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THIS ACTION IS FUNDED BY THE EUROPEAN UNION

ANNEX

to Commission Decision amending Commission Decision C(2019) 7496 final on the financing of the Annual Action Programme 2019 – part 2 in favour of Eastern Africa, Southern Africa and the Indian Ocean as regards the zone benefiting from the action

Annex 3 to Commission C(2019) 7496 final is amended as follows:

- 1) on the first page, in the table, point 2 ‘Zone benefiting from the action/location’ is replaced by the following:

2. Zone benefiting from the action/location	Sub-Saharan Africa (SSA) Countries, with a special focus on Eastern and Southern Africa and the Indian Ocean region (EA-SA-IO)
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- 2) in section 1.5 ‘Problem analysis/priority areas for support’, the first and the second paragraphs are replaced by the following:

‘Sustainable growth, the creation of high-value jobs and the development of regional value chains remain fundamentally below the high potentials of the region. Structural economic problems, inefficient service provision, insufficient infrastructure and a lack of competitiveness businesses that are able to access high-quality financial services and attract bankable investments are some of the issues that require innovative, sustainable and inclusive remedies and tailored technical assistance. The identification and development of internationally competitive business opportunities is the basis of a long-term strategy that seeks to add high value to local, national, regional and international value chains. Further, technical assistance is vital to the identification and overcoming of critical bottlenecks. The lack of access to finance and technical expertise is a key impediment for a business culture of entrepreneurship to develop. Under the auspices of the External Investment Plan (EIP), this action aims to unlock critical investments by enabling Sub-Saharan Africa (SSA) to acquire the technical assistance that is necessary to successfully manage economic and financial development.

The enhancement of the capacities of EA-SA-IO development finance institutions (DFIs) is a decisive element to overcome the SSA’s current limitations in business development and the general facilitation of exports and trade. Further, the development of business-to-business (B2B) platforms and networks as well as increased exchange with public institutions could generate important opportunities of knowledge transfer. The decrease of regulatory inefficiencies and the increase in the transparency of governance will help to remove administrative constraints, facilitate business licencing and increase general access to resources for the creation of innovative businesses. Strengthening public-private dialogue (including employer and worker organisations, producer associations, cooperatives, trade unions, etc.) is fundamental in order to enhance the collective capacity to manage political, economic and financial risks and increases the transparency of public policy. The technical assistance provided should increase the competitiveness of businesses, result in the development of high-quality services and infrastructure, as well as foster an environment that is conducive to innovative entrepreneurship that enhances access to business innovation and management, in particular for women and young entrepreneurs.’;

3) in section 4.3 ‘Mainstreaming’, the first paragraph is replaced by the following:

‘This action places important emphasis on the integration of crosscutting issues into any of its proposed activities. As such, it fosters the adoption of an integrated approach that recognises the complexity and spill over effects involved in processes of supporting capacity-building of local stakeholders with the ultimate aim of increasing inclusive and decent job creation and improving the investment climate through technical assistance accompanied targeted support to key sectors and value chains that can lead to green and sustainable growth across SSA, especially in the EA-SA-IO region. It thus responds to the EU guideline on ‘Integrating environment and climate change into EU international cooperation and development’. Furthermore, given that the creation of inclusive jobs is a prime objective of this action, the programme is fully in line with the general EU guidelines proposed in ‘mainstreaming gender equality to the project approach’. Concisely, the crosscutting issues that are being promoted can be classified into the following activities.’;

4) in section 5.7, the first paragraph under the title ‘REGIONAL WINDOW’ is replaced by the following:

‘Regional Technical Assistance Facility

The Regional Technical Assistance Facility under the REGIONAL WINDOW will act as an on-demand technical assistance facility covering all SSA countries, especially those of the EA-SA-IO region. Priority will be given to assessing requests for support originating in those countries of the EA-SA-IO region which do not benefit of a separate intervention under the PARTNER COUNTRY WINDOW of this Action.’.