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**ANNEX**

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

**ANNEX VI**

to the Commission Implementing Decision on the financing of the multiannual action plan in favour of the Asia region for 2021-2027

**Action Document for the Asia-Pacific Investment Facility (APIF)**

**MULTI-ANNUAL PLAN**

This document constitutes the multiannual work programme in the sense of Article 110(2) of the Financial Regulation, and action plans in the sense of Article 23 of [NDICI-Global Europe Regulation](#).

## 1. SYNOPSIS

### 1.1. Action Summary Table

<b>1. Title</b> <b>CRIS/OPSYS</b> <b>business reference</b> <b>Basic Act</b>	<b>Asia-Pacific Investment Facility (APIF)</b> <b>OPSYS number: ACT-61003</b> Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
<b>2. Team Europe Initiative</b>	NO
<b>3. Zone benefiting from the action</b>	The action shall be carried out in Asia and Pacific region.  The action shall be carried out at the following location: all countries of Asia and Pacific eligible under the Multiannual Regional Indicative Programme for Asia and Pacific for the period 2021-2027 and NDICI eligible countries of the Middle East region.
<b>4. Programming document</b>	Multi-annual Regional Indicative Programme for Asia and Pacific 2021-2027 Multi-annual Country Indicative Programme for Bangladesh 2021-27 Multi-annual Country Indicative Programme for Bhutan 2021-27 Multi-annual Country Indicative Programme for Cambodia 2021-27 Multi-annual Country Indicative Programme for countries in the Pacific 2021-27 Multi-annual Country Indicative Programme for Iraq 2021-27 Multi-annual Country Indicative Programme for Kyrgyzstan 2021-27 Multi-annual Country Indicative Programme for Laos 2021-27

	Multi-annual Country Indicative Programme for the Maldives 2021-27 Multi-annual Country Indicative Programme for Mongolia 2021-27 Multi-annual Country Indicative Programme for Nepal 2021-27 Multi-annual Country Indicative Programme for Pakistan 2021-27 Multi-annual Country Indicative Programme for Papua New Guinea 2021-27 Multi-annual Country Indicative Programme for the Philippines 2021-27 Multi-annual Country Indicative Programme for Sri Lanka 2021-27 Multi-annual Country Indicative Programme for Tajikistan 2021-27 Multi-annual Country Indicative Programme for Timor Leste 2021-27 Multi-annual Country Indicative Programme for Uzbekistan 2021-27 Multi-annual Country Indicative Programme for Vietnam 2021-27
<b>5. Link with relevant MIP(s) objectives/expected results</b>	<p>Country MIPs allocations will be used to contribute to their respective priority areas of support. In relation with the Regional MIP, this Action contributes to Priority area 1, regional integration and cooperation and is mainly linked to the following focal sectors and Specific Objectives (SO):</p> <p>a) Central Asia</p> <p>Focal sector 1: Partnering for resilience (SDGs 5, 6, 7, 10, 13, 16)</p> <p>SO2- Support for sustainable energy transition</p> <p>Focal sector 2: Partnering for prosperity (SDGs 3, 4, 5, 8, 9, 10)</p> <p>SO1- Promotion of digital connectivity</p> <p>SO 2 – Support for entrepreneurship and decent employment</p> <p>b) South Asia</p> <p>Focal sector 1: Sustainable and resilient environment (SDGs 8, 9, 12, 14, 15)</p> <p>SO1- Implement the 2030 Agenda and the Paris Climate Change Agreement</p> <p>SO2- Support the protection and conservation of natural resources</p> <p>Focal sector 2: Trade, Energy and digital connectivity (SDGs 7, 8, 10)</p> <p>SO2- Establish intra-regional energy solutions</p> <p>SO3- Promote connectivity</p> <p>c) South East Asia and ASEAN</p> <p>Focal sector 2: Green Alliance (SDGs 5, 6, 7, 12, 13, 14, 15)</p> <p>SO1- Promoting a green growth model in line with Agenda 2030</p> <p>SO3- Protection and management of natural resources</p> <p>Focal sector 3: Sustainable connectivity (SDGs 4, 5, 8, 9, 12)</p> <p>SO2- Promote sustainable connectivity</p> <p>d) Pacific</p> <p>Focal sector 1: Climate action and environment (SDGs 1,6,7,11,12,13,14,15)</p> <p>SO1- Response to the impact of global warming</p>

	SO2- Reduction of greenhouse gas emissions SO3- Management of ecosystem resources and circular economy Focal sector 2: Economic development (SDGs 1,2,7,8,9,10,11,13,14,16) SO1- Sustainable and resilient economic growth			
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>				
<b>6. Priority Area(s), sectors</b>	Priority Area 1 – Regional Integration and Cooperation			
<b>7. Sustainable Development Goals (SDGs)</b>	Main SDG Goal: 13 Climate Action 5 Gender Equality 7 Affordable and Clean Energy 8 Decent work and economic growth 11 Sustainable cities and communities			
<b>8 a) DAC code(s)</b>	23010 - Energy Policy and administrative management 41010 - Environmental policy and administrative management 32130 - SME Development 21010 - Transport policy and administrative management 16050 - Multi-sector aid for basic social services 15170 - Women's organisations and movements and government institutions			
<b>8 b) Main Delivery Channel</b>	42004 - European Investment Bank 44000- World Bank Group 46000 – Regional Development Banks 10000 – PUBLIC SECTOR INSTITUTIONS 11000 – Donor government public entities 41111 – UNCDF			
<b>9. Targets</b>	<input 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 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input type="checkbox"/>	<input checked="" 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 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 type="checkbox"/>	<input checked="" 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 Tags: digital connectivity digital governance digital entrepreneurship job creation digital skills/literacy digital services	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Connectivity Tags: transport people2people energy digital connectivity	<input type="checkbox"/>	<input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
	Migration (methodology for tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities (methodology for marker and tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>BUDGET INFORMATION</b>			
<b>12. Amounts concerned</b>	<p>Budget line(s) (article, item):</p> <p>budget line 14.020130: EUR 73 750 000+47 887 500 =121 637 500</p> <p>budget line 14.020131: EUR 182 372 500+164.400.000=346 772 500</p> <p>budget line 14.020132: EUR 39 350 000 +37.300.000= 76 650 000</p> <p>Total estimated cost: EUR 295 472 500+249.587.500=545 060 000</p> <p>Total amount of EU budget contribution:</p> <p>EUR 295 472 500+249 587 500=545 060 000</p> <p>The decision is multiannual and it is splitted during the years as follows:</p> <p>Budget 2021 0</p>			

	<p>Budget 2022 61 837 500</p> <p>Budget 2023 233 635 000</p> <p>Budget 2024 109 850 000</p> <p>Budget 2025 50 500 000</p> <p>Budget 2026 45 000 000</p> <p>Budget 2027 44 237 500</p> <p>Total 2021-2027 545 060 000</p> <p>subject to the availability of appropriations for the respective financial years following the adoption of the relevant annual budget, or as provided for in the system of provisional twelfths.</p>
<b>MANAGEMENT AND IMPLEMENTATION</b>	
<b>13. Type of financing</b>	This contribution to the Regional Blending Facility shall be implemented in indirect management by the entities indicated in the annex to this Action Document, in accordance with the Regional Blending Facility award procedure.

## 1.2. Summary of the Action

The Asia Pacific Investment Facility (APIF) is one of the main tools under the European Fund for Sustainable Development Plus (EFSD+) to operationalise the Global Gateway strategy in Asia and the Pacific.

Through the facility, development finance institutions can access “blending” funds that extend the development impact of their loans in critical Global Gateway sectors including connectivity, digital, energy and climate to further the Green Deal, Decent Jobs and Growth and the Digital Transition.

The facility makes available investment grants, Technical Assistance (TA), debt or equity that complement the lending of the international financial institutions, thereby de-risking, subsidising or improving the quality and scale of large infrastructure financing projects. While primarily intended for sovereign operations, the facility is also used for private sector operations. The APIF effectively positions the EU as a geopolitical actor that enables critical infrastructures in Asia and the Pacific, as part of the Global Gateway. APIF which is primarily implemented through indirect management with partners such as EIB, AFD, KFW, FMO, ADB and other international financial institutions is implemented in a Team Europe approach.

This decision is multiannual, and it will be financed from the general budget of the years 2024, 2025, 2026, 2027. The APIF facility has been active since 2021, and under previous Multiannual Financial Framework (MFF) consisted of the following separate facilities: the Asia Investment Facility (AIF) and the Investment Facility for Central Asia (IFCA) under the Development Cooperation Instrument (DCI), and the Investment Facility for the Pacific (IFP) under the European Development Fund (EDF).

In line with the objectives of the Regional Indicative Programme 2021 – 2027 for Asia-Pacific, APIF's main objective is the promotion of the Global Gateway and relevant SDG related investments through the leverage of additional investments in key infrastructures with a priority focus on climate change relevant and "green" investments in areas of environment, energy, sustainable urban development, agriculture, transport and social infrastructure, critical raw materials, as well as digital, and connectivity.

Under the APIF, EU contributions will be used strategically to mobilise financing from partner financial institutions and other public and private investors with the overall objective to enhance the development impact of investment projects that without the grant contribution would be difficult to fund due to market failure. Investments can contribute directly and indirectly to better regulatory frameworks, market creation

and expansion (in particular for renewable energy), green jobs, secure and sustainable connectivity and enhanced regional integration.

The Facility will promote the fulfilment of economic and social rights, and gender equality, in line with the region's and partner countries' international human rights commitments.

More specifically the Facility contributes to the EU Gender Action Plan (GAP) III thematic areas “promoting economic and social rights and empowering girls and women” and “addressing the challenges and harnessing the opportunities offered by the green transition and the digital transformation”.

### **1.3. Zone benefitting from the Action**

The beneficiaries, duty-bearers of the Facility will be the Asia-Pacific countries via their central, regional and local administrations or semi-public institutions, civil society organisations representing rights-holders of the Facility as well as the private sector, in particular local financial institutions and SMEs. In addition, stakeholders include European and multilateral financial institutions that are eligible to become Lead Financier for APIF funded operations.

The contribution may be implemented under indirect management with the entities, called Lead Financial Institutions (FIs). These lead FIs have to be pillar-assessed for procurement, grants, financial instruments and accounting systems.

APIF will continue to be flexible and build key strategic partnerships with IFIs that are joining forces with the EU to tackle the crisis in partner countries.

## **2. RATIONALE**

### **2.1. Context**

Asia and the Pacific is a critical region for global challenges such as the infrastructure gap, geopolitical competition, and climate change. According to the Asian Development Bank (2017), developing Asia will need to invest over a trillion euros per year into infrastructure to maintain growth, tackle poverty and respond to climate change. Investment needs taking into account climate change for the period 2016-2030 include over 13 trillion euros for power, over 8 trillion euros for transport, over 2 trillion euros for digital and over 700 billion euros for water and sanitation. The Pacific on the other hand faces limited fiscal capacity while having enormous infrastructure needs across its many islands, with climate change threatening highly vulnerable ecosystems and livelihoods.

While Asia contributed to close two two-thirds of global growth in 2023 (IMF, 2024), it does so relying heavily on coal, which means that more than half of global greenhouse gas emissions come from Asia. Similarly, island nations in the Pacific often rely on fossil fuels for energy while having significant climate adaptation needs. To tackle the infrastructure gaps while operationalising the Global Gateway, Green Deal and Jobs and Growth in Asia, significant investments are needed, to create connectivity, trade, green energy and employment opportunities.

The digital transformation is a key driver of growth in Asia and the Pacific. At the same time, according to the International Telecoms Union (2020), only 45% of people were using the internet in the region in 2019. Especially in rural areas or across remote archipelagos, lack of digital connectivity is holding back green growth in Asia and the Pacific, presenting a key challenge. Trusted, secure connectivity can boost economic growth for the region without creating dependencies.

As a key trade and investment partner and major global growth engine, the region remains central to the EU interests and its complexities and challenges constitute one of the main testbeds for the EU's

geopolitical ambitions and its capacity to deliver global influence and export EU-driven standards. Infrastructure and economic development is happening quickly in the region, and EU involvement can ensure this happens sustainably and with social and environmental standards in line with EU values.

While some countries in the region (e.g., Laos, Pakistan) have high levels of debt, others such as Vietnam, Indonesia and Philippines have high capacity to borrow, making loans central to meeting Asia's development challenges. On the other hand, smaller economies such as the Pacific need concessional financing as can be brought by blending facilities.

Given the size of the challenge, and the prevalence of middle-income economies in the region, blended finance and lending are appropriate tools to deliver the Global Gateway and respond to the challenges in Asia and the Pacific. The Asia Pacific Investment Facility (APIF) addresses regional challenges and meets regional demand for green infrastructure, and connectivity, leveraging small contributions of investment grants, technical assistance and risk capital, to improve the speed, scale, quality and impact of important economic corridors and infrastructure projects. APIF positions the EU as a flexible partner working together with European and international financial institutions to meet the needs of the region.

Leveraging the transformative potential of investment will remain high priority for Asia-Pacific partners to restart growth at an accelerated pace and fill the still sizeable investment gaps in the region.

The funds of the investment sector will facilitate sustainable investments in the areas of renewable energy and energy efficiency (including just transition), environment, water and climate change, as well as connectivity, transport and digital. In middle income countries (MIC) supporting investments will mean sharing expertise and facilitating technology transfer and exchange of good practices, including through setting up business platforms, encouraging responsible investment and fiscal reform in favour of renewable energy, sustainable natural resource management, and the promotion of good governance, the rule of law and human rights.

The EU aims at further strengthening its role as an investment partner in key transformational projects in the region via the proposed replenishment of the Asia Pacific Investment Facility (APIF). Based on figures of the years 2021-2023 this is expected to leverage over a billion euro of loans by partner financial institutions in projects underpinning the EU's sustainability and geopolitical priorities.

A regional approach remains the most viable solution to cater for the still elevated uncertainty on the expected pipeline and seize key investment opportunities in the recovery context, including possible intra-regional and inter-regional connectivity projects.

## **2.2. Problem Analysis**

### **Short problem analysis:**

**The EU and the countries of the Asia-Pacific region share common challenges including an infrastructure gap, climate change, geoeconomic fragmentation and geopolitical competition.**

In order to ensure green, sustainable and inclusive growth, provide a compelling EU offer to partner countries, and reach the Paris Agreement objectives and the SDGs, trillions of investments will be needed from public and private, domestic and international sources.

The Global Gateway stands for sustainable and trusted connections that work for people and the planet and is the EU's offer to address some of these challenges. It helps to tackle the most pressing global issues, including fighting climate change, boosting competitiveness and security of global supply chains. It will support smart investments in quality infrastructure, respecting the highest social and environmental standards, in line with the EU's values and standards.

To operationalise the Global Gateway, financial resources can be catalysed by the Asia Pacific Investment Facility under the EFSD+ for enhancing bankability of investment projects, providing additional financing, mitigating credit risk and promoting concessional lending to partner countries in support of green and just recovery. Sustainable investments are instrumental to meet financing targets without harming debt sustainability, and for creating job opportunities as well as trade and connectivity, including in digital. Decisions regarding the allocations of funds will be taken in line with the ‘policy-first’ principle and other strategic considerations in full support of the priorities, areas and sectors identified in this and/or in the country MIPs. EU contributions will be used strategically to mobilise financing from partner financial institutions (EUFIs/IFIs/others) and the private sector.

The Asia Pacific Investment Facility (APIF) will fully exploit the significant potential for blended finance in terms of crowding-in, leveraging and catalysing additional financing, including from private and commercial sources. Through the facility, development finance institutions can access “blending” funds that extend the development impact of their loans in critical Global Gateway sectors including connectivity, digital, energy and climate to further the Green Deal, Decent Jobs and Growth and the Digital Transition. The facility makes available investment grants, TA, debt or equity that complement the lending of the international financial institutions, thereby de-risking, subsidising or improving the quality and scale of large infrastructure financing projects.

The importance of investing in physical infrastructure cannot be overstated. To be sustainable and deliver on policy objectives to be laid out in the upcoming EU Global Gateways Initiative, but also align with its values, investment in connectivity infrastructure should be pursued in full respect of international norms and standards in order to maintain a level playing field. By boosting European and multilateral development institutions, the Facility promotes European and multilateral norms and standards – including social and environmental safeguards. This includes attention to ensuring development finance loans contribute to sustainable trusted connectivity, poverty alleviation and sustainable growth. There should be equal opportunities for women and people that are living in vulnerable situations (including people living in poverty, remote areas, migrants, persons with disabilities, minorities, indigenous peoples etc.) to benefit from the Facility, including through increased access to services, economic opportunities and decent jobs.

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

The target and main duty-bearers of the Facility will be the Asian and Pacific countries via their central, regional and local administrations, state-owned enterprises and investment funds and other semi-public institutions, and the private sector. Right-holders of the Facility are people, including those living in the most vulnerable situations. Civil society organisations will represent rights of different rights-holders groups (incl. workers, women, people living in poverty, remote areas, minorities, persons with disabilities, indigenous peoples, migrants).

In addition, stakeholders include European or multi-lateral Financial Institutions that are eligible to become Lead Financial Institutions for AIF funded operations.

### **3. DESCRIPTION OF THE ACTION**

#### **3.1. Objectives and Expected Outputs**

The **Overall Objective (Impact)** of this action is to contribute to long-term sustainable and socially inclusive economic growth in the Asia-Pacific region, by promoting strategic inclusive investments with a priority focus on operations which contribute to the EU’s Global Gateway objectives across the domains of Green Deal, Decent Jobs and Growth, Digital Transition.



The **Specific Objectives/ Outcomes** of this action are:

- Priority Area 1 – Green Deal

S.O. 1 – Supporting strategic and inclusive investments in the fields of climate change and resilience, just energy transition, sustainable connectivity, urbanisation and agriculture, and sustainable management of natural resources, biodiversity and ecosystems.

- Priority Area 2 – Decent Jobs and Growth

S.O. 2 - Boosting strategic and inclusive investments for decent job creation and sustainable growth, by leveraging private sector resources as additional funding source.

- Priority Area 3 – Digital Transition

S.O 3 Improve equal access to digital infrastructure and foster digital entrepreneurship and decent job creation for women, men, girls and boys in all their diversity

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

➔ Related to outcome 1

**Output 1.1** Improved power clean/green/renewable energy and energy efficiency (including just transition) (Energy)

**Output 1.2** Improved energy infrastructure (Energy)

**Output 1.3** Improved water and sanitation facilities (Water & Sanitation)

**Output 1.4** Improved Solid Waste facilities (Waste Management)

**Output 1.5** Improved sustainable agriculture practices (Agriculture)

➔ Related to outcome 2

**Output 2.1** Increased sustainable inclusive economic growth with improved livelihoods and decent employments

**Output 2.2** Improved competitiveness and sustainability of the local private sector

**Output 2.3** Increased private inclusive & sustainable investment

**Output 2.4** Increased private sector engagement and leverage

**Output 2.5** Improved and inclusive access to markets and/or value chains

**Output 2.6** Improved inclusive access and use of diversified financial services, including from innovative financial instruments (for M&SMEs, women, youth and rural populations).

➔ Related to outcome 3

**Output 3.1** Improved digital infrastructure and connectivity;

**Output 3.2** Increased competitiveness of digital businesses and decent job creation in the digital domain as well as in other sectors profiting from digital input; Women, men, girls and boys in all their diversity participate fully and equally in the digital economy;

**Output 3.3** Increased connection to open, affordable and secure broadband connectivity and digital infrastructure, especially for youth, women, vulnerable groups and rural communities.

### **3.2. Indicative Activities**

Not applicable to this Action, as it is meant to allow the replenishment of a Blending facility. Indicative activities will be defined at project level.

### **3.3. Mainstreaming**

#### **Environmental Protection & Climate Change**

To be developed at single project level. Partner countries and financial institutions will ensure that all projects financed with EU resources respect EU principles in terms of environmental and social impact as well under the rights-based approach to Development (e.g. gender issues, indigenous people rights, etc.), public procurement, state aid, equal opportunities and will also respect the principles of sound financial management with effective and proportionate anti-fraud measures.

All interventions will be screened for their environmental impact and climate risk, in accordance with the screening procedure in the EU guidelines "Integrating the environment and climate change into EU international cooperation and development", or equivalent screenings for the lead financial institution. Environmental impact assessments and climate risk assessments will be prepared as required to ensure the interventions' environmental sustainability and climate resilience.

Synergies between the blending facilities and EU funded (regional) climate change capacity building programmes and, where applicable, policy reform instruments including sector budget support should be strengthened. Capacity building programmes should facilitate the identification and formulation of climate relevant projects at country and/or regional level, and support local and regional climate policies. This will strengthen the already ongoing processes of pipeline development and securing local ownership.

#### **Outcomes of the SEA screening**

To be defined at project level

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

Idem

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

Idem

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

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

This implies that within the overall cycle of the Blending projects, a set of quality assessment criteria will be used to ensure that decisions are based on sound and consistent analysis. At each stage of the decision-making the assessment should also determine whether gender equality issues have been analysed and correctly addressed at all levels of the action.

The proposed Quality Frame will consist of three key quality attributes requiring assessment to show that a project is:

- A. relevant – meeting demonstrated and high-priority needs, and is consistent with the policy objectives of the EC and those of its partner countries in terms of gender equality and women's empowerment;
- B. feasible – designed technically, socially and economically sound and will provide sustainable benefits to the target groups;

C. effective and well managed – able to deliver sustainable benefits.

Under each of these main attributes there are a number of key criteria (to be identified at the project level) which will be used to assess the project's quality. Specific indicators disaggregated by sex will be used to monitor and evaluate the projects' performance and impacts on gender equality.

### Other considerations

The European Commission will ensure during the project selection process as well as through the normal project monitoring process that funds entrusted to eligible Financial Institutions for projects financed under APIF from the EU budget respect European Union principles in terms of climate change, environmental sustainability, EU law on Environment and Social Impact Assessment, gender equality, good governance and human rights. All projects will be aligned to the EU-standards in terms of application of environmental and climate change safeguards and will be based upon relevant analysis done.

Human rights based approach and its key principles (applying all human rights, including labour rights, for all; meaningful and inclusive participation and access to decision-making; non-discrimination and equality; accountability and rule of law for all; and transparency and access to information supported by disaggregated data) will be integrated throughout the facility.

Synergies between the blending facilities and EU funded capacity building programmes related to cross cutting issues and, where applicable, policy reform instruments including sector budget support will be sought.

### 3.4. Risks and Lessons Learnt

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
External environment	Debt level of beneficiary countries is not sustainable.	M	H	Close attention is paid to this issue during the project selection process. This is facilitated by detailed information that the applying Financial Institution needs to provide on the application form. Since the APIF can provide investment grants, for countries with debt limits it helps IFIs create investments that are concessional and in line with debt sustainability policies.
External environment	Worsening of security, human rights and gender equality situation in conflict-prone areas in Asia (e.g. Pakistan, Myanmar, Iraq, etc.)	M	M	Some countries – such as Myanmar in recent years – cease to be suitable locations for investments due to their security and human rights situation. APIF is a regional facility and can therefore shift to more appropriate countries as situations evolve.

External environment	Risk of human rights violations committed by private sector actors	M	M	<p>An explicit commitment for all private sector actors to abide by the UN Guiding Principles on Business and Human Rights.</p> <p>The facility adopts a do no harm approach, and due diligence mechanisms will be created.</p>
External environment	Lack of projects relevant to Global Gateway strategy	L	H	To ensure a pipeline of relevant projects to realise the Global Gateway objectives, APIF works with a range of international financial institutions. Additionally, ongoing dialogue with EUDs, IFIs, and investment fora create a relevant pipeline of projects.
Planning, Processes, and Systems	Time lag between EU blending (long approval procedures) and IFI loan approval processes.	M	M	Hold regular pipeline meetings with DFIs to communicate on timelines and manage expectations.
People and the Organisation	Lack of robustness (capacities and financing) of the region's development finance sector for the preparation/implementation of the projects (particularly in the Pacific)	M	M	<p>Continuous policy dialogue on the importance to remain committed to the specific objectives identified.</p> <p>Special attention to facilitate regional financial institutions to participate in Pacific projects.</p> <p>Encourage European DFIs to teamup with regional institutions.</p>

### Lessons Learnt:

The APIF draws to the maximum extent possible on lessons from previous similar actions, such as reviews, assessments, monitoring results (Results Oriented Monitoring), evaluations of previous actions and other relevant information. To highlight in particular a recent report from the Commission to the Parliament and the Council of 25 May 2024, on NDICI, with the specific objectives of reviewing the “performance of European Financial Instruments (EFIs) in terms of EU added value, effectiveness, efficiency, impact, flexibility and ability to react to changing political and policy priorities, scope for simplification, coherence, synergies and the continued relevance of the objectives of the EFIs”. This found the following on the EFSD+:

- The use of NDICI funds by the EFSD+ efficiently uses EU resources and leverages public and private investments
- Geographisation and alignment with bilateral priorities of the EFSD+ has strengthened the EU's engagement with actors at both country and regional levels, and delivered a more targeted approach

- Integration of EFSD+ in NDICI-Global Europe increased the coherence of EU external action
- Challenges remain in fragile and crisis-affected countries, which will require specific strategies
- EFSD+ has already demonstrated its catalytic effect in mobilising additional finance and expertise, contributing to sustainable development and growth and the Global Gateway

This builds on prior lessons learnt to ensure effectiveness of the instrument. These require in the implementation to

- Focus strongly on the additionality of the blending
- Expand the number and specialisation of IFI partners
- Ensure alignment of the blending projects with national policies
- Expand the use of risk sharing instruments to financial intermediaries selected for their strategy and policies with respect to pro-poor and pro-development risk taking
- Achieve a significant development impact through blending projects by placing a focus on poverty alleviation

### 3.5. Intervention Logic

The basic hypothesis, for a successful implementation of the APIF facility, is that EU contribution will be used strategically to mobilise additional resources from partner financial institutions and the private sector with the **general objective** to enhance the development impact of investment projects. Given the complexity and high-risk of many projects, the underlying strategy is to improve the impact of investments and to bridge the financing gap, by de-risking investments in development projects.

The APIF facility is intended to generate a significant **impact** in terms of long-term sustainable and socially inclusive economic growth in the Asia-Pacific region, by promoting strategic investments with a priority focus on operations which contribute to the EU's Global Gateway objectives across the domains of Green Deal, Jobs and Growth and Digital Transition.

Therefore, the three **specific objectives**, identified for the facility (see section 3.1), are related to the support of investments in fields such as Environment, Climate Change, Energy, Sustainable Cities, Sustainable Agriculture, Sustainable Economic Growth, Transport, Connectivity, Critical Raw Materials, and Digital infrastructure.

**At the project level**, it will be ensured that a well-defined logical path will be adopted, by including: a) a clear definition of the problems; b) the identification of objectives; c) the determination of causal assumptions (theory of change) d) the identification of the challenges in order to define the best possible solutions; e) the assessment of the various organisational set ups; f) the quantification of the financial and human capital needs; g) the definition of the timeline for each project.

Moreover, apart from the indicators identified at the facility level, further result indicators will be defined at individual project level and approved under the NDICI Blending Framework.

### **3.6. Logical Framework Matrix**

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

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.

Results	Results chain: Main expected results (maximum 10)	Indicators: (at least one indicator per expected result)	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
<b>Impact</b>	To contribute to long-term sustainable and socially inclusive economic growth in the Asia-Pacific region, by promoting strategic investments with a priority focus on operations which contribute to the EU's Global Gateway objectives across the domains of Green Deal, Decent Jobs and Growth and Digital Transition.	Number of countries supported by the EU to enhance inclusive and sustainable economic growth in relation to Green sectors, Decent Jobs and Growth and Digital Transition.	Baseline 2021 Green sectors: Coverage of X% for the overall Asia-Pacific region  Baseline 2021 Jobs and Growth: Coverage of X% for the overall Asia-Pacific region  Baseline 2021 Digital sector: Coverage of X% for the overall Asia-Pacific region  To be defined at the inception phase.	Target for 2027 to be confirmed	1 EU reports and data EU Programmes internal monitoring systems <i>Ad-hoc</i> surveys	<i>Not applicable</i>
<b>Outcome 1 –Green Deal priority area</b>	<b>Supporting strategic and inclusive investments in the fields of climate change and resilience, energy transition,</b>	1.1.Number of people with access to electricity with EU support through (a) new access and (b) improved access (Energy) – data disaggregated by sex and age	Baseline to be defined at the inception phase	Target for 2027 to be confirmed during inception phase	Monitoring and Evaluation/ experts analysis	Governments of Partner Countries and IFIs will remain committed to the specific objectives identified and will

	<b>sustainable connectivity, urbanisation and agriculture, and sustainable management of natural resources, biodiversity and ecosystems.</b>	<p>1.2.Greenhouse Gas emissions avoided (tonnes CO2eq) with EU support (Energy)</p> <p>1.3.Number of individuals with access to improved drinking water source with EU support (Water &amp; Sanitation) data disaggregated by sex and age</p> <p>1.4.Number of individuals with access to improved sanitation facility with EU support, (Water &amp; Sanitation) - data disaggregated by sex and age</p> <p>1.5.Amount of solid waste collected and recycled with EU support (Waste Management)</p> <p>1.6.Number of countries and cities with climate change and/or disaster risk reduction strategies (a) developed or (b) under implementation with EU support</p> <p>1.7 Extent to which proposed for adoption climate change adaptation and mitigation policies, and environmental protection strategies and plans (including energy policies/ strategies) are based on a gender analysis of risk, need, demand, barriers, and supply</p> <p>1.8 Number of countries and policy instruments to ensure a just green transition</p>				<p>have the necessary financial and human resources to rollout the proposed actions.</p> <p>Availability of a monitoring, reporting and verification system, which includes an obligation to report on gender</p>
<b>Outcome 2 – Decent Jobs and</b>	<b>Boosting strategic and inclusive investments for decent job creation and</b>	2.1 Number of countries supported by the EU to strengthen investment climate	Baseline to be defined at the	Target for 2027 to be confirmed	2.1 Monitoring and Evaluation/ experts analysis	Governments of Partner Countries and IFIs will remain



<b>Growth priority area</b>	<b>sustainable growth, by leveraging private sector resources as additional funding source.</b>	<p>2.2 Number of beneficiaries with access to financial services with EU support: a) proportion of women-led firms, b) individuals, disaggregated by sex</p> <p>2.3 Number of countries and policy instruments that ensure decent job creation</p>	inception phase	during inception phase	2.2 Monitoring and Evaluation/ experts analysis	<p>committed to the specific objectives identified and will have the necessary financial and human resources to rollout the proposed actions.</p> <p>Availability of a monitoring, reporting and verification system, which includes an obligation to report on gender</p> <p>Reports supervisory mechanism of International Labour Organization</p>
<b>Outcome 3 –Digital Transition priority area</b>	Improve access to trusted digital infrastructure and foster digital entrepreneurship and decent job creation	<p>3.1 Number of people with access to Internet with EU support (disaggregated by sex, geographic region, urban/rural, age group, and type of connection, i.e. mobile or fixed) (EU RF)</p> <p>3.2 Number of countries supported by the EU to enhance digital entrepreneurship</p> <p>3.3 Number of countries and policy instrument ensuring decent digital jobs</p> <p>3.4 Percentage of hard infrastructure projects implementing trusted technology chosen in line with the principles of the EU 5G toolbox</p>	Baseline to be defined at the inception phase	Target for 2027 to be confirmed during inception phase	<p>3.1 Monitoring and Evaluation/ experts analysis</p> <p>3.2 Monitoring and Evaluation/ experts analysis</p>	<p>Governments of Partner Countries and IFIs will remain committed to the specific objectives identified and will have the necessary financial and human resources to rollout the proposed actions.</p> <p>Availability of a monitoring, reporting and verification system, which includes an</p>

						obligation to report on gender
<b>Output 1 related to Outcome 1</b>	<b>1.1</b> Increased clean/green/renewable energy capacity (Energy)	1.1.1. Renewable energy generation capacity installed (MW) with EU support  1.1.2. Additional capacity from conventional energy production  1.1.3 Amount of energy saved due to energy efficiency measures	Baseline to be defined at the inception phase	Target for 2027 to be confirmed during inception phase	Monitoring and Evaluation/ experts analysis	Sufficient level of support from Partner Countries and IFIs for investments in this sector.
<b>Output 2 related to Outcome 1</b>	<b>1.2</b> More efficient energy infrastructure (Energy)	1.2.1. Length of transmission and distribution lines installed or upgraded with EU support  1.2.2. Number of people with access to electricity with EU support through: (a) new access, (b) improved access.	Baseline to be defined at the inception phase	Target for 2027 to be confirmed during inception phase	Monitoring and Evaluation/ experts analysis	Sufficient level of support from Partner Countries and IFIs for investments in this sector.
<b>Output 3 related to Outcome 1</b>	<b>1.3</b> Improved water and sanitation facilities (Water & Sanitation)	1.3.1. New connections to water supply with EU support  1.3.2. Wastewater treatment capacity installed	Baseline to be defined at the inception phase	Target for 2027 to be confirmed during inception phase	Monitoring and Evaluation/ experts analysis	Sufficient level of support from Partner Countries and IFIs for investments in this sector.
<b>Output 4 related to Outcome 1</b>	<b>1.4</b> Improved Solid Waste facilities (Waste Management)	1.4.1. Installed capacity for solid waste collection and disposal	Baseline to be defined at the inception phase	Target for 2027 to be confirmed during inception phase	Monitoring and Evaluation/ experts analysis	Sufficient level of support from Partner Countries and IFIs for investments in this sector.
<b>Output 5 related to Outcome 1</b>	<b>Output 1.5</b> Improved sustainable agriculture practices (Agriculture)	1.5.1 .Number of smallholders reached with EU supported interventions aimed to increase their sustainable production, access to markets and security of land, disaggregated by sex.  1.5.2. Agricultural and pastoral ecosystems where gender-responsive sustainable management	Baseline to be defined at the inception phase	Target for 2027 to be confirmed during inception phase	Monitoring and Evaluation/ experts analysis	Sufficient level of support from Partner Countries and IFIs for investments in this sector.

		practices have been introduced with EU support (ha)				
<b>Output 6 related to outcome 1</b>	<b>Output 1.6. Improved level of women participation in the energy, infrastructure, waste and agriculture sectors</b>	1.6. 1: number of women with increased training, financial resources, technology or other resources for sustainable and safe production, sustainable energy, sustainable transport and clean water resources, for family consumption or for productive services”	Baseline to be defined at the inception phase	Target for 2027 to be confirmed during inception phase	Monitoring and Evaluation/ experts analysis	Sufficient level of support from Partner Countries and IFIs for investments in this sector.
<b>Output 1 related to Outcome 2</b>	<b>2.1</b> Increased sustainable inclusive economic growth with improved livelihoods and decent employments	2.1.1 Export of goods and services as percentage of GDP (SDG 1.15) (Percentage (%))  2.1.2 Growth rates of household expenditure or income per capita among the bottom 40 per cent of the population and the total population (SDG 10.1.1) (Percentage (%))  2.1.3 Number of countries and policy instruments to ensure decent employments including ratification of Conventions of the International Labour Organization and respective implementation plans	Baseline to be defined at the inception phase	Target for 2027 to be confirmed during inception phase	2.1.1 World Bank data 2.1.2 United Nations statistics	Sufficient level of initiative from Partner Countries and IFIs for investments aimed at improving the business climate  Availability of reliable data from Financial Institutions
<b>Output 2 related to Outcome 2</b>	<b>2.2</b> Improved competitiveness and sustainability of the local private sector	2.2.1 Global Competitiveness Index (Ranking)	Baseline to be defined at the inception phase	Target for 2027 to be confirmed during inception phase	2.2.1 World Economic Forum <a href="http://reports.weforum.org/global-competitiveness-report-2014-2015/?doing_wp_cron=1626254766.5302131175994873046875">http://reports.weforum.org/global-competitiveness-report-2014-2015/?doing_wp_cron=1626254766.5302131175994873046875</a>	Sufficient level of initiative from Partner Countries and IFIs for investments aimed at improving the business climate
<b>Output 3 related to Outcome 2</b>	<b>2.3</b> Increased private inclusive & sustainable investment	2.3.1 Domestic credit to private sector (% of GDP) (Percentage) 2.3.2 Foreign direct investment net inflows as percent of GDP (Percentage (%))	Baseline to be defined at the inception phase	Target for 2027 to be confirmed during inception phase	2.3.1 World Bank Statistics 2.3.2 World Bank Statistics	Availability of reliable data from Financial Institutions  Availability of a monitoring,

						reporting and verification system, which includes an obligation to report on gender
<b>Output 4 related to Outcome 2</b>	<b>2.4</b> Increased private sector engagement and leverage	<p>2.4.1 Gross fixed capital formation (% of GDP) (Percentage)</p> <p>2.4.2 Number of new private sector firms investing in sector/value chain [X] (Number of firms) - data disaggregated by sex and age</p> <p>2.4.3 Number and value of Private Partnership in Infrastructure (Number and Currency) with EU support</p> <p>2.4.4 Levels of private co-financing (Currency (€, \$, local currency))</p>	Baseline to be defined at the inception phase	Target for 2027 to be confirmed during inception phase	<p>2.4.1 World Bank Statistics</p> <p>2.4.2. Experts analysis of sector and/or value chain</p> <p>2.4.3 World Bank Statistics</p> <p>2.4.4 DFIs</p>	Availability of reliable data from Financial Institutions
<b>Output 5 related to Outcome 2</b>	<b>2.5</b> Improved and inclusive access to markets and/or value chains	<p>2.5.1 Proportion of companies that report facing non-tariff measures related obstacles to trade (Percentage) - data disaggregated by sex and age</p> <p>2.5.2 Number of new (formal or informal) MSMEs linked to new value chains (national or international), disaggregated by sector and sex of MSME owner/head</p>	Baseline to be defined at the inception phase	Target for 2027 to be confirmed during inception phase	<p>2.5.1 International Trade Centre, non-tariff measures surveys</p> <p>2.5.2 Monitoring and Evaluation/ experts analysis</p>	Availability of reliable data from Financial Institutions
<b>Output 6 related to Outcome 2</b>	<b>2.6</b> Improved inclusive access and use of diversified financial services, including from innovative financial instruments (for M&SMEs, women, youth and rural populations)	<p>2.6.1 Number of individuals with access to financial services with EU support, disaggregated by: - type of service (access to loans, guarantees, banking services etc.) - modalities (electronic or face to face) - user type (sex, age, etc) (Number of individuals)</p> <p>2.6.2 Number of firms with access to financial services thanks to EU support,. disaggregated by: - type of service (access to loans, guarantees, banking services etc.) - modalities (electronic or face to face)</p>	Baseline to be defined at the inception phase	Target for 2027 to be confirmed during inception phase	<p>2.6.1 Monitoring and Evaluation/ experts analysis</p> <p>2.6.2 Monitoring and Evaluation/ experts analysis</p> <p>2.6.3 World Bank: <a href="http://www.doingbusiness.org/data">http://www.doingbusiness.org/data</a></p> <p>2.6.4 National surveys, project level surveys, Monitoring and Evaluation/ experts analysis</p>	<p>Availability of reliable data from Financial Institutions</p> <p>Availability of a monitoring, reporting and verification system, which includes an</p>

		- user type (sex of head of firm, age of head of firm, etc)  2.6.3 World Bank Doing Business "getting credit"*ranking/score				obligation to report on gender
<b>Output 1 related to Outcome 3</b>	<b>3.1</b> Improved digital infrastructure and connectivity	3.1.1 Number of households with access to fixed broadband connectivity, disaggregated by urban/rural and type of internet service (wired or wireless broadband network)  3.1.2 Number of people with access to mobile broadband connectivity, disaggregated by sex, urban/rural (Number)	Baseline to be defined at the inception phase	Target for 2027 to be confirmed during inception phase	3.1.1 Telecommunication/ICT regulatory authority, Ministry of ICTs. Baseline and endline surveys conducted and budgeted by the EU-funded intervention.  3.1.2 Telecommunication/ICT regulatory authority, Ministry of ICTs. Baseline and endline surveys conducted and budgeted by the EU-funded intervention.	Availability of data from Partner Countries Telecommunication /ICT regulatory Authorities and Ministries of ICT
<b>Output 2 related to Outcome 3</b>	<b>3.2</b> Increased competitiveness of digital businesses and job creation in the digital domain as well as in other sectors profiting from digital input	3.2.1 Number of indirect jobs supported by the EU - data disaggregated by sex  3.2.2 Number of new jobs created in companies benefitting from digitalization support provided by APIF facility - data disaggregated by sex and age  3.2.3 Number of digital start-up enterprises led by women who benefit from financial support and/or training, funded by the EU	Baseline to be defined at the inception phase	Target for 2027 to be confirmed during inception phase	3.2.1 Intervention M&E system 3.2.2 Expert analysis to be commissioned by APIF	Availability of a monitoring, reporting and verification system, which includes an obligation to report on gender
<b>Output 3 related to Outcome 3</b>	<b>3.3</b> Increased connection to open, affordable and secure broadband connectivity and digital infrastructure, especially for youth, women, vulnerable groups and rural communities	3.3.1 Number of Mobile Subscriptions (disaggregated by data/no data services enabled) - data disaggregated by sex and age	Baseline to be defined at the inception phase	Target for 2027 to be confirmed during inception phase	3.3.1 Annual data from Telecommunication/ICT regulatory authority, Ministry of ICTs; Baseline and endline surveys conducted and budgeted by the EU-funded intervention	Availability of data from Partner Countries Telecommunication /ICT regulatory Authorities and Ministries of ICT

		3.3.2 Number of Fixed Data Subscriptions (disaggregate by commercial and non-commercial subscriptions) (Number) - data disaggregated by sex and age			3.3.2 Annual data from Telecommunication/ICT regulatory authority, Ministry of ICTs; Baseline and endline surveys conducted and budgeted by the EU-funded intervention	<p>Availability of surveys on EU-funded interventions</p> <p>Availability of a monitoring, reporting and verification system, which includes an obligation to report on gender</p>
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## 4. IMPLEMENTATION ARRANGEMENTS

### 4.1. Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement with the partner country.

### 4.2. Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 156 months from the date of adoption by the Commission of this Financing Decision.

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

### 4.3. Implementation 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>1</sup>

#### 4.3.1. Contribution to Asia Pacific Investment Facility

This contribution may be implemented under indirect management with the entities, called Lead Finance Institutions, identified in the appendix to this Action Document.

Individual projects and the relevant Lead Finance Institutions will be selected using, among other, the following criteria:

- (i) pillar assessed entities,
- (ii) alignment with the strategic priorities, including the Global Gateway,
- (iii) compliance with EU policies, sector/thematic policies,
- (iv) additionality of EU contribution,
- (v) potential cooperation on policy dialogue topics and
- (vi) maturity of the project preparation.

Moreover in accordance with Article 27.(7) the Regulation (EU) No 2021/947, financial instruments, budgetary guarantees and blending operations under the Instrument shall be implemented in accordance with the principles laid down in Article 209(1) of the Financial Regulation and whenever possible under the lead of the EIB, a multilateral European finance institution, such as the European Bank for Reconstruction and Development, or a bilateral European finance institution, such as development banks, possibly pooled with additional other forms of financial support, both from Member States and third parties

The involvement of non-European FIs, such as the Asia Development Bank and other, as lead financiers should be examined by the EFSD+ Strategic Board on a case by case basis following a targeted approach, based on the specific added value as a lead financier brought in a particular project or region. This would include those aspects in which non-European FIs might contribute to fill the gap left by European FIs, in particular regarding their:

- a) specific thorough knowledge of local conditions and presence in the region,
- b) specific analytical capacities and specific expertise and know-how, notably on private sector financing and the promotion of financial instruments and /or of innovative financing tools that attract private funding,

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<sup>1</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.

- c) specific know-how and experience in relevant sectors,
- d) additional technical and/or financial capacity to substantially leverage further resources.

#### 4.4 Scope of Geographical Eligibility for Procurement and Grants

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

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

#### 4.5. Indicative Budget

The budget for the Action will be drawn from the Asia Regional MIP and from the Country MIPs.

Country MIP contributions to the APIF will be used to partially finance blending operations decided for the respective countries.

Indicative Budget components	EU contribution	EU contribution	EU contribution	EU contribution	EU contribution	EU contribution	EU contribution	EU contribution
	Y 2021	Y 2022	Y 2023	Y 2024	Y 2025	Y 2026	Y 2027	TOTALS
	(amount in EUR)	(amount in EUR)	(amount in EUR)	(amount in EUR)	(amount in EUR)	(amount in EUR)	(amount in EUR)	(amount in EUR)
1. Contribution to APIF of which:	0	61,837,500	233,635,000	109,850,000	50,500,000	45,000,000	44,237,500	545,060,000
• BL Middle East/Central Asia	0	12,837,500	60,912,500	18,050,000	7,000,000	14,000,000	8,837,500	121,637,500
•BL Sout and East Asia	0	49,000,000	133,372,500	82,100,000	30,900,000	22,000,000	29,400,000	346,772,500
• BL Pacific	0	0	39,350,000	9,700,000	12,600,000	9,000,000	6,000,000	76,650,000
Evaluation – c.f. section 5.2								
Audit - c.f. section 5.3								
Communication and visibility – cf. section 6								
Totals	0	61,837,500	233,635,000	109,850,000	50,500,000	45,000,000	44,237,500	545,060,000



## 4.6. Organizational Set-up and Responsibilities

The Asia Pacific Investment Facility will operate under the governance of the EFSD+ Operational Board framework. The operational decision-making process will be prepared in a three level structure:

- Strategic Steering Committee (SSC)
- opinions on projects will be formulated at the Board meetings
- such opinions will be prepared in dedicated Technical Meetings (TAM)

**The Strategy Steering committee (SSC).** Each blending proposal will first go through the INTPA SSC scrutiny before its submission to the TAM. During this meeting, management provide guidance on the alignment of the proposed blending operations with the EU priorities, on the additionality and complementarity with other instruments.

**The Board** is chaired by the Commission. The EEAS and the EU Member states are members who provide an opinion. FIs participate as observers. The opinion of the Board can be positive, negative or recommend re-submission of project proposals. FIs will be present for the purposes of presenting their proposals and responding to any request for clarifications on proposals submitted. The conclusions – reached according to NDICI rules - of the meetings including their justifications will subsequently be communicated to the Financial Institutions in writing. The Board will also be responsible for:

- providing guidance to participating institutions on appropriate future financing proposals (based on strategic priorities defined in the context of the programming process and further discussed in the strategic meetings - see hereunder), monitor and review the pipeline of projects, based on the results of the discussions at the technical level;
- examining project related results (including the annual reports) and monitor the portfolio of approved projects;
- promoting exchanges of best practices;
- drawing upon the specific expertise of the Finance institutions as appropriate and respect the appropriate division of labour;
- examining the involvement of non-European FIs as lead financiers on a case by case basis following a targeted approach, based on the specific added value as a lead financier brought in a particular project or region.

The Board would meet two to four times a year, depending on the needs. When duly justified by time constraints, opinion on projects could be requested by written procedure.

Technical assessment meetings (TAMs) chaired by the Commission with the participation of EEAS and Finance Institutions will be held to:

- review and discuss the pipeline to ensure coordination at an early stage, including in relation to geographical balance and agreed EU political objectives. Results of the pipeline discussion shall be transmitted to the Boards.
- assess project proposals submitted by a Lead Financial Institution based on the appropriate Application Form. The proposal will also be shared with other Financial Institutions for peer review and possible written comments. In particular, such assessment will include alignment to EU policy objectives, the justification of the added value of the grant contribution, social and environmental aspects, appropriate financial structure and other issues such as debt sustainability.
- facilitate exchanges on best practices across regions, including the possible development of selected blending operations or financial instruments that extend across geographical regions.

**Technical assessment meetings (TAM)** will be normally conducted via written procedure. If appropriate such meetings may be in the form of virtual or in-person meetings. The Lead Financial Institution, on the basis of and depending on the comments made, will then be able to submit a revised proposal for further

technical discussions at a later technical meeting or a final revised application form in view of the submission to the Board. In accordance with the recommendations made under the EU Platform for Blending in External Cooperation, non-European Finance Institutions active in a particular region could be invited to attend relevant technical and Board meetings as observers.

The Commission will ensure the secretariat of the NDICI blending framework. Regarding this role, its tasks may include but are not limited to: providing opinions on individual blending operations, coordinating the internal Commission/EEAS consultation process; monitoring of implementation at facility level; consolidation of the pipeline on the basis of the information provided by the Financial Institutions; reporting to EU institutions; production of regular up-to-date information and annual reports on the facilities; preparation of exchanges on best practices etc. The Commission will also provide support in the organisation of communication events and the general implementation of the communication strategy (websites and other communication tools), thereby contributing to the visibility of the EU. The Secretariat organises the technical level assessment of proposals and is the central contact point for all stakeholders involved in the blending framework.

Gender equality, human rights and human rights-based approach expertise will be ensured during the implementation of the facility as possible. They will also be integrated in relevant documents (i.e. ToRs, CfPs etc) as minimum requirements of expertise. As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

## **5. PERFORMANCE MEASUREMENT**

Monitoring and evaluation will assess gender equality results and the implementation of the rights based approach working principles (applying all human rights for all; meaningful and inclusive participation and access to decision-making; non-discrimination and equality; accountability and rule of law for all; and transparency and access to information supported by disaggregated data).

Where possible, monitoring and evaluation will be based on indicators that are disaggregated at least by sex, age, and even further when applicable.

### **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)

### **5.2. Evaluation**

Having regard to the importance of the action, a mid-term and ex-post evaluations may be carried out for this actions or its components via independent consultants contracted by the Commission or through a joint mission. It will be carried out for accountability and learning purposes at various levels.

The Commission shall inform the implementing partners at least 30 days in advance of the dates envisaged for the evaluation missions. The implementing partners 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 projects premises and activities

The evaluation reports shall be shared with the partner countries and other key stakeholders following the best practice of evaluation dissemination<sup>2</sup>. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner countries, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the projects.

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

### **5.3. Audit and Verification**

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. The financing of the audit shall be covered by another measure constituting a financing decision.

## **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 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, in line with the objectives of the Global Gateway strategy to improve the political impact of EU funding interventions worldwide.

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<sup>2</sup> See best [practice of evaluation dissemination](#)

**APPENDIX: Indicative list of Lead Finance Institutions (i.e. other Lead Finance Institutions, when eligible, can be added to this indicative list without needing any addendum to the present AD)**

- European Investment Bank (EIB)
- European Bank for Reconstruction and Development (EBRD)
- World Bank Group:
  - International Bank for Reconstruction and Development (IBRD)
  - International Development Association (IDA)
  - International Finance Corporation (IFC)
- Agence Française de Développement (AFD)
- Kreditanstalt für Wiederaufbau (KfW)
- Consiglio Nazionale delle Ricerche (CNR)
- Cassa depositi e prestiti (CDP)
- European Development Finance Institutions (EFDI)
- Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden (FMO)
- Promotion et Participation pour la Coopération Économique (PROPARCO)
- Asian Development Bank (ADB)
- Compañía Española de Financiación del Desarrollo (COFIDES)
- Agencia Española de Cooperación Internacional para el Desarrollo (AECID)
- United Nations Capital Development Fund (UNCDF)
- United Nations development Programme (UNDP)