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

**ANNEX 1**

to the Commission Implementing Decision on the financing of the annual action plan in favour of the Republic of South Africa for 2022

**Action Document for Partnering for Impact**

**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**

<b>1. Title CRIS/OPSYS business reference Basic Act</b>	Partnering for Impact OPSYS: ACT-61407 Financed under the Neighbourhood, Development and International Cooperation Instrument ( <u>NDICI-Global Europe</u> ).
<b>2. Team Europe Initiative</b>	This Action is not implementing a specific TEI. Components of this action, such as dialogues under the dialogue facility and research initiatives, may, however, contribute to the identified TEIs for South Africa, as well as regional TEIs of relevance to SA.
<b>3. Zone benefiting from the action</b>	The action shall be carried out primarily in South Africa with some activities involving participation from stakeholders, including civil society, from other SADC countries.
<b>4. Programming document</b>	South Africa 2021-2027 MIP
<b>5. Link with relevant MIP(s) objectives / expected results</b>	Priority 3 (results 1.1, 1.2, 1.3, 2.2, 2.3, 3.2, 3.3)
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>	
<b>6. Priority Area(s), sectors</b>	Partnerships (DAC 151, 160, 998)
<b>7. Sustainable Development Goals (SDGs)</b>	Main SDG 17: Partnership for the goals) Other significant SDGs – 4, 5, 13, 16
<b>8 a) DAC code(s)</b>	15110 - Government & Civil Society-general 80% 43082 – Research/Scientific Institutions 10% 99810 – Unallocated/unspecified 10%
<b>8 b) Main Delivery Channel</b>	12001 – Central Government 12004 – Other public entities in recipient country 20000 – Non-Governmental Organisations and Civil Society 60000 – Private sector institution

<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 type="checkbox"/> Biodiversity <input checked="" type="checkbox"/> Education <input checked="" type="checkbox"/> Human Rights, Democracy and Governance			
<b>10. Markers</b>  <b>(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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Aid to environment @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girls' 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Biological diversity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>11. Internal markers and Tags:</b>	<b>Policy objectives</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Digitalisation @	<input 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	YES <input type="checkbox"/>	NO <input type="checkbox"/>	/

	energy transport health education and research	<input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	/
	Migration @ (methodology for tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities @ (methodology for marker and tagging under development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>BUDGET INFORMATION</b>				
<b>12. Amounts concerned</b>	Budget line(s) (article, item): BGUE-B2022-14.020122-C1-INTPA Total estimated cost: EUR 15 000 000 Total amount of EU budget contribution EUR 15 000 000			
<b>MANAGEMENT AND IMPLEMENTATION</b>				
<b>13. Type of financing</b>	<b>Direct management</b> through: - Grants - Procurement <b>Indirect management</b> with the entity(ies) to be selected in accordance with the criteria set out in section 4.4.4 <b>Indirect management with</b> the Government of the Republic of South Africa			

## 1.2 Summary of the Action

This action will contribute to all specific objectives of priority area 3 “Partnerships” of the Multi-annual indicative programme (MIP) 2021-2027. The MIP explains in detail the special relationship between South Africa (SA) and the European Union, formalised in the Trade, Development and Cooperation Agreement (TDCA), the EU-SADC Economic Partnership Agreement (EPA) and the fact that South Africa is the EU’s only strategic partner on the African continent. Conscious of this special relationship, the activities proposed operationalise the rationale behind PA “Partnerships” that is to intensify dialogue and collaboration between institutions and people-to-people exchange in areas of mutual interest. In line with specific objective 2 of PA 3, the action will not only support cooperation **IN** South Africa but also **WITH SA** on regional integration and safeguarding global public goods.

Mindful of the fact that SA is an upper middle income country with its unique transition challenges, many activities will focus on research towards evidence based, inclusive and gender-responsive policy-making, such as in the continuation of support to the Southern Africa – Towards Inclusive Economic Development (SA-TIED) programme which has successfully benefitted the National Treasury with world class research, and in enhancing research capacity of South African Research Councils on issues of mutual interest – with a link to focus topics under priority areas (PAs) 1 and 2 of the MIP.

A current flagship in the EU’s portfolio in South Africa, the “Dialogue Facility” will be continued. This much-hailed programme enables demand-driven knowledge exchange and dialogues towards strengthened policy development capacities. The Dialogue Facility successfully brings the aspirations of the EU-SA Strategic Partnership to a very concrete level as it brings together institutions and individuals. It will be adapted from its current model by also allowing dialogue projects at sub-national level and providing some funding for the implementation of pilot projects emanating from promising dialogues.

Responding to a change in the Erasmus+ architecture that finds South Africa without an earmarked allocation and competing for resources with other countries, the action proposes an Erasmus+ support facility. This will provide Technical Assistance to institutions of higher learning, including those serving previously disadvantaged communities, and to TVET institutions which are now eligible under Erasmus+, to contribute to continued success

in accessing Erasmus+ opportunities. This support will complement the efforts of the Erasmus+ National Focal Point.

True to the MIP's ambition to put civil society (CS) at the centre of our programming, the action includes a grant to a SA based CSO with a regional remit. In complementarity to activities funded from a SADC perspective, both from the RIP as well as through other Development Partners (DPs), this grant will explore contributions to topics such as peace and security, border management, migration and climate action from a CS perspective. These and other issues are also pertinent for other actions in support of the Durban-Lusaka corridor which traverses four SADC countries. This grant will also help interrogate SA's relations as a regional hegemon and facilitate EU-SA discussions on global public good, ensuring strong civil society contributions.

In line with the MIP, the proposed action contributes mainly to SDG 17 "Partnerships for the Goals" as well as SDGs 4, 16, and 5, "Quality Education" and "Peace, Justice and Strong Institutions" and "Gender Equality". Due to the demand-driven nature of the dialogues and research, other SDGs will be impacted as well, such as SDG 13 "Climate Action".

## 2 RATIONALE

### 2.1 Context

South Africa is facing complex political & economic challenges. The triple burden of unemployment, inequality and poverty brought on by a deep legacy of segregationist policies and systems have ultimately culminated in the creation of one of the most unequal societies in the world with a Gini coefficient of 0.63<sup>1</sup>. Delivery of basic services is uneven and, in specific areas, on a downward trajectory in terms of quantity and quality, eroding public confidence in government, triggering service delivery protests, affecting social cohesion and increasing the risks for instability.

Politically and economically, the pace of implementation of much needed reforms is slow. President Ramaphosa continues to voice his commitment to tackle corruption, capacitate the public service, and provide an enabling environment for the private sector. The political outlook in the short term is dominated by the upcoming national conference of the governing party. The conference will elect the leadership of the party for the five years ahead and give an indication of the party's presidential candidate for the 2024 elections. Based on the outcome of the 2021 municipal elections, there is a possibility that there may be a coalition government at national level in 2024.

The South Africa AAP 2022 addresses all the three priority areas of the MIP: a) a sustainable, resilient, transformative and inclusive growth, b) reducing inequalities and c) partnerships.

Action # 2 (Annex 2 to the Financing Decision) speaks to priority areas 1 and 2 of the MIP. It addresses inequality in service provision and contributes to the greening of infrastructure and service delivery. As such, it is to be seen as a contribution to the Just Energy Transition Partnership (JETP) and the commitments made by the EU and other DPs in the margins of the COP26. It is also well aligned with the EU's Gender Action Plan III and several of its thematic areas by promoting economic and social rights and empowering girls and women, and addressing the challenges and harnessing the opportunities offered by the green transition.

The action at hand provides a broad framework for deepening and concretising the EU-SA Partnership, building on the success of components like the Dialogue Facility and SA-TIED, but expanding the scope of partnerships in line with the result areas of PA 3 of the MIP. Through dialogues and research, linkages with Action # 2 will be made.

In a situation where Covid-19 as well as differing interpretations of the Strategic Partnership Agreement (SPA) have resulted in a decrease of the number of EU-SA high-level engagements and dialogues, and differences in the assessment of geopolitical issues have recently come to the fore in EU-SA relations. The proposed action makes the SP concrete, accessible and relatable at the level of institutions and individuals. Individual components will capitalise on areas of mutual interest and benefit and thus highlight the value of the SP at very concrete levels.

The South African National Treasury faces increasingly difficult policy choices. A decade of stagnation has put a strain on the effort to tackle high levels unemployment, increasing levels of inequalities and growing poverty.

<sup>1</sup> <https://worldpopulationreview.com/country-rankings/gini-coefficient-by-country>

Sustained low levels of investment and growth, exacerbated by the socio-economic impact of the Covid-19 pandemic, have worsened the challenges in the SA economy. SA's current unemployment rate is at its highest level with more than 34.5% of working aged adults not in employment (ca. 11 million people with discouraged work-seekers). The country's youth, women and historically disadvantaged population groups are the most affected by these challenges. Women are more likely to work in lower-paid jobs and the informal economy, are more often affected by poverty and at risk of experiencing gender based violence (GBV).

Funding research for evidence-based, inclusive and gender-responsive policy making and evaluation is a pertinent support for the National Treasury as it navigates the current challenges. Support to the Research Councils will strengthen research capacities in SA and linkages with EU based institutions, enabling research on imminent priorities, including those identified in relation to overarching priorities like the Just and Green Transition and reducing inequalities.

The Erasmus+ support facility will help maintain the important collaborations between students, academics and researchers at SA and European institutions of higher learning. Due to the increasingly cross-country nature of Erasmus+ programmes, this will also enable SA to continue to offer other African countries the benefits of its world class universities, facilitating further regional exchange. Support will be extended increase the participation of traditionally disadvantaged groups, a contribution to addressing inequality.

The ambition to deepen regional integration at the level of SADC and beyond, such as through the African Continental Free Trade Area (AfCFTA), is not always matched by comprehensive and consistent engagement by all stakeholders on all policy areas. Especially civil society's level of engagement is subject to ebbs and flows, also dependent on availability of resources. The proposed grant will provide a basis for SA CS, including women and youth organisations, to engage on a number of pertinent regional issues, including those that the EU has great interest in, such as peace and security, migration, climate action, community participation in planning and implementation of activities along the Durban-Lusaka corridor (Global Gateway), cross-border management of protected areas etc.

The action aims at working in a catalytic manner where the investment of modest resources can bring about substantial impact in areas where such windows of opportunity are jointly identified.

## 2.2 Problem Analysis

Short problem analysis:

The action responds to SA's ambitions expressed in the "National Development Plan – Vision 2030", including to establish a "capable and developmental state" that works to "eliminate poverty and reduce inequality" and promotes "active citizenry to strengthen development, democracy and accountability". The action tackles identified obstacles, including the unevenness of capacity in the public sector, and insufficient evidence-base of policy-making.

The action is also conceived to respond to the analysis that 15 years after the establishing of the EU-SA SP, the implementation of the same remains somewhat fragmented and uneven. Rather than operationalising high-level commitments in programmes, the action proposes to reverse the sequencing and make the SP concrete and relatable at individual and institutional levels to then elevate experience and evidence to the higher policy and political level. Dialogue projects, implementation of small pilot interventions, research collaboration and people-to-people exchanges will demonstrate the value of the SP and build relations, networks and trust that can be leveraged for joint initiatives within the region.

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

The action will work with a variety of stakeholders, state and non-state actors alike. Private sector entities may also be involved in some dialogues and/or research projects.

**National Treasury (NT)** will be the signatory of the Financing Agreement. Jointly with the EU Delegation, it will steer the overall action. It will also benefit directly from economic research and will manage the Programme Estimate that provides funding to DF pilot projects.

**DIRCO** will be the co-chair for the DF which will benefit a wide range of **GoSA departments** and other Government institutions on a demand-driven basis.

The **Department of Higher Education and Training** is expected to be the institution where the Erasmus+ support will be anchored.

Various **institutions of higher learning**, including **TVET institutions**, will benefit from this Erasmus+ support. The **Research councils** will benefit from grants through direct awards to support research, including in collaboration with EU based research institutions.

(A) SA based Civil Society Organisation(s) focussing on regional issues will receive (a) grant(s) to engage on a number of issues related to regional integration and collaboration. **Other CSOs**, including women's organisations and organisations representing other specific groups, both in SA and other SADC countries, including think tanks, will participate in and benefit from these activities.

**EU MS representations in SA** and **EU and EU MS institutions** will participate in dialogues under the DF, as may **SA and EU private sector entities**.

### 3 DESCRIPTION OF THE ACTION

#### 3.1 Objectives and Expected Outputs

The **Overall Objective (Impact)** of this action is to create a deepened partnership between SA and EU institutions and individuals.

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

- SO1: Inclusive and gender-responsive policy and capacity development is fostered
- SO2: Partnering with South Africa in the region and globally is promoted
- SO3: EU-SA People-to-People Cooperation is intensified

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

SO1 Inclusive and gender-responsive policy and capacity development is fostered:

- 1.1 Strengthened targeted policy development capacities through experts' knowledge exchanges and dialogues, including a focus on human rights, including labour rights, gender equality and climate action
- 1.2 Implementation-focused interventions/demonstration pilots in areas related to SA-EU common interests and/or political priorities are promoted
- 1.3 Strengthened evidence-based, inclusive and gender-responsive policymaking, policy evaluation and regulatory alignment

SO2 Partnering with South Africa in the region and globally promoted:

- 2.1 Initiatives in support of peace and security agenda and climate action are promoted regionally and globally, including by fostering the WPS agenda (Women, Peace and Security)
- 2.2 SA-EU knowledge, capacities or expertise for human rights based border management, migration and remittances mobilised and shared in the region or the continent

SO3 EU-SA People-to-People Cooperation intensified:

- 3.1. EU-SA exchanges on economic, social development (inclusive of climate action) are enhanced
- 3.2 EU-SA academic and youth exchanges are promoted

#### 3.2 Indicative Activities

Indicative activities:

##### **Outputs**

- 1.1 Strengthened targeted policy development capacities through experts' knowledge exchanges and dialogues, including a focus on human rights, including labour rights, gender equality and climate action
- 1.2 Implementation-focused interventions/demonstration pilots in areas related to SA-EU common interests and/or political priorities are promoted (**Dialogue Facility, including pilot projects**)
  - Technical assistance
  - Peer-to-Peer exchanges, trainings and conferences, including study tours to and from SA and EU
  - Policy Development based on best practices from EU and MS
  - Provision of equipment and human resources for pilot projects emanating from successful dialogue projects

1.3 Strengthened evidence-based, inclusive and gender-responsive policymaking, policy evaluation and regulatory alignment (**SA-TIED 2 and Research Councils**)

- Collaborative research, (comparative) studies
- Capacity building for inclusive and gender-responsive policy development and evaluation
- Conferences, publications and seminars

2.1 Initiatives in support of peace and security agenda and climate action are promoted regionally and globally, including by fostering the WPS agenda (Women, Peace and Security) and

2.2 SA-EU knowledge, capacities or expertise for human rights based border management, migration and remittances and climate action mobilised and shared in the region or the continent

(**CSO grant(s)**)

- Research and (comparative) studies
- Capacity building via training, conferences and seminars
- Dialogue events
- Awareness raising

3.1. EU-SA exchanges on economic and social development (inclusive of climate action) enhanced (**Dialogue Facility**)

- Technical assistance
- Peer-to-Peer exchanges, trainings and conferences, including study tours to and from SA and EU

3.2 EU-SA academic and youth exchanges are promoted (**Erasmus+ support**)

- Seminars, study fairs, information sessions
- Capacity building for institutions of higher learning
- Awareness raising; networking; exchange visits
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The commitment of the EU's contribution to the Team Europe Initiative to which this action refers, will be complemented by other contributions from Team Europe members. It is subject to the formal confirmation of each respective member's meaningful contribution as early as possible. In the event that the TEIs and/or these contributions do not materialise, the EU action may continue outside a TEI framework.

### 3.3 Mainstreaming

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

**Outcomes of the SEA screening (N/A)**

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

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

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

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

As per OECD DAC codes identified in section 1.1, this action is labelled as Rio Marker 1 for climate change adaptation and climate change mitigation. Environment and climate change will be mainstreamed as cross-cutting issues through the action. Although the general nature of the DF is demand-driven, the DF's Calls for Proposals can focus on specific areas. Likewise, linkage with the Just Energy Transition Partnership and hence climate change mitigation can be aimed for in the research grants.

#### **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 the action, in addition to other objectives, will have a positive impact on advancing gender equality and the empowerment of women and girls. The action will contribute towards GAP III and the Country Level Implementation Plan. All implementing partners will be required to mainstream gender as per GAP III priorities.

Gender balance will be sought on all the managing bodies and activities of the action and due importance will be given during all stages of contracting, implementation, monitoring and evaluation. Equal participation of women and men will be secured in the design of activities and access to the opportunities they offer. Actions may target the closing of the digital gender gap. Promotion of gender equality and equal opportunities will be considered when negotiating grant contracts and formulating tender dossiers for service contracts. Due focus, possibly earmarking of funds, will also be given in DF CFPs and the research grants. Studies and research will consider gender dimensions in their analytical frameworks and policy inputs. All activities will be designed and implemented so as to provide disaggregated data by sex when relevant. In line with the EEAS #NoWomenNoPanel, the Action will ensure gender balance in panels and public events.

#### **Human Rights**

This action will assist and ensure the integration and realisation of human rights throughout its actions. The HRBA will be promoted as a working methodology, ensuring meaningful and inclusive participation, non-discrimination and equality as well as accountability and transparency. The DF has worked extensively on HR in the past, including with the SA Human Rights Commission and CSOs, and specific focus can continue to be ensured through DF CFPs.

#### **Disability**

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0. Nevertheless, implementing partners will be reminded to be cognisant of the inclusion of persons with disabilities in the action's activities.

#### **Democracy**

The grant to be implemented on regional issues will facilitate citizen participation, channelled through Civil Society, on pertinent regional issues. DF CFPs could also be focused to encourage exchange on community participation, democratic governance, accountability measures etc.

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

The grant for engaged in regional issues is expected to also address conflict and peace and security issues, as several SADC member countries experience conflict that also has the potential to affect SA, at least indirectly.

#### **Disaster Risk Reduction**

N/A

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

The action is also aligned with the policy priority of youth participation and empowerment, that will be captured in the future EU "Youth Action Plan 2022-2027".

### 3.4 Risks and Lessons Learnt

<b>Category</b>	<b>Risks</b>	<b>Likelihood</b> <b>(High/ Medium/ Low)</b>	<b>Impact</b> <b>(High/ Medium/ Low)</b>	<b>Mitigating measures</b>
External environment	Lack of update by some GoSA institutions of the Dialogue Facility's offer	<b>medium</b>	<b>low</b>	The current DF has seen the range of applicants increase over time. Additional awareness creation is ongoing at the level of Director General. However, even with a percentage of Departments participating, the range of dialogues will be rich.

People and the organisation	Capacity in the public sector is uneven. Impact of capacity development often lost due to high turnover as well as the extraneous factors that influence capability within the public sector.	medium	medium	Risk is mitigated by including an appropriate allocation of technical assistance that can complement and transfer capacity in the institutions benefitting from the activities. Also, capacity development to address not only individuals but also institutions, focus on knowledge management etc.
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**Lessons Learnt:**

The formulation of the action has taken into account lessons learnt from the implementation of previous and ongoing programmes, some of which have a bearing on this action document, while others will be addressed during procurement/contracting. Among others, based on reviews of the current Dialogue Facility, the new DF will i) be opened to sub-national level institutions, in line with the MIP’s ambition to work more at sub-national level, and will ii) make available funds for the implementation of pilot projects emanating from successful dialogues, enabling participating institutions to put learning and capacity development into practice.

The Erasmus+ support facility is borne out of the assessment that SA TVET institutions and universities will require support to (continue) to benefit from Erasmus+ opportunities against the background of the revised funding architecture.

The research grants will facilitate research, including collaboration between SA and EU research institutions, on topics of mutual interest in the framework of a policy-first approach and independent of the participation of SA research institutions in the Horizon and other EU supported programmes.

The grant for civil society to work on regional issues with impact on SA will enable the EU to follow up on important work previously funded by the Policy Support Facility, and to include a stronger CS element in the same, in accordance with the ambition expressed in the MIP.

### 3.5 The Intervention Logic

This action is designed to contribute to all three specific objectives of the PA 3 of the MIP. It will indeed contribute to most of the expected results under this PA. As such, it mirrors the results framework for PA 3.

The promotion of the Erasmus+ programmes as well as exchanges on a variety of topics pertaining to the Strategic Partnership (SP), including inclusive economic development, will intensify EU-SA People-to-People cooperation. Relations, networks and trust will be established at the level of individuals and institutions, thus giving concrete meaning to the SP between SA and the EU.

The proposed grant(s) for SA based CSO(s) will enable CS, including organisations representing women and other groups with specific needs and interests, to increase its engagement on issues of regional nature that have an impact on SA. While specific topics will be defined during the procurement/negotiation stage, also to benefit from an up-to-date mapping of relevant topics at that time, it is clear that the grant may facilitate work on issues such as migration (publication of SADC Migration Policy is imminent), border management, peace and security, , fostering a human rights based approach to these topics, as well as, possibly climate and environmental issues. There is also much potential to discuss connectivity, including digital connectivity, and economic development in border regions, tying in with expected investment along the Durban-Lusaka corridor. This will mobilise SA-EU knowledge and expertise, providing a platform managed and enriched by CS. It is assumed that coordination with programmes managed at the regional level will ensure complementarity and facilitate the leveraging of a unique SA contribution, allowing the EU to partner with SA in the region and beyond.

Through its tried, tested and refined approach, the demand-driven DF will support exchanges and technical assistance towards strengthened policy development capacity. Pilot projects will operationalise some dialogues, providing proofs of concepts and adding further credibility to policies developed.

Research in the framework of the research grants and under SA-TIED II will contribute to a strengthened evidence base for policy-making and evaluation, for macro-economic policies as well as on issues of mutual interest, such as aspects of the Just Energy Transition Partnership (JETP). It is here that further linkages to other PAs of the MIP will be sought. The priority areas under SA-TIED correlate very much with the EU interests in South Africa – employment, inequality, revenue mobilisation, macro-economic policies, and climate change.

Through the mentioned outcomes, the components of this action will individually and collectively contribute to the overall objective which is a deepened partnership between SA and EU which will allow us to impact on a number of areas of mutual interest.

### 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.

Results	Results chain (e): Main expected results (maximum 10)	Indicators (e): (at least one indicator per expected result)	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
<b>Impact</b>	To create a deepened partnership between SA and EU institutions and individuals	1: Value attached to SA-EU partnership(s) 2 Number of new MoUs/agreements/collaborations between SA and EU institutions	1 TBD 2 0	1 TBD 2 TBD	1: Perception surveys among SA and EU participants of the action's activities  2 Project components' reports	<i>Not applicable</i>
<b>Outcome 1</b>	1 Inclusive and gender-responsive policy and capacity development fostered	1.1 Number of SA officials and other participants that see their capacity improved (disaggregated by sex) 1.2 Number of inclusive and gender-responsive policies developed/amended following provision of EU support	1.1 0 1.2 0	1.1 TBD 1.2 TBD	1.1 Perception surveys among SA and EU participants of the action's activities  1.2 Project components' reports	
<b>Outcome 2</b>	2 Partnering with South Africa in the region and globally promoted	2.1 Number of new initiatives jointly launched with SA	2.1 0	2.1 TBD	2.1 Project components' reports	
<b>Outcome 3</b>	3 EU-SA People-to-People Cooperation intensified	3.1 Number of unique participants in the action's activities (disaggregated by sex)	3.1. 0	3.1. TBD	3.1. Project components' reports	
<b>Output 1.1 relating to Outcome 1</b>	1.1 Strengthened targeted policy development capacities through experts' knowledge exchanges and dialogues	1.1.1 Number of Experts' knowledge exchanges and dialogues aimed at strengthening targeted policy development capacities	1.1.1 0	1.1.1 70 Dialogues	1.1.1 Project Reports	
<b>Output 1.2 relating to Outcome 1</b>	1.2 Implementation-focused interventions/demonstration pilots in areas related to SA-EU common interests and/or political priorities are promoted	1.2.1 Number of pilots/projects supported	1.2.1 0	1.2.1 10	1.2.1 Project Reports	
<b>Output 1.3</b>	1.3 Strengthened evidence-based, inclusive and gender-responsive	1.3.1 Number of EU funded initiatives supporting the implementation of inclusive	1.3.1 0	1.3.1 20 initiatives	1.3.1 Project Reports	

<b>relating to Outcome 1</b>	policymaking, policy evaluation and regulatory alignment	and gender-responsive political economic and social reforms and joint agreements				
<b>Output 2.1 relating to Outcome 2</b>	2.1 Initiatives in support of peace and security agenda is promoted regionally and globally, including by fostering the WPS agenda (Women, Peace and Security)	2.1.1 Number of EU bilateral/multilateral/regional and/or joint activities and/or programmes on Women, Peace and Security, Gender equality and women's empowerment  2.1.2 Number of CSO which participate in such programmes (WPS 12) (disaggregated by type of organisation)  2.1.3 Number of initiatives supporting SA's efforts on peace and security in the region	2.1.1 0  2.1.2 0  2.1.3 0	2.1.1 at least 3 activities and or programmes  2.1.2 at least 6 CSOs  2.1.3 at least 3	2.1.1 Project reports  2.1.2 Project Reports  2.1.3 Project Reports	
<b>Output 2.2 relating to Outcome 2</b>	2.2 SA-EU knowledge, capacities or expertise for human rights based border management, migration and remittances mobilised and shared in the region or the continent	2.2.1 Number of EU-SA dialogues on migration issues  2.2.2 Number of initiatives supporting SA collaboration with neighbours and EU on border management, migration, maritime security, human rights	2.2.1 0  2.2.2 TBD, when target areas are selected	2.2.1 at least 5 dialogues  2.2.2 TBD, when target areas are selected	2.2.1 Project Reports  2.2.2 Project Reports	
<b>Output 3.1 relating to Outcome 3</b>	3.1. EU-SA exchanges on economic and social development enhanced	3.1.1 Number of multi-stakeholder dialogues, including interactions between SA-EU citizens, CSO, local, regional or national authorities, private sector and other development stakeholders	3.1.1 0	3.1.1 at least 10 dialogues	3.1.1 Project Reports	
<b>Output 3.2 relating to Outcome 3</b>	3.2 EU-SA academic and youth exchanges are promoted	3.2.1 Number of participants of new exchange programmes, sex and age disaggregated  3.2.2 Number of previously disadvantaged universities and TVET colleges, benefitting from ERASMUS programme	3.2.1 0  3.2.2 0	3.2.1 5,000 students  3.2.2 15 universities and TVETs	3.2.1 Project Report  3.2.2 Project Report	

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## 4 IMPLEMENTATION ARRANGEMENTS

### 4.1 Financing Agreement

In order to implement this action, it is 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 **72 months** from the date of entry into force of the financing agreement.

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 of the Budget Support Component

N.A

### 4.4 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>2</sup>.

#### 4.4.1 Direct Management (Grants)

##### **Grants: (direct management)**

In support of **output 1.3 Strengthened evidence-based, inclusive and gender-responsive policy-making, policy evaluation and regulatory alignment** (grants for research councils):

##### **(a) Purpose of the grant(s)**

Grant(s) will be made through **direct awards** to enable implementation of activities towards the following output:

1.3 Strengthened evidence-based, inclusive and gender-responsive policy-making, policy evaluation and regulatory alignment (grants for research councils)

##### **(b) Type of applicants targeted**

In order to be eligible for a grant, the organisation to be awarded a grant must be:

- established in South Africa
- established through an act of the South African Parliament
- working under the authority of a Minister
- contributing to research on national policies and priorities
- demonstrating previous research experience in the respective sectors
- demonstrating sufficient operational, logistical, management and financial capacities

Applicants should also be able to demonstrate their capacity to implement a human rights based approach and gender mainstreaming.

<sup>2</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) Justification of a direct grant**

Under the responsibility of the Commission's authorising officer responsible, the recourse to award of grants without a call for proposals is justified because South African research councils, and equivalents, have a de jure monopoly (FR, article 195 c) to provide research on national policy priorities and under the government's authority. The Research Councils are South Africa's statutory research agencies established through acts of parliament. The research councils are the leading and most capable multi-disciplinary research and technological innovation governmental entities specializing in the field of scientific and technology research in SA. They play key roles in supporting public and private sectors through directed research that is aligned with the country's priorities.

#### 4.4.2 Direct Management (Grants)

In support of outputs

**2.1 Initiatives in support of peace and security agenda are promoted regionally and globally, including by fostering the WPS agenda (Women, Peace and Security) and**

**2.2 SA-EU knowledge, capacities or expertise for human rights based border management, migration and remittances mobilised and shared in the region or the continent**

##### **(a) Purpose of the grant(s)**

Grant(s) will be made through **direct awards** to enable implementation of activities towards the following outputs

2.1 Initiatives in support of peace and security agenda are promoted regionally and globally, including by fostering the WPS agenda (Women, Peace and Security) and

2.2 SA-EU knowledge, capacities or expertise for human rights based border management, migration and remittances mobilised and shared in the region or the continent

##### **(b) Type of applicants targeted**

In order to be eligible for a grant, the organisation(s) to be awarded a grant must be:

- a Civil Society Organisation based in South Africa but with extensive regional outreach and governance structures the composition of which reflecting its regional remit
- working with a regional remit and having a history of and extensive current engagements with regional institutions, such as SADC and authorities of different SADC member states
- experienced in facilitating regional policy dialogues or interventions on a very broad range of topics, such as climate and environment, economic recovery, peace and security, migration, gender equality, youth, health.
- well experienced in capacity building of Civil Society Organisations, including Community Based Organisations and policy advocacy
- demonstrating sufficient operational, logistical, management, financial and good governance capacities
- able to document not less than 10 years experience in sub-granting of development partner funding to Civil Society Organisations and with experience in sub-granting in different SADC member states

#### 4.4.3 Direct Management (Procurement)

Technical Assistance services will be procured for the Dialogue Facility. This will support the following result areas:

- 1.1 Strengthened targeted policy development capacities through experts' knowledge exchanges and dialogues, including a focus on human rights and gender equality
- 1.2 Implementation-focused interventions/demonstration pilots in areas related to SA-EU common interests and/or political priorities are promoted
- 3.1 EU-SA exchanges on economic and social development enhanced

Another contract to be procured will provide services for Technical Assistance for the Erasmus+ support programme. This will support the result area:

- 3.2 EU-SA academic and youth exchanges are promoted

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

A part of this action may be implemented in indirect management with United Nations University World Institute for Development Economics Research (UNU WIDER). This implementation entails the implementation of activities which will contribute to output 1.3 "Strengthened evidence-based policymaking, policy evaluation and regulatory alignment". The envisaged entity has been selected using the following criteria:

- UN entity
- Experience in providing economic analysis and policy recommendations to government entities
- History of collaboration with the South African National Treasury
- Existence of a Memorandum of Understanding (MoU) between the entity and the South African National Treasury

UNU WIDER provides economic analysis and policy advice with the aim of promoting sustainable and equitable development for all. A blend between a think tank, research institute and UN agency, it accesses and provides world class academic expertise. It has successfully worked with the EU and the SA National Treasury (NT) under SA-TIED phase I. UNU-WIDER will be able to access and utilise sensitive information necessary for the research to be relevant to the Government's policy development. The issue of building research capacity and capability within government/ National Treasury will need to be addressed with UNU-WIDER.

UNU-Wider is part of UNU and covered in the currently ongoing Pillar Assessment. This assessment addresses the new requirement of the 2018 Financial regulation that introduced 3 new pillars: (7) exclusion from access to funding, (8) publication of information on recipients and (9) protection of personal data.

Should weaknesses be identified in relation the ongoing Pillar Assessment, the related findings should be examined and specific supervisory measures considered to efficiently and adequately protect the Union's financial interests.

In case the envisaged entity would need to be replaced, the Commission's services may select a[nother] replacement entity using the same criteria.<sup>3</sup>

Exception to the non-retroactivity of costs

The Commission authorises that the costs incurred may be recognised as eligible as of 1 September 2022 which is the expected start date of a new cycle of UNU WIDER's overall engagement with the SA National Treasury, to which EU support will contribute.

#### 4.4.5 Indirect Management with the Partner Country

A part of this action with the objective of implementation focused interventions/demonstration pilots in areas related to SA-EU common interests and/or political priorities are promoted (Output 1.2) may be implemented in indirect management with the Republic of South Africa according to the following modalities:

The partner country will act as the contracting authority for the procurement and grant procedures. The Commission will control ex-ante all the procurement procedures except in cases where programme estimates are

<sup>3</sup> It is reminded that, during the implementation of the action, in case it is decided to select another entity, the same criteria may be used for justifying such selection, without going through a substantial modification of the Financing Decision. Consequently, beyond the justifications provided for selecting a given entity, it is important to define clear selection criteria.

applied, under which the Commission applies ex-ante control for procurement contracts above EUR 100,000 (or lower, based on a risk assessment) and may apply ex-post control for procurement contracts up to that threshold. The Commission will control ex-ante the grant procedures for all grant contracts.

Payments are executed by the Commission except in cases where programme estimates are applied, under which payments are executed by the partner country for ordinary operating costs, direct labour and contracts below EUR 300,000 for procurement and for grants.

The financial contribution partially covers, for an amount of EUR 250,000 the ordinary operating costs incurred under the programme estimates.

The partner country shall apply the Commission’s rules on procurement and grants. These rules will be laid down in the financing agreement to be concluded with the partner country.

a) Overview of implementation

Activity/objective/Output, include location	Type of financing (works, supplies, or service contract, grant, programme estimate)
Output 1.2 “Implementation focused interventions/demonstration pilots in areas related to SA-EU common interests and/or political priorities are promoted”	Programme estimates and procurement of services, supplies, grants; operating Costs;

b) Implementation through programme estimates (Not needed for the Financing Decision, only for the TAPs in the Financing Agreement.)

The contracting authority for these activities shall be the National Treasury of the Republic of South Africa. The project supervisor shall be the National Treasury.

An imprest administrator and an imprest accounting officer, and their deputies, shall be appointed for the management and implementation of the programme estimate by the contracting authority, in agreement with the Head of Delegation.

In accordance with the powers delegated to them by the partner country authority that appointed them, the imprest administrator and the imprest accounting officer shall draw up and implement the programme estimate, award contracts and grants, commit expenditure and make the corresponding payments.

The imprest administrator and the imprest accounting officer shall submit their technical and financial reports to the project steering committee, where applicable, and to the National Treasury and a copy to the Head of the EU Delegation.

4.4.6

In case implementation through indirect management cannot take place due to circumstances outside of the Commission’s control, the EU Delegation keeps the right to implement the action with one or more organisations not pillar-assessed as alternative implementation modality under direct management modality through grants.

4.5. 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

<b>Indicative Budget components</b>	<b>EU contribution (amount in EUR)</b>	<b>Third-party contribution, in currency identified</b>
<b>Implementation modalities</b> – cf. section 4.4		
<b>SO1 Inclusive and gender-responsive policy and capacity development is fostered</b> - composed of:	<b>10 450 000</b>	N.A
Procurement (direct management) - Output 1.1 cf. section 4.4.3	4 750 000	N.A
Indirect management with the Government of South Africa - Output 1.2 cf. section 4.4.5	2 250 000	N.A
Indirect management with UNU WIDER - Output 1.3 - cf. section 4.4.4	2 000 000	N.A
Grants (direct management) - Output 1.3 cf. section 4.4.1	1 450 000	N.A
<b>SO2 Partnering with South Africa in the region and globally is promoted</b> - composed of:	<b>2 450 000</b>	
Grants (direct management) - Output 2.1 & Output 2.2 cf. section 4.4.2	2 450 000	N.A
<b>SO3 EU-SA People-to-People Cooperation is intensified</b> - composed of:	<b>1 500 000</b>	N.A
Procurement (direct management) - Output 3.1 & 3.2 cf. section 4.4.3	1 500 000	N.A
<i>Grants – total envelope under sections 4.4.1 and 4.4.2</i>	<i>3 900 000</i>	<i>N.A</i>
<i>Procurement – total envelope under section 4.4.3</i>	<i>6 250 000</i>	<i>N.A.</i>
<b>Evaluation</b> – cf. section 5.2 <b>Audit</b> – cf. section 5.3	300 000	N.A.
<b>Contingencies</b>	300 000	N.A.
<b>Totals</b>	<b>15 000 000</b>	

## 4.6 Organisational Set-up and Responsibilities

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. A Programme Steering Committee will be set up for the Dialogue Facility which will provide guidance for the work of the Facility itself as well as for the implementation of the pilot projects, including the administration of the funds under the responsibility of the Government of the Republic of South Africa.

## 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). Indicators shall be disaggregated at least by sex. All monitoring and reporting shall assess how the action is taking into account the human rights based approach and gender equality.

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:

Monitoring and reporting will be the responsibility of the co-ordinators for the grants to be awarded. In addition to annual reporting requirements, grantees will be expected to undertake/contract mid-term and/or final evaluations. The grants will also be monitored and visited by Delegation/Commission staff. Result Oriented Monitoring (ROMs) and other evaluation and monitoring processes may also take place.

The entities providing the services/technical assistance will each be required to report on their logframe matrix and implement a monitoring plan to ensure planned activities are on track in relation to all areas of implementation, including capacity building/training, policy dialogue etc.

The contractors/implementing partners will be required to establish baselines and targets at the start of the project, to measure achievement on the indicators and targets. If necessary, the contractors/implementing partners will also undertake data collection and survey.

### 5.2 Evaluation

Having regard to the nature] of the action, final evaluation(s) will be carried out for this action or its components via independent consultants contracted by the Commission.

It will be carried out for accountability and learning purposes at various levels (including for policy revision). All evaluations shall assess to what extent the action is considering the human rights-based approach as well as how it contributes to gender equality and women's empowerment. Expertise on human rights and gender equality will be ensured in the evaluation teams.

The Commission shall inform the implementing partner at least 1 month in advance of the dates envisaged for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports may be shared with the partners and other key stakeholders following the best practice of evaluation dissemination<sup>4</sup>. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, apply the necessary adjustments. Evaluation services may be contracted under a framework contract.

### 5.3 Audit and Verifications

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

## 6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

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

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

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

## Appendix 1 REPORTING IN OPSYS

An Intervention<sup>5</sup> (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

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<sup>5</sup> [Ares\(2021\)4450449](#) - For the purpose of consistency between terms in OPSYS, DG INTPA, DG NEAR and FPI have harmonised 5 key terms, including ‘action’ and ‘Intervention’ where an ‘action’ is the content (or part of the content) of a Commission Financing Decision and ‘Intervention’ is a coherent set of activities and results which constitutes an effective level for the operational follow-up by the EC of its operations on the ground. See more on the [concept of intervention](#).