect management with an entrusted entity cannot be partially or fully implemented due to circumstances outside of the Commission's control, the preferred alternative will be a direct management grant implementation modality. The purpose of the grant will be the same as the purpose of the action implemented through indirect management for specific objective SO2. The type of applicants targeted will be NGOs, international organisations and other entities selected in line with Article 28(9) NDICI-Global Europe Regulation.

If the action cannot be partially or fully implemented in direct management using grant component for reasons outside of the Commission's control, this action may be implemented in indirect management with the entrusted entity selected using the criteria identified in section 4.4.2.

#### 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

<b>Indicative Budget components</b>	<b>EU contribution (amount in EUR)</b>
<b>Implementation modalities</b> – cf. section 4.4 Direct management through grants Section 4.4.1  Indirect management with the entrusted entities: section 4.4.2	
<b>Indirect management with an entrusted entity: section 4.4.2 related to SO 1 and possible SO2</b>	<b>4 000 000.00</b>
<b>Indirect management with an entrusted entity section 4.4.2 related to SO 2 and possible SO1</b>	<b>3 000 000.00</b>
<b>Direct management through grants 4.4.1 related to SO 2</b>	<b>3 000 000.00</b>
<b>Evaluation</b> – cf. section 5.2 <b>Audit</b> – cf. section 5.3	May be covered by another decision, or be part of the contribution agreement
<b>Contingencies</b>	
<b>Total</b>	<b>10 000 000.00</b>



## 4.7 Organisational Set-up and Responsibilities

The entrusted entities will be responsible for day to day operations of the action. Considering different actors from the public, civil society, private sectors and other donors, strong coordination will be a key trait of this action.

A Project Steering Committee (PSC), constituted by the representatives of the implementing entity/ies, the EU Delegations to Nicaragua and to Costa Rica, and invited key stakeholders (e.g. national authorities, RUNOs, local authorities) shall convene once every six months for an update on the activities implemented and to decide on actions of strategic nature if necessary.

Member States and like-minded donors who support the integration of migrants in the country may be invited to take part as observers.

The implementing entities would be acting as technical secretary of the Project Steering Committee and will organise information videoconferences with the EU Delegation. Close coordination, communication and information will be maintained with the EU.

In addition, as part of the communication strategy, important meetings or invitations to the EU Delegation or senior officials will be announced and communicated in advance to the EU Delegations in Nicaragua and Costa Rica.

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

## 5 PERFORMANCE MEASUREMENT

### 5.1 Monitoring and Reporting

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

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

Roles and responsibilities for data collection, analysis and monitoring:

The Action is enabled through a M&E system. Monitoring and reporting will be completed by the respective implementing partners on an annual basis. This is to ensure regular follow-up and review of data collection. Depending on further discussions with final implementing partners, a baseline survey may be carried, in order to correctly frame results in the logframe. In addition, the inception period will allow for an adaptation of outputs/activities of the respective components, if considered necessary. The final report, narrative and financial, will cover the entire period of the Action implementation. The Commission will also work with beneficiaries to complete data in the logframe, to be obtained either from UN Agencies or other donors and/or stakeholders.

All monitoring and reporting shall assess how the action is considering the principle of gender equality, human rights-based approach, and rights of persons with disabilities including inclusion and diversity. Indicators shall be disaggregated at least by sex whenever possible and meaningful.

## 5.2 Evaluation

Having regard to the importance of the action, a final evaluation will be carried out for this action or its components contracted by the Commission or by the implementing partner.

The final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that it is a new policy, as well as novel institutional and implementation arrangements that need to show verifiable results in the short term.

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.

In addition, all evaluations shall assess to what extent the action is taking into account the human rights-based approach as well as how it contributes to gender equality and women's empowerment and disability inclusion. Expertise on human rights, disability and gender equality will be ensured in the evaluation teams.

The financing of the evaluation may be covered by another measure constituting a Financing Decision, or be part of the contribution agreement.

## 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.

In line with the 2022 “[Communicating and Raising EU Visibility: Guidance for External Actions](#)”, 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

A Primary Intervention (project/programme) is a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Identifying the level of the primary intervention will allow for:

Articulating Actions or Contracts according to an expected chain of results and therefore allowing them to ensure efficient monitoring and reporting of performance;

Differentiating these Actions or Contracts from those that do not produce direct reportable development results, defined as support entities (i.e. audits, evaluations);

Having a complete and exhaustive mapping of all results-bearing Actions and Contracts.

Primary Interventions are identified during the design of each action by the responsible service (Delegation or Headquarters operational Unit).

The level of the Primary Intervention chosen can be modified (directly in OPSYS) and the modification does not constitute an amendment of the action document.

The intervention level for the present Action identifies as ;

<b>Contract level</b>		
<input checked="" type="checkbox"/>	Single Contract 1	Indirect management with an entrusted entity 4 000 000.00 EUR
<input checked="" type="checkbox"/>	Single Contract 2	Indirect management with an entrusted entity or direct management through grants with an CSO (1 or two contracts) 6 000 000.00 EUR