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ANNEX

to the Commission Implementing Decision on the financing of the annual action plan in favour China for 2023, under the Multiannual Indicative Programme for the Asia-Pacific region

Action Document for Support for the EU's Wildlife Protection, Environmental and International Development Policies in China

ANNUAL PLAN

This document constitutes the annual work programme within the meaning of Article 110(2) of the Financial Regulation, within the meaning of Article 23 of the NDICI-Global Europe Regulation.

1 SYNOPSIS

1.1 Action Summary Table

1. Title CRIS/OPSYS business reference Basic Act	Support for the EU's Wildlife Protection, Environmental and International Development Policies in China OPSYS number: ACT-62074 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
2. Team Europe Initiative	No
3. Zone benefiting from the action	The action shall be carried out in the People's Republic of China
4. Programming document	Regional Multi-Annual Indicative Programme for Asia and Pacific 2021-2027
5. Link with relevant MIP(s) objectives / expected results	<p>The proposed action aims to advance the priorities identified in the China section of the Regional Multi-Annual Indicative Programming (RMIP) Asia and the Pacific 2021-2027, namely:</p> <ul style="list-style-type: none"> • Promote European values and interests in the bilateral relations with China, in line with the multi-faceted approach outlined in the 'Strategic Outlook' Joint Communication (March 2019)¹; • Engage China to tackle global challenges, to deliver on international commitments such as the Agenda 2030 and the Paris Agreement and to address its role as global actor and donor by promoting international norms and standards and countering negative impact where necessary. <p>Relevant expected results from the 2021-2027 RMIP:</p> <ul style="list-style-type: none"> • ER 1.3: Improved market access, level playing field and fair and equal treatment for European businesses operating in China;

¹ JOIN/2019/5 final

	<ul style="list-style-type: none"> ER 2.1: Coordinate on the external dimension of the European Green Deal and progress towards the Paris Agreement targets, including via initiatives to address the impact of China's practices in partner countries and via initiatives that support the development and implementation of China's own climate change and environmental protection policies (e.g. the ETS trading system; biodiversity and wildlife protection; waste and water management; resource efficiency and circular economy; sustainable and deforestation-free supply chains; clean oceans; forest preservation and reforestation, including China's external footprint; EU-China Blue Partnership for the Oceans;) ER 2.5 Pursue sustainable, accessible quality infrastructure in line with the EU-Asia Connectivity Strategy, the EU Strategy for Cooperation in the Indo-Pacific and international standards, address development finance, including Chinese overseas lending practices, and promote best practices in aid management while ensuring coordination on humanitarian aid, focusing on China's increasing role in humanitarian crises and peacekeeping initiatives. 			
PRIORITY AREAS AND SECTOR INFORMATION				
6. Priority Area(s), sectors	410 – General Environment Protection 151 – Government and Civil Society - general			
7. Sustainable Development Goals (SDGs)	Main SDG (1 only): Goal 12. Ensure sustainable consumption and production patterns Other significant SDGs (up to 9) and where appropriate, targets: Goal 13. Take urgent actions to combat climate change and its impact Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss Goal 17. Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development			
8 a) DAC code(s)	410 – General Environment Protection – 54% 151 – Government and Civil Society - general – 46%			
8 b) Main Delivery Channel	Channel 2 – 60000 – Private sector institution Channel 3 – 41000 – UN entities			
9. Targets	<input type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input type="checkbox"/> Social inclusion and Human Development <input type="checkbox"/> Gender <input checked="" type="checkbox"/> Biodiversity <input type="checkbox"/> Education <input checked="" type="checkbox"/> Human Rights, Democracy and Governance			
10. Markers (from DAC form)	General policy objective @	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Internal markers and Tags:	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	digital connectivity digital governance digital entrepreneurship digital skills/literacy digital services	YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
	Connectivity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	digital connectivity energy transport health education and research	YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
	Migration @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	BUDGET INFORMATION			
12. Amounts concerned	Budget line(s) (article, item): 14.020131 Total estimated cost: EUR 8 700 000 Total amount of EU budget contribution EUR 8 700 000			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing	Direct management through: Procurement and Grants			

1.2 Summary of the Action

This Annual Action Plan (AAP) is aligned with the priorities identified in the China section of the Regional Multi-Annual Indicative Programming (RMIP) Asia and the Pacific 2021-2027, namely:

- Promote **European values and interests** in the bilateral relations with China, in line with the multi-faceted approach outlined in the ‘Strategic Outlook’ Joint Communication (March 2019);
- Engage China to **tackle global challenges**, to deliver on international commitments such as the Agenda 2030 and, Paris Agreement and the Kunming-Montreal Global Biodiversity Framework, and to address its role as global actor and donor by promoting international norms and standards and countering negative impact where necessary.

This AAP focuses on EU policy priorities and strategic interests in our bilateral agenda with China, notably on environmental and circular economy issues, wildlife protection, as well as global development challenges. The Team Europe approach will be leveraged throughout the three components of the AAP.

Component 1 will aim to improve the level playing field between the EU and China on environmental requirements for circular economy, chemicals, deforestation, biodiversity, pollution, water management. This will be done through reinforced EU-China policy dialogues and cooperation in environment and green/circular economy to align China’s environmental legislation framework with that of the EU.

Component 2 will seek to enhance EU-China policy dialogue and cooperation in tackling illegal wildlife trade to advance objectives set out in the EU Action Plan against Wildlife Trafficking.

Component 3 will generate evidence-based analysis on China’s evolving and expanding role in international development; support the development of a cohort of European researchers with expertise on this subject; facilitate technical exchanges between the EU and Chinese counterparts; and promote knowledge and understanding in China of the EU as the leading global development actor.

2 RATIONALE

2.1 Context

The June 2023 European Council conclusions on China and the strategic discussions at the May 2023 Gymnich informal meeting of foreign affairs ministers and the October 2022 Foreign Affairs Council and European Council reaffirmed support for the fundamentals of the EU’s realist multi-faceted approach towards China, set out in the EU-China ‘Strategic Outlook’ Joint Communication in March 2019² (partner - competitor - systemic rival). This approach has served to address the different aspects of this complex relationship, through a period when economic and political relations have required flexibility and agility. It also kept open the space for bilateral engagement on matters of common or global interest, such as environment and climate issues. In recent years, the rivalry and competition aspects of the relationship have become more prominent. EU-China relations have been affected by disproportionate countersanctions (following the March 2021 EU human rights-related listings), cases of economic coercion and China’s increased convergence with Russia. The President of the European Commission, Ursula von der Leyen, outlined in March 2023 the EU’s approach to China, which focuses on reducing vulnerabilities and increasing resilience through de-risking (as opposed to de-coupling). Continuing to consolidate unity across all aspects of the relationship remains crucial for the EU’s capacity to maintain credibility and leverage. At the same time, EU unity should aim at balancing realistic and robust engagement with well-managed systemic rivalry and competition with China in support of core EU interests and values. This includes keeping channels of communication open and continuing to work with China in support of bilateral and global interests (e.g. climate change, environment, debt sustainability, global health, nuclear non-proliferation, regional security) and shared international commitments. These messages were also echoed in President von der Leyen’s visit to China in April 2023, where she in particular called for China to take a greater responsibility in the way towards a just peace in Ukraine and urged China to address imbalances in the trade and economic relationship.

China is the world’s largest emitter of carbon dioxide and responsible for more than a quarter of the world’s overall greenhouse gas emissions. Its domestic production and consumption patterns make China one of the largest contributors to imported deforestation. China’s growing foreign investments also place it in a prime position to influence environmental outcomes of economic activities in third countries. Working with China is critical to

² JOIN/2019/5 final

deliver on the Paris Agreement, the Kunming Montreal Global Biodiversity Framework and other multilateral environmental agreements, and to advance the external dimension of the European Green Deal³ as central component of EU's Global Gateway strategy. Engagement on the green policy agenda has broadened and deepened through the EU-China High Level Environment and Climate Dialogue and continued mutual interest in advancing commitments in this policy area, as shown by the agreement on the Kunming Montreal Global Biodiversity Framework at the end of 2022.

Wildlife trafficking is a global challenge with profound negative environmental, social, economic and political impacts. In November 2022, the EU adopted a revised EU Action Plan to put an end to illegal wildlife trade⁴, as announced in the Biodiversity Strategy for 2030⁵. The lucrative global black market in illegal wildlife trade contributes to the depletion or extinction of entire species and risks of further zoonotic diseases. China's market for wildlife goods is globally significant and is subject to a range of legislative and regulatory interventions adopted within the context of international efforts to reduce over-exploitation of nature, especially the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). China is a destination market for illegal wildlife trade, a hub for trafficking in transit to other regions and, for some species, the source region for illegal trade. Global imports of tropical hardwood logs totalled 18 million cubic meters in 2018. An estimated 82 per cent of the value of this import demand came from industries based in China⁶. Continued engagement is thus crucial to deliver on the external dimension of the European Green Deal and the policy priorities of the EU Action Plan.

China's role as an international development actor is evolving and expanding: China is now the largest bilateral creditor to developing countries globally, and has recently launched the Global Development Initiative (GDI) in September 2021, aiming to increase its appeal to the Global South and position itself as a leader amongst developing countries. China does not consider itself to be a "donor" and does not use established donor systems or standards such as those developed by the OECD Development Assistance Committee (DAC). This creates significant challenges in assessing the nature, scale and impact of China's development activities. The EU aims to develop a cohort of European researchers with expertise in China's evolving role in international development and generate detailed evidence and analysis about its impact. This would underpin any engagement with China on international development to promote EU interests and positions.

2.2 Problem Analysis

Component 1 – EU-China Cooperation on Environment and Green Economy

The action will support preparation and follow-up of initiatives agreed at the EU-China High Level Environment and Climate Dialogue (HECD, as regards specifically environmental policy issues) and the Ministerial-level Environmental Policy Dialogue (EPD) on priority areas including circular economy, pollution control, sound management of chemicals and waste, deforestation, and biodiversity. Enhanced policy dialogues and expert exchanges will focus on key EU environmental policies and action plans such as the European Green Deal⁷, the EU Action Plan to End Wildlife Trafficking (revised in 2022)⁸, the Biodiversity Strategy for 2030⁹, the Zero Pollution Action Plan¹⁰, the Circular Economy Action Plan¹¹, as well as specific legislative and policy initiatives adopted under these frameworks. The project will also focus on supporting EU-China exchanges in relation to major

³ COM/2019/640 final

⁴ COM/2022/581 final

⁵ COM/2020/380 final

⁶ UNITED NATIONS OFFICE ON DRUGS AND CRIME (UNODC), 2020, "World Wildlife Crime Report Trafficking in protected species", p.38, Vienna, Austria

⁷ COM/2019/640 final

⁸ COM/2022/581 final

⁹ COM/2020/380 final

¹⁰ COM/2021/400 final

¹¹ COM/2020/98 final

multilateral environmental agreements and fora, including the Paris Agreement, the Convention on Biological Diversity and the implementation of the Kunming Montreal Global Biodiversity Framework, and exchanges in the context of the UN Environmental Assembly and other global environmental fora, as well as initiatives to reduce greenhouse gas emissions.

The action will contribute to operationalising the higher-level, punctual policy discussions through frequent, concrete joint activities, focusing on agreed priorities across the aforementioned areas. These activities will allow for regular exchanges between EU and Chinese officials and experts to promote a common understanding of key issues, as well as to deliver feasibility studies and research papers to substantiate those exchanges and provide technical grounding to approximation efforts. These efforts will aim to promote greater regulatory convergence of China's environmental regulations with EU standards adopted or planned under the European Green Deal. Engagement will also seek to increase awareness of and compliance with EU legislation and strengthen cooperation at the multilateral level based on frameworks such as the Paris Agreement. This could contribute towards improving the level playing field as regards environmental requirements for circular economy, deforestation, biodiversity for businesses in China. The action will ensure continuity and build on progress achieved in its two previous phases through effective engagement with relevant Chinese authorities and outputs linked to China's work under relevant global and regional fora and processes (e.g. G20, UNEA5, CBD COPs, Basel Convention on Hazardous Waste).

This component will build on the progress achieved in the previous two phases in deepening engagement with China on the EU's environmental policy priorities and ensure synergies with the action on 'Reducing plastic waste and marine litter in China- Supporting a transition to a circular economy' (under the China Annual Action Plan 2022).

Component 2 – China's Champions of Change II: Addressing the Demand for Illegal Wildlife Products

This action aims to improve the level playing field between the EU and China on environmental requirements through reinforced policy dialogues and cooperation in tackling illegal wildlife trade. The lucrative global market in illegal wildlife trade contributes to the depletion or extinction of entire species and furthers zoonotic diseases (which spread between animals and humans). China is a destination market, a hub for trafficking in transit to other regions and, for some species, the source region for illegal wildlife trade. For instance, rosewood is the world's most trafficked endangered species by value and nearly all rosewood logs are sent to China, fuelling a USD 26 billion market for furniture. China is also a major destination market for trafficked endangered European eel (*Anguilla anguilla*). Therefore, working with China is crucial to advance the policy objectives of the EU Action Plan Against Wildlife Trafficking and the Biodiversity Strategy for 2030 and the Kunming-Montreal Global Biodiversity Framework.

The action will build upon progress achieved in a previous phase of China's Champions of Change (March 2018-February 2021), which focused on protection of endangered wildlife, in particular those more relevant to Chinese lifestyle or consumption behaviours through improved governance capacity and public behaviour changing. Effective collaboration with the National Forest and Grassland Administration (administered by the Ministry of Natural Resources) to address timber legality issues was also strengthened. This component will also ensure synergies and coordination with a global action by the European Commission aimed at reducing the trafficking of wildlife and forest products, with a focus on organized crimes operating globally.

Component 3 – EU-China International Development Platform

This action aims to improve the EU's capacity to understand, analyse and engage with China on global development issues in support of the implementation of international commitments such as the 2030 Agenda, the Sustainable Development Goals (SDGs) and the Paris Agreement, also in line with the NDICI partnership area of cooperation. It is crucial that the EU, working together with Member States in a Team Europe approach, has a detailed and evidence-based understanding of China's impact on global development, that the EU and China have channels for exchange of information and best practice at technical level, and that the EU is able to promote its own inclusive and value-based approaches to global development to Chinese stakeholders and opinion leaders. This would underpin any political engagement on international development to promote EU interests and positions. In

order to achieve these aims, the platform will: generate detailed evidence on China's role in international development; develop a cohort of European researchers with expertise on the subject; support technical exchanges between the EU and Chinese counterparts; and promote knowledge and understanding in China of the EU as the leading global development actor.

Given the lack of transparency in China's international development activities, the production and acquisition of quality, detailed data relating to China's economic engagement in developing countries will be key. The platform will also support the development of a cohort of European experts working across different institutions to build up knowledge and connect pools of expertise across the EU focusing on China and global development. These EU experts would conduct analysis focusing on issues including (but not limited to): China's role in renewable energy infrastructure in developing countries, food security, extractive industries, lending to developing countries, its role in multilateral institutions, etc. Access to economic data would enable experts to identify and analyse emerging trends of relevance and impact for the EU's engagement with developing countries.

Exchanges between EU and Chinese experts will aim to deepen understanding of the priorities, policies and likely trajectory of China's role and impact in global development. The platform will also contribute to promoting a better understanding of the EU as the world's largest donor to selected Chinese audiences, in order to improve the quality and range of interactions. It will build on successful work done currently under the Foreign Policy Instrument's EU-China Partnership Facility, which will come to an end in the summer of 2023. This includes, for instance, support for the EU-China technical seminars on international development (with active participation from Member States in a Team Europe approach) and an ongoing series of analytical papers on China's economic engagement with developing countries.

Main stakeholders

The proposed actions will target a variety of stakeholders:

Component 1 – EU-China Cooperation on Environment and Green Economy

On the Chinese side:

- Ministry of Ecology and Environment (MEE), National Forestry and Grassland Administration (NFGA), Ministry of Nature Resources (MNR), Ministry of Water Resources (MWR), National Development and Reform Commission (NDRC) and in other Chinese Ministries developing green policies to integrate environmental concerns (Ministry of Commerce, Ministry of Industry of Information Technology, Ministry of Agriculture and Rural Affairs, etc.);
- Members of China's State Council responsible for environmental issues and green growth;
- Judges and prosecutors responsible for enforcement of Environmental Laws across China.

On the EU side:

- European Commission, EEAS, Members of the European Parliament (MEPs), and Member State Officials involved in developing EU policy in environmental protection and circular economy.

Component 2 – China's Champions of Change II: Addressing the Demand for Illegal Wildlife Products

On the Chinese side:

- Ministry of Ecology and Environment (MEE), National Forest and Grassland Administration (NFGA), Ministry of Commerce (MOFCOM- responsible for trade issues and development issues) and other Chinese Ministries developing green policies to integrate environmental concerns; General Administration of China Customs (GACC) (responsible for border control), Ministry of Public Security (MPS responsible for domestic law enforcement), State Administration of Market Regulation (SAMR responsible for surveillance on consumer market);
- Members of China's State Council responsible for environmental issues and green growth (including via CCICED);
- Senior Provincial Officials with responsibility for addressing wildlife trafficking; Judges and prosecutors responsible for enforcement of Environmental Laws across China; Civil society and local authorities;

- Senior Provincial Officials and Senior Civil servants from the cities/municipalities responsible for the implementation of environmental laws and green growth policies.

On the EU side:

- European Commission, EEAS, MEPs and Member State Officials involved in EU policy development.

Component 3 – EU-China International Development Platform

On the Chinese side:

- Government ministries and agencies, including China International Development Cooperation Agency (CIDCA), Ministry of Foreign Affairs (MFA), Ministry of Commerce (MOFCOM), Ministry of Finance (MOF), People's Bank of China (PBOC), National Development and Reform Commission (NDRC) who lead China's BRI.
- Chinese think tanks and expert organisations such as the China Academy of International Trade and Economic Affairs (CAITEC), the Centre for International Knowledge on Development (CIKD) and the China International Development Knowledge Network (CIDKN).

On the EU side:

- EU Member States who will be involved through a Team Europe approach;
- EU academia and think-tanks;
- European Commission and EEAS, depending on specific activities.

3 DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

The Overall Objective of this action is to promote EU values and interests and engage China to tackle global challenges.

The Specific(s) Objective(s) of this action are to:

- 1. Improve the level playing field between the EU and China on environmental requirements** for circular economy, chemicals management, deforestation, biodiversity, pollution management through reinforced EU-China policy dialogues and technical cooperation in environment and green/circular economy to align China's environmental legislation framework with that of the EU. Coordinate on the external dimension of the European Green Deal and progress towards the Paris Agreement targets;
- 2. Enhance EU-China policy dialogue and cooperation in tackling illegal wildlife trade** to advance the EU Action Plan against Wildlife Trafficking;
- 3. Develop a detailed and evidence-based understanding of China's evolving role in international development and promote EU interests and positions** in engaging China to address global development challenges and to deliver on key international commitments (e.g. 2030 Agenda, SDGs, Paris Agreement) in line with the NDICI partnership area of cooperation.

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

S.O.1 EU-China Cooperation on Environment and Green Economy

- Output 1.1: Improve reciprocal understanding of the EU and China's environmental policies to ensure a productive dialogue at political and technical level;
- Output 1.2: Promote EU policies and standards, best practices and experiences in environmental

- governance, regarded as potentially relevant for the Chinese context by EU and Chinese authorities;
- Output 1.3: Boost the implementation of the Circular, Nature Positive and Zero-Pollution approach in China by promoting regulatory convergence and innovative technical solutions;
- Output 1.4: Identify further technical and economic opportunities of collaboration on environmental issues, including EU-China private sector collaboration;
- Output 1.5: Enhance EU-China policy dialogues related to environmental issues with key interlocutors;

S.O.2 China's Champions of Change II: Addressing the Demand for Illegal Wildlife Products

- Output 2.1: Address key gaps in regulatory frameworks and raise awareness and understanding of key challenges in the endangered situation of identified species among Chinese stakeholders (e.g. National Forest and Grassland Administration, the Customs Administration, the Police forces, the market supervision authorities) in a position to reduce trafficking and potential consumers of illegal wildlife products or endangered species;
- Output 2.2: Devise and implement activities targeting consumer behaviour change for endangered wildlife products (e.g. rosewood, ivory, rhino horns, tigers, European eels and pangolin scales);
- Output 2.3: Enhance cooperation on wildlife trade law enforcement between China and the EU.

S.O.3: EU-China International Development Platform

- Output 3.1: Generate a detailed and high-quality evidence base of China's impact on international development;
- Output 3.2: Support the development of a cohort of European experts specialised in China's global development impact;
- Output 3.3: Conduct technical exchanges between the EU and Chinese counterparts on key development challenges, in a Team Europe approach;
- Output 3.4: Promote knowledge and understanding among Chinese opinion leaders and experts on the EU's role as the world's largest and most influential development actor.

3.2 Indicative Activities

Component 1 – EU-China Cooperation on Environment and Green Economy

- 1.1 Policy dialogues and technical exchanges with national, regional and provincial authorities** as well as key stakeholders (non-governmental organisations, community-based organisations, business organisations, etc) on environment and green/circular economy policies, in particular circular economy, pollution management, sound management of chemicals and waste, deforestation, and biodiversity.
- 1.2 Legislative or technical assistance** to competent authorities, local industries and industry organisations, to improve understanding of respective EU and Chinese environmental policy frameworks, foster greater approximation of those frameworks, maximise compliance levels, and ensure constructive cooperation for information and enforcement purposes.
- 1.3 Advisory services, workshops or public campaigns** in collaboration with national and local authorities as well as key stakeholders to promote awareness and visibility of the EU's environmental policies and best practices.
- 1.4 In-depth studies or papers to inform substantive and meaningful policy or technical exchanges and to support approximation and compliance improvements.**
- 1.5 Study visits of Chinese officials and stakeholders to the EU** to promote EU policies and standards, best practices in environmental governance, regarded as potentially relevant for the Chinese context by EU and Chinese authorities.

Component 2 – China’s Champions of Change II: Addressing the Demand for Illegal Wildlife Products

- 2.1 **Market and consumer surveys of targeted species (including but not limited to rosewood, European eels) in key consumption markets** in China to have a better understanding of the situation of wildlife demand and illegal trade, in order to reduce demand from the source and help to develop more targeted policies and enforcement campaigns; **workshops, conferences and seminars** to engage stakeholders to review policy development on both EU and China, to work on potential concepts and frameworks for responsible consumption.
- 2.2 **Organization of campaigns** on identified wildlife species to raise public awareness on urgency of wildlife protection, and changing consumption behaviours and concepts; **review of protection laws and utilization management policies** in China and develop recommendations to stakeholders; Development of Responsible Consumption Guideline for Rosewood and hardwood.
- 2.3 **Stakeholder engagement with key industries** (tourism, crafts & collection, e-business) industries and demand reduction (DR) community of practice in China; **stakeholder engagement with Chinese nationals and companies in Africa; organization of joint activities such as workshops, study visits and trainings for relevant Chinese and EU authorities**, in particular in the area of wildlife law enforcement cooperation.

Component 3 – EU-China International Development Platform

- 3.1 **Develop a detailed and high-quality evidence base of China’s impact on international development** on a range of issues including (but not limited to): China’s lending to developing countries; China’s role in global health; the Belt and Road Initiative; the Global Development Initiative; China in the multilateral system; China’s role in renewable energy generation in developing countries, extractive industries, etc. This work would be underpinned by the acquisition of quality, detailed data relating to China’s economic engagement in developing countries.
- 3.2 **Support the development of a cohort of European experts** in China’s role in international development to build up knowledge and connect pools of expertise across different institutions in the EU. Network members will contribute to activities outlined in 3.1, produce assessments of new policy initiatives and documents, reports and/or datasets and engage in regular discussions on these issues. Study tours will also enable experts to conduct in-depth interviews with stakeholders shaping new Chinese initiatives on international development.
- 3.3 **Hold regular activities providing interaction between EU and Chinese policy-makers, practitioners and experts** on a range of technical issues related to aid management and development cooperation, working closely with the EU Delegation to China and the Commission. This will build on the current ongoing series of “technical seminars” led by the Commission and China International Development Cooperation Agency (CIDCA), and will be carried out in a **Team Europe** approach. Exchanges will focus on issues of common interest and draw on the evidence and analysis produced by European experts. These exchanges will provide a mechanism for knowledge sharing and to enhance understanding of international development modalities in line with EU interests and standards.
- 3.4 **Promote the EU’s role as the world’s largest donor to selected Chinese audiences**, in particular Chinese opinion leaders and experts. This could include creating Chinese language versions of materials such as key policy documents/videos, etc.

3.3 Mainstreaming

Environmental Protection & Climate Change

Environmental protection and climate change mitigation and adaptation are key aspects of the transition towards a green and circular economy and are the main focus of the Action. Fully in line with the European Green Deal ambitions, the action mainstreams a broader approach aimed at supporting the transition to a green and circular economy. The action will support environmental sustainability, including climate change mitigation and reduction on environmental destruction issues at policy level.

Outcomes of the EIA (Environmental Impact Assessment) screening (relevant for projects and/or specific interventions within a project):

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

Outcome of the CRA (Climate Risk Assessment) screening (relevant for projects and/or specific interventions within a project):

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

Gender equality and empowerment of women and girls:

As per the OECD Gender DAC codes identified in section 1.1, this action is labelled as G0. This implies that the action has been screened against the marker but has not been found to target gender equality either as principle or significant objective.

Human Rights

Respect for human rights, including women's rights, is a fundamental value of the European Union. Aligning the legal framework of China with international standards (ratification and implementation of international human rights treaties) is a key activity under this action. The design and implementation of the action will give attention to those who are most marginalised, excluded or discriminated against and living in vulnerable situations. The action will attempt to intensify the dialogue on human rights as universally recognised and as a core aspect of China-EU relations. This action will apply a human rights-based approach encompassing all human rights, whether civil and political or economic, social and cultural in order to integrate human right 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). The approach will be guided by the principle of "leaving no one behind", equality and non-discrimination on any grounds.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0. This implies that disability is not targeted either as principle or significant objective of the action. However, in all activities all possible measures will be taken to ensure inclusive policy dialogues. Therefore, attention will be paid to ensure and enable the participation of persons with disabilities in the activities under the action and to ensure that the achieved results will be accessible for persons with disabilities, more specifically under component 3.

Reduction of inequalities

The attainment of human rights, the rule of law, liberal democracy, peace, conflict prevention, resilience and stability in our partner countries, and even more in China are key objectives. Project' designs are aiming to implementing policies and programmes that meet people's needs, reduce inequalities, and fulfil the central commitment of the 2030 Agenda to leave no one behind.

Democracy

All activities, including policy dialogue with the Chinese Government, will aim to strengthen the inclusiveness of policy dialogues as well as an accent on the importance of the rule of law, good governance, transparency and anti-corruption.

Conflict sensitivity, peace and resilience

Monitoring the promotion of human rights, fundamental freedoms, peace and security both in China and in partner countries will be considered as appropriate.

Disaster Risk Reduction

Building resilience and preventing disaster are primarily relevant in China when it comes to natural disasters. Adapting to climate change including Disaster Risk Reduction and building resilience of communities living within or in close proximity to biodiversity and ecosystem fragile will be key issues under components 1 and 2 of the

action.

3.4 Risks and Lessons Learnt

Component 1 – EU-China Cooperation on Environment and Green Economy

Risk description	Likelihood (High/Medium/Low)	Impact (High/ Medium/ Low)	Mitigating measure
Low engagement of Chinese authorities	L	M	Strong alignment between technical work and agreements/outcomes from high level political dialogue.
Limited flexibility of Chinese counterparts in defining areas of collaboration	M	M	Close dialogue and reciprocal awareness on key environmental issues to be addressed at all levels from Summit to regular technical discussions.
Lack of willingness for participation / contribution from the private sector	L	L	Involvement of private sector stakeholders in consultations, workshops and study tours from the outset.
Limited access to information	M	M	Build on existing large network of academic and think tanks with which the EU has been working effectively in recent years.
Lessons learned: The previous two phases underlined the relevance of the project for advancing key external EU policy priorities under the European Green Deal (in relation to the EU Circular Economy Action Plan, EU Biodiversity Strategy 2030, Zero Pollution Action Plan and related legislative measures). They contributed to deepening engagement with China and EU Member States (France, Germany, Netherlands, Denmark, Sweden and Spain notably) on environmental policy priorities. The project outputs were relevant and closely linked to China's work and engagement under key global and regional fora and processes, including the G20, UNEA5, CBD COPs, Basel Convention on Hazardous Waste.			

Component 2 – China's Champions of Change II: Addressing the Demand for Illegal Wildlife Products

Risk description	Likelihood (High/Medium/Low)	Impact (High/ Medium/ Low)	Mitigating measure
Low engagement of Chinese counterparts (authorities)	L	M	Strong alignment between technical work and agreements/outcomes from high level political dialogue.
Limited flexibility of Chinese counterparts with regards to the definition of area of collaboration	M	M	Close dialogue and reciprocal awareness on key issues to be addressed will be ensured at technical and political level.
Lack of willingness for participation / contribution from the private sector	L	L	Involvement of private sector stakeholders in consultations, workshops and study tours from the outset to ensure timely information sharing and feedback to enable opportunities for their contributions.

Limited access to information	M	L	Effective collaboration with existing large network of academic and think tanks will be further strengthened.
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Lessons learned:

Based on the productive experiences, knowledge and understanding acquired during the first phase, activities on improving the capacity for legal enforcement, campaigns on raising public awareness, cooperation with stakeholders to develop better consumption guidelines and legal frameworks will remain a priority in the new phase. In addition, the project will address emerging issues of concern to EU and Chinese counterparts, including to improve cooperation with EU Member States on specific cases and species.

Component 3 – EU-China International Development Platform

Risk description	Likelihood (High/Medium/Low)	Impact (High/ Medium/ Low)	Mitigating measure
Low quality outputs due to relative lack of expertise in EU on China's evolving role and impact on international development	L	M	Gradual approach to delivery, building on high quality products developed thus far with support from the EU-China Partnership Facility (ECDF).
Lack of accurate data and information concerning China's international development activities.	M	M	Project will specifically support data development, building on ongoing work in expert organisation.
Politicisation by Chinese authorities, particularly of dialogue elements.	L	M	Maintain focus on exchanging knowledge and experience, highlighting technical exchanges and working in Team Europe approach.

Lessons learned:

This action will build upon the EU's long experience of engaging with Chinese authorities on domestic development issues and in multilateral fora, as well as on work done currently under the Foreign Policy Instrument's EU-China Partnership Facility (ECDF).

3.5 The Intervention Logic

Component 1: EU-China Cooperation on Environment and Green Economy

China's 14th Five-Year Plan (2021-2025) is comprehensive and ambitious in environment and broader green economy objectives. It represents a step change in China's commitment to dealing with environmental challenges and seeking new economic opportunities associated with a green, low carbon economy, including through significantly improving urban environment infrastructure, developing waste treatment facilities and improving the recycling rate of waste, speeding up green transition and circularity mechanisms. By chairing the CBD COP15, in particular bridging positions to conclude the Kunming Montreal Global Biodiversity Framework, China demonstrated its commitment to taking a leading role on global efforts to improve environmental outcomes. Importantly, EU – China cooperation on environment has been upgraded to Executive Vice President (EU) – Vice Premier (China) level since the establishment of the EU – China High Level on Environment and Climate Dialogue (HECD) in 2020.

The theory of change of this component is: the EU's environmental Action Plans and Strategies under the European Green Deal will be promoted through enhanced exchanges with policy makers and stakeholders in China to demonstrate their value and benefits (through dialogues, trainings, in-depth reports, study visits, etc), also strengthening the skills and knowledge of Chinese stakeholders in better understanding and adapting the EU's best practices and standards to the domestic context. Consultations with Chinese stakeholders will promote the benefits of interventions and secure their constructive participation. Based on achievements in prior phases of this action, it is expected that EU policies relating to the environment and green economy will influence China's policy process in the medium-term with respect to e.g. circular economy, chemicals, deforestation, biodiversity, pollution management, etc.

Component 2: China's Champions of Change II: Addressing the Demand for Illegal Wildlife Products

China has developed in recent years several regulations to tackle illegal wildlife trafficking. These developments provide an opportunity for further engagement to address consumer demand, and to draw lessons for use both within China and other countries with markets for illegal wildlife products. In 2018, China adopted the third revision of the Wildlife Protection Law, which applies to the protection of wild animals and related activities within China's territory and calls on governments at all levels to strengthen communication, education and awareness raising on wildlife protection and to support civil society organisations in this area. In 2020, the newly revised Forest Law integrated the protection of precious wood and the prohibition of using wood products from illegal sources. On wild plants, China updated the Wild Plant Protection Regulation in 2017 (first issued in 1996). China also published the List of Wild Plants subject to Key Protection and List of Wild Animals subject to Key Protection in 2021. The Crime Law (last revised in 1997) specifies legal penalties for illegal logging protected wood, and illegal catching or trading protected wildlife.

The theory of change of this component is: In November 2022, the Commission adopted a revised EU Action Plan to put an end to illegal wildlife trade, as announced in the Biodiversity Strategy for 2030. The updated plan will guide new EU actions against wildlife trafficking until 2027, building on the first Action Plan adopted in 2016. Activities under this component will aim to advance the four priorities of the revised Action Plan: preventing wildlife trafficking and addressing root causes by reducing consumer demand; strengthening the legal and policy framework against wildlife trafficking; enforcing regulations and policies to fight wildlife trafficking effectively, focusing on capacity building and strengthening the global partnership of source, consumer and transit countries. Through enhanced exchanges and cooperation with Chinese stakeholders, it is expected that Chinese policy makers, relevant industries and consumer communities will benefit from and be influenced by best practices and experiences from the EU.

Component 3: EU-China International Development Platform

As China's role in international development continues to evolve and expand through trade and investments linkages, lending, aid, and several new initiatives (e.g. Global Development Initiative), it is critical that the EU, together with Member States as Team Europe, develops a detailed, high-quality evidence base of China's impact on developing countries. The intervention logic for this component is that data-driven analysis will underpin robust engagement on global development challenges to promote core EU interests and values, notably related to delivering on the Sustainable Development Goals (SDGs) and the 2030 Agenda.

The high quality evidence base will allow for targeted and effective engagement with Chinese counterparts. Exchanges of information and best practices at technical level will provide a platform for knowledge sharing on issues of common interest and enhance understanding of international development modalities in line with EU interests and standards. They will also enable the EU to promote its own inclusive and value-based approaches on sustainable development to Chinese stakeholders and opinion leaders. Promoting the EU and its Member States in China as the world's largest and most influential development actor will further understanding of relevant EU policies and positions and the EU's role in delivering on key international commitments (e.g. UN 2030 agenda and its Sustainable Development Goals, Paris Agreement), and encourage Chinese counterparts to consider EU policies and positions when engaging with global development issues.

3.6 Logical Framework Matrix

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

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

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

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

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

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

Results	Results chain (@): 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
Impact	To promote EU values and interests and engage China to tackle global challenges.	Number of leaders' summits and high-level dialogues held per year.	0 (2022)	2 per year	Internal monitoring & reporting	<i>Not applicable</i>
Outcome 1	Improve the level playing field between the EU and China on environmental requirements for circular economy, chemicals, deforestation, biodiversity through reinforced EU-China policy dialogues and cooperation in environment and green/circular economy to align China's environmental legislation framework with that of the EU.	1.1 Number of Chinese environmental policy processes which have been influenced.	1.1 16 (2022)	TBD in the inception phase	Progress reports for the EU-funded intervention; Text of strategies and policy documents	We will not face a complete breakdown of the bilateral relationship during the lifetime of the action.

Outcome 2	Enhance EU-China policy dialogue and cooperation in tackling illegal wildlife trade to advance the EU Action Plan against Wildlife Trafficking.	2.1 Number of activities with stakeholders focusing on demand reduction and improvement of legal enforcement. 2.2 Number of campaigns on public awareness and consumer behaviour changes.	2.1 0 (2022) 2.2 0 (2022)	2.1 3 per year 2.2 1 per year	Progress reports for the EU-funded intervention	The Chinese authorities will engage constructively in the work.
Outcome 3	Develop a detailed and evidence-based understanding of China's evolving role in international development and promote EU interests and positions in engaging China to address global development challenges and to deliver on international commitments (e.g. 2030 Agenda, SDGs).	3.1 Level of knowledge and understanding of China's evolving and expanding role in international development. 3.2 Extent to which EU-funded intervention contributed to interaction of Chinese and EU development practitioners.	TBD in the inception phase, including through a survey of relevant EU stakeholders.	TBD in the inception phase	Baseline and endline surveys conducted and budgeted by the EU-funded intervention	Chinese counterparts remain open to engage with the EU on international development issues
Output 1.1	Improve reciprocal understanding of the EU and China's environmental policies to ensure a productive dialogue at political and technical level.	1.1.1 Number of meetings, visits with key stakeholders 1.1.2 Number of in-depth reports on specific policies	1.1.1 3 (2022) 1.1.2 0 (2022)	TBD in the inception phase	Progress reports for the EU-funded intervention	We will not face a complete breakdown of the bilateral relationship during the lifetime of the action.
Output 1.2	Promote EU policies and standards, best practices and experiences in environmental governance, regarded as potentially relevant for the Chinese context by EU and Chinese authorities;	1.2.1 Number of meetings, visits with key stakeholders 1.2.2 Number of in-depth reports on specific policies	1.2.1 2 (2022) 1.2.2 2 (2022)	TBD in the inception phase	Text of strategies and policy documents	The Chinese authorities will engage constructively in the work.
Output 1.3	Boost the implementation of the Circular, Nature Positive, Zero Pollution economic approach in China via promoting regulatory convergence and innovative technical solutions.	1.3.1 Number of meetings with key stakeholders	1.3.1 2 (2022)	TBD in the inception phase	Progress reports for the EU-funded intervention	The Chinese authorities will engage constructively in the work.

Output 1.4	Identify further technical and economic opportunities of collaboration on environmental issues, including EU-China private sector collaboration.	1.4.1 Number of meetings with key stakeholders 1.4.2 Number of in-depth reports on specific policies	1.4.1. 3 (2022) 1.4.2 1 (2022)	TBD in the inception phase	Progress reports for the EU-funded intervention	The Chinese authorities will engage constructively in the work.
Output 1.5	Enhance EU-China policy dialogues on environment with key interlocutors.	1.5.1 Number of meetings with key stakeholders	1.5.1 0 (2022)	TBD in the inception phase	Progress reports for the EU-funded intervention	The Chinese authorities will engage constructively in the work.
Output 2.1	Preventing wildlife trafficking and addressing its root causes, by reducing consumer demand for illegally traded wildlife, supporting sustainable livelihoods in source countries, and tackling corruption at all levels.	2.1.1 Number of meetings with key stakeholders 2.1.2 Number of trainings with key stakeholders and groups	2.1.1 0 (2022) 2.1.2 0 (2022)	TBD in the inception phase	Progress reports for the EU-funded intervention	The Chinese authorities will engage constructively in the work.
Output 2.2	Strengthening the legal and policy framework against wildlife trafficking, by aligning EU and national policies with international commitments and latest evidence, and engaging with civil society and business sectors involved in the wildlife trade.	2.2.1 Number of new proposals to improve the legal and policy framework against wildlife trafficking in China in line with EU and international commitments. 2.2.2 Number of public awareness campaigns targeting public authorities and consumers	2.2.1 0 (2022) 2.2.2 0 (2022)	TBD in the inception phase	Progress reports for the EU-funded intervention	The Chinese authorities will engage constructively in the work.
Output 2.3	Enforcing regulations and policies to fight wildlife trafficking effectively, by improving the rate of detection of illegal activities within the EU, focusing on capacity-building along the entire enforcement chain, encouraging coordination and cooperation within and between Member States and increasing efforts in tackling the online aspects of wildlife trafficking.	2.3.1 Number of trainings to enforcement groups 2.3.2 Number of meetings with enforcement groups of the partner countries and EU Member States	2.3.1 0 (2022) 2.3.2 0 (2022)	TBD in the inception phase	Progress reports for the EU-funded intervention	The Chinese authorities will engage constructively in the work.
Output 2.4	Strengthening the global partnership of source, consumer and transit countries against wildlife trafficking, by enhancing their capacity and improving cooperation between the relevant actors in the EU Member States and their counterparts in key non-EU countries.	2.4.1 Number of interventions at global forum with technical support by the project	2.4.1 0 (2022)	TBD by relevant international agenda	Progress reports for the EU-funded intervention	The Chinese authorities will engage constructively in the work.

Output 3.1	Generation of detailed and high-quality evidence base of China's impact on international development.	3.1.1 Number of studies and analytical reports produced by international development platform	3.1.1 10 reports produced by "EU-China Policy Dialogue on Development Cooperation" (2022-23)	TBD in the inception phase	Progress reports for the EU-funded intervention	Data and information is available on China's role in global development.
Output 3.2	Support the development of a cohort of European researchers and experts specialised in China's global development impact.	3.2.1 Number of European experts in the network. 3.2.2 Number and frequency of activities by cohort of European experts (meetings, seminars, study tours, etc). 3.2.3 Number of analytical papers jointly produced by network members.	3.2.1 0 (2023) 3.2.2 0 (2023) 3.2.3 0 (2023)	TBD in the inception phase TBD in the inception phase TBD in the inception phase	Progress reports for the EU-funded intervention	European researchers are able to gain sufficient access to Chinese researchers and information sources.
Output 3.3	Conduct technical exchanges between the EU and Chinese counterparts on key development challenges, in a Team Europe approach.	3.3.1 Number of technical seminars held between Team Europe and Chinese development experts and practitioners on issues of common interest.	3.3.1 2 (2022)	TBD in the inception phase	Progress reports for the EU-funded intervention	Chinese counterparts remain open to engage
Output 3.4	Develop and disseminate targeted communication for Chinese opinion leaders and experts on the EU's role as the world's largest and more influential development actor.	3.4.1 Number of communication materials in Chinese language (social media posts, videos, etc) 3.4.2 Number of activities held in China to promote the EU's role as the leading global development actor	3.4.1. 3 (2023) 3.4.2 0 (2023)	TBD in the inception phase	Progress reports for the EU-funded intervention	Chinese audiences are receptive to messages and media.

4 IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement with the Government of the People's Republic of China.

4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of 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 applicable for Project modality

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 measures¹².

4.3.1 Direct Management (Grants)

Grants: (direct management)

(a) Purpose of the grant(s)

The grants will contribute to achieving **Specific Objective 2** of the action.

(b) Type of applicants targeted

Legal person, non-profit making CSO.

It is envisaged that the specialised non-governmental organisation TRAFFIC will be implementing the action, possibly with co-applicants. TRAFFIC International has unique technical expertise in combatting illegal trade in wildlife and knowledge of the Chinese context, including successful experience working with departments and key bodies of the Chinese administration. TRAFFIC also has extensive experience working with relevant industries in China, including timber, internet, transportation, tourism, traditional Chinese medicine, tourism, finance, etc.

(c) Justification of a direct grant

Under the responsibility of the Commission's authorising officer responsible, the grant may be awarded without a call for proposals to TRAFFIC International.

Under the responsibility of the Commission's authorising officer responsible, the recourse to an award of a grant without a call for proposals is justified on the grounds of TRAFFIC's technical competence and its high degree of specialisation, as per Article 195(f) of the Financial Regulation.

¹² 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.

Apart from its expertise and strong track record in the implementation of past activities¹³, TRAFFIC has developed a constructive relationship with national authorities and policy makers, a prerequisite for any future activity in China. As an example, TRAFFIC interactions with policy makers on reducing demand for pangolins contributed directly to the change in China's legal framework for protecting pangolines.

TRAFFIC has been operating in China for over 20 years and registered independently in 2019. TRAFFIC's operations in China are now jointly supervised by the NFGA and Beijing Public Security Bureau, and a Memorandum of Understanding (MoU) with the NFGA has been renewed and signed annually since the beginning of 2020.

In view of its expertise in combating illegal trade in wildlife and promoting sustainable trade, TRAFFIC also advises the NFGA on various relevant issues including legislation reviews on wildlife trade and management in major countries; legislation reviews on the prevention and control of zoonotic transmission in wildlife trade in major countries; domestic wildlife pet trade market research and public communication; research on hot issues of wildlife trade.

TRAFFIC analysis rely on its Wildlife Trade Information System (WiTIS) with 180,000+ trafficking data records. This unique source of information enables them to raise alerts on national and international practices that threaten the long-term survival of individual species, and develop interventions to counter unsustainable practices. In addition to rosewood and pangolin, TRAFFIC also works on other CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora) listed species, especially those related to the EU market.

For this action, TRAFFIC may possibly implement its activities with co-applicants. Co-applicants, if any, will be selected using the following criteria: knowledge of the Chinese context and expertise in wildlife protection.

Under Specific Objective 2, the part of the action under the budgetary envelope reserved for grants may be implemented in indirect management with a pillar-assessed entity, which will be selected by the Commission's services the following criteria:

- a) Knowledge of the Chinese context, successful experience in working with departments and key bodies of the Chinese administration, including policy dialogue;
- b) Ability to pull in ad hoc expertise as necessary from its regional network in providing advisory services, capacity building and technical assistance to public and private sector;
- c) Expertise in fighting against wildlife trafficking and experience in working within the Indo-China region on transnational environmental crimes.

4.3.2 Direct Management (Procurement)

The procurement will contribute to achieving **Specific Objectives 1 and 3** of the action. The global budgetary envelope reserved for procurement is indicated in section 4.5.

Implementation of Objective 3 will require a presence in both the EU and in China in order to operate effectively, support networks and organise events.

¹³ TRAFFIC successfully implemented the first phase of the project "China's Champions of Change: Addressing the Demand for Illegal Wildlife Products in China"

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

For **Specific objective 2** of this action, in case direct management cannot be implemented due to circumstances outside of the Commission's control, activities may be implemented in indirect management with a pillar-assessed entity that will be selected by the Commission's services the following criteria described under 4.3.1.

In this case, DG INTPA will verify that the entity envisaged to implement actions in indirect management fulfil legal requirements and comply with applicable conditions to work under this management mode.

4.4 Scope of geographical eligibility for procurement and grants

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

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

4.5. Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)
Implementation modalities – cf. section 4.3	
Component 2 – China's Champions of Change II: Addressing the Demand for Illegal Wildlife Products	
Grants (direct management) – cf. section 4.3.1	N.A
Component 1 – EU-China Cooperation on Environment and Green Economy	
Procurement (direct management) – cf. section 4.3.2	N.A
Component 3 - EU-China International Development Platform	
Procurement (direct management) – cf. section 4.3.2	N.A
Grants – total envelope under section 4.3.1	1 000 000
Procurement – total envelope under section 4.3.2	7 700 000
Evaluation – cf. section 5.2 Audit – cf. section 5.3	will be covered by another Decision
Contingencies	N.A
Totals	8 700 000

4.6 Organisational Set-up and Responsibilities

Specific expertise will be mobilised in the specific thematic areas of this programme. The EU Delegation will constantly monitor and ensure the effectiveness and quality of the different policy and technical outputs, monitor the activities of the implementing Organization including in establishing institutional interactions with the Chinese authorities.

Dedicated steering committees may be established to act as advisory and reporting mechanisms in order to provide the strategic and policy guidance needed to ensure smooth project implementation for each of the designated focus of the Programme. The steering committee should meet at least once a year and will define the priority work streams to be addressed. The steering committee will review and endorse annual work plans, monitor project outputs and achievements and provide advice on how to address obstacles and challenges identified during implementation. The Steering Committee(s), whose composition will be further detailed in the legal commitments, will comprise the relevant sections of the Delegation representing DG INTPA and relevant DGs. Participation of EU HQs will be encouraged through virtual platforms. Private Sector organisations and networks, civil society, including women organisations, will be consulted and involved in the implementation of the action, as appropriate. Great efforts will be made to ensure that, where appropriate, Chinese counterparts participate meaningfully to the Steering Committees.

The Steering Committee for Component 2 “China's Champions of Change II: Addressing the Demand for Illegal Wildlife Products” will be co-chaired by the implementing partner and the EU Delegation. EU Member States and other donors and stakeholders with an interest and/or active in the issues addressed maybe invited to join the SC as observers. Full details of the operation of the Steering Committee and Programme Board will be outlined in programme documents.

The coordination mechanism composed of Commission services (DG INTPA, NEAR, FPI) and the EEAS will be kept up-to-date on any activities under this action that are relevant to dedicated strategic communication and/or public diplomacy actions. The implementing partner or other relevant sections in the EU Delegation will facilitate the organisation of policy dialogue meetings, under the chairmanship of the Head of EU Delegation.

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 and may sign or enter into joint declarations or statements, for the purpose of enhancing the visibility of the EU and its contribution to this action and ensuring effective coordination.

5 PERFORMANCE MEASUREMENT

5.1 Monitoring and Reporting

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

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

Roles and responsibilities for data collection, analysis and monitoring:

The implementing partners are responsible for day-to-day monitoring and reporting based on the agreed indicators in the logframe. For baseline and/or endline targets that need to be defined for specific indicators, the implementing partners shall take the responsibility to collect data using appropriate tools including surveys and present the results in the progress report for approval by the contracting authority. Funding for the baseline

and endline data collection will be incorporated into the overall budget within the implementing partners. Adjustments to the agreed indicators will be subject to a discussion and approval of the contracting authority. The contracting authority will also be responsible for the approval of interim progress reports including the updated current values of the logframe indicators in OPSYS.

Stakeholder engagement will be ensured by appropriate governance mechanism and communication and engagement strategy, monitored closely by the contracting authority during contract implementation.

5.2 Evaluation

Having regard to the nature of the action, a mid-term and a final evaluation may be carried out for this action or its components via independent consultants contracted by the Commission.

A mid-term evaluation may be carried out for problem solving and learning purposes, in particular with respect to complement with specific aspects that can be highlighted such as the intention to launch a second phase of the action, etc.

A final evaluation may be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that complement with specific aspects that can be highlighted such as an innovative action or a pilot being tested, etc.

In case an evaluation is not planned, the Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner.

The Commission shall inform the implementing partner at least 2 months in advance of the dates envisaged for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports may be shared with the partners and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, apply the necessary adjustments.

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

5.3 Audit and Verifications

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

6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

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

In line with the 2022 “[Communicating and Raising EU Visibility: Guidance for External Actions](#)”, 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