



EN

**THIS ACTION IS FUNDED BY THE EUROPEAN UNION**

**ANNEX 23**

to the Commission Implementing Decision on the financing of the multiannual action plan in favour of  
Sub-Saharan Africa for 2022-2026 Part 2

**Action Document for Trade in Services in Sub-Saharan Africa**

**MULTIANNUAL PLAN**

This document constitutes the multiannual 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 CRIS/OPSYS business reference Basic Act</b>	Trade in Services (TiS) in Sub-Saharan Africa OPSYS number: ACT-61215 Financed under the Neighbourhood, Development and International Cooperation Instrument ( <u>NDICI-Global Europe</u> )
<b>2. Team Europe Initiative</b>	Yes Team Europe Initiative on support to the African economic integration towards AfCFTA
<b>3. Zone benefiting from the action</b>	The action shall be carried out in Sub-Saharan Africa.
<b>4. Programming document</b>	Multi-Annual Indicative Programme for Sub-Saharan Africa 2021-2027
<b>5. Link with relevant MIP objectives / expected results</b>	<u>Priority Area 5</u> : Sustainable Growth and Decent Jobs  <u>Specific Objective 1</u> : Increase sustainable intra-African trade and mobility, making them safer, cheaper, faster and greener; and strengthening Africa-EU trade.  <u>Result 1.6</u> : Liberalisation of trade in services progresses and digital trade is facilitated.  <u>Specific Objective 3</u> : An investment climate in Sub-Saharan Africa conducive to private sector development and investments, and improved business capacities and access to finance for MSMEs.  <u>Result 3.1</u> : Improved investment climate, regional market intelligence and identification of barriers to investments.
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>	
<b>6. Priority Area(s), sectors</b>	<u>Sub-Saharan Africa Regional MIP</u> :  Priority Area 5: Sustainable Growth and Decent Jobs  (Economic Integration and Trade)  <u>DAC Sector</u> :

	331 - Trade policy and regulations			
<b>7. Sustainable Development Goals (SDGs)</b>	Main SDG: SDG 8 – Decent work and economic growth Other significant SDGs: SDG 1 – No Poverty, SDG 5 – Gender Equality, SDG 9 – Industry, Innovation and Infrastructure, SDG 10 – Reduced Inequalities, SDG 12 – Sustainable Consumption and Production, SDG 17 – Partnerships for the Goals			
<b>8 a) DAC code(s)</b>	33110 - Trade policy and administrative management - 25% 33120 - Trade facilitation - 25% 33130 - Regional trade agreements (RTAs) - 25% 33140 - Multilateral trade negotiations - 25%			
<b>8 b) Main Delivery Channel</b>	40000 - Multilateral Organisations 10000 – Public Sector institutions 60000 - Private sector institution			
<b>9. Targets</b>	<input type="checkbox"/> Migration <input type="checkbox"/> Climate <input type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input type="checkbox"/> Education <input 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 checked="" type="checkbox"/>	<input 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"/>
	<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 digital skills/literacy digital services	YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	/
	Connectivity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	digital connectivity energy transport health education and research	YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	/
	Migration @ (methodology for tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Reduction of Inequalities @ (methodology for marker and tagging under development)	<input checked="" type="checkbox"/>	<input 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 lines (article, item) <sup>1</sup> : 14.020120 : EUR 13 355 000 (West Africa) 14.020121 : EUR 12 455 000 (East and Central Africa) 14.020122 : EUR 14 190 000 (Southern Africa and Indian Ocean) Total estimated cost: EUR 40 000 000 Total amount of EU budget contribution EUR 40 000 000 This action is contributing to the TEI in support to the African economic integration towards the African Continental Free Trade Area (AfCFTA) to which Belgium, Denmark, France, Germany, Finland, Ireland, the Netherlands, Portugal and Sweden are also contributing.			
<b>MANAGEMENT AND IMPLEMENTATION</b>				
<b>13. Type of financing</b>	<b>Direct management</b> through: - Procurement			

<sup>1</sup> Calculated as follows: The Continental component (€5 300 0000) was split along the 3 budget lines as such: 35% on West Africa line (€1 855 000) , 35% on East and Central Africa line (€ 1 855 000), 30% on Southern and Indian Ocean line (€ 1 590 000). The COMESA component (€ 8 200 0000) was allocated to the Southern and Indian Ocean line.

	<b>Indirect management</b> with the entity(ies) to be selected in accordance with the criteria set out in section 4.3.2
--	---

## 1.2 Summary of the Action

The Action intends to contribute to the liberalisation of services with an aim to increase Sub-Saharan Africa's (SSA) competitiveness, to boost sustainable economic growth, to attract investment, to create decent jobs, and to benefit consumers.

In order to promote continental and regional economic integration, to better answer countries' needs, and to take into account the different levels of regional level integration, the action will have one continental component and regional components, one in each Regional Economic Community (REC) mandated in Economic Integration and Trade: Economic Community of West African States (ECOWAS), Economic Community of Central African States (ECCAS), East African Community (EAC), Common Market for Eastern and Southern Africa (COMESA), and Southern African Development Community (SADC). Strong emphasis will be put on the direct involvement of private sector and business associations.

The Overall Objective (Impact) of this action is to increase intra- regional, continental, and bilateral trade in services, enabling higher integration into regional and global value chains and actors to benefit from all trade agreements (Multilateral, Continental, REC, and Bilateral-EPA).

The Specific Objective (Outcome) of this action is to: Increase Services liberalisation and exports for selected Services sectors at multilateral, continental, regional or bilateral level.

The Outputs to be delivered by this action contributing to the corresponding Specific Objective (Outcomes) are:

Output 1. Trade barriers in Trade in Services (TiS) are analysed and TiS policies are properly defined;

Output 2. Commitments in trade in services are defined;

Output 3. Awareness of export opportunities is enhanced for the private sector; especially for women- and youth led businesses;

Output 4. Appropriate, harmonised, and transparent TiS regulations integrating social and climate-related provisions are developed and more accessible.

## 2 RATIONALE

### 2.1 Context

Services have become the most dynamic and fast-growing sector of world trade, boosted by the COVID19 pandemic-led digitalisation, and play an increasingly central role in the actual operation of Global Value Chains (GVCs). In addition to their growth and jobs potential, Services are also an important and underestimated enabler for competitiveness in manufacturing (e.g. through financial services, IT and logistics) or agriculture. Services generate more than two-thirds of economic output, attract over two-thirds of foreign direct investment, and provide almost two thirds of jobs in developing countries and four-fifths in developed ones.

State-of-the-art services are needed for manufacturing firms and agricultural producers to connect to regional and global value chains and to develop competitiveness in more skill-intensive and increasingly circular activities along the value chain. Basic economic infrastructures are also required for systemic competitiveness, and overall welfare (education, health, energy, sanitation, transport, telecom, financial services).

Commitments at the World Trade Organisation (WTO) or within continental /regional/ bilateral agreements help to encourage Foreign Direct Investment (FDI). Such FDI typically leads to new skills and technologies that spill over into the wider economy in various ways. Also, properly developed services sectors have great potential from a gender perspective as services are the most important source of employment for women in many countries. They can thus play a crucial role for more inclusive and gender-sensitive economic development, if embedded into the right set of policies.

In Sub-Saharan Africa (SSA), despite many services sectors have opened up to foreign competition (tourism, telecommunications, financial services), several remain in monopolistic or oligopolistic situations or are considered as “governmental services” (transportation, environmental services such as water, waste, sewage, or electricity, and sometimes education or health services). Namely, Services make up 22% of Africa’s trade in line with global average. But Africa accounts for only 2% of the global trade in services. Intra-Africa trade in services was 2.1% on average in 2019<sup>2</sup>. Africa’s services exports were valued at about USD 118.04 billion, while the world’s total trade services exports reached almost USD 5,845.07 billion<sup>3</sup>. Travel services account for the largest share of Africa’s services exports (at about USD 50.01 billion)<sup>4</sup>. Women’s employment in services is most heavily concentrated in low- and mid-skill occupations such as “clerks and services workers” and “shop and market sales workers.” Furthermore, Services firms in Africa have a higher percentage of female top managers than manufacturing firms (the share of female workers in these and hospitality-related services was as high as 59%, compared with just over 42% in the manufacturing sector)<sup>5</sup>.

Trade agreements and liberalization processes can be instrumental in the diversification of exports and commodity-based development, which would enable African countries to effectively derive export earnings from exports of manufactured and processed products with higher domestic value-added, especially in the context of production based on foreign direct investment. However, to get the best positive impact of services liberalization, some institutional and regulatory frameworks should be strengthened. Most African countries are least developed countries with under-developed services sectors and mainly micro and small service suppliers (MSMEs); thus, in many cases they are unable to export services without skills development and training in export development, marketing/branding, advertising, etc. In addition, there is a need to ensure that all segments of society can benefit from trade liberalisation and adopt the new arrangements.<sup>6</sup>

This Action builds on the momentum for African integration with the submission of Services offers under the African Continental Free Trade Area (AfCFTA) and the African Union’s action plan “Boosting Intra-African trade (BIAT)”. The AfCFTA agreement -together with the Single African Air Transport Market (SAATM), the Programme for Infrastructure Development in Africa (PIDA), and the free movement of people- is one of the African Union’s flagships under the ten-year implementation plan of its Agenda 2063. Its main objective is to “create a single market for goods and services with free movement of people and investments”, thus expanding intra-African trade across the continent, enhancing competitiveness, promoting gender equality<sup>7</sup> and supporting economic transformation in Africa. Negotiations on services within the AfCFTA began in June 2018, and countries have identified 5 priority sectors: financial services, transport, telecom/information technology, professional services, and tourism, with negotiations at country level or at consolidated REC level expected to be concluded in June 2022 at the time of writing. Negotiations of the remaining 7 sectors (construction, distribution, education, energy, environmental, health and social services) should follow thereafter to be finalised by December 2023. Under the AfCFTA, 90% of countries would see their volume of services trade grow, reflecting in part the higher demand for services as Africa’s economy grows.

Services negotiations within the RECs or AfCFTA could, in principle, be easier and faster than among all WTO Member States (due to a lower number of participants). However, their complexity and the need for increased technical capacity of several African States is the reason why they should be supported. Also, for several African States the task of services liberalisation is a novel one.

The European Union, as first trade partner for African products, primary Aid for Trade provider and key partner for sustainable and green investment in Africa is the strategic partner to support the African economic integration agenda and stands ready to share good practices in the liberalisation of Services which are a major facilitator of regional, continental and global trade and investment.

<sup>2</sup> Socrates Majune, Judy Kiende, Evelyn Kihui: Intra-Africa Trade in Services and the prospects of the AfCFTA, 2<sup>nd</sup> annual conference on global economic analysis, July 20, 2021

<sup>3</sup> UNCTAD Stat

<sup>4</sup> UNCTAD Stat

<sup>5</sup> Gaurav Nayyar, Mary Hallward-Driemeier, and Elwyn Davies: At Your Service? The Promise of Services-Led Development, World Bank Group, 2021

<sup>6</sup> <https://odi.org/en/insights/the-afcfta-and-progress-for-gender-equality/>

<sup>7</sup> Article 3 (e) of the AfCFTA includes gender equality as an objective.

This action will also contribute to the objectives defined in the EU Trade Policy Review of increased openness for trade in services and the Declaration of December 2021 signed by the EU and 66 other WTO members in the context of the conclusion of the Joint Statement Initiative negotiations on Services Domestic Regulation. Furthermore, it will contribute to the deployment of the Global Gateway Africa – Europe Investment Package by strengthening economic integration at regional and continental levels with the aim to achieve sustainable and inclusive growth and decent job creation, as well as, promoting transformative and competitive economies.

## 2.2 Problem Analysis

Services' liberalization has become a key element of many development strategies, but many restrictions on services or impediments to trade in services remain affecting each four modes of supply (Mode 1: Cross-border supply; Mode 2: Consumption abroad; Mode 3: Commercial presence; Mode 4: Presence of natural persons), such as:

- Burdensome visa or work permit processes
- Non-recognition of professional credentials
- Rules that substantially restrict external financial transfers
- Discriminatory treatment vis-à-vis a national firm or other foreign competitors under the regulatory framework of the industry, for example, discriminatory registration or authorization requirements
- Excessive delays or arbitrary treatment in licensing or accreditation procedures
- Requirements for the employment of nationals when operating in the market
- Limitations on the type or quantity of service products allowed in the market
- Requirements for the formation of a joint venture, or prescription of specific corporate structure, when operating in the market
- Limitations on the percentage of foreign ownership of the firm, when operating in the market
- Requirements that local marketing and advertising firms be used, when operating in the market
- Prohibitions on the provision of a service by a foreign firm in the market
- Imposition of high fees or taxes on repatriation of earnings
- Restrictions on foreign participation in government procurement processes
- Exclusive services suppliers/ monopolies
- Additional barriers for women and youth led SMEs due to socio-cultural value and norms

Experience from the first negotiation phase of the AfCFTA (or negotiations on other arenas – WTO, regional, bilateral-EPA, etc.) shows that the negotiations are difficult and time-consuming, and that complex analysis and coordination processes are necessary both in and between the countries<sup>8</sup>. There is a need to generate more research that will help inform policy dialogue and more effective advisory services in the area of trade in services and trade agreements/trade negotiations<sup>9</sup>. Liberalisation entails regulatory reforms to roll-back discriminatory measures or non-discriminatory restrictions which may be embedded in laws and regulations. Thus, trade liberalisation aims to eliminate not regulations per se, but only the discriminatory or market access restrictive elements that may be embedded in domestic laws and regulations.

The life cycle of a trade in services negotiation process should the following<sup>10</sup>:

- Mapping a strategy for services (through sectoral diagnostics) in national development plans (countries need first to identify, through domestic stakeholder consultations, their interests for each sector, and only then each country can see what it can reasonably request from its trading partners and what it can commit to itself).
- Preparing for services negotiations (i.e. developing an informed negotiating strategy or identifying the capacity needs required to do so; setting up the proper channels of communication with key stakeholders; and conducting a trade-related regulatory audit);

<sup>8</sup> Source: [https://ted.europa.eu/udl?uri=TED:NOTICE:528242-2021:TEXT:EN:HTML&tabId=1. ?](https://ted.europa.eu/udl?uri=TED:NOTICE:528242-2021:TEXT:EN:HTML&tabId=1.)

<sup>9</sup> Source: <https://ecotis.projects.ecowas.int/wp-content/uploads/2020/08/EN-ECOWAS-SPR-Volume-II.pdf>

<sup>10</sup>Source: [https://openknowledge.worldbank.org/bitstream/handle/10986/2481/555480PUB0Trad1PI19845893001PUBLIC1.txt?sequence=2.](https://openknowledge.worldbank.org/bitstream/handle/10986/2481/555480PUB0Trad1PI19845893001PUBLIC1.txt?sequence=2)

- Conducting negotiations;
- Implementing negotiated outcomes, *i.e.* addressing regulatory capacities and weaknesses and identifying implementation bottlenecks; addressing non-conforming measures/barriers to TiS; and
- Supplying newly-opened markets with competitive and international standard-compliant services.

To strengthen services in Africa, policy makers need to consider a holistic approach and sound intra-governmental coordination that looks beyond simply signing agreements<sup>11</sup>. Among African countries, there is globally a certain lack of analysis, of local in-depth knowledge of the domestic regulatory environment in the (priority) sectors and Services negotiation techniques. Negotiation capacities of most Member States / RECs are limited. Many countries fear they will not be able to compete.

The focus should be on the effective implementation of coordinated regulatory reforms and on the liberalization of trade in services informed by systematic and well-coordinated inclusive data collection efforts and knowledge-sharing platforms<sup>12</sup>. Countries' private and public sectors need to work both in partnership and individually to define services schedules (by obtaining data and information on their defensive and offensive interests), services priorities and regulations required for their development. Moreover, mutual recognition agreements (MRAs) covering academic qualifications and professional services are needed to enhance human capital mobility.

In addition, there is still an overall lack of structured dialogue, consultation and understanding of the private sector's needs and expectations prior to governmental decision-making. Therefore, increasing the presence of private sector players allows focusing on more tangible benefits that can potentially be realised in the short to medium term.

Also, women and young entrepreneurs' and civil society participation in the preparation of schedules of specific commitments is important, as it would ensure that specific requests are put forward by women and young entrepreneurs in sectors where they can easily promote their export and import interests. It is important to reduce the barriers to success for women and youth owned businesses by fostering reforms to address gender and age disparities and developing work oriented toward economic inclusiveness for women and young entrepreneurs.

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

The main stakeholders of the project will be:

- The AfCFTA Secretariat, the Secretariats of the Regional Economic Communities will play a key role to help structure the overall activities and select potential participants at national level to structure National Services Committees
- Regional and national business associations like the «Union des Patronats d'Afrique Centrale» (UNIPACE), the COMESA Business Council, the SADC Business Council, the East-Africa Business Council, «Fédération des Organisations Patronales d'Afrique de l'Ouest» (FOPAO), and sectoral business associations if appropriate. Regional Business Associations will be involved in mobilising their members (national and sectoral business associations) on trade in services negotiations and implementation, as well as on sensitisation / awareness raising and training of their members. For each Member State will designate a person that will represent the main private sector organisation.
- Ministries of Trade and other national ministries. National Contact Points on services should be designated in each country. This person (generally within the Ministry of Trade) will link with other national administrations. Their role will be to help collect information on economic and social data and collect national regulations on specific sectors. Their intervention should promote the public-private dialogue through the creation of National Services Committees and technical working groups (on Telecoms, IT, Health, etc.) at national level.
- Relevant international organisations and European partners.
- Relevant CSOs, in particular women and young entrepreneurs.

<sup>11</sup> Source: <https://documents1.worldbank.org/curated/en/477321469182630728/pdf/107185-WP-TradeinServiceWeb-PUBLIC.pdf>,

<sup>12</sup> Source: <https://documents1.worldbank.org/curated/en/477321469182630728/pdf/107185-WP-TradeinServiceWeb-PUBLIC.pdf>,

### 3 DESCRIPTION OF THE ACTION

#### 3.1 Objectives and Expected Outputs

The **Overall Objective** (Impact) of this action is to increase intra- regional, continental, and bilateral Trade in Services, enabling higher integration into regional and global value chains and actors to benefit from all trade agreements (Multilateral, Continental, REC, and Bilateral-EPA)

The **Specific Objective** (Outcome) of this action is to:

Increase Services liberalisation and exports for selected Services sectors at multilateral, continental, regional or bilateral level.

The Outputs to be delivered by this action contributing to the corresponding Specific Objective (Outcomes) are:

Output 1. Trade barriers in Trade in Services (TiS) are analysed and TiS policies are properly defined;

Output 2. Commitments in trade in services are defined;

Output 3. Awareness of export opportunities is enhanced for the private sector, especially for women- and youth led businesses;

Output 4. Appropriate, harmonised, and transparent TiS regulations integrating social and climate-related provisions are developed and more accessible.

#### 3.2 Indicative Activities

##### **Activities related to Output 1:**

- Supporting peer-review mechanisms including through the organization of TiS sectoral working groups with the appropriate private and public stakeholders. This might entail the nomination of National Contact Points on services, for instance to collect services regulations;
- Training and Coaching of young researchers per country to do research & analysis on TiS;
- Diagnostics /Analysis of services sectors, including the analysis of regulations, and gender and youth considerations, and definition of Action Plans with priority reforms.

##### **Activities related to Output 2:**

- RECs, Member States/ national working groups (public and private stakeholders) negotiate and prepare lists of specific commitments, that are consistent with the relevant regulatory frameworks;
- Develop activities to share experiences and best practices among RECs and at continental level.

##### **Activities related to Output 3:**

- Awareness events to well inform private sector associations, SMEs, Civil Society in particular women and young entrepreneurs, etc. on TiS regulatory framework negotiations, achievements and opportunities;
- Train the private sector on export opportunities.

##### **Activities related to Output 4:**

- Draft, amend and update harmonised regulations (regional/ national) on services, including MRA and environmental and social provisions complying with Global/EU standards;
- Develop regulations on sectors and issues promoting climate change mitigation;
- Answer to needs of transparency and notification, both on sectoral regulations and identified restrictions. This might entail supporting development and linkages of regional (REC) or continental IT platforms.

The commitment of the EU's contribution to the Team Europe Initiative to which this action refers, will be complemented by contributions from other partners in a Team Europe approach. It is subject to the formal confirmation of each respective partner's meaningful contribution as early as possible. In the event that the TEIs and/or these contributions do not materialise, the EU action may continue outside a TEI framework.



### 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 the OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that this action promotes women's meaningful involvement in trade in services negotiations and contributes to their economic empowerment.

In Africa, women's employment in services is most heavily concentrated in low- and mid-skill occupations such as "clerks and services workers" and "shop and market sales workers." Furthermore, it is worth noting that hotels and restaurants and wholesale and retail trade perform best in female employment, female participation in ownership, and female top managers. Services firms in Africa have a higher percentage of female top managers than manufacturing firms<sup>13</sup>. In Sub-Saharan Africa, the share of female workers in these commerce and hospitality-related services was as high as 59%, compared with just over 42% in the manufacturing sector<sup>14</sup>.

Trade and regulatory reforms in professional services in Africa may have an important positive effect on women.

Women entrepreneurs' participation in the preparation of schedules of specific commitments is important, as it would ensure that specific requests are put forward by women in sectors where they can easily promote their export interests<sup>15</sup>.

Women entrepreneurs could also be interested in commitments in sectors where they have import interests, such as the liberalisation of bank loans and payment methods services (bank cards, virtual currency, ...). It is important to reduce the barriers to success for women owned businesses by fostering reforms to address gender disparities and developing work oriented toward economic inclusiveness for women.

This action will foresee measures in favour of civil society in line with the overarching goals of the NDICI-Global Europe to support inclusive, participatory, empowered, and independent civil society and democratic space in partner countries, and an inclusive and open dialogue with and between civil society. This project will aim at increasing participation of private sector organisations in regional integration processes.

#### **Human Rights**

The action will integrate a rights-based approach and will contribute to ensuring that rights holders, including vulnerable groups, are taken into account. The action will encourage active participation of a wide range of stakeholders in economic groupings and industry clusters aimed at generating benefits at community level.

At all stages gender-responsive human rights-based approach principles (applying all human rights for all, meaningful and inclusive participation and access to decision-making, non-discrimination and equality,

<sup>13</sup>Source:

<https://openknowledge.worldbank.org/bitstream/handle/10986/24968/From0hair0styl0n0services0in0Africa.txt?sequence=2&isAllowed=y>

<sup>14</sup> Gaurav Nayyar, Mary Hallward-Driemeier, and Elwyn Davies: At Your Service? The Promise of Services-Led Development, World Bank Group, 2021

<sup>15</sup> Sékou Falil Doumbouya, Shetradès: Trade in services in the AfCFTA

accountability and rule of law for all, anti-corruption measures and transparency and access to information supported by disaggregated data) will guide the planning and implementation of the Action.

#### **Disability**

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0. Although Trade in Services can have the potential to offer increased job opportunities to people with disabilities as opposed to the primary and secondary sectors of economy, no activity is foreseen to target specifically people with disabilities. However, this consideration is taken into account since regulation drafting is foreseen to encompass social standards.

#### **Democracy**

Development of clear regulatory frameworks will be promoted with a strong emphasis in ensuring good governance and transparency in the policy and regulatory adoption. The engagement of civil society and private sector organization in advocacy will be promoted to ensure more inclusive and transparent governance structures that reply to the needs of private sector and consumers.

#### **Conflict sensitivity, peace and resilience**

The action will not have a core focus on peace and resilience, however in line with the development- security nexus, it is important to flag the relevance of economic sustainable growth for stabilization and sustainable development.

#### **Disaster Risk Reduction**

This action will not target or impact disaster risk reduction, however it will ensure climate impact mitigation through the strengthening of harmonized regulations (regional/ national) on services, including MRA and environmental and social provisions complying with Global/EU standards.

#### **Other considerations if relevant**

N/A

### 3.4 Risks and Lessons Learnt

<b>Category</b>	<b>Risks</b>	<b>Likelihood (High/ Medium/ Low)</b>	<b>Impact (High/ Medium/ Low)</b>	<b>Mitigating measures</b>
People and organisations	Limited capacity to implement and monitor projects at REC Secretariat level, as the REC Secretariat lacks staff to effectively implement the various elements of the programme.	<b>M</b>	<b>M</b>	Long term advisors are envisaged in the implementation of the Programme to be recruited to increase and boost the capacity of the REC Secretariat to help coordinate the TiS process.  Possible country specific plans could be developed to ensure monitoring of country level activities.
People and organisations	At Member State level, capacities are weak to implement activities delegated to the national authorities.	<b>M</b>	<b>M</b>	Seek a strong involvement of the private sector and institutional capacity support at Member State level on a capacity needs basis in coordination with REC Secretariat and EU delegations.

People and organisations	Insufficient resources are made available to allow African States to implement the TiS.	<b>M</b>	<b>M</b>	Work and coordinate with other donors to secure more financing for African States to implement all aspects of the TiS agreements.
External environment	There might be reluctance of some economic operators and respective Governments to move on speedily on trade in services liberalisation, particularly where evident limitations in supply-side capabilities raise fears of crowding out and outcompeting weak domestic providers.	<b>H</b>	<b>H</b>	The programme will mobilise public and private stakeholders thereby leveraging private sector participation, particularly for the removal of sector specific barriers and restrictions. Moreover, sector studies and research will be undertaken with the aim to provide a clearer picture on potential impacts of further liberalisation of key sectors on sustainable economic development.
External environment	Implementation of services liberalisation commitments is hampered by attendant factors including labour and immigration issues.	<b>M</b>	<b>M</b>	Labour (MRA) issues are covered by this Action as well as the supported awareness activities.

#### **Lessons Learnt:**

Services as the sole focus of an action is a relatively new endeavour, as the past EU interventions have focused on Trade in goods mostly. Lessons learnt from few projects show that negotiations related to regional economic integration can rather be long as countries take a cautious approach to opening up some key sectors seen the potential consequences to social economic priorities like employment, incomes and government revenue. A similar approach is taking place in the implementation of agreed trade in services liberalisation commitments.

Interventions that have involved private sector players seem to have paid off faster than those where there was purely public sector participation. Increasing the presence of private sector players allows focusing on more tangible benefits that can potentially be realised in the short to medium term.

But private sector consultations processes can be limited and not strong enough, because the know-how on services negotiations remains very limited in Africa and globally. Then, governments must engage private businesses and incorporate their approaches and perspectives into the implementation of the AfCFTA. Policymakers should rely on the knowhow of the private sector to put in place regulations that support innovation and set Africa up for success in the long term, and not only in the short term. There is room for improvement for structured dialogues, trust-building, consultation and understanding of the private sector's needs and expectations prior to governmental decision-making. Public-private sector dialogue can be strengthened, deepened and held more often.

### 3.5 The Intervention Logic

This Action will address the fragmented panorama of Trade in Services in SSA focusing on trade barriers, liberalisation commitments, private sector involvement, and framework accessibility and (regulatory) harmonisation. Countries are not all equally equipped and are not at the same level of implementation of trade in services liberalisation commitments. Thus, instead of developing a top-down approach, this Action should be “bottom-up” and develop activities at the national level before reaching the regional and continental spheres and its effects on global integration (Outcome 1).

If support is provided to national research on TiS and inclusive sectoral working groups are formed within a nationally active dialogue between public and private actors, then trade barriers will be identified (Output 1). Hence, if in relation to such barriers specific commitments are formulated at regional level and exchange on practices is developed in an environment open to expand appropriate regulations and reforms, then concrete commitments towards better regulations for TiS will be implemented (Output 2, 4). Moreover, if the private sector is trained and awareness is raised towards the TiS-related export opportunities, the private sector willingness to participate and to support TiS development will raise (Output 3).

Therefore, given that trade barriers are identified, specific commitments are implemented, the awareness of export opportunities is raised, and sound and accessible regulatory frameworks are in place, SSA will benefit from a growing liberalisation of TiS and a growth of services flows at multilateral, continental, regional or bilateral level. This will happen in relation to a more fluid regional and multi-country dialogue over TiS negotiations supported by a participative private sector.

Provided that a strong commitment takes place at national level to deepen regional integration all along the activities foreseen by the Action, the increase in service liberalisation and related export interests will in turn scale up the volume of intra-regional, continental, and bilateral Trade in Services. Thus, SSA will benefit from an enriched integration in global value chains and significant returns from all trade agreements.

This Action proposes to deploy TiS technical assistance at the level of the AfCFTA Secretariat and at the level of each REC, to better answer countries’ needs, to take into account the differences of regional level integration and to promote this regional integration under the RECs and the AfCFTA umbrella.

At the inception phase of the programme, country specific plans could be developed to ensure planning of country level activities and minimisation of duplication due to overlapping memberships to RECs.

For countries where there is an overlap of membership, the program implementors of the subregional component, will discuss and assess the proposal under other regional components, to ensure the mitigation of overlaps, stronger coordination will be needed here.

Moreover, when relevant and to avoid excluding certain SSA countries, some of the regional components will need to cover countries that are not part of their official Member States but that they have either been traditionally considered as part of the region’s scope under EU funded programs, and/or that have strong linkages with their RECs mandate and integration process (ie. Mauritania and the ECOWAS region).

There will be activities to support Trade in Services under the Economic Partnership Agreement (EPA) in concerned countries.

### 3.6 Logical Framework Matrix

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

On the basis of this logframe matrix, a more detailed logframe (or several) may be developed at contracting stage. In case baselines and targets are not available for the action, they should be informed for each indicator at signature of the contract(s) linked to this AD, or in the first progress report at the latest. New columns may be added to set intermediary targets (milestones) for the Output and Outcome indicators whenever it is relevant.

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

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

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

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

Results	Results chain (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
<b>Impact</b>	To increase intra- regional, continental, bilateral Trade in Services, enabling higher integration into regional and global value chains and actors to benefit from all trade agreements (Multilateral, Continental, REC, Bilateral-EPA)	<ol style="list-style-type: none"> <li>Percentage of Intra-African trade in services</li> <li>Value of Africa's services exports</li> </ol>	<ol style="list-style-type: none"> <li>2.1% on average in 2019</li> <li>Africa's services exports were valued at about USD 118.04 billion in 2019</li> </ol>	<ol style="list-style-type: none"> <li>7.1% by 2028</li> <li>USD billion 124,32 (5% increase) by 2028</li> </ol>	<ol style="list-style-type: none"> <li>AfCFTA Secretariat, COMTRADE</li> <li>AfCFTA Secretariat, COMTRADE</li> <li>AfCFTA Secretariat, COMTRADE</li> </ol>	<i>Not applicable</i>
<b>Outcome 1 (Specific objective)</b>	Increase Services liberalisation and exports for selected Services sectors at multilateral, continental, regional or bilateral level	<ol style="list-style-type: none"> <li>1.1. Number of services sectors liberalized</li> <li>1.2. Number of Harmonized regulations on services sectors drafted</li> <li>1.3. Number of Mutual recognition agreements drafted and validated</li> <li>1.4 GERF 2.15 Number of processes related to partner country practices on trade, investment and business, or promoting the external dimension of EU internal policies or EU interest, which have been influenced</li> </ol>	<ol style="list-style-type: none"> <li>1.1: WTO national commitments in Services liberalisation 2022</li> <li>1.2: REC achievements 2022</li> <li>1.3: REC achievements 2022</li> <li>1.4: 0 in 2022</li> </ol>	<ol style="list-style-type: none"> <li>1.1: Analysis of 80% of WTO classification and additional commitments are taken at continental, REC level. African EPA signatories open services negotiations with the EU to liberalise Services</li> <li>1.2: REC Harmonised regulations are drafted for the following sectors: telecoms and IT, financial services, transport, tourism, energy, health and education</li> <li>1.3: 9 (80% of the chapter) "business services" are covered</li> <li>1.4: 6 by 2028 (one per each component)</li> </ol>	<ol style="list-style-type: none"> <li>1.1. Diagnostic studies</li> <li>1.2.: Progress reports for the EU-funded intervention / REC annual report)</li> <li>1.3. Progress reports for the EU-funded intervention /REC annual report)</li> <li>1.4. Progress reports for the EU-funded intervention / REC annual report)</li> </ol>	Strong willingness at national level to develop a structured public/ private dialogue and to deepen Regional integration
<b>Output 1 related to Outcome 1</b>	Trade barriers in Trade in Services are analysed and TiS policies are properly defined	1.1.1: Number of TiS sectoral inclusive working groups involving the appropriate private and public stakeholders at national /REC level, organized with support of the EU-funded intervention;	<ol style="list-style-type: none"> <li>1.1.1: zero</li> <li>1.1.2: zero</li> <li>1.1.3.: zero</li> <li>1.1.4.: zero</li> </ol>	<ol style="list-style-type: none"> <li>1.1.1: one in each country covered by the EU project (total 48 Sub-Saharan countries covered)</li> <li>1.1.2: one in each country covered by the</li> </ol>	<ol style="list-style-type: none"> <li>1.1.1: Annual reports done by PMU</li> <li>1.1.2: Annual reports done by PMU</li> <li>1.1.3.: Annual reports done by PMU</li> </ol>	Strong willingness at national level to develop a structured public/ private dialogue, to work on

		<p>1.1.2. Number of National Contact Points on services at national level to collect services regulations with support of the EU-funded intervention, per country</p> <p>1.1.3: Number of Diagnostics /Analysis of services sectors done with support of the EU-funded intervention, per country</p> <p>1.1.4. Number of Action Plans defined with priority reforms on services with support of the EU-funded intervention, per country</p> <p>1.1.5. Percentage of women in working groups organized with support of the EU-funded intervention</p>	1.1.5. 0%	<p>EU project (total 48 Sub-Saharan countries covered)</p> <p>1.1.3. Ten sectors covered in each country</p> <p>1.1.4: Ten sectors covered in each country</p> <p>1.1.5. 50% of women in all working groups</p>	<p>1.1.4: Annual reports done by PMU</p> <p>1.1.5: Annual reports done by PMU</p>	appropriate regulations and engage in reforms
<p><b>Output 2</b></p> <p><b>related to Outcome 1</b></p>	Commitments in trade in services are defined;	<p>1.2.1: Number of meetings of inclusive national working groups on TiS organized with support of the EU-funded intervention</p> <p>1.2.2. Number of sectors covered with support of the EU-funded intervention, per country</p> <p>1.2.3. Number of lists of commitments defined with support of the EU-funded intervention</p> <p>1.2.4. Number of activities for sharing experiences and best practices among REC and at continental level created with support of the EU-funded intervention</p> <p>1.2.5. Percentage of women involved in working groups / activities created with support of the EU-funded intervention</p>	<p>1.2.1: zero</p> <p>1.2.2: zero</p> <p>1.2.3: zero</p> <p>1.2.4.: zero</p> <p>1.2.5.: zero</p>	<p>1.2.1: 12meetings</p> <p>1.2.2: 10 services analysed in each country</p> <p>1.2.3: 3 meetings</p> <p>1.2.4: 3 meetings</p> <p>1.2.5.:50% of women involved in working groups and activities</p>	<p>1.2.1: Progress reports for the EU-funded intervention / REC annual report /PMU annual reports</p> <p>1.2.2: Progress reports for the EU-funded intervention / REC annual report /PMU annual reports</p> <p>1.2.3: Progress reports for the EU-funded intervention / REC annual report /PMU annual reports</p> <p>1.2.4: Progress reports for the EU-funded intervention / REC annual report /PMU annual reports / PMU annual reports</p> <p>1.2.5: Progress reports for the EU-funded intervention / REC</p>	Strong willingness at national level to develop a structured public/ private dialogue, to work on appropriate regulations and engage in reforms

					annual report / PMU annual reports	
<b>Output 3 related to Outcome 1</b>	Awareness of export opportunities is enhanced for the private sector, especially for women- and youth-led businesses ;	<p>1.3.1. Number of trainings provided to SMEs and professionals (of which women- and youth-led SMEs), per REC by the EU-funded interventions</p> <p>1.3.2. Number of Awareness events to inform businesses, SME, etc. on TiS negotiations, achievements and opportunities organized with support of the EU-funded intervention, per country</p> <p>1.3.3. Percentage of women and youth involved in training and awareness events with support of the EU-funded intervention</p>	<p>1.3.1. zero</p> <p>1.3. 2: zero</p> <p>1.3.3: zero</p>	<p>1.3.1. Two in each REC for the duration of the EU project</p> <p>1.3.2: One event per year in each country</p> <p>1.3.3.: 50% of women and youth involved in training and awareness events</p>	<p>1.3.1. Progress reports for the EU-funded intervention / REC annual report / main regional business association annual report</p> <p>1.3.2: Progress reports for the EU-funded intervention / PMU annual reports</p> <p>1.3.3: Progress reports for the EU-funded intervention / PMU annual reports</p>	Strong willingness at national level to develop a structured public/ private dialogue, to work on appropriate regulations and engage in reforms
<b>Output 4 related to Outcome 1</b>	Appropriate, harmonised, and transparent TIS/investment/digital trade regulations integrating social and climate-related provisions are developed and more accessible.	<p>1.4.1. Number of reforms initiated on services sectors with support of the EU-funded intervention</p> <p>1.4.2. Number of sectors with harmonised regulations reviewed/ drafted with support of the EU-funded intervention</p> <p>1.4.3. Number of MRA defined with support of the EU-funded intervention</p> <p>1.4.4. Number of provisions including environmental and social standards drafted with support of the EU-funded intervention</p> <p>1.4.5. Number of sectors / countries making available their regulations on the REC or continental IT platform with support of the EU-funded intervention</p>	<p>1.4.1: zero</p> <p>1.4.2: zero</p> <p>1.4.3: zero</p> <p>1.4.4: zero</p> <p>1.4.5: zero</p> <p>1.4.6. zero</p>	<p>1.4.1: Drafted regulations / updated in 8 services sectors at REC level</p> <p>1.4.2: Drafted regulations / updated in 8 services sectors at REC level</p> <p>1.4.3: MRA covering 80% of “business services” chapter</p> <p>1.4.4: Mainstreamed across all services sectors regulations</p> <p>1.4.5: All regulations collected during the diagnostics should be on the IT platform</p> <p>1.4.6. 50% of women in working groups</p>	<p>1.4.1: REC annual reports</p> <p>1.4.2: REC annual reports</p> <p>1.4.3: REC annual reports</p> <p>1.4.4. REC annual reports</p> <p>1.4.5: REC or continental IT platform</p> <p>1.4.6.: REC annual reports</p>	Strong willingness at national level to develop a structured public/ private dialogue, to work on appropriate regulations and engage in reforms Strong willingness to improve governance and transparency



		1.4.6. Percentage of women in working groups with support of the EU-funded intervention				
--	--	---	--	--	--	--

## 4 IMPLEMENTATION ARRANGEMENTS

### 4.1 Financing Agreement

In order to implement part of this action, it is envisaged to conclude Financing Agreements with the REC Secretariats (ECOWAS, ECCAS/ CEMAC, EAC, COMESA, SADC).

### 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 entry into force of the financing agreement and for the components where no financing agreement is signed, from 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 Modalities

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

#### 4.3.1 Direct Management (Procurement)

A part of this action may be implemented in direct management via service contracts, to achieve all objectives and outcomes foreseen in section 3 under the Central Africa – ECCAS and Southern Africa – COMESA components.

#### 4.3.2 Indirect Management with a pillar assessed entity

Some components of this action may be implemented in indirect management with a pillar-assessed entity, which will be selected by the Commission's services using the following criteria: i) Level of current involvement in the RECs negotiations on trade in services in the region targeted; ii) Core mandate in the area of expertise; iii) Technical capacities and available expertise in the area targeted; iv) Experience in working with the private sector; v) Capacity to develop a strong EU communication and visibility programme. Pillar-assessed entities to be considered for selection may range from Member States Organisations to International Organisations.

In regions where the RECs are pillar assessed, these may also be selected to implement a part of the relevant component to ensure the steering and coordination of the program component. When selecting the relevant REC, the Commission will use the following criteria: i) political mandate in the area of trade in services; ii) technical and operational capacities in the area targeted, iii) value addition in ensuring effective implementation and coordination over Member States and International Organisations.

The implementation by these entities entails all objectives and outcomes foreseen in section 3 under the continental – AfCFTA, West Africa – ECOWAS, Eastern Africa – EAC, Southern Africa – SADC components, as relevant.

In particular, one of the geographic components of the action may be implemented in indirect management with one or a consortium of Member State organisations which will be selected by the Commission's services using the following criteria: (i) wide geographic coverage and relevant experience in implementing similar actions; (ii) operational capacity to mobilise a targeted technical expertise in the relevant areas; (iii) financial contribution to the action. The implementation by this entity entails the provision of technical assistance to support the AfCFTA Secretariat, RECs and their Member States to complete the AfCFTA negotiations on

<sup>16</sup> [www.sanctionsmap.eu](http://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.

trade in services and to implement effectively the related protocols and/or annexes. The implementation by this entity entails all objectives and outcomes foreseen in section 3 under the continental – AfCFTA.

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

Should the implementation through indirect management with a pillar assessed entity reveal not be possible due to circumstances outside of the Commission's control, the Commission will revert to through procurement of service contracts as per 4.3.1. to achieve all the objectives of Section 3.

Similarly, should direct management reveal not be possible due to circumstances outside of the Commission's control, the Commission will revert to indirect management with pillar assessed entities, which will be selected by the Commission's services using the following criteria, as per 4.3.2.:

International or Member States Organisation: i) Level of current involvement in the RECs negotiations on trade in services in the region targeted; ii) Core mandate in the area of expertise; iii) Technical capacities and available expertise in the area targeted; iv) Experience in working with the private sector; v) Capacity to develop a strong EU communication and visibility programme.

REC: i) political mandate in the area of trade in services; ii) technical and operational capacities in the area targeted, iii) value addition in ensuring effective implementation and coordination over Member States and International Organisations.

#### 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, subject to the following provision.

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

<b>Indicative Budget components</b>	<b>EU contribution (amount in EUR)</b>
<b>Implementation modalities – cf. section 4.3</b>	
<b>Continental component - AfCFTA</b>	<b>5 300 000</b>
Indirect management with pillar-assessed entities – cf section 4.3.2	5 300 000
<b>West Africa component - ECOWAS</b>	<b>11 500 000</b>
Indirect management with pillar-assessed entities – cf section 4.3.2	11 500 000
<b>Central Africa component - ECCAS</b>	<b>6 200 000</b>
Direct Management (Procurement) – cf section 4.3.1	6 200 000
<b>Eastern Africa component- EAC</b>	<b>4 400 000</b>
Indirect management with pillar-assessed entities – cf section 4.3.2	4 400 000
<b>Southern Africa component- COMESA</b>	<b>8 200 000</b>
Direct Management (Procurement) – cf section 4.3.1	8 200 000

<b>Southern Africa component - SADC</b>	<b>4 400 000</b>
Indirect management with pillar-assessed entities – cf section 4.3.2	4 400 000
<b>Procurement</b> – total envelope under section 4.3.1	14 400 000
<b>Evaluation</b> – cf. section 5.2 <b>Audit</b> – cf. section 5.3	N.A.
<b>Contingencies</b>	N.A.
<b>Totals</b>	<b>40 000 000</b>

## 4.6 Organisational Set-up and Responsibilities

The underlying intervention logic for this action is that there will be one framework programme with several geographic components. The objective is to put together a structured approach promoting coherence between the different components of the action.

Under the continental component, one of the implementing partners will be tasked (in addition to the continental interventions) to support the coordination and monitoring of the overall action, creating synergies between the implementation of the different components. In line with these tasks, an Overall Monitoring Group will be organized under the continental component. This Monitoring Group will ensure an overall overview and monitoring of the implementation of the different subregional components. The co-leaders for the different components will participate together with the continental actors. This meeting could take place back-to-back with the Technical Consultative Group of Economic Integration co-chaired by the European Union and the AfCFTA Secretariat and that includes the AUC, RECs and relevant Business Associations representatives.

In addition to this, each regional component will have an Operational Steering Committee piloted by the corresponding REC Secretariat and the European Union, which will be tasked with overseeing and validating the overall direction and policy of the programme's component. It may include the main Regional/National Business Associations, some national stakeholders i.e., from the ministry of Trade. The implementing partner will ensure the secretariat of the Operational Steering Committee.

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.

Potential co-financing for the action by other EU Member States and key stakeholders might be envisaged at a later stage.

## 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) 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: Where appropriate, the Regional Delegations or the implementing partner will be responsible for monitoring and reporting on indicators of the logframe matrix, including the collection of baselines and data collection in the inception phase of the action.

Indicator values will be measured at regional or on a country-by-country basis depending on the nature of the activities and encompassing sex-disaggregated data where relevant.

In addition, considering the complexity of the action that covers different implementation levels it will be critical that implementing partners are able to communicate and report on the specific activities in each country (at a country-by-country level) to have a clear overview on the impact of the action at country level. While the indicator values at the logframe matrix may remain aggregated for the sake of simplification, implementing partners will need to be able to provide the disaggregation details in their regular reporting agreed mechanisms and in line with the country plans to be developed through the reporting phase.

With regard to the nature of the Action, data collection, performance monitoring and reporting will be carried out for each geographic component individually. Specific modalities for each of them (indicators, targets and assumptions) will be defined in the respective contracts/agreements and during the inception phases, in a way that will provide inputs for the performance monitoring of the Action globally.

## 5.2 Evaluation

Having regard to the importance and nature 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.

It will be carried out for problem solving and learning purposes, in particular with respect to a bigger focus on REC harmonisation of regulations or EPA components.

In case a final evaluation is envisaged: It will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that all REC may not advance at the same rhythm and that a key factor of success is the involvement of the private sector and the public/private dialogue.

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.

The evaluation will be gender and human rights sensitive, assess gender equality and human rights results and implementation of rights-based approach working principles (participation, non-discrimination, accountability and transparency).

The financing of the evaluation may be covered by another measure constituting a Financing Decision.

## 5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

# 6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

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

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

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

## Appendix 1 REPORTING IN OPSYS

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

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

The present Action identifies as:

<b>Action level</b>		
<input checked="" type="checkbox"/>	Single action	Present action: all contracts in the present action
<b>Group of actions level</b>		
<input type="checkbox"/>	Group of actions	Actions reference (CRIS#/OPSYS#):
<b>Contract level</b>		
<input type="checkbox"/>	Single Contract 1	
<input type="checkbox"/>	Single Contract 2	
	(...)	
<input type="checkbox"/>	Group of contracts 1	