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THIS ACTION IS FUNDED BY THE EUROPEAN UNION

ANNEX IV

of the Commission Implementing Decision on the financing of the annual action plan part 3 in favour of the Latin America and Caribbean region for 2021

Action Document for Digital Trade Platform for Central America 2.0 (PDCC II)

ANNUAL PLAN

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and measures in the sense of Article 23(2) of NDICI-Global Europe Regulation.

1 SYNOPSIS

1.1 Action Summary Table

1. Title CRIS/OPSYS business reference Basic Act	Digital Trade Platform for Central America 2.0 (PDCC II) NDICI LA/2021/043-614 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 the countries that are members of the Central American Economic Integration System: Costa Rica, Guatemala, Honduras, El Salvador, Nicaragua and Panama.
4. Programming document	Americas and the Caribbean Regional Multi-Annual Indicative Programme 2021-2027
5. Link with relevant MIP(s) objectives / expected results	Central American Sub-Window, Sustainable economic integration Specific Objective for Central America: Enhance the effectiveness of implementation of the trade provisions of the Association Agreement signed between the European Union and Central America.
PRIORITY AREAS AND SECTOR INFORMATION	
6. Priority Area(s), sectors	Trade facilitation DAC 331
7. Sustainable Development Goals (SDGs)	Main SDG (1 only): SDG 8 (Decent work and economic growth) Other significant SDGs: SDG 16 (Peace, justice and strong institutions), SDG 9 (Industry, Innovation and Infrastructure) and SDG 17 (Partnerships for the Goals)
8 a) DAC code(s)	33120 Trade facilitation 90% 22040 Information and Communication Technology 10%
8 b) Main Delivery Channel	Regional Development Bank – 46000

9. Targets	<input type="checkbox"/> Migration <input type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input checked="" type="checkbox"/> Education <input 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 checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Internal markers and Tags:	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation Tags: digital connectivity digital governance digital entrepreneurship job creation digital skills/literacy digital services	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>
	Connectivity Tags: transport people2people energy digital connectivity	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>

	Migration (methodology for tagging under development)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities (methodology for marker and tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
12. Amounts concerned	Budget line: 14 02 01 40 Total estimated cost: EUR 5 000 000 Total amount of EU budget contribution EUR 5 000 000			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing	Indirect management with the Inter-American Development Bank (IDB) Direct management through: – Direct grant agreement to the Secretariat for Central American Economic Integration (SIECA).			

1.2 Summary of the Action

The action aims at strengthening Central America's (CA) economic integration process and maximising the benefits of the Association Agreement signed between the European Union and Central America (EU-CA AA). It builds upon core trade facilitation activities supported by previous and ongoing EU support in the area, in particular the Central American Digital Trade Platform (*Plataforma Digital de Comercio Centroamericana*, PDCC).

The first version of PDCC will be rolled out in member states of the Secretariat for Central American Economic Integration (SIECA) (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama) in Q1 2022. This action enforces the existing modules of the PDCC and integrates additional modules, which could include a regional information system and observatory on Non-Tariff Barriers (NTBs), a single registry of Sanitary and Phytosanitary (SPS) requirements, and a food and feed alert system.

This action aims to reduce red tape and costs of cross-border intra-regional and extra-regional trade, therefore stimulating economic growth and jobs. It is estimated that a full customs integration of the region would be worth 2.4% extra GDP growth/annum.

In line with CA's Trade Facilitation and Competitiveness Strategy, the Road Map for a Central American Customs Union and the Trade Facilitation Agreement of the World Trade Organization, the action will support trade facilitation and capacity to trade on intra- and trans-regional level (DAC 33120, 33130). It will also contribute to digitalisation and enhanced use of ITC (DAC 22040).

2 RATIONALE

2.1 Context

Central America is the most commercially integrated region in Latin America: 99% of the products traded between the six countries of SIECA enjoy duty and quota free circulation and 30% of the value of exports is traded within the region. However, the economic integration process still needs major advances to unfold its potential. Trade facilitation is a clear priority as the average speed of circulation of goods in CA is still at 18 km/hour due to excessive bureaucracy and inefficiencies at border crossings. It is estimated that a full customs integration of the

region would be worth 2.4% extra GDP growth/annum. The enhancement of intra-regional mobility, logistics and connectivity will make it possible to take advantage of economies of scale and geographical location, boosting growth and reducing costly inefficiencies.

Supporting the implementation of the trade provisions of the Association Agreement signed between the EU and CA, the objective of this action is to contribute to economic growth and job creation in the region, but also create new sustainable trade and investment opportunities with the EU.

The action aims at addressing obstacles and barriers to trade by further operationalising existing modules of the PDCC and creating and integrating additional modules, among which could be:

- a) Regional information system on Non-Tariff Barriers to Trade (NTBs)
- b) Observatory on NTBs
- c) Single registry of existing technical and Sanitary and Phytosanitary (SPS) requirements
- d) Notification and alert system for food and feed safety

Building on ongoing initiatives and lessons learnt, the proposed action will facilitate intra- and trans-regional trade by supporting the regional economic integration process and SIECA as the Secretariat in charge of the Economic Integration Subsystem. SIECA will be the administrator of the PDCC's technical infrastructure, management and cloud. Furthermore, SIECA will secure all needed institutional follow-up with each SICA Pro Tempore Presidency, especially for the CA Council of Economy and Trade Ministers (COMIECO) and the CA Council of Finance Ministers (COSEFIN). SIECA will also be in charge of engaging with SICA member states and with the private sector to coordinate and foster the benefits of the action. The implementation of Phase II of the PDCC has received support from the Vice-Ministers of COMIECO and was presented to the EU for possible support in May 2021.

2.2 Problem Analysis

With support provided under the 2014-2020 programming period (INTEC¹ project), 71 functionalities of the PDCC have been developed: 21 in the area of customs, 3 in the area of migration, 14 for the Central American Single Window (VUCE) and 10 in the area of agriculture and health. In parallel, a software has been developed for an Integrated Regional Risk Management System which aims at managing all trade related risks. Currently, CA lacks a centralised system to inform on Non-Tariff Barriers (NTBs) to trade that products have to comply with. There is no real time information system on NTBs at border crossings, which has a significant impact on the speed of circulation of goods (average 18km/h). Harmonised measures are often not applied, or are interpreted differently. In most countries, with the exception of Costa Rica which has a system of technical notifications that reflect import and export requirements with the corresponding custom codes, the requirements are assessed on a case by case basis. Taking advantage of the existing PDCC, a regional information system on NTBs could be developed building on the existing initiative of AIC (*Arancel Informatizado Centroamericano*), linking the requirements with the tariff codes.

By the same logic, a module for an Observatory on NTBs could be integrated in order to promote transparency and awareness of NTBs in the region. It would allow for a real time monitoring of existing NTBs in cross-border and international trade.

CA has made progress in harmonisation of technical requirements, which allow recognition of sanitary registries of various products. However, this possibility remains underused and not digitalised. Moreover, the existing recognition system only applies to processed food. Based on the existing regional sanitary and technical requirements, a single registry could be created and integrated into the PDCC. Additionally, based on the single registry, an authorisation system for low risk products and a notification and alert system similar to the EU Rapid Alert System for Food and Feed (RASFF) could be developed.

¹ Central American Economic Integration Project

Stakeholders:

SIECA as the Secretariat in charge of the Economic Integration Subsystem will be coordinating the action with IDB that implemented the first phase of the design, development and roll-out of the PDCC. SIECA is the administrator for the PDCC's technical infrastructure, management and cloud. In addition, SIECA will secure all needed institutional follow-up with each SICA Pro Tempore Presidency, especially for COMIECO and COSEFIN. Furthermore, SIECA will be in charge of engaging with SICA member states and with the ultimate beneficiary, the private sector to coordinate and foster the benefits of the action.

3 DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

The Overall Objective (Impact) of this action is to strengthen Central America's economic integration process and maximise the benefits of the Association Agreement signed between the European Union and Central America.

The Specific Objective of this action is to contribute to economic growth and jobs in Central America through trade facilitation.

The Output to be delivered by this action contributing to the corresponding Specific Objective is:

- Contribute to the reduction of constraints to trade caused by NTBs

3.2 Indicative Activities

Support to the operationalisation of existing PDCC modules, and design, development and integration of additional modules. Among those additional modules the following could be supported:

- a) a regional information system on Non-Tariff Barriers to Trade (NTBs)
- b) an observatory on NTBs
- c) a single registry of existing technical and SPS requirements
- d) a notification and alert system for food and feed safety

All extended functionalities will be accompanied by capacity building and training modules for customs authorities and private sector.

3.3 Mainstreaming

Environmental Protection & Climate Change

Outcomes of the SEA screening

The Strategic Environmental Assessment (SEA) screening concluded that no further action was required.

Outcomes of the EIA (Environmental Impact Assessment) screening

The EIA (Environment Impact Assessment) screening classified the action as Category C (no need for further assessment).

Outcome of the CRA (Climate Risk Assessment) screening

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

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that gender issues will be addressed indirectly by supporting the creation of jobs and economic opportunities. Other

complementary actions to be funded under the Regional LAC MIP will support economic participation and empowerment of women and girls. The actions taken on gender will also consider intersectionality of gender with other groups such as persons with disabilities.

Human Rights

This action does not specifically target Human Rights however it contributes to economic inclusion of vulnerable population and it reduces the risks of discrimination through the introduction of more transparent processes and procedures.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0. This implies that disability is not the principal nor a significant objective for this particular intervention; nevertheless this facility has a strong focus on addressing inequalities and inclusive development in which persons with disabilities are clearly included.

Democracy

The action strengthens cross border trade processes, introducing greater efficiency and transparency, therefore reducing the scope for corruption and improving public services in this area.

Conflict sensitivity, peace and resilience

The action does not specifically target conflict and peace, but it does reduce the scope for the introduction of arbitrary measures and other trade irritants that undermine economic integration.

Disaster Risk Reduction

Not targeted

Other considerations if relevant

N/A

3.4 Risks and Lessons Learnt

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
3, 4	No implementation of the additional PDCC modules due to non-application at national level	M	H	COMIECO Vice-Ministers' political commitment for the implementation of the platform was adopted in April 2016. A second phase was endorsed in May 2021. Specific commitment to the additional functionalities by a mandate at Presidents' level would engage all national authorities and services to the goal. NB: non-application of one country does not affect the use by the others.
2, 5	No implementation of the additional PDCC modules due	M/L	H	IDB implementation guarantees coherence with support provided for the design and development of PDCC and

	to the technical complexity of the operation, which requires harmonised legislative arrangements and common minimum standards.			coordinated management of borders. A specific coordination scheme between IDB and SIECA to ensure smooth progress in project implementation will be elaborated under EU guidance.
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Lessons Learnt:

The action builds on prior experience in supporting economic integration in Central America, more specifically through PRAIAA (2014 – 2019) and INTEC (2017-2022) projects that supported the creation of the Central American Single Document (DUCA) and the design, development and roll-out of the Digital Trade Platform with basic functions.

The mid-term review of INTEC will be finalised before the end of 2021. As such, lessons learnt and recommendations will be taken into account for the further formulation and implementation of this action. A mid-term review of the first phase of PDCC was finalised in January 2021 and concluded that the action is highly pertinent to fostering regional economic integration and promoting digitalisation. The main risk identified was the region’s lack of political commitment to operationalising the platform on the national level. This remains valid for the second phase:

- In order to achieve sustainable reforms related to the objectives the EU seeks to address, the Pro Tempore Presidency and SIECA member states need to be regularly involved at the highest level.
- Serious political commitment at the highest level and contributions by the institutions and the SIECA member states are necessary to ensure sufficient ownership by related national administration and public services.
- SIECA should guarantee to cover the project’s operating cost, namely in terms of number and qualifications of staff as well as technology to host the platform, in view of the results' sustainability.
- As per the volatility of the regional integration process, the action requires an important degree of flexibility to quickly adapt to situations.

3.5 The Intervention Logic

The underlying intervention logic for this action is that trade facilitation will contribute to strengthening regional economic integration in Central America and maximising the benefits of the EU-CA Association Agreement. It is designed to facilitate a structured, long-term capacity development process under the leader- and ownership of the regional institutions in charge of coordinating the economic integration process (SIECA/COMIECO). To this end, and with the view of consolidating the advancement of the action within the regional legal framework, capacity building elements to foster institutional monitoring, knowledge and inclusive dialogue will be included. At the same time, the action also seeks to boost engagement and ownership from the private sector, throughout inclusive public-private dialogue and targeted outreach and capacity building activities.

3.6 Logical Framework Matrix

In consideration of the very technical nature of the action, a more detailed Logical Framework will be developed at contracting stage.

PROJECT MODALITY

Results	Results chain: Main expected results	Indicators:	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	To strengthen Central America's economic integration process and maximising the benefits of the Association Agreement signed between the European Union and Central America.	Increased compliance with EU-CA AA provisions	Baseline year 2021: Report of Trade Facilitation Committee of AA	Constant improvement as reported in annual Association sub-Committees	Association Committees	<i>Not applicable</i>

4 IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with the Secretariat for Central American Economic Integration (SIECA).

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 Modalities

4.3.1 Indirect Management with an entrusted entity

The technical component of the action will be implemented in indirect management with the Inter-American Development Bank (IDB), entailing the design and development of additional functions of the digital trade facilitation platform, requiring technical assistance and capacity development, supplies, support to operational expenditure, and management cost. The entrusted entity would carry out the following budget-implementation tasks: supervision and monitoring of activities, procurement, tendering and contracting; validation and processing of payments; reporting, evaluation and, if necessary, auditing. The activities will be executed in compliance with IDB procedures and policies by an Execution Unit put in place by SIECA following the signature of a cooperation agreement between IDB and SIECA.

The envisaged entity has been selected using the following criteria:

IDB has implemented the development of the digital trade facilitation platform, requiring technical assistance and capacity development, supplies, support to operational expenditure, and management cost. This implementation is justified because of the technical competence, specialisation and administrative ability of IDB to carry out highly specialised assistance to develop regional trade procedures and the IT system, including acquisition of IT technology. In addition, IDB has financed the implementation of medium and long-term measures in a number of Central American countries, which entail substantive reforms in border infrastructure and procedures. In 2021, the bank has also concluded a study to identify and classify NTBs in Central America. This study includes recommendations on additional modules and functions to be integrated in the existing PDCC. Lastly, the organisation benefits from the necessary trust of the national competent authorities in the six countries.

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.

4.3.2 Direct Management: Direct grant to the Secretariat for Central American Economic Integration (SIECA)

a) Purpose of the grant

The grant will cover the general coordination of the action, guidance, supervision and monitoring of activities as well as the management cost. The grant beneficiary will be responsible for the political outreach and

ensuring capacity building, follow-up and implementation at national level in SIECA member states with public and private sector and all possible end users of the PDCC.

b) 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 SIECA. The recourse to an award of a grant without a call for proposals is justified because SIECA falls under the exceptions provided for in Article 195(c) and (f) of the Financial Regulation. SIECA has complete control of the technical administration of the PDCC due to the mandate received from its member states. In addition, it has specific administrative powers necessary to carry out the foreseen activities. SIECA covers part of the operating costs of the project, providing a sufficient number of qualified staff as well as the appropriate technology to host the platform, enhancing the sustainability of the PDCC.

Moreover, due to its mandate as a regional body in charge of implementing regional actions in the field of economic integration, SIECA is able to coordinate with its member states, each SICA Pro Tempore Presidency, COMIECO, COSEFIN and the different institutions of the SICA sub-system at the highest level. A direct grant to SIECA therefore helps to enhance political commitment and provide a sufficient level of ownership by related national administrations and public services.

It is worth nothing that SIECA has satisfactory experience in managing EU grants as demonstrated in previous cooperation and the PDCC further contributes to its empowerment and sustainability.

4.4 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

The Commission’s authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.5 Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)
Indirect management with IDB	3 000 000
Direct management (grant) with SIECA	1 300 000
Evaluation – cf. section 5.2	100 000
Audit – cf. section 5.3	100 000
Contingencies	500 000
Totals	5 000 000

4.6 Organisational Set-up and Responsibilities

SIECA will be responsible for the general coordination of the action. SIECA will ensure the required dialogue and coordination amongst the different stakeholders to guarantee the effective implementation of the programme and follow up on its results. In particular:

- SIECA will secure all needed institutional follow-up with each SICA Pro Tempore Presidency, especially for COMIECO and the CA Council of Finances Ministers (COSEFIN).
- SIECA will coordinate amongst the different sub-system institutions when required.
- SIECA will regularly engage with SICA countries and relevant services and with the private sector to coordinate the implementation of activities and foster the benefits of the action.

Considering the regional mandates, the Vice Ministers of COMIECO will act as the Steering Committee of the programme. It will be in charge of monitoring the implementation of the action and provide policy guidance to ensure the accomplishment of objectives and expected results. It will meet at least once a year and receive annual reporting from SIECA/IDB. The meetings will be arranged by SIECA in coordination with the PPT. The EU will participate as observer. The CCIE will be invited to participate and other interested parts, including private sector and business organisations (COSEFIN, CENPROMYPE, COMMCA, etc.) might be called when considered pertinent.

A permanent supervision will be performed by the EU Delegation in Costa Rica. Additionally, regular coordination with DG TRADE, DG TAXUD and DG AGRI and other EU Delegations in the region will be ensured.

SIECA member states will be responsible for putting in place the required legislative framework.

Ad hoc meetings, with different stakeholders' configuration will be organised as required.

The European Commission will be in charge of approval of all progress reports and payment requests.

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

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

Roles and responsibilities for data collection, analysis and monitoring:

Data will be collected through technical field mission and regular follow up mechanisms between IDB, SIECA and the SIECA member countries;

Progress in the implementation against approved work plans will also be reported to the Steering Committee; The rollout of the PDCC and other trade facilitation measures will also be discussed at the relevant sub-Committees of the annual Association Committee.

5.2 Evaluation

Having regard to the importance of the action, a mid-term and a final evaluation may 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 efficiency and operability of the developed modules.

The final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account the sustainability of the action in particular the fact it is a second phase and builds on longstanding EU support.

The evaluation reports shall be shared with the partner country and other key stakeholders following the best practice of evaluation dissemination². The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

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.

² See best [practice of evaluation dissemination](#)

Appendix - 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 <delete the options that are not applicable to the Action>;

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 (CRIS#/OPSYS#): <Present action> <Other action>
Contract level		
<input type="checkbox"/>	Single Contract 1	<foreseen individual legal commitment (or contract)>
<input type="checkbox"/>	Single Contract 2	<foreseen individual legal commitment (or contract)>
	(...)	
<input type="checkbox"/>	Group of contracts 1	<foreseen individual legal commitment (or contract) 1> <foreseen individual legal commitment (or contract) 2> <foreseen individual legal commitment (or contract) #>