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THIS ACTION IS FUNDED BY THE EUROPEAN UNION

ANNEX II

**of the Commission Implementing Decision on the financing of the individual measure regarding the multiannual work programme contributing to an ACP Trust Fund in favour of private sector operations in ACP countries,
on the individual measure regarding multiannual work programme for operations in ACP countries under the External Action Guarantee and
on the approval of the conclusion of the related External Action Guarantee agreement**

Action Document for an EIB Dedicated ACP Investment Window for private sector operations under EFSD+ Guarantee / the External Action Guarantee

INDIVIDUAL MEASURE

This document constitutes an individual measure in the sense of Article 23 of the NDICI-Global Europe Regulation.

1 SYNOPSIS

Pursuant to the Council Decision (EU) 2020/2233 of 23 December 2020, the reflows¹ from the ACP Investment Facility (IF) operations under the 9th, 10th and 11th European Development Funds will flow back to the EU budget. In line with the EIB–EC joint understanding of 3 December 2020, the reflows that will be available for payment between 2021–2027, would be used in equal parts:

- a) as EU contribution to the ACP Trust Fund (TF) for high impact private sector operation, established and managed by the EIB (see accompanying Action Document in Annex I).
- b) for provisioning a EU budgetary guarantee for EIB private sector operations in the ACP countries.

The total amount of reflows accumulated during the current MFF expected to be received by the European Commission is up to EUR 1000 million (in 2018 prices), which is in line with the political agreement by Member States on 11 December 2020.

This document refers to part (b) mentioned above - EIB Dedicated ACP Investment Window for private sector operations under EFSD+ Guarantee.

1.1 Action Summary Table

1. Title CRIS/OPSYS business reference Basic Act	EIB Dedicated ACP Investment Window for private sector operations under EFSD+ Guarantee provisioned. Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe). OPSYS number: ACT-61397
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¹ For the purposes of, ‘reflows’ Decision 2020/2233 means any income, including dividends, capital gains, guarantee fees and interest on loans, on amounts on any account opened for the purpose of recording cash held for the account of the ACP Investment Facility. It also means remuneration from treasury investments, and repayments, including capital repayments, guarantees released and repayment of the principal of loans resulting from operations under the ACP Investment Facility. Funds stemming from the de-commitment of reflows shall also be considered to be reflows.

2. Team Europe Initiative	No* <i>*No for the window as a whole, although covered EIB financing operations and related activities may individually be part of respective Team Europe Initiatives in the ACP countries.</i>
3. Zone benefiting from the action	Countries ² in the African, Caribbean and Pacific (ACP) region
4. Programming document	N/A
5. Link with relevant MIP(s) objectives / expected results	<p>The action will be implemented in line with the objectives and expected results of the geographic strategic documents as well as bilateral, regional and thematic programming documents, in particular in relation to the priority areas and sectors indicated below.</p> <p>The action aims at supporting the overarching priorities, notably the Global Gateways strategy and Jobs and sustainable and inclusive Growth, the EU Green Deal, the Growth, and underpinned by Team Europe Initiatives as well as flagship project investments.</p> <p>The action will have a particular focus on delivering Global Gateway related objectives meaning boosting smart, clean and secure links in digital, energy and transport and strengthen health, education and research systems.</p> <p>This EIB Dedicated ACP Window is part of a single-package approach alongside the ACP Trust Fund and complements EFSD+ open architecture guarantee operations in ACP countries by the EIB and other Finance Institutions.</p>
PRIORITY AREAS AND SECTOR INFORMATION³	
6. Priority Area(s), sectors	<p>Private Sector development EIB should consider the challenges faced by Least Developed Countries (LDC) and Fragile States and support projects that:</p> <ul style="list-style-type: none"> i. finance the Global Gateway⁴ strategy, in particular for transport, people2people, energy and digital connectivity⁵; ii. provide decent Jobs and inclusive Growth; iii. are in line with the EU Green Deal, and consistent with implementation of Nationally Determined Contributions (NDCs), including addressing mitigation or adaptation to <i>climate change</i>, reverse <i>biodiversity loss</i> and eliminate pollution by moving to a <i>circular economy</i>;
7. Sustainable Development Goals (SDGs)	<p>SDGs 6, 7, 11, 12, 13, 14, 15 (Green Deal)</p> <p>SDGs 8, 9, 11, 12 (Sustainable growth and jobs)</p> <p>SGD 9 (Science, technology and innovation and digital, infrastructure, connectivity)</p>

² See members of the Organisation of African, Caribbean and Pacific countries, to be covered by the post-Cotonou Agreement.

³ Rows 7-11 based on information provided by the EIB.

⁴ As described in The Global Gateway Joint Communication to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank, [JOIN\(2021\) 30 final](#), from 1 December 2021.

⁵ See the five key policy drivers (1) digitalisation, (2) climate and energy, (3) transport, (4) health, as well as (5) education and research.

	SDGs 1, 2, 3, 4, 5, 6, 10, 16 (Governance, peace & security, gender equality and human development)			
	SDGs 3, 4, 8, 10, 17 (Migration)			
8 a) DAC code(s) ⁶	The EIB will identify the sector code of its operations under this Investment Window. The following (non-exhaustive list of) DAC codes may apply: 110, 120, 140, 160, 210, 220, 230, 240, 250, 310, 320, 410, 430.			
8 b) Main Delivery Channel @	European Investment Bank - 42000			
9. Targets ⁷	NDICI-Global Europe Regulation, INTPA and EU targets this action is contributing to (indicatively): <input checked="" type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input checked="" type="checkbox"/> Biodiversity <input checked="" type="checkbox"/> Education ⁸ <input type="checkbox"/> Human Rights, Democracy and Governance ⁹			
10. Markers for individual operations ¹⁰ of the EIB Dedicated ACP Investment Window ¹¹ (from DAC form)	General policy objective @	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Aid to environment @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant	Principal

⁶ DAC sectors (codes and descriptions) are indicated in the second and fourth columns of the tab 'purpose codes' in the following document: <https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/dacandcrscodelists.htm>

⁷ Actual contribution to targets will be confirmed ex-post based on a standardised methodology.

⁸ This target is specific to INTPA. If the action is marked as contributing to the Education target, please make sure the target on "Social inclusion and Human Development" is also marked.

⁹ Thematic target for geographic programmes (at least 15%) in delegated act.

¹⁰ At the time of the signature of individual operations under this investment window, the target level should be analysed and determined.

¹¹ For guidance, see <https://www.oecd.org/development/financing-sustainable-development/development-finance-standards/> (go to "Data collection and resources for reporters", select Addendum 2, annexes 18 (policy) and 19 (Rio) of the reporting directive).

If an action is marked in the DAC form as contributing to one of the general policy objectives or to RIO principles as a principal objective or a significant objective, then this should be reflected in the logframe matrix (in the results chain and/or indicators).

			objective	objective
	Biological diversity @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Internal markers¹² and Tags¹³:	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 checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Connectivity @ Tags: transport people2people energy digital connectivity	<input type="checkbox"/>	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Migration @ (methodology for tagging under development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities (methodology for marker and tagging under development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
12. Amounts concerned	The European Investment Bank is expected to transfer up to EUR 1 000 million (in 2018 prices) of ACP Investment Facility available reflows generated and accumulated during the current MFF period (2021-2027) as externally assigned revenues in annual instalments that will become available for payment by the EIB between 2022-2027. Reflows will continue to be transferred beyond the current MFF, until they constitute 100% of the ACP Investment Facility reflows, as agreed by Council Decision (EU) 2020/2233 from 23 December ¹⁴ . The total amount of ACP reflows to the transferred in 2022 is EUR 251 million which pertains to reflows accumulated in 2021, out of which the contribution for the Common Provisioning Fund in 2022 is for an amount of EUR			

¹² The internal markers have been created to report on the implementation of the Commission's own policy priorities in areas where no DAC reporting tool is available. For the sake of consistency and comparability, the methodology is equivalent to the DAC markers, with three possible positions (main target, significant target, not targeted)

¹³ Methodology for additional tagging providing granularity on internal markers is under development.

¹⁴ COUNCIL DECISION (EU) 2020/2233 of 23 December 2020 concerning the commitment of the funds stemming from reflows under the ACP Investment Facility from operations under the 9th, 10th and 11th European Development Funds (L 437/188).

	<p>125.5 million.</p> <p>This action covers <u>50% of the ACP Investment Facility available reflows</u> with a total amount of up to EUR 500 million¹⁵ to provision the EFSD+ Guarantee that covers the EIB Dedicated ACP Investment Window for private sector operations in ACP countries.</p> <p>An expected amount of up to EUR 500 million¹⁶ (50% of the ACP IF reflows in period 2021-2027) will go to the Common Provisioning Fund to underpin the window with a guarantee capacity of double of those reflows amount. The additional EUR 500 million¹⁷ of guarantee capacity will be funded through EFSD+. The overall expected amount of EUR 1 billion¹⁸ of guarantee capacity will enable the EIB an expected business volume (signatures) of up to EUR 4 billion.</p>
MANAGEMENT AND IMPLEMENTATION	
13. Type of financing	Indirect management with the European Investment Bank (EIB) setting up the EIB Dedicated ACP Investment Window for private sector operations as a Budgetary Guarantee according to Art. 27. 1 (f) NDICI Global Europe.

1.2 Summary of the Action

The Council Decision (EU) 2020/2233 on the use of the Africa, Caribbean and Pacific (ACP) Investment Facility (IF) reflows, adopted unanimously on 23 December 2020, approved the transfer of the IF reflows as contributions to NDICI Global Europe and will be governed under EFSD+. The Council Decision also mentions:

- i) the earmarking of the ACP IF reflows for ACP countries,
- ii) the EIB's role as the implementing entity without business interruption in the ACP countries,
- iii) their nature as external assigned revenues and therefore a top up of current MFF resources.

Half of the total amounts received from the ACP IF reflows will be used as budgetary guarantee to provision up to EUR 1 billion guarantee capacity, that will enable up to EUR 4 billion EIB operations for the private sector in ACP countries. The additional EUR 500 million of guarantee capacity will be funded through EFSD+. These operations will follow a policy-first approach aligned with the NDICI-Global Europe programming documents. They will promote inclusive and sustainable private sector driven and inclusive green economic growth and development, especially in Least Developed Countries and Fragile States. The window will contribute to overarching EU policy objectives, e.g. Global Gateway, Green Deal, , gender equality, jobs and inclusive growth.

2 RATIONALE

2.1 Context

Overall, in line with EU priorities, the operations under this window will support the implementation of the Global Gateways strategy in ACP countries and support efforts to achieve the UN Sustainable Development Goals (SDGs) by 2030, fostering sustainable economic, social and environmental development, with the primary aim of eradicating poverty.

The EFSD+ guarantee for this window reflect a desire by the European Commission and Member States to provide for continuity of the EIB private sector financing in the ACP region after winding down of the ACP

¹⁵ in 2018 prices

¹⁶ in 2018 prices

¹⁷ in 2018 prices

¹⁸ in 2018 prices

Investment Facility.

The EIB operations will have to be complementary to the ACP Trust Fund and to the open architecture financing in ACP countries.

2.2 Problem Analysis

Short problem analysis:

Infrastructure needs in the ACP region remain at high levels, in particular to countries' ambition to deliver on the 2030 Agenda for Sustainable Development and the Paris Agreement. The private sector also remains very much impacted by the adverse consequences of the COVID-19 pandemic and continued support will be important for both economic and social/health inclusive recovery of ACP countries and consequently better opportunities for people in the ACP region.

The risk perception of private sector operations in ACP countries is considered to be higher than in reality. The risk-oriented operations will have a demonstration effect, contribute to building confidence in the markets and enable further private sector investments.

Stakeholders:

The EIB as key stakeholder can build on relevant experience and expertise to provide appropriate financing guided by the policy first approach and seeking to maximise EU development impact.

Stakeholders are the EIB's counterparties under EIB Financing Agreements in particular private enterprises, for example intermediary financial institutions, corporates, SMEs, public enterprises managed along market-related principles or otherwise.

Stakeholders are also co-financiers in EIB's financing and investment operations, which could be multilateral/ international/ bilateral development financing institutions and commercial banks.

Other stakeholder such as Civil Society Organisations, local authorities and rights holders will be consulted as appropriate and in line with the applicable EU regulations.

3 DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

In compliance with Article 36 of NDICI-Global Europe Regulation, the objectives and priorities of the EIB investments should ensure full policy alignment with the Union priorities. As such, investments proposed by the EIB shall be in line with the relevant programming documents, including its geographic and thematic priorities. Whenever possible, the EIB should contribute to Team Europe Initiatives in respective countries/regions. Investments proposed in Africa should also be in line with the Global Gateway Africa-Europe Investment Package.

The overarching objectives of the Trust Fund are in line with the strategic orientations approved by the EFSD+ Strategic Board:

1. Global Gateway
2. Green Deal
3. Jobs and Inclusive Growth

In turn, the **specific objective** of this Investment Window is to support inclusive and sustainable **private sector development** in a wide range of priority sector as identified by the programming exercise and in particular in LDC or countries in situation of fragility.

The EIB Dedicated ACP Investment Window also aims to contribute to the cross-cutting general objective and targets established under NDICI Global Europe including on social inclusion and human development, gender equality and women's empowerment, climate action and biodiversity.

Relevant outputs will be identified by the EIB depending on the investments to be carried-out under this Investment Window.

3.2 Indicative Activities

The operations under this window will take into account individual countries' private sector demand, available private sector financing, as well as bankability of operations using the following financial instruments:

- (i) senior, and possibly, subordinated loans
- (ii) debt capital market instruments and
- (iii) guarantees

Lending in both EUR and non-EUR currencies is envisaged.

Lending to the private sector will continue to improve access to finance for micro, small and medium-sized enterprises by working with a network of local and regional intermediary banks, while also ensuring that products offered by partner banks are geared to the needs of SMEs, agricultural businesses, and women entrepreneurs, as well as climate and digitalisation investments and other priority objectives.

Eligible counterparts for financing under this Investment Window include:

- Private enterprises (micro enterprises, SMEs, MidCaps, large enterprises, project finance and other special purpose vehicles);
- Financial intermediaries;
- Public enterprises managed along market-related principles, as well as International Organisations and Foundations contributing to development objectives; and
- National and regional development banks.

The implementing partner will likely also finance direct private sector operations through corporate lending and project finance operations, including in clean energy, digital connectivity and other areas.

Financing under this window should support the following:

- Promoting inclusive and sustainable private sector driven economic growth and development, with the ultimate objective of reducing poverty, contributing to achieving the SDGs and creating jobs;
- Supporting partner countries' efforts to achieve the UN Sustainable Development Goals;
- Promoting the EU's goals of low-carbon and climate-resilient growth by investing in climate mitigation and adaptation; and,
- Supporting EU objectives on migration.
- Promoting agriculture value chain investment with the objective of enhancing food security and integrating smallholders and a sustainable and equitable basis.
- Supporting digitalisation related investments of financial intermediaries, contributing to new solutions and more efficient and safer provision of financial services, and investments by private sector entities, notably SMEs, which will increase the productivity and outreach of businesses.

3.3 Mainstreaming

Environmental Protection & Climate Change

In operations covered by this Action, the EIB will mainstream the fight against climate change and environmental protection and ensure alignment with the objectives of the Paris Climate Agreement.

Individual EIB operations under this Investment Window will be screened and assessed under the strengthened operational coordination process agreed between the Commission and the EIB and according to EIB policies and procedures (please refer to section 4.5 for further details).

Strategic Environmental Assessment

N/A

Environmental Impact Assessment (relevant for projects and/or specific interventions within a project)

An EIA will be undertaken for individual EIB financing operations whenever relevant according to EIB classifications. The EIB will apply EIB Policies and Procedures in relation to environmental and social principles and requirements to promote the respect of human rights and respect applicable environmental legislation including multilateral environmental agreements, as well as internationally agreed core labour standards.

CRA (Climate Risk Assessment)

The Action is classified as no or low risk.

Gender equality and empowerment of women and girls

As per the OECD-DAC Gender policy marker, identified operations under this Investment Window shall be labelled as G1. This implies that, in accordance with Article 41 of NDICI - Global Europe Regulation, gender equality and women's empowerment will be integrated in those operations covered by this Investment Window. The EIB will also look to identify 2X Challenge compliant operations in support of women's economic empowerment.

The disaggregation by sex, age, income and other social groups will be ensured when possible as well as gender sectoral analysis delivered when necessary.

In line with the IF evaluation, specific efforts will be made to ensure that sufficient data on gender equality and women's empowerment are included, in line among others with the 2X Criteria.

Human Rights

In operations covered by this Action, EIB will apply EIB Policies and Procedures in relation to requirements to promote the respect of human rights and respect applicable internationally agreed core labour standards and the five Human rights-based approach standards (respect to all human rights, participation, transparency, accountability, non-discrimination). Furthermore, EIB will require its counterparties to implement covered EIB Financing Operation in accordance with EIB Policies and Procedures in relation to environmental and social principles and standards which shall be consistent with international human rights law and shall be consistent with UN Guiding Principles on Business and Human Rights, the "No-one left behind" and the "do no significant harm principle".

Other

Social and financial inclusion will be introduced, seeking to enhance access to productive resources by segments of the populations and/or areas that traditionally face additional barriers in accessing them, e.g. smallholder farmers, women and youth, vulnerable groups, isolated or fragile contexts.

3.4 Risks and Lessons Learnt

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
1 – risk related to external environment	The amount of reflows will be significantly lower than EUR 1 billion.	L	M	Monitoring of expected availability of reflows. Prudent pipeline management of the operations under this Investment Window according to availability of reflows.

1 – risk related to external environment	EIB cannot sign operations corresponding to 2x annual reflows received before the end 2027	L	M	An automatic extension of 12 months beyond this EU's funding cycle is envisaged.
1 – risk related to external environment	EIB not able to implement the guarantee because of social or political unrest in the partner countries	L	L	Consultations on potential amendments/ possible re-adjustments of the guarantee agreement

Lessons Learnt:

In March 2020, an independent End-Term Review of the ACP Investment Facility¹⁹ was conducted by ADE which among others aspects, highlighted the following:

- The IF has been financially sustainable with satisfactory financial performance (1.9 times the paid in amount).
- Development objectives have received less attention than financial sustainability.
- Projects implemented with financial intermediaries have generally addressed the unavailability of long-term liquidities on local markets but to a modest extent contributed to deepening of local financial markets.
- Financial additionality was broadly satisfactory, although not used to its full potential. It is higher where IF provides equity, local currency loans, and guarantees.
- IF has done relatively little in low-income and countries in situation of fragility. 30% of IF signatures since 2003 have been in low-income countries.
- Moreover, the portfolio is still concentrated in relatively few countries, where projects such as credit lines were less difficult to identify and process.
- The IF has made insufficient use of local currency credit lines that target on-lending to micro and small businesses that trade locally.
- Reporting requirements on cross cutting issues, such as gender, environmental and social standards, and youth employment, should be encouraged or strengthened.

Therefore, the portfolio of operations under this Investment Window in combination with the ACP Trust Fund will aim to address the abovementioned considerations and improve on its development objectives.

Lastly, this Investment Window will also provide for a more cost-effective risk-sharing with a significantly lower cash provisioning when compared with the ACP Investment Facility.

¹⁹ End-Term Review of the ACP Investment Facility, Final Report, March 2020 [acp-if-end-term-review_en.pdf](#) ([europa.eu](#))

3.5 The Intervention Logic

This action is to be in line with the overarching intervention logic of the whole EFSD+, which in turn is in line with the logic set out by the NDICI-Global Europe Regulation.

The Action shall respond to additionality criteria, allow the delivery of innovative financial products and leverage additional resources particularly by mobilising private sector investors.

This Investment Window operations will feed in the broader EFSD+ Results Measurement Framework (RMF): all EIB operations' results and indicators will need to comply with EFSD+ results and indicators in order to contribute to reporting on the progress towards the achievement of EFSD+ objectives.

3.6 Logical Framework Matrix

Individual Logical Framework Matrices, i.e. results frameworks/theory of changes, will be designed for each operation in the portfolio of this Action (EIB Dedicated ACP Investment Window). The individual Logical Framework Matrices will form the basis for reporting and monitoring and feed in the overarching EFSD+ Results Measurement Framework.

4 IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this action, it is not envisaged to conclude a separate financing agreement with other partners.

4.2 Indicative Implementation Period

The indicative implementation period of this action, during which the activities described will be carried out and the corresponding contracts and agreements implemented is 330 months from the date of the adoption by the Commission of this Decision.

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 measures²⁰.

4.3.1 Indirect Management with the EIB

This action will be implemented through budgetary guarantees in indirect management with the EIB. The implementation entails the re-use of certain ACP reflows mandated by the Council Decision (EU) 2020/2233 of 20 December 2020 by means of EIB's financing operations covered by this EFSD+ Guarantee.

4.4 Scope of geographical eligibility for procurement and grants

As externally assigned contribution, this Investment Window operations are earmarked for the ACP countries²¹. 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 and are further subject to the “**post Cotonou**” negotiations between the EU and the **Organisation of African, Caribbean and Pacific States** (OACPS).

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of

²⁰ The list of EU restrictive measure (sanctions) is reflected in the www.sanctionsmap.eu. 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). The Official Journal of the European Union is the official source of European Union law and, in case of conflict, its content prevails over that of the Sanctions Map.

²¹ According to recital 8 and article 3 of the Council Decision (EU) 2020/2233 of 23 December 2020

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

This decision has no financial impact on the EU budget. This action is covered under the Commission Decision on the financing of the Union's contribution to the provisioning of the European Fund for Sustainable Development Plus for years 2021-2027 (ISC/2021/09259).

The EIB will return to the Commission annual instalments of the ACP IF reflows (EDF funds) generated in 2021-27 as they become available for payment to designated EU budget line:

14 02 01 60 European Development Fund — ACP Investment Facility Reflows

Amounts transferred from the budget line indicated above to the Common Provisioning Fund 14 02 01 70.01 Provision of the CPF – EFSD+ will correspond to 50% of the mentioned above reflows received.

For the first year of this Investment Window activities, the amount of reflows generated in 2021 to be received and apportioned to the Common Provisioning Fund for 2022 is EUR 125.5 million.

4.6 Organisational Set-up and Responsibilities

- This investment window is set up under the EFSD+ governance and guided by the “policy first” approach
- The EFSD+ Strategic Board sets the strategic policy objectives, also applicable to this window, where the EEAS is a member and the European Parliament acts as observer
- Member States have been consulted as members of EFSD+ Operational Boards on the set up and main features of the Window.
- The European Commission will be consulted and has a veto right on each individual financing operation, in line with the enhanced upstream coordination agreed with the EIB for all outside EU operations.
- The EU Member States and the Commission will also be consulted as members of the governance structure of EIB Global.

Each individual EIB operation under this window will be part of the enhanced upstream coordination and a formal consultation process, including pipeline sharing and eligibility assessment of each financing operation by the European Commission. Operations to be financed under this window will fall under EIB's new development branch (EIB Global) and be part of its dedicated strategies. As such, the Advisory Group on Development will opine on financing proposals after they have gone through the 3 stage approval mentioned here below and before they are submitted to the EIB Board for approval.

The new three-stage process was established to operationalise the relevant provisions of the NDICI-GE Regulation and ensure that operations follow the “policy first” principle:

- Stage 1: provides for an operational upstream co-ordination process with regular meetings and pipeline sharing,
- Stage 2: the statutory Article 19 process or equivalent
- Stage 3: provides for eligibility assessment of each operation in accordance with NDICI-Global Europe regulation Article 35, so that the roll-out of operations is in line with EU objectives, as for External Action Guarantees.

The eligibility assessment fiche will have to be provided to the Commission as part of the 3 stage approval process. Only if the Commission confirms the eligibility of EIB financing proposals under this window can EIB present the operations for endorsement to EIB Advisory Group and subsequently the EIB Board.

The EIB will be required to extensively coordinate with the Commission (HQ and EUEDEs) in project identification and preparation stages, before Board approval, so that the roll-out of financing operations is in line with EU objectives, agreed eligibility criteria, and in compliance with safeguards and mainstreaming as required in NDICI- Global Europe.

This Investment Window has the following indicative breakdown between the ACP regions: (i) 90% Sub-Saharan Africa, (ii) 5% Caribbean and (iii) 5% Pacific.

5 PERFORMANCE MEASUREMENT

5.1 Monitoring and Reporting

In addition to the reporting requirement under Article 41.5 of the Financial Regulation, one should note that the EFSD+ Results Measurement Framework will form the overarching basis of reference for (operations' design) 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 who the EU requirements are put through, while the EIB assumes the final responsibility according to EU contribution agreements for indirect management.

Monitoring activities will aim to identify successes, problems and/or potential risks so that corrective measures are adopted in a timely fashion at the corresponding level.

To this aim, the EIB shall establish a permanent technical and financial monitoring system for the Action and elaborate regular progress reports (no less than annual) and final reports.

At the level of this Action:

- The EIB is expected to consolidate information that allows accurate and timely monitoring of the portfolio investment on at least an annual basis. Action level monitoring and reporting will be fed by operational level monitoring and reporting.

At the individual operation level in the portfolio of this Action:

- The EIB monitoring will aim at collecting and analysing data to inform on progress towards planned results' achievement to feed decision-making processes and to report on the use of resources.
- Every report shall provide an accurate account of implementation of the operation, difficulties encountered, changes introduced, if any, as well as the degree of achievement of its expected results (Outputs and direct Outcomes, and if feasible, Impact(s), as measured by corresponding indicators, using as reference the EFSD+ overarching intervention logic as crystallised in the EFSD+ Results Measurement Framework.

The content and structure of progress and final reports will be agreed with the Commission including the list of results and indicators to be reported.

Results reporting is to be hosted on the Commission IT platform OPSYS, which the EIB may use to directly encode results.

- Every report shall follow the key principles of reporting operational results to the European Commission.
- Reporting can involve collection and quality assurance of data from downstream partners where relevant.
- Where relevant, in line with EFSD+ RMF, if possible, all expected and actual results reporting should include relevant data disaggregation, e.g. for beneficiaries that are people: disaggregation by sex, age, location, income/poverty levels; for beneficiaries that are firms: disaggregation by size of firm, sex/age of firm owner, location of firm; etc. All results should also be disaggregated by at least country of operations and shall assess how the actions are taken into account Human rights-based

approach and gender equality.

The EIB should have a sound understanding of the methodologies underlying the data (numbers or other) they report, including an assessment of the reliability of the data (for example on any possibility of over or under reporting of results); and where needed respond to further enquiries from the Commission on methodologies/data reliability as required to enable Commission's own accurate and timely aggregation of results for reporting to the European Parliament and the Council.

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

5.2 Evaluation

Together with the NDICI mid-term review, and dependent on the stage of implementation and number of active operations under this Investment Window, it may undergo a light touch evaluation exercise, to be conducted by the EIB and the Commission jointly.

A full evaluation at the end of the commitment period may be carried out for learning purposes and in particular to assess whether implementation was in line with the geographic orientations as per country and regional programming.

The evaluation will be carried out jointly with the EIB and its scope will cover the EIB Dedicated ACP Investment Window and the ACP Trust Fund as a single package. The evaluation will be financed by the ACP Trust Fund.

The Commission (or its independent consultants) should inform the implementing partner about 8 weeks 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 implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and where appropriate jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of any eventual successor project.

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, which should also integrate EFSD+.

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

However, action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources

will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.

Appendix 1 REPORTING IN OPSYS

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

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

The present Action identifies as

Action level		
<input checked="" type="checkbox"/>	Single action	Present action: all contracts in the present action