



EN

THIS ACTION IS FUNDED BY THE EUROPEAN UNION

ANNEX 3

of the Commission Decision on the financing of a special measure for 2022 for the Union response to the food security crisis and economic shock in African, Caribbean and Pacific countries following Russia's war of aggression against Ukraine

Action Document for the support expenditure incurred by the Commission

1. Title/basic act/ CRIS number	Support expenditure incurred by the Commission. CRIS number: FED/2022/44-437 Financed under the European Development Fund (reuse of funds decommitted from projects under the 10th and 11th EDFs)	
2. Zone benefiting from the action/location	The resources for support measures (referred to in Art.6 of the Internal Agreement) will cover Commission expenditure associated to projects implemented in ACP countries.	
3. Programming document	Not applicable	
4. Sustainable Development Goals (SDGs)	Main SDG: SDG 2 (Zero Hunger) Other significant SDGs: SDGs 1, 3, 4, 5, 6, 8, 12, 13, 14 and 15	
5. Sector of intervention/ thematic area	Food security; sustainable agriculture production, resilience	DEV. Assistance: YES ¹
6. Amounts concerned	EUR 13 500 000	

¹ Official Development Assistance is administered with the promotion of the economic development and welfare of developing countries as its main objective.

7. Aid modality(ies) and implementation modality(ies)	Direct management, implementation by the Commission (DG INTPA)			
8 a) DAC code(s)	310: Agriculture, forestry, fishing 311: Agriculture 430: Other Multisector 510: General Budget Support 520: Development Food Assistance			
b) Main Delivery Channel	10000 – Public sector institutions 20000 – Non-governmental organisations (NGOs) and civil society 40000 – Multilateral organisations 60000 – Private sector institutions			
9. Markers (from CRIS DAC form)	General policy objective	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	X	<input type="checkbox"/>
	Aid to environment	<input type="checkbox"/>	X	<input type="checkbox"/>
	Gender equality and Women's and Girl's Empowerment	<input type="checkbox"/>	X	<input type="checkbox"/>
	Trade Development	<input type="checkbox"/>	X	<input type="checkbox"/>
	Reproductive, Maternal, New born and child health	X	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input type="checkbox"/>	X	<input type="checkbox"/>
	Inclusion of persons with disabilities	X	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition	<input type="checkbox"/>	X	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity	<input type="checkbox"/>	X	<input type="checkbox"/>
	Combat desertification	<input type="checkbox"/>	X	<input type="checkbox"/>
	Climate change mitigation	X	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input type="checkbox"/>	X	<input type="checkbox"/>
10. Internal markers	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation		X	
	Migration		X	

SUMMARY

On 12 July 2022 the Council adopted the Decision (EU) 2022/1223 to allocate an amount up to a maximum of EUR 600 000 000 from the funds decommitted from projects under the 10th and 11th EDFs for the purpose of financing actions addressing the food security crisis and economic shock in African, Caribbean and Pacific (ACP) countries following Russia's war of aggression against Ukraine.

According to Art. 1 of the Council Decision:

These funds should finance actions with a view to providing support as follows:

- (1) up to EUR 350 000 000 for food production and resilience of food systems,
- (2) up to EUR 150 000 000 for humanitarian assistance, and
- (3) up to EUR 100 000 000 for macro-economic support.

From this amount, up to EUR 488 000 000 shall be allocated from the 10th EDF and up to EUR 112 000 000 shall be allocated from the 11th EDF.

Out of these funds, up to a maximum of EUR 18 000 000 shall be allocated for support expenditure incurred by the Commission.

Therefore, the envelope for support expenditure comes as a reduction to the operational envelopes, which will total EUR 582 000 000 as follows:

- (1) up to EUR 336 500 000 for food production and resilience of food systems,
- (2) up to EUR 145 500 000 for humanitarian assistance, and
- (3) up to EUR 100 000 000 for macro-economic support.

The envelope for support expenditure will be used in line with the provisions of Art. 6(2) of the Internal Agreement² of the EDF, which stipulates that resources for support measures may cover Commission expenditure associated with:

(a) the preparation, follow-up, monitoring, accounting, audit and evaluation activities, [..];

(b) the achievement of the EDF objectives, by way of development policy research activities, studies, meetings, information, awareness-raising, training and publication activities, [..]

(c) computer networks for the exchange of information, and any other administrative or technical assistance expenditure for the programming and implementation of the EDF.

The resources [...] shall also cover expenditure both at Headquarters and in Union Delegations on the administrative support needed to programme and manage operations financed under the ACP-EU Partnership Agreement and the Overseas Association Decision.

1 CONTEXT ANALYSIS

1.1 Context Description

Please refer to the Action Document on ‘Food Production and Resilience of Food Systems in African, Caribbean and Pacific (ACP) countries’.

1.2 Policy Framework (Global, EU)

Please refer to the Action Document on ‘Food Production and Resilience of Food Systems in African, Caribbean and Pacific (ACP) countries’.

² OJ L 210, 06.08.2013

1.3 Public Policy Analysis of the partner country/region

Please refer to the Action Document on ‘Food Production and Resilience of Food Systems in African, Caribbean and Pacific (ACP) countries’.

1.4 Stakeholder analysis

Please refer to the Action Document on ‘Food Production and Resilience of Food Systems in African, Caribbean and Pacific (ACP) countries’.

1.5 Problem analysis/priority areas for support

Please refer to the Action Document on ‘Food Production and Resilience of Food Systems in African, Caribbean and Pacific (ACP) countries’.

2 RISKS AND ASSUMPTIONS

The main risk is possible difficulties in recruiting and/or training staff in a timely manner in support of the preparation, follow-up, monitoring, accounting, audit and evaluation activities necessary for the execution of the EDF funds mobilised with the present Financing Decision.

The Commission will pay particular attention to ensure that actions are undertaken to adequately manage these risks.

3 LESSONS LEARNT AND COMPLEMENTARITY

3.1 Lessons learnt

The Internal Agreement of the 10th and 11th EDF have a separate provision on the “Resources reserved for Commission support expenditure linked to the EDF” as an integral part of the total EDF envelope. Indeed the use of such support expenditure has proven to be key for an improved financial management of the EDF funds throughout the lifecycle of the operations: from the preparation, to follow-up and monitoring, until the accounting, audit and evaluation, including reporting on results.

The “support expenditure” envelope, that also covers Commission resources for the administrative support needed to programme and manage operations, has been equally important for the successful implementation of the original EDF envelopes inscribed in the Internal Agreements as well as for the effective reuse, by means of a separate Council Decision, of funds decommitted from EDF projects.

3.2 Complementarity, synergy and donor coordination

For the purpose of ensuring complementarity, synergy and coordination, the Commission may sign or enter into joint donor coordination declarations or statements and may participate in donor coordination structures, as part of its prerogative of budget implementation and to safeguard the financial interests of the Union.

Please also refer to the Action Document on ‘Food Production and Resilience of Food Systems in African, Caribbean and Pacific (ACP) countries’.

4 DESCRIPTION OF THE ACTION

4.1 Overall objective, specific objective(s), expected outputs and indicative activities

The overall objective is to fund support expenditure incurred by the Commission for financing actions addressing the food security crisis and economic shock in African, Caribbean and Pacific (ACP) countries following Russia's war of aggression against Ukraine.

The specific objective of the support expenditure is to make available the resources necessary for the preparation, follow-up, monitoring, accounting, audit and evaluation activities, for any technical expenditure and for any administrative support needed to programme, manage and achieve the objectives of the actions funded by the present Financing Decision in a timely manner.

The expected output is an improved financial management of the EDF funds throughout the lifecycle of the operations: from the preparation, to follow-up and monitoring, until the accounting, audit and evaluation, including reporting on results.

4.2 Intervention Logic

The activities funded by the support expenditure will contribute to the achievement of the expected outcome and impact described in the Action Document on 'Food Production and Resilience of Food Systems in African, Caribbean and Pacific (ACP) countries'.

These support measures will be implemented directly by the Commission (direct management) to guarantee the quality, relevance, effectiveness, impact and sustainability of the actions funded. Therefore, they provide assurance on the capacity of the Commission to deliver on the overall objective of the timely and effective implementation of the envelope of the present Financing Decision "for the purpose of financing actions addressing the food security crisis and economic shock in African, Caribbean and Pacific (ACP) countries following Russia's war of aggression against Ukraine".

4.3 Mainstreaming

Please refer to the Action Document on 'Food Production and Resilience of Food Systems in African, Caribbean and Pacific (ACP) countries'.

4.4 Contribution to Sustainable Development Goals (SDGs)

This intervention is relevant for the United Nations 2030 Agenda for Sustainable Development. It contributes primarily to the progressive achievement of SDG 2 – "End hunger, achieve food security and improved nutrition and promote sustainable agriculture".

5 IMPLEMENTATION

5.1 Financing agreement

No financing agreement will be concluded for the implementation of this Financing Decision.

5.2 Indicative implementation period

The indicative operational implementation period of this action, during which the activities described in section 4 will be carried out and the corresponding contracts and agreements implemented, is 138 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 Decision and the relevant contracts and agreements.

5.3 Implementation modalities

Direct management, implementation by the European Commission (DG INTPA) for the preparation of the budgetary commitments, DG HR for the legal commitments and the PMO for the payment of contract agents' salaries. The Commission may also pay a part of the funds under this action fiche to cover the services that the EEAS may provide to the Commission under the terms of the service level agreement between Commission services with staff in EU Delegations and the EEAS.

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 measures³.

These funds shall be used for financial commitments in accordance with the rules and procedures applicable to the 11th European Development Fund, as set out in Council Regulation (EU) 2015/322 of 2 March 2015 on the implementation of the 11th European Development Fund, and Council Regulation (EU) 2018/1877 of 26 November 2018 on the financial regulation applicable to the 11th European Development Fund.

5.4 Indicative budget

The financial envelope is EUR 13 500 000 and will cover expenditure associated with activities provided in Art.6 of the Internal Agreement of the EDF.

Support expenditure may cover the funding of staff (contract agents and/or local agents) in Delegations and/or Headquarters. When the resources of the present envelope cover the needs in human resources for the administrative support required to programme and manage the operations financed, this shall include any additional indirect costs related to employer's contribution to the pensions, health and accident insurance and unemployment insurance of contract agents financed under this envelope.

5.5 Organisational set-up and responsibilities

Direct management, implementation by the European Commission (DG INTPA).

5.6 Performance and Results monitoring and reporting

Please refer to the performance and results monitoring and reporting arrangements defined in the Action Document on 'Food Production and Resilience of Food Systems in African, Caribbean and Pacific (ACP) countries'.

5.7 Evaluation

Having regard to the nature of the action, an evaluation will not be carried out for this action or its components.

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

³ 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.

initiative of the partner. In this case and for budget support interventions, the evaluation of this action may be performed individually or through a joint strategic evaluation of budget support operations carried out with the partner country, other budget support providers and relevant stakeholders. The Commission shall inform the implementing partner at least three months in advance of the dates foreseen 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 shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

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

5.8 Audit

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 audits or expenditure verification assignments for one or several contracts or agreements.

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

5.9 Communication and visibility

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 measures 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.