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**ANNEX 1**

to the Commission Implementing Decision on the financing of the annual action plan in favour of the Republic of Zimbabwe for 2024

**Action Document for “Agri-Value Chain Development in Zimbabwe”**

**ANNUAL ACTION 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 NDICI-Global Europe Regulation.

## 1. SYNOPSIS

### 1.1 Action Summary Table

<b>1. Title CRIS/OPSYS business reference Basic Act</b>	Agri-Value Chain Development in Zimbabwe OPSYS number: ACT-61918 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
<b>2. Team Europe Initiative</b>	Yes Team Europe Initiative on “Greener and climate smart agriculture”
<b>3. Zone benefiting from the action</b>	Republic of Zimbabwe
<b>4. Programming document</b>	Multiannual Indicative Programme (MIP) for Zimbabwe (2021-2027).
<b>5. Link with relevant MIP(s) objectives / expected results</b>	<p><b>Specific Objective 2.2:</b> Farmers benefit from Climate Smart Agriculture techniques, which are based on ecologically sound and scientifically confirmed principles</p> <ul style="list-style-type: none"><li>○ <b>Expected Result 2.2.1.</b> Increased access to and use of comprehensive advisory services for farmers.</li><li>○ <b>Expected Result 2.2.2.</b> Increased access to and use of locally-available inputs and farm services (mechanisation, financial, insurance) for farmers with adequate support to women and youth.</li><li>○ <b>Expected Result 2.2.3.</b> Improved ability of farmers to commercialise increasing parts of their total production.</li><li>○ <b>Expected Result 2.2.4.</b> Increased local processing and manufacturing of local agricultural products into higher value food products with adequate support to women and youth.</li><li>○ <b>Expected Result 2.2.5.</b> Scientific advice, monitoring and feedback established and operational.</li></ul> <p><b>Specific Objective 2.4:</b> To increase production and use of clean energy.</p> <ul style="list-style-type: none"><li>○ <b>Expected Result 2.4.2.</b> Regulatory and tariff framework for Renewable Energy supply and consumption is formulated and applied at sub-national levels.</li></ul>

	<ul style="list-style-type: none"> <li>○ <b>Expected Result 2.4.4.</b> Private sector actors are supplying Renewable Energy and the associated financial requirements and necessary risk mitigation are covered.</li> </ul>			
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>				
<b>6. Priority Area(s), sectors</b>	Priority Area 2: Green Economic Growth. Sectors: Agriculture (311), Energy generation, renewable sources (232), Trade Policies & Regulations (331), Transport and Storage (210)			
<b>7. Sustainable Development Goals (SDGs)</b>	SDG 1 – No poverty (target 1.5) SDG 2 – Zero hunger (targets 3 and 4) SDG 5 – Gender equality (targets 5. a) and b) SDG 7 – Affordable and clean energy (target 7.1) SDG 8 – Decent work and economic growth (targets 8.1, 8.2, 8.4) SDG 10 – Reduced inequalities SDG 12 – Responsible production (targets 12.2 and 12.3) SDG 13 – Climate action (target 13.1) SDG 17 – Partnerships for the goals (target 17.11)			
<b>8 a) DAC code(s)</b>	<b>311 Agriculture</b> (Agricultural development 31120, Agricultural inputs 31150, Food crop production 31161, Agricultural research 31182, Agricultural services 31191, Plant and post-harvest protection and pest control 31192, Agricultural co-operatives 31194) – <b>40%</b> <b>232 Energy generation, renewable sources</b> (Solar energy for isolated grids and standalone systems 23231) – <b>20%</b> <b>331 Trade Policies &amp; Regulations</b> (Trade policy and administrative management 33110) – <b>40%</b>			
<b>8 b) Main Delivery Channel</b>	21000 International NGO 23000 Developing country-based NGO 41000 UN entities 61000 Private sector in provider country			
<b>9. Targets</b>	<input type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input type="checkbox"/> Education <input type="checkbox"/> Human Rights, Democracy and Governance			
<b>10. Markers (from DAC form)</b>	<b>General policy objective @</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Participation development/good governance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Aid to environment @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	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 type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>
	digital connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	/
	digital governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	digital entrepreneurship	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	digital skills/literacy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	digital services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Connectivity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	digital connectivity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	/
	energy	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	transport	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	health	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	education and research	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	Migration @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>BUDGET INFORMATION</b>				
<b>12. Amounts concerned</b>	Budget line(s) (articles, item): 14.020122 Total amount of EU budget contribution: EUR 26 000 000  This action is part of the Team Europe Initiative (TEI) on Greener and Climate Smart Agriculture, in support of identified climate smart solutions for Zimbabwe's agricultural sector, with a total indicative budget of EUR 212 000 000. The EU contributes with EUR 134 200 000. Contributions from Member States are as follows: Sweden: EUR 21 800 000; France: EUR 17 500 000; the Netherlands: EUR 700 000 and Italy: EUR 3 800 000. Switzerland contributes EUR 34 000 000.			
<b>MANAGEMENT AND IMPLEMENTATION</b>				
<b>13. Type of financing</b>	<b>Direct management</b> through Grants (section 4.4.1) <b>Indirect management with</b> entrusted entity(ies) to be selected in accordance with the criteria set out in section 4.4.3			

## 1.2 Summary of action

In Zimbabwe, where the growing population of over 15 million is mainly rural and young, agriculture plays a critical role. Indeed, about two-thirds of working Zimbabweans are employed in agriculture, and agricultural exports represent about 30 percent of the US dollar value of exports, second only to mining.

**Zimbabwe has however an enormous untapped agricultural potential.** Formerly one of the most advanced in Sub-Saharan Africa, the Zimbabwean economy is today among the most vulnerable, with eroded industrial and agricultural base and deteriorating humanitarian situation. Climate change is worsening the situation, as

temperature increases and reduced rainfall are already negatively affecting Zimbabwe's agricultural sector due to the high reliance on rain-fed crop production, particularly in rural areas where the majority of the population lives. In this context, this Action embraces a **comprehensive approach to agricultural value chain development**, with a focus on both the local and regional/international dimensions and with the overall objective to support Zimbabwe's green economic growth through climate-smart agriculture, agrifood value chain development and renewable energy.

The **first component of the action** supports the **development of the horticulture value-chain, with a focus on export to EU markets**. It ensures the continuity of support to the implementation of the interim Economic Partnership Agreement (iEPA) through the provision of technical assistance to mostly private sector organizations. Additionally, equipment, such as laboratories and scanners, will be supplied to improve the compliance to EU standards for chemical, pests and disease controls, which services are currently being imported.

The **second component of the action** proposes to **support the drought resistant crops value chain, with a focus on traditional grains**, which will make the country more resilient to climate change and increase its independence from imported grains/cereals particularly from neighbouring countries as well as from Russia and Ukraine. The component will be implemented in a maximum of three selected agricultural areas offering the highest potential for value-addition and market access.

The **third component of the action** supports in priority investments in renewable energy for horticulture and traditional grains value-chain development. The investment facilitation will be pursued through the creation of a GET.Pro country-window, to be co-funded by Germany and more particularly its GET.Invest component (facilitation of DFI's support to investors (including with EFSD+ guarantees). As these interventions will likely yield results in the medium to long term, the action also foresees to provide renewable energy equipment (solar) to support the value-chain approach of the targeted value chains (aggregation, processing, cold storage and access to the agro-industry, all require energy as a major input). This component of the Action supports the global objectives of the EU in climate mitigation through renewable energy production

This Action is part of the **Team Europe Initiative on "Greener and Climate-Smart Agriculture"**, which aims at unlocking the development potential of the agricultural sectors through an environmentally conscious productive approach, based on climate-smart, agro-ecological and circularity principles, reducing vulnerability, and increasing resilience through adaptation as well promoting equal involvement of women and men at all stages. The Action will be implemented through partnership agreements with different entities: non-state actors/non-governmental organisation (grant contracts), and international organisations and EU decentralised agencies (contribution agreements).

The Action is **anchored around the country's national priorities** as articulated in the country's National Development Strategy (NDS1) 2021–2025 and it intends to align with the goals and objectives across the Zimbabwe's existing agricultural and climate change policies and strategies, including the "Zimbabwe country food and agriculture delivery compact", which will all together will contribute to the achievement of the country's vision 2030.

The action also contributes to the EU Gender Action Plan III, in particular to thematic areas: "Promoting economic and social rights and empowering girls and women" and "Addressing the challenges and harnessing the opportunities offered by the green transition and the digital transformation".

In the framework of the **EU Green Deal (and its strategies, the Farm-to-Fork strategy and the circular economy action plan) and the EU-Africa Global Gateway Investment Package**, the action will bring a tangible contribution to multiple priorities pursued by the EU and Africa, narrowing as such the global investment gap through its contributions to funding for climate action, renewable energies, sustainable growth and decent job creation, research, digitalisation, connectivity and corridor development.

### 1.3 Zone benefitting from the Action

The Action shall be carried out in Zimbabwe, which is included in the list of ODA recipients.

## 2 RATIONALE

### 2.1 Context

Landlocked and resource-rich, Zimbabwe is home to a population of over 15 million, predominantly residing in rural areas and characterized by a youthful demographic. Once among Sub-Saharan Africa's most advanced economies, Zimbabwe now faces economic vulnerabilities, with eroded industrial and agricultural bases contributing to a deteriorating humanitarian situation.

While the local currency inflation figures are no longer published, estimates based on the local currency devaluation indicate that the rate reached between 600% to 700% by the end of 2023, with the last official rate showing a 230% year on year inflation in January 2023. Despite the introduction of the US dollar as a secondary currency, challenges persist, such as the obligation to surrender 25% of export revenues in USD due to a lack of availability. This has implications for the country's export capacity, limiting its potential despite the opportunities offered by the iEPA.

Zimbabwe also faces a severe energy crisis with an overall electrification rate reported as low as 44% in 2020 and a supply of electricity for productive uses failing to meet demand. This has consequently resulted in loss of production in key economic sectors such as agriculture and agro-processing sectors by undermining irrigation, cold chain, and storage facilities. The power cuts and shortages, also linked to climate events, are estimated to cost the country a total of 6.1% of GDP annually. An overarching obstacle that Zimbabwe faces is that of inadequate financing and conducive investment terms for renewable energy and climate change projects.

With an estimated 38% of the population living below the poverty line and five million in food insecurity, Zimbabwe's agriculture, contributing 15-18% to GDP and supporting 70% of the population, is pivotal for the nation's well-being. However, the agricultural sector has undergone a fundamental transformation in the last 15 years due to the land reform and resettlement program. Smallholder farmers now occupy close to 70% of agricultural land, relying on rain-fed agriculture, often on less than 2 hectares. This shift has reduced opportunities for large-scale investments, and productivity on large areas has declined, leading to food insecurity and reliance on imports.

Zimbabwe boasts diverse agro-climatic conditions, allowing for the cultivation of over 23 types of food and cash crops and various livestock species. The nation's five agro-ecological regions, characterized by varying rainfall, temperature, and soil potential, dictate farming intensity. Regions I-III are more suited for commercial crops, while IV and V rely on irrigation due to lower rainfall. However, less than 1% of smallholders have access to irrigation, posing challenges for successful crop production.

In less drought-prone regions and on irrigated land, Zimbabwe's horticultural sector shows substantial growth potential, contributing 6.5% to agricultural output and 0.7% to the total GDP. The sector benefits from recent EIB credit lines, and the EU stands as its main export destination. However, challenges persist in sanitary constraints, EU regulations, document processing delays, and a lack of cold stores. Zimbabwe's agricultural and horticultural exports primarily traverse three regional corridors, impacting trade flows to Durban, Beira, Maputo, and various destinations by road or air, notably to the EU. Regional trade agreements contribute significantly to trade facilitation, with more than 40% ease of trade attributed to these agreements.

Zimbabwe, as most of the countries in Southern Africa, faces heightened climate change impacts, including more frequent droughts, erratic rainfall, and increasing pest and disease outbreaks. The Intergovernmental Panel on Climate Change predicts up to a 30% decrease in maize yields by 2050, highlighting the urgency of transitioning to more climate-resilient crops. Drought resistant crops and traditional grains like sorghum and millet, well-suited to Zimbabwe's conditions, face obstacles in processing facilities, seed availability, and marketing compared to maize. Geographically dispersed production areas hinder aggregation and storage facilities, contributing to post-harvest losses.

When it comes to its operationalisation, the “Zimbabwe National Agricultural Policy Framework (2019-2030)” introduces the concept of “special agricultural zones” as clusters or corridors designed to harness natural or developed advantages. These zones aim to attract diverse investments from public, private, community, and development partners to foster integrated agricultural development and coordination among stakeholders (focusing on key areas like water, irrigation, transport, power, communications, agro-processing capacity, market access and agricultural knowledge, technology and information systems) is crucial to driving transformative change in

agriculture. This investment-driven approach targets smallholder farmers, particularly rural women and youth, aiming to close yield gaps, and promote agro-processing and marketing. Achieving these goals can bolster the agricultural sector's contribution to national economic development and align with Zimbabwe's vision to attain middle-income status by 2030. While the policy emphasizes agricultural hubs, clusters, and corridors but faces challenges due to limited electricity availability in rural areas, necessitating expensive diesel generators and contributing to deforestation.

The proposed action addresses these challenges within the context of the MIP - Green Economic Growth. By supporting value-chain development, climate-smart agriculture, investment in renewable energy, EPA implementation. The action aligns with several EU global strategies, including the Global Gateway, the Green Deal, and Climate Action. As Zimbabwe positions itself with recent governmental initiatives signalling openness for business, the action seeks to leverage opportunities and overcome existing obstacles for sustainable agricultural development in the country.

## 2.2 Problem Analysis

### Horticulture value chain development

The horticulture sector in Zimbabwe has significant potential for generating income and boosting economic growth. Investments in the sector can create jobs, increase exports and contribute to improved livelihoods for young people and women. With the EU European Union being a key export destination, facilitated by duty-free access under the EU-Zimbabwe Economic Partnership Agreement, opportunities for expanding international market share are considerable. Alongside the focus on exports, there's a growing recognition of the importance of tapping into domestic market channels, in order to diversify revenue streams, promote food security, and foster economic opportunities for smallholder farmers and local businesses. However, the realisation of the sector's potential is hampered by a number of factors among them, the absence of laboratory testing facilities to ensure compliance with EU export requirements and voluntary standards certifications such as Global Gap. The establishment of a laboratory equipped to test for quality, safety and compliance (including SPS measures) with international standards is needed to address this challenge.

There is also limited security scanning capacity at the airport of exit which causes logistical delays when loading horticulture cargo onto the plane. These delays may result in the breaking of the cold chain which compromises the quality of the exported products. Investing in technology and processes to streamline the loading process can help minimise delays and ensure speedy and efficient transportation of the products destined for the export market.

Small holder farmers in the sector lack the skills and knowledge to sustainably improve productivity, meet quality standards and access the market. They struggle to catch up with changing rules and new export compliance directives such as the ones arising from the implementation of the European Green Deal. This applies to EPA implementation conditions. The provision of training to small holder farmers on quality standards, best environmentally-sound and climate-smart practices in sustainable horticulture farming as well as meeting export requirements is required.

Small holder farmers lack access to market information. They also have to obtain permits and licences from many different regulatory bodies and the processes are cumbersome and costly to those who are venturing into the lucrative export market for the first time. To increase the chances of success, substantial technical assistance is required, as well as digitalisation to streamline processes and documentation. Policy advocacy which entails the engagement with stakeholders including government agencies, industry associations and international organisations can help address regulatory challenges and create an enabling environment for the industry.

The sustainability of laboratory facilities and the security scanners will be ensured through the establishment of a Trust that will own and manage the assets on behalf of the industry. Business model for both the lab and the scanning equipment will be developed based on the principle that the costs of managing and maintaining the assets will be borne by the users through a negotiated tariff structure and yet ensuring that no profit accrues to individual private entities. Trustee members will be drawn from the horticulture apex body, in this case the Horticulture Development Council, the farmers and from the national competent authority for the exportation of agricultural products.

### *Shift to drought resistant crops and traditional grains through agro-ecological and sustainable practices*

While maize has dominated Zimbabwe's agricultural landscape for decades, there's growing recognition of the importance of reintroducing traditional grains and promoting drought-resistant crops, which could also contribute to support of poly-culture agrifood systems that would benefit climate change resilience. The transition from traditional grains to maize cultivation in Zimbabwe was driven in post-colonial era by a combination of government policies, market dynamics, technological advancements, and cultural shifts. Government initiatives promoting maize farming, coupled with subsidies and resource incentives, incentivized farmers to switch crops. Maize's versatility and market demand, along with its higher yields per hectare, made it economically attractive. Additionally, infrastructure development and agricultural innovations further facilitated maize cultivation, while cultural changes led to increased incorporation of maize-based foods into Zimbabwean diets.

However, successive droughts in Zimbabwe compounded by other economic shocks in recent years (including the current El Nino in 2023-2024) have resulted in decreased maize productivity amongst the communal farmers most of whom reside in regions IV and V which are considered semi-arid. This has given rise to the need to find alternative food crops and adapt the farming systems, which may be suitable for these areas but also would benefit the implementation of climate-smart agriculture practices, including minimum soil tillage, permanent soil cover, and crop diversification, to improve crop yields, drought resistance, soil structure, and nutrition security.

Generally, research in the world indicates the importance of diversifying agricultural production and reintroducing traditional grains and drought-resistant crops to end chronic food insecurity in semi-arid areas. Though Zimbabwe cereal production fluctuated substantially in recent years, it tended to decrease through 1973 - 2022 period ending at 1.89 million metric tons in 2022, with only 11.6% of production related to traditional grains (mainly sorghum and millet). Clearly, rain-fed agriculture suffered more, pointing to the need to invest more in mitigating against environment shocks. In this context, there is currently a growing recognition from government and development partners of the need to shift to drought-resistant crops and traditional grains, which offer nutritional benefits and are resilient to adverse environmental conditions such as droughts.

The Action's approach to climate-smart agriculture and ecological principles recognizes the significance of drought-resistant crops and traditional grains in fostering resilience to climate change and the importance to embrace a diverse range of crops and farming practices. This would include advocating for crop diversification, sustainable land and water management techniques, and agro-ecological practices that enhance soil health and biodiversity. By adopting a holistic approach that integrates various crops and farming methods, the Action aims at building robust and resilient agricultural systems that can adapt to changing climatic conditions while ensuring sustainable food production. The action will not solely focus on specific or single traditional grains. Instead, we will promote a diverse range of crops and farming practices that align with climate-smart principles, thereby preserving soil quality, enhancing resilience, and contributing to the long-term sustainability of Zimbabwe's agricultural sector and the resilience of its communities.

By cultivating drought-resistant crops and promoting traditional grains, Zimbabwe can enhance food security, mitigate the impact of climate variability on agricultural productivity, and build resilience in the face of fluctuating weather patterns.

Investing in research and development to improve traditional grain varieties and enhance their productivity can further support the shift towards diversified cropping systems improving climate resilience and biodiversity. Additionally, providing support to farmers through extension services, access to quality seeds, and market linkages can encourage adoption of these crops and contribute to rural livelihoods and food security.

However, the development of the more drought-resistant crops and traditional grains faces the following challenges:

- i) Insufficient mechanised processing to improve the quality of the final work to a same level as maize and to reduce labour for milling. To be profitable and attract investment, the crops require more and better processing, increased aggregation in business centres, which also provide the necessary services to producers (seeds, extension and access to information). Processing in turn requires reliable energy, which avoid expensive and polluting diesel generators. Markets exist, both for food consumption as for industrial use, but the value-chains need catalysing to reach break-even for private investment.
- ii) Producers need renewed assurance that drought resistant crops will avail of sufficiently good quality seeds and market access, to provide better resilience and revenues compared to the water consuming maize which benefits

from a better organised market. Demonstration plots and farms, agro-processing facilities and technical support/extension services are required. The expansion of traditional crops must convince seed producers to invest in improved seed selection based on traditional seeds to allow their business to be profitable. The action will also consider farmer-based seed selection processes. Support may also be provided to local production of bio-based agro-inputs, as shown by successful experience in the region. Synergies with agricultural research and learning from experience from other countries such as India (the world's main producer of millet) will be essential.

In this context, environmental and biodiversity protection is an induced area of attention under this action by promoting agroforestry management, diversification of products/crops and by addressing aspects such as soil cover, soil fertility and pests/diseases, adoption of less soil depleting crops, organic fertilizer use and reducing land degradation, as well as integrated water resources management. Agro-ecological approaches have a lot to offer in this regard.

#### Supporting private sector investment in renewable energy mainly for, but not limited to value-chain development

Sustainable energy is a key enabler of sustainable development for all countries and all people and access to electricity is a major constraint in Zimbabwe due to lack of reliable and stable power supply. The power shortages have had a significant impact on the agriculture sector. Farmers, including those in the horticulture and traditional grains value chains, have been facing difficulties in keeping their water irrigation systems operational, running agro-processing machinery and cold store facilities, leading to increasing production costs as they explore alternative power sources (generators). As the agriculture sector is a major source of employment and a large contributor to GDP, renewable energy is crucial to unlock the sector's potential and is a fundamental enabler to achieving food security. Distributed energy has the potential to ensuring reliable access to energy, offering an opportunity to decarbonise the electricity grid and improve resilience.

While the Government has recently improved conditions for independent power producers, perceived risks remain high and very few financing institutions (local banks or international development banks) are willing to support private investments in renewable energy. Although renewable energy is the main focus of the EFSD+ guarantees provision under the MIP, no guarantee has materialised yet largely due to challenges in the operating environment.

In order to facilitate an enabling framework for electricity access and links between investors and financing institutions in renewable energy, the present Action foresees a provision of technical assistance in this regard through the GET.pro country window (under the overall EU-funded Global Energy Transformation Programme (Get-Pro) facility). GET.pro focuses on opportunities that have strong alignment with EU Action Documents and as such will aim to facilitate investment in renewable energy for greener and climate smart agriculture (an EU priority area under green economic growth), in this case with a focus on (but not limited to) the horticulture and traditional grains value chains.

Get.pro has two instruments: Get.invest (facilitate access to support and financing instruments for green energy) and Get.transform (technical assistance for regulatory and policy transformation in the energy sector). Get-Pro is jointly funded by the EU, Germany, Netherlands, Austria and Sweden and a country window therefore sets feet on the ground of this EU joint initiative. As tangible results on this intervention will not be realised in the short-term, limited grants for renewable energy need to be provided for facilities along the selected farming areas/hubs where they are catalytic and essential for aggregation and processing in the selected value-chains.

#### Gender equality and women's rights

Several challenges still underpin progress towards women economic empowerment namely: dominance of the informal economy and its associated decent work deficits that include lack of social security, limited formalisation from informal to formal economy and the associated, overrepresentation in vulnerable employment and the existing gender-pay gaps, limited financial inclusion, limited ICTs usage, dominance in subsistence agriculture with limited support mechanisms, limited access to and ownership of critical economic resources especially in agriculture, limited participation in technological innovations, structural and material inequalities, among others. Regarding ownership of agricultural land women still lack equal ownership or title to the land<sup>1</sup>. Women constitute 61 percent of farmers and 70 percent of the overall agricultural workforce mainly as unpaid family workers. In addition, climate stressors affect agriculture and food and nutrition security, disproportionately affecting women and girls.

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<sup>1</sup> Gender Country Profile – African Development Bank Group/UN Women



### Human rights and people living in the most vulnerable situations

Zimbabwe has a youthful population as 53.6% of the population is below 20 years while 62.9% of the population is below 24 years. Of those below 24 years, 31.7% are females while 31.2% are males. Nevertheless, youths in Zimbabwe face challenges such as unemployment, unaffordable education, lack business planning and entrepreneurial skills or access to capital forced mobility (migration) due to limited opportunities, among others. Also, in Zimbabwe there are around 9 percent of the population is living with at least one disability and they are among the poorest and socio-economically excluded in the country. Persons with disabilities living in rural areas face even more challenges than in urban areas. They are less likely to have attended school, be employed, have healthcare or own a mobile phone, among other challenges. However, research shows<sup>2</sup> that persons living with disabilities in rural areas are economically active and have the potential to generate income and pull themselves out of poverty.

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

**Government counterparts (duty bearers)** are responsible for the implementation of (not exhaustive list): agriculture and climate change related policies and programmes<sup>3</sup>; trade/doing business matters<sup>4</sup>; renewable energies policies and investments<sup>5</sup>.

**Local authorities in targeted districts/provinces** will be directly involved because of their role planning, coordination and monitoring. In addition, gender focal points at local level may be also actively involved and consulted if available.

**Non-State Actors** such as smallholder farmers, farmer organisations, cooperatives, business support organisations, trade unions, Community Based Organisations and CSOs, will play a key role in the implementation of the Action under the responsibility of the main implementing partners. Particular attention will be given to ensure that voices and leadership skills of women working in value chains are amplified and taken into consideration within farmer organisations, cooperatives, trade unions and CBO. Through these different non state actors rural women can pool their resources, gain knowledge, expand their social networks, lobby for better employment conditions, increase their confidence and self-esteem, and most importantly, improve their visibility and have a stronger position. They also play a central role in spreading best practices, including on agroecological approaches.

**Private sector** has a prominent role in this Action (ex. aggregation centres, be it for profit or no for profit, on the two targeted corridors and on the main export corridor; industrial processing and packing facilities; private traders - local and international – both on agri-smart crops and on horticultural products (in large part exporters to the EU); European suppliers of equipment for the concerned value-chains benefitting from EPA conditions and trade facilitation). Activities addressed to the private sector may be informed by the United Nations Guiding Principles on Business and Human Rights.

The informal sector and **micro and small enterprises** dominate the local economy in the rural setting. Micro, Small and Medium Enterprises (MSMEs) are the major source for job creation and income (especially amongst the poor and women) and are key for the provision of operational (commercial) services and financial services in rural areas.

Coordination with other **development partners** (donors, UN agencies and civil society organisations) and private sector actors active in the targeted sectors will be ensured through the existing sector working groups or through ad hoc coordination meeting if needed.

Additionally, synergies with a number of relevant **think-tanks and research institutes** (e.g. CIRAD, ICRISAT, CIFOR or CIMMYT, universities, among others) will be sought.

<sup>2</sup> Economic Activities of Persons with Disabilities in Rural Areas: New Evidence and Opportunities for IFAD Engagement (2019)

<sup>3</sup> Ministry of Lands, Agriculture, Fisheries, Water, Climate and Rural Development, Ministry of Finance and Economic Development, Ministry of Environment, Climate, Tourism and Hospitality Industry

<sup>4</sup> Ministry of Industry & Commerce, Office of the President and Cabinet Ministry of Finance and Economic Development, Ministry of Women Affairs, Community, Small and Medium Enterprises Development, National Competitiveness Commission, Competition and Tariff Commission, the Reserve Bank of Zimbabwe (RBZ), the Zimbabwe Revenue Authority (ZIMRA), Standard, Quality Assurance, Accreditation and Metrology Institutions, National Plant Protection Organisation, Zimtrade, Airport authorities.

<sup>5</sup> Ministry of Energy and Power Development

Potential benefits from the **STOSAR II** regional project (Support Towards the Operationalization of the SADC Regional Agricultural Policy) co-implemented by FAO and the SADC Secretariat, which includes actions to support the development of regional agri-food value chains will be secured.

By directly supporting key components of different national strategies (on agriculture and climate change, on trade matters, on renewable energies policies and investments), the **target group** of the Action includes:

- agricultural producers in targeted areas as rights holders, predominantly women and men smallholders and emerging farmers, private sector entities relevant as value chain enablers providing related services and products, as well as, relevant public institutions;
- large-scale commercial agricultural (incl. horticultural) producers who will be benefiting from EPA implementation;
- National organisations and private sector entities involved in iEPA negotiations and implementation and transit authorities/facilities, including airport services (mainly related to the horticulture sector)

The **final beneficiaries**, as rights holders, of the action include the population of the targeted districts, who will benefit from more diversified agriculture products locally and sustainably produced. The final **beneficiaries** include also private sector employees and employers, accessing better opportunities to exploit the trade benefits from the i-EPA. Particular attention will be paid to ensure women's, youth and persons living with disabilities equal access to all the benefits and opportunities arising from this Action.

### 3 DESCRIPTION OF THE ACTION

#### 3.1 Objectives and Expected Outputs

The **Overall Objective (Impact)** of this action is to support Zimbabwe's inclusive green economic growth through two agricultural value chains and renewable energy development.

The **Specific(s) Objective(s) (Outcomes)** of this action are:

- **Specific Objective 1:** Support to horticulture value chain development with a focus on export
- **Specific Objective 2:** Support to the drought-resistant crops value chain development, with a focus on traditional grains
- **Specific Objective 3:** Support to private investments in renewable energy mainly for, but not limited to value-chain development

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

**Related to Specific Objective 1:**

- **Output 1.1** – The provision of key common infrastructures and equipment improves laboratory testing and logistical export handling capacities, including SPS measures.
- **Output 1.2** – Horticulture farmers reap benefits from the implementation of the Economic Partnership Agreement, through support to commercialisation opportunities, export procedures and trade-related processes, promoting the inclusion and participation of women farmers
- **Output 1.3** – Horticulture support organizations are equipped with enhanced capacity and are more gender responsive to service the industry and increase the competitiveness and sustainability of the sector.

**Related to Specific Objective 2:**

- **Output 2.1** – Smallholder farmers in targeted areas adopt climate-adapted practices and agro-ecological approaches.
- **Output 2.2** – Partnerships among farmers, local agri-businesses, and financial institutions improve the production, processing, and marketing of drought-resistant crops
- **Output 2.3** – Women and youth have equal opportunities in agricultural activities and agri-business management.

**Related to Specific Objective 3:**

- **Output 3.1** – Renewable energies investments enable the “greening” of targeted value chains development.
- **Output 3.2** – Facilitating investments in renewable energy generation projects to enable access to clean and affordable energy mainly in but not limited to priority value chains development.
- **Output 3.3** – The development of a conducive renewable energy policy and regulatory framework support and foster investments in the sector.

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*.

### 3.2 Indicative Activities

#### **Activities relating to Output 1.1 – The provision of key common infrastructures and equipment improves laboratory testing and logistical export handling capacities, including SPS measures.**

- Support the establishment of a fully equipped laboratory with renewable energy backup, capable of performing tests and analysis to prepare for certification processes and procedures (ex. quality control and assurance tests; residue analysis to ensure that products are free from harmful chemicals and pesticides; microbiological analysis to ensure that products do not contain harmful bacteria or other disallowed microorganisms) and for market requirements
- Support the certification of the laboratory by relevant regulatory authorities including accreditation by recognised bodies to deliver reliable and accurate tests;
- Contribute to increase the security scanning capacity at the airport in order speed up the processing of horticulture cargo destined for the export market;
- Provision of equipment useful for certification processes and procedures related to required standards and regulations for export to Europe.

#### **Activities relating to Output 1.2 – Horticulture<sup>6</sup> farmers reap the benefits from the implementation of the Economic Partnership Agreement, through support to commercialisation opportunities, export procedures and trade-related processes, promoting the inclusion and participation of women.**

- Support the digitalisation of export procedures enabling exporters to deal timely with all the relevant permits, licences, sanitary phyto-sanitary certification processes online including an effective communication and information sharing systems between producers, exporters and relevant government agencies to facilitate flow of information and transparency;
- Support training and capacity building activities to help farmers, including women and young farmers and their workers, understand and implement the certification requirements of Global Gap and other market driven standards certifications for selected value chains to access EU markets;
- Capacity building programme on quality and safety requirements and their application for selected value chains to access EU markets;
- Providing technical assistance support to address policy and regulatory barriers in order to increase and diversify exports, with a focus on horticulture produce.

#### **Activities relating to Output 1.3 – Horticulture support organizations are equipped with enhanced capacity and are more gender responsive to service the industry and increase the competitiveness and sustainability of the sector.**

- Conduct needs assessments, including from a gender and youth perspective, to identify the capacity building needs of private sector organisations that support SMEs engaged in horticulture for exports;
- Support a robust plant health quality control and inspection system to ensure that horticultural produce meet the required standards and regulations for export to Europe;
- Providing business development services such as market research, business planning and mentoring of SMEs (with attention to those led by women and young people) to help achieve sustainable production and export competitiveness;
- Conduct EPA awareness workshops, seminars and road shows including ensuring equal access to information through digital platforms.

#### **Activities relating to Output 2.1 – Smallholder farmers in targeted areas adopt climate-adapted practices and agro-ecological approaches.**

- Set up demonstration plots showcasing climate-adapted production practices and technologies, emphasizing agro-ecological approaches, including Integrated Pest Management (IPM), crop rotation, use of resistant varieties, soil conservation, and water management;

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<sup>6</sup> Not exhaustive list of products potentially targeted: berries, citrus, mange tout peas, sugar snap peas, avocado, macadamia, capsicum.

- Increase the knowledge and implementation skills of local producers in adopting green and climate-smart agricultural practices. Emphasize sustainable and inclusive utilization and management of natural resources, including diversification of production to include nutritious and safe foods;
- Enhance the understanding of food quality, particularly nutritious foods, and safety issues among local producers, consumers, and food handlers. Establish clear links to public health and nutrition, ensuring a comprehensive perspective across the local food supply chain.

**Activities relating to Output 2.2 – Partnerships among farmers, local agri-businesses, and financial institutions improve the production, processing, and marketing of drought-resistant crops.**

- Facilitate the development of commercial partnerships between smallholders, local agri-businesses and possibly financial institutions in order to encourage the growth of sustainable and inclusive agribusiness models, based on circular economy principles, and that allow for farmer participation and attract investment by private sector partners;
- Support the establishment or expansion of agri-business hubs in selected areas offering the highest value-addition and commercial potential<sup>7</sup> to provide essential services, aggregate production, and add value to selected value chains. The focus is on traditional grains and drought-resistant crops<sup>8</sup>;
- Support provided in key areas like water management, small scale irrigation, transport, power, communications, agro-processing capacity, market access and agricultural knowledge, technology and information systems.
- Boost the capabilities of local producers, including women and youth, for working together and for active and sustainable engagement in long-term agricultural business relationships. This involves facilitating farmer groups, coaching, and training sessions;

**Activities relating to Output 2.3 – Women and youth have equal opportunities in agricultural activities and agri-business management.**

- Enhance skills and capabilities of women and youth in sustainable agriculture production, aggregation, processing and marketing, digital skills, and access to information and trade opportunities;
- Create equal opportunities for women and youth in targeted areas to participate as lead farmers, which will enable them to acquire new knowledge and skills on agro-business management and in leadership;
- Establish a quality and gender-balanced management system at the agro-processing centres;
- Ensure equal opportunities for inclusion of women, youth and people with disabilities as rights-holders in project activities implemented in targeted districts.

**Activities relating to Output 3.1 – Renewable energies investments enable the “greening” of targeted value chains development.**

- Greening the commercialisation and export processes of the horticulture value chain through the provision of renewable energy backup power to the equipment and laboratories that are part of the logistical hub;
- Greening the production and value addition processes of the drought resistant crops value chain through investments in renewable energies and equipment / facilities for the agri-business hubs to ensure efficient operations, aiming to reduce post-harvest losses.

**Activities relating to Output 3.2 – Facilitating investments in renewable energy generation projects enables access to clean and affordable energy mainly in but not limited to priority value chains development.**

- Provide specialised advisory support to create a pipeline of investment ready projects. This includes coaching projects with potential to a point where they become viable and bankable;
- Identify and provide relevant information on financing solutions i.e. available (European) instruments (e.g. EFSD+) to which Zimbabwe is eligible (mostly off-grid) renewable energies;
- Build capacity for domestic financiers to increase availability of local financing and utilisation of EFSD+ related funding and guarantee mechanisms;
- Organise match-making events/conferences for mobilisation and visibility of investment ready projects to potential funding partners;
- Provision of data platform prospect accessible by financiers and viable renewable energy projects;
- Supporting renewable energy businesses with key project documentation and studies required for investment.

**Activities relating to Output 3.3 – The development of a conducive renewable energy policy and regulatory framework supports and fosters investments in the sector.**

- Capacity development for key stakeholders in the energy sector i.e. that support institutional reforms e.g. Renewable Energy Association of Zimbabwe;
- Providing technical assistance in long term energy planning including capacity expansion and investment plans;
- Provide technical assistance on mini-grid regulation and implementation for increased access to electricity including tariff design.

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**

Aid to environment and climate change adaptation are significant objectives of this Action, as it will promote sustainable, climate-smart agriculture practices, and the adoption of more droughts resistant crops through their access to markets. Environmental protection is an induced area of attention by promoting agro-ecology and agroforestry management and addressing aspects such as soil cover, adoption of less soil depleting crops, organic fertilizer use and reducing land degradation. Promotion of pest and disease control will be promoted, focusing on integrated management techniques and including environmental safeguards for biodiversity conservation.

The “Zimbabwe country food and agriculture delivery compact” puts a focus on fertilizers production and access, mainly referring to mineral fertilisers, and it also underlines that conventional agriculture practices lead to soil degradation and loss of fertility. In this regard, under the Action, the support to farmers will include capacity-building on integrated soil fertility management, to support production but also enhance resilience to climate change. The action also supports the local production of bio-based inputs, such as for example organic fertilisers.

The choice of the value-chains targeted by the Action (which will have a focus on horticulture for component 1 and on traditional grains and drought resistant crops for component 2) will be sustainable (consistent with the Green Deal) and will not lead to deforestation.

Climate resilient practices and technologies, including water harvesting and storage, as well as post-harvest reduction of losses / conservation techniques will be promoted to reduce the vulnerability of rural livelihoods. Agro-ecological approaches will be a source of inspiration. Ecological sustainability and eco-efficiency of private sector investments will be stimulated. The action will contribute to address climate change adaptation and mitigation also through the use of greener technologies and renewable energies applied to the agricultural sector (such as solar powered technologies, solar heating and lighting, value chain cooling machines, irrigation systems, and bio-digesters), helping farmers lower their climate footprint while improving productivity and saving costs.

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

**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 B (not requiring an EIA, but for which environment aspects will be addressed during design).

**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 need for further

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<sup>7</sup> The Action proposes to support the transition to a climate-smarter agriculture for more productivity, more resilience and less carbon emission. An analysis of “agricultural corridors” with commercial potential was carried out for the identification of targeted areas, based on specific criteria. The analysis assessed the feasibility of establishing agribusiness hubs for interaction between different value chain players such as farmers, extension agents, input suppliers, financiers, commodity buyers and agro-dealers.

<sup>8</sup> Not exhaustive list of products which could be targeted: focus will be on sorghum and millet but other products include paprika, sesame seeds, bambara nuts, mung beans, cowpeas, sunflower, peanuts, chilly, drought resistant plants/crops for fodder production.

assessment. Nevertheless, climate risks will be carefully considered during detailed formulation/design of the activities.

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### **Gender equality and women's empowerment**

The Action has “gender equality and women's and girl's empowerment” as significant objective against the OECD-DAC Gender Marker. This implies that gender equality and women empowerment are significant objectives. Besides activities linked to the output 2.3, gender equality is mainstreamed throughout the Action and it is expected that it will contribute to the advancement of gender equality and women's empowerment.

The Action has a strong focus on increasing gender equality, by offering to women digital skills trainings, business skills development trainings, business registrations and networking principles. The Action will also increase income opportunities for women, either directly as value chain participants, or indirectly because of the increased economic activity in the targeted areas. The Action will make all efforts to ensure that women are part of the programme planning, decision making and implementation processes.

At contractual level, the Action may apply the Gender Action Learning System (GALS) to understand and address the root causes of gender inequalities in target districts. The basic framework of GALS is a road journey where smallholder farmers move away from unprofitable to more profitable value chains through improved productivity and value addition. Gender related opportunities and challenges will be identified on this road, which will contain the actions needed to achieve the vision for gender transformed profitable value chains.

In order to ensure the full participation of women in the above-mentioned activities, the root causes of inequality and the existence of discriminatory gender social norms and beliefs within the rural communities will be pre-assessed in order to organise, if needed, specific community (ensuring local leaders and husbands' participation) awareness sessions on women's key role and rights in the agriculture sector.

Through both policy dialogue and public awareness, the Action will contribute to move towards a collective understanding of the impact of gender inequalities and will encourage communities and households to challenge together the deep-rooted causes of discrimination, and trigger positive behaviour change.

The action contributes to the EU Gender Action Plan III, in particular to thematic areas: “Promoting economic and social rights and empowering girls and women” and “Addressing the challenges and harnessing the opportunities offered by the green transition and the digital transformation”.

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### **Human Rights**

The Action takes a country-driven, locally adapted and human *right-based approach* (HRBA)<sup>9</sup>. For this Action, a human rights-based approach with an emphasis on gender equity is indicated as a significant DAC marker.

The action follows a rights-based approach addressing the right to food, right to work, right to decent conditions of work, right to decent living conditions, and right to equality between men and women. The action will ensure that human rights are respected within the framework of its activities and that these do not lead to any impairment of human rights or the further marginalisation of those people living in vulnerable situations (i.e women, youth or people with disabilities, among others).

The action will applied the five Human Rights Based Approach principles, paying particular attention to ensure that : i) contributes to build the capacities of duty-bearers to fulfil human rights obligations and gender equality commitments; ii) raises awareness of rights holders, in particular women and youth in all their diversity, about their human rights and strengthens their capacities to claim their rights (in particular in relation to the agriculture and energy sectors); iii) strengthens the meaningful participation and cooperation with women, youth and people with disabilities in the different activities; iv) incorporates a ‘do no harm’ approach to prevent harmful outcomes; v) promotes transparency and equal access to information (including disaggregated data at least by sex, age and disability status).

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### **Disability**

The Action will make all efforts to ensure that persons with disabilities are part of the programme planning, decision making and implementation processes and that specific measures are taken in terms of accessibility, language and info formats, care support facilities, etc.

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<sup>9</sup> [https://ec.europa.eu/europeaid/sectors/rights-based-approach-development-cooperation\\_en](https://ec.europa.eu/europeaid/sectors/rights-based-approach-development-cooperation_en)

### **Reduction of inequalities**

The Action is marked as an I-1 against the I-Marker. The Action will adopt a “rights-holders approach”, particularly for activities under specific objective 2 which are mainly targeting smallholder farmers, with a focus on the most vulnerable. Commercial activities supported will aim at increasing women and men farmers’ income. The project will also have a focus on youth. Young men and women with potential will be trained and supported to produce for the agro-processing centres established. Preference for jobs at the agro-processing centres will also be given to women and youth from the two targeted districts. Accountability of duty-bearers will be promoted.

### **Democracy**

The Action integrates participatory approaches and work with existing farmers-led platforms in order to ensure that the main beneficiaries have a say in decision-making processes affecting them.

This will lead to increased transparency and accountability in local government, and to better capacities of the latter to deliver quality public services. The Action will also increase various forms of participatory, deliberative and collaborative approaches, particularly in relation to agri-business hubs that will be developed. It is expected that by strengthening existing farmers’ cooperatives, the Action will contribute to awareness-raising not only on agricultural / trade matters but also on creating platform for dialogues on broader issues, also linked to social cohesion, inclusion of the most vulnerable groups, access to basic services, and educating for tolerance, diversity and cultural identity, the upcoming elections, etc.

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

The programme follows an inclusive approach to ensure that actions respond to local needs, perceptions and realities. Small scale farmers will be directly engaged in an inclusive way in the implementation of activities, through participatory mechanisms and existing platforms. At district level, the Action will drive participatory planning and decision-making to define and implement locally-defined priorities. The Action has also the good potential to strengthen different resilience dimensions, at societal, institutional, community, economic levels, and will be mindful of the humanitarian-development-peace nexus approach if needed. The Action will follow the principles of “do not harm” and “leave no-one behind”.

### **Disaster Risk Reduction**

Lessons learned from recent weather-related events show that Zimbabwe remain extremely vulnerable to climate shocks. The action does not specifically target disaster risk reduction, however it will indirectly contribute to it. As in Zimbabwe disaster generally takes the form of erratic weather patterns, with episodes of severe droughts and occasionally destructive rains, the action will contribute to reduce the risk through an increased use of traditional grains (sorghum, millet) and other drought resistant crops. Specific shock-sensitive solutions, such as crisis modifiers, may be included in the implementation contracts, wherever considered feasible and suitable. This will enable early action and rapid response to new humanitarian needs that could occur in the project areas during the implementation phase.

### **Digitalisation**

Opportunities for digitalization and real time data collection and visualization for better agriculture and trade related information management systems will be explored. Digital solutions will be looked at in relation to the agribusiness / agri-hubs models promoted (ex. online marketing platforms) and in relation to the export procedures and trade-related processes supported (ex. digital skills training). The use of digital technologies which are the most suitable and accessible for all targeted stakeholders will be encouraged through the Action.

## **3.4 Risks and Lessons Learnt**

<b>Category</b>	<b>Risks</b>	<b>Likelihood (High/ Medium/ Low)</b>	<b>Impact (High/ Medium/ Low)</b>	<b>Mitigating measures</b>
Risks related to the external environment	Political instability - While re-engagement efforts started by the EU in	<b>L</b>	<b>L</b>	Activities will only start during the first semester 2025, with the elected government already defined and



	2022 created a new sense of partnership after years of mistrust, the outcome of the 2023 elections has strained again EU-Zimbabwe relations, which could make policy dialogue more difficult and impact negatively on the implementation of development cooperation programmes.			running. The Action benefits from the high level support of all lines ministries involved as it is supporting crucial sectors (agriculture, climate change, renewable energies, trade and commerce). Implementation of activities in the field should not be impacted by the political situation and high private sector involvement should keep the driving force intact.
Risks related to the external environment	In recent years, currency fluctuations have led to rising inflation. This can create an unpredictable environment for businesses and investors, as well as for development cooperation projects.	<b>M</b>	<b>M</b>	Zimbabwe's monetary policy regime allows the use of multicurrency and the USD is the dominant one. Ensuring that development cooperation transactions take place in USD mitigates this risk. Private sector actors who produce for the export market are less affected by the situation.
Risks related to the external environment	Currently, the State is substantially interventionist for a series of "controlled crops" which include cereals. While these policies are supporting agricultural development, a too high intervention in establishing prices and production targets may bias private sector engagement.	<b>L</b>	<b>L</b>	Under the current debt arrears clearance negotiations, the IMF and World Bank are discussing quasi-fiscal operations (which include guarantees for controlled crops) and request revision of the State interventions. This Action will involve the private sector to assure management dynamics.
Risks related to people and organisation	Weak institutional capacities of ministries and departments because of inadequate resources, both human and capital, may result in poor implementation and execution of development projects. This can lead to delays, cost overruns, and suboptimal results, which can ultimately impact the success of the project and its intended beneficiaries.	<b>M</b>	<b>M</b>	The Action addresses this through i) substantial capacity building and digitalisation of main processes such as in trade and ii) building on private sector dynamics.
Risks related to people and organisation	Operational Risk - Slow implementation of the programme due to limited engagement by targeted institutions and stakeholders (ex. lack of coordination among key stakeholders, competing priorities and weak leadership) as well as prevalence of discriminatory	<b>L</b>	<b>L</b>	The Action benefits from the high level support of all lines ministries involved as it supporting crucial sectors (agriculture, climate change, renewable energies, trade and commerce). With proper coordination mechanisms in place, this risk will be minimised. Political support from national government to provincial and district levels will be sought. Community awareness-raising

	gender cultural-social norms and beliefs			sessions on gender equality and inclusion as well as women's rights will be promoted.
Risks related to legality and regularity aspects	Delays in procurements for works / supplies; risks of corruption	L	L	The procurement processes will be managed by an organisation with extensive expertise in implementing technical assistance, works and supplies contracts, specialised in the context of international trade, and according to international best practices. Joint monitoring with provincial/national counterparts will also be assured.
Risks related to the external environment	Climatic risk - Weather patterns are erratic and irrigation hardly available for smallholders.	M	M	The Action precisely aims at addressing this issue through transition to more drought tolerant crops and sustainable practices.

### Lessons Learnt:

The Action builds upon the experiences and lessons learnt from previous EU investments and from projects funded by other development partners, which include the following points:

- A **comprehensive approach to value chain development, locally adapted and driven by sustainability principle**, is crucial to ensure impact of the foreseen investments. Unless all aspects of a value chain are addressed, bottlenecks or killing assumptions will hamper the achievements of project's outcomes. In particular, the commercial development of crops are essential for their success. Traditional grains have failed because the market was small by insufficient processing, packing and promotion and this despite the recognition that they are more drought resistant and potentially a higher productivity;
- Experiences show that **linking farmers to markets** through arrangements that offer predictable and reliable market access including for the provision of inputs and extension services have resulted in significant production and productivity increases. There is the need to establish strong linkages between smallholder farmers and the private sector, including exporters, processors, and buyers, to ensure that farmers have access to markets and receive fair prices for their crops;
- Regarding private sector development in agriculture/horticulture, one key lesson is the importance of **building the capacity of smallholder farmers** to meet the stringent quality and safety requirements of international markets. This includes providing training on best practices in crop production, post-harvest handling, and quality control. Also programmes often underestimate that competitiveness of firms is often compromised by **inadequate basic business skills** (e.g. accounting, financial management, and record keeping). Access to quality technical know-how and support services is limited especially in rural areas;
- **Rural infrastructures** are key for competitiveness: poor road conditions in the rural areas constrain the entire agriculture value chains due to the resulting high transport costs and lack of seasonal access. This is further constrained by the lack of storage facilities to allow the conservation of the produce during these periods;

- Need for **innovative agriculture finance**: while the upper market segment of large to medium enterprises seems well serviced, the middle and especially the lower segment are mainly attended by informal practices due to prohibitive interest rates. For the lowest segment, community savings and loans are essential financial access instruments for productive investment, but also for risk mitigation to external shocks and unforeseen needs. Innovative models of agriculture finance have proved to be successful, including arrangements within contract farming, agro-dealer loans and warehouse receipts;
- **Access to finance and lending to private sector** is also very limited, if not inexistent. It is necessary to build the critical mass for commercial development and to facilitate use of EFSD+ or EIB funding sources/guarantees. Capital intensive horticulture has potential for private sector investment and did already benefit from EIB credit lines in the past (albeit at a limited scale);
- **Constraints of regulatory nature** represents also a challenge in relation to access in due time of required information and speed in processing trade procedures. While assistance has been provided under previous EPA support, this need to be scaled up, but more particularly be developed on-line so that all actors an access information and can process documentation without delays.
- **Lack of access to finance by private sector** requires a financial facilitation process in the form of grant support, ensuring that the grants will benefit the sector and not produce benefits to a limited number of private operators and distort markets.
- Rather general one-size-fits-all approaches have shown little return. Agro-ecological conditions, options for access to inputs and related production costs, as well as access to markets vary widely, even within the same province. In this regard, the generation of **solid evidence and an adequate level of flexibility and adaptability** during implementation are essential for ensuring a context-specific approach / response;
- Experience also shows that clear **target group identification** from the onset of the programmes strongly determines success. Particularly for Specific Objective 2 of the Action, the identification of lead farmers that are innovative and recognised within their community fosters the adoption of new climate smart practices and technologies. Similarly, the identification of emerging farmers and entrepreneurs with growth potential as well as firms with their supply clusters can drive the development of value chains and result in employment and income generation;
- **Digitalisation** is a major issue to be developed, both for export processing, but also for local trade development along the national corridors;
- It is essential to involve both men and women in all aspects of the value chain, from production to marketing. Women often face specific barriers to participation in agriculture, such as limited access to land and credit, and addressing these barriers is critical to promoting **gender equality and inclusive development**;
- Under EU-funded programmes, **geographical distribution** of actions (ZAGP or ZRBF programmes, ending in 2023) and **number of value chains** (ZAGP programme) were too wide, overlapping with often similar activities, covering regions with very different economic dynamics, with insufficient critical mass to ensure the full achievement of foreseen outcomes.

### 3.5 The Intervention Logic

The intervention logic embraces a **multi-level and multi-stakeholder approach to agricultural development**, with a focus on both the local and regional/international dimensions, and it is structured around three strategic components centred on:

- Specific Objective 1: Support to the horticulture value chain development with a focus on export
- Specific Objective 2: Support to the drought-resistant crops value chain development, with a focus on traditional grains
- Specific Objective 3: Support to private investments in renewable energy mainly for, but not limited to value-chain development

It is based on global evidence and on context specific lessons learnt built under previous EU and not-EU funded agricultural programmes. Specific Objectives 1 and 3 will have a national coverage, while Specific Objective 2 of the Action will be implemented in targeted districts along areas with commercial potential for drought resistant crops.

The **underlying intervention logic for this action** is that:

**if** key common infrastructure facilities and equipment i.e. laboratories and security scanners are provided in support of the horticulture value chain;

**and if** export procedures and trade-related processes are facilitated and opportunities for regional commercialisation are enhanced;

**and if** relevant horticulture business support organisations are effectively capacitated to service better the sector in relation to requirements in export procedures and trade processes;

**and if** key services are provided for production aggregation and value-addition targeting the drought resistant crops value chains;

**and if** the business environment for a green, inclusive and climate smart agriculture, sustainable food systems and accessible renewable energy is improved and lead to investments in the sector;

**and if** investments in renewable energies are ensured to support the horticulture and drought resistant crops value chains.

**And assuming that**

- A multi-faceted approach, with different entry points of interventions (from governance and delivery of key services, to innovation and research) and with both a local and regional/international dimensions, is essential to ensure the EU leverage in making a difference in the agricultural sector;
- A locally adapted, sustained, and right-based approach, with a strong focus on gender equality and inclusion, is a prerequisite to tackle entrenched inequalities, thus critical to the success of the Action;
- Strong governance and coordination mechanisms for improved delivery of agricultural and trade-related services are required at all levels, from national to local, to facilitate planning and implementation and to build trust between citizens and institution;
- The promotion of sustainable and inclusive models for financial, operational and support services as well as linkages between actors along the targeted value chains will contribute to the creation of value added (for example, a higher degree of processing, certification of products);
- Evidence-based policy development, including public and private stakeholders' better engagement in policy-making, in the selected value chains will lead to an improved regulatory framework
- Policy dialogue and technical engagement goes hand in hand, building on commitments made by national authorities
- Linkages and synergies with other interventions (also related to other EU-funded Actions) in crucial sectors like resilience, climate change, transparency and accountability, gender equality and women's rights will enhance the achievements of targets and objectives of this Action.

**Then the Action will**

- Increase the competitiveness of Zimbabwe's horticulture industry leading to increased exports into regional and international markets.
- Increase the adoption by smallholder farmers of droughts resistant crops and traditional grains, climate smart and greener agricultural practices, technology and improve inclusive agri-business models;
- Contribute to the diversification of agricultural products and markets potentially creating inclusive and decent jobs and increasing the income of smallholders and SMEs;
- Lead to higher productivity, capital formation and quality products of small farmers and SMEs (with attention to women and youth)
- Increased investment in renewable energy and consequently improve energy security,
- Diversify energy sources to more environmentally friendly alternatives, thereby reducing the agriculture sectors' carbon footprints.

### 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.

\*data will be disaggregated by sex, age, if possible

Results	Results chain	Indicators	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	OO – to support Zimbabwe's green economic growth through climate-smart agriculture, value chain development and renewable energy	SDG Indicator 2.3.2: Average income of small-scale food producers, disaggregated by sex and age if possible	Baseline: TBD (2024)	Target: TBD (2029)	Baseline survey Endline survey	Not applicable
		SDG Indicator 2.4.1: Proportion of agricultural area under productive and sustainable agriculture	Baseline: TBD (2024)	Target: TBD (2029)	Baseline survey Endline survey	
		%increase on the annual value of horticultural exports destined to EU	Baseline: TBD (2023)	Target: TBD (2029)	Zimtrade	
Outcome 1	SO.1 – Support to the horticulture value chain development with a focus on export	1.1_Increase in level of exports to new markets (market diversification)	Baseline: TBD (2024)	Target: TBD (2029)	Zimtrade	<p>Strong relationship built with provincial governors and adequate level of participation and contribution from involved stakeholders</p> <p>Appropriate staffing available, with defined roles and responsibilities</p> <p>Central and provincial governments remain committed.</p>
Outcome 2	SO.2 – Support to the drought-resistant crops value chain development, with a focus on traditional grains	2.1_Number of smallholders practicing sustainable agriculture (e.g. conservation agriculture, Climate Smart Agriculture approaches (CSA) etc.) disaggregated by sex, income and age if possible	Baseline: TBD (2024)	Target: TBD (2029)	Baseline survey Endline survey	
		2.2_% of locally obtained inputs and farm services used by farmers with EU support, disaggregated by age and sex	Baseline: 0 (2024)	Target: TBD (2029)	Baseline survey Endline survey	
Outcome 3	SO.3 – Support to private investments in renewable energy mainly for, but not limited to value-chain development	3.1_increase in the number of Independent power producers (IPPs)/ renewable energy projects accessing funding	Baseline: 0 (2024)	Target: TBD (2029)	Baseline survey Endline survey	

\*data will be disaggregated by sex, age, if possible

Results	Results chain	Indicators	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
<b>Output 1.1</b>	1.1_ The provision of key common infrastructures and equipment improves laboratory testing and logistical export handling capacities, including SPS measures.	1.1.1_Percentage of horticulture exports that meet quality standards as well as the phyto-sanitary requirements of importing countries	Baseline: 0 (2024)	Target: TBD (2029)	Studies, research, analyses produced under the action	Good coordination among key stakeholders
		1.1.2_Increased volume of horticultural exports being handled through the cold chain facility.	Baseline: 0 (2024)	Target: TBD (2029)	Progress reports	
<b>Output 1.2</b>	1.2_ Horticulture farmers reap benefits from the implementation of the Economic Partnership Agreement, through support to commercialisation opportunities, export procedures and trade-related processes, promoting the inclusion and participation of women farmers.	1.2.1_Increase in the number of horticultural exporters who meet the phytosanitary and regulatory requirement for export to the EU	Baseline: 0 (2024)	Target: TBD (2029)	Studies, research, analyses produced under the action	Clear decentralization mechanisms for service delivery to provincial and district levels
		1.2.2_Number of new compliance certifications obtained by farmers supported by the EU intervention	Baseline: 0 (2024)	Target: TBD (2029)	Studies, research, analyses produced under the action	Appropriate staffing is available
<b>Output 1.3</b>	1.3_ Horticulture support organizations are equipped with enhanced capacity and are more gender responsive to service the industry and increase the competitiveness and sustainability of the sector.	1.3.1_Percentage of small and medium sized exporters in horticulture who report that their needs for services from private sector business service organisations are fully or partially met (disaggregated by sex and age if possible)	Baseline: 0 (2024)	Target: TBD (2029)	Studies, research, analyses produced under the action	Central and provincial governments remain committed

\*data will be disaggregated by sex, age, if possible

Results	Results chain	Indicators	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
<b>Output 2.1</b>	2.1_Smallholder farmers in targeted areas adopt and use climate-adapted practices and agro-ecological approaches	2.1.1_Changes (%) in specific knowledge and adoption of sustainable and climate-smart agricultural practices among the Programme beneficiaries (disaggregated by sex and age if possible)	Baseline: 0 (2024)	Target: TBD (2029)	Progress reports	Strong relationship built with provincial governors and adequate level of participation and contribution from all concerned stakeholders  Government commitment to ensure data collection, analysis and their publication
		2.1.2_ Smallholder's yields (ton/ha) under sustainable agriculture of selected crops among Programme beneficiaries	Baseline: 0 (2024)	Target: TBD (2029)	Progress reports Studies, research, analyses produced under the action	
<b>Output 2.2</b>	2.2_ Partnerships among farmers, local agri-businesses, and financial institutions improve the production, processing, and marketing of drought-resistant crops	2.2.1_Number of smallholders reached with EU supported interventions aimed to increase their sustainable production and access to markets, disaggregated by age, income and sex (EURF)	Baseline: 0 (2024)	Target: TBD (2029)	Studies, research, analyses produced under the action	
		2.2.2_ Increased value added in selected value chains (Increase of agro-processing (ton); increase value addition (USD) of local agricultural production)	Baseline: 0 (2024)	Target: TBD (2029)	Studies, research, analyses produced under the action	
<b>Output 2.3</b>	2.3_ Women and youth have equal opportunities in agricultural activities and agri-business management	2.3.1_Number of women and youth supported in order to increase access to opportunities in agricultural activities, processing, and access to information trade opportunities and policy dialogue (disaggregated by sex, income and age if possible).	Baseline: 0 (2024)	Target: TBD (2029)	Studies, research, analyses produced under the action	

\*data will be disaggregated by sex, age, if possible



Output 3.1	3.1_ Renewable energies investments enable the “greening” of targeted value chains development	3.1.1_ Number of investments in renewable energies established with the support of the EU funds	Baseline: 0 (2024)	Target: TBD (2029)	Progress reports	
Output 3.2	3.2_ Facilitating investments in renewable energy generation projects to enable access to clean and affordable energy mainly in but not limited to priority value chains development	3.2.1_ Number of financial close reached, where a financier signs a contract providing funding of a decentral renewable energy investment	Baseline: 0 (2023)	Target: TBD (2028)	Progress reports	
Output 3.3	3.3_ The development of a conducive renewable energy policy and regulatory framework support and foster investments in the sector	3.3.1_ Number of concrete policies, regulations and processes to support and advance energy transformation that have been adopted in Zimbabwe	Baseline: 0 (2023)	Target: TBD (2028)		

\*data will be disaggregated by sex, age, if possible

## 4 IMPLEMENTATION ARRANGEMENTS

### 4.1. Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with the Republic of Zimbabwe.

### 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 60 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 a 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>10</sup>.

#### 4.4.1 Direct management (grants)

##### **4.4.1.1 Specific Objective 1 of this Action will be partly implemented through a grant:**

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

The grant will contribute to achieving the Specific Objective 1 through activities foreseen under **Outputs 1.1, 1.2 and 1.3**, as described in chapter 3.

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

Non-profit making legal entities, and Non-Governmental Organisation (NGO)

##### **4.4.1.2 Specific Objective 2 of this Action will be implemented through grants:**

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

The grants will contribute to achieving the Specific Objective 2 and parts of Specific Objective 3 through activities foreseen under **Output 2.1** – Smallholder farmers in targeted areas adopt and enhance climate-adapted practices and agro-ecological approaches; **Output 2.2** – Joint ventures among farmers, local agri-businesses, and financial institutions improve the production, processing, and marketing of drought-resistant crops, focusing on traditional grains; **Output 2.3** – Women and youth have equal opportunities in agricultural activities and agri-business management; and **Output 3.1** - as described in chapter 3.

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

Non-profit making legal entities such as: Non-Governmental Organisations (NGOs) or assimilated Civil Society Organisations, or respective networks, platforms or federations.

#### 4.4.2 Direct management (procurement)

N/A

<sup>10</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.

#### 4.4.3 Indirect Management with an entrusted entity

This action may be implemented in indirect management with an entity, which will be selected by the Commission's services using the following criteria:

##### **4.4.3.1. Specific Objective 1 of this Action will be partially implemented in indirect management with an entrusted entity.**

The envisaged entity will be selected by the Commission's services using the following criteria:

- Extensive expertise in implementing, works and supplies contracts in the context of international trade, and according to international best practices;
- Experience with management of delegated funds from the EU;
- Experience in implementing private sector development intervention in Sub Saharan Africa, including Zimbabwe, with positive outcomes;
- Demonstrated capacity to coordinate with various stakeholders from an inclusive and participatory perspective, including academia and private sector.

This implementation entails the management of the delegated funds of the EU for carrying out activities described in chapter 3, contributing to Specific objective 1, in particular, through the provision of key infrastructures and equipment of common interests, supported by renewable energies. **(Output 1.1).**

##### **4.4.3.2. Specific Objective 3 of this Action will be partly implemented in indirect management with an entrusted entity for the creation of a country window under the GET.Pro facility.**

The envisaged entity will be selected by the Commission's services using the following criteria:

- Technical assistance capacity that can provide expertise on renewable energies tailored to the country context
- In-country presence, with logistical and management capacities
- Leverage global program setup including expertise and delivery capacity as well as track record and network of both GET.invest as well as GET.transform – proven and scalable instruments
- Experience with management of delegated funds from the EU

This implementation entails the management of the delegated funds of the EU for carrying out activities described in chapter 3, in particular contributing to the Specific objective 3, through facilitating private investment in renewable energy **(Output 3.2)** and supporting development of a conducive renewable energy policy and regulatory framework to encourage investment in renewable energies **(Output 3.3).**

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

##### **For Outputs 1.2, 1.3, 2.1, 2.2, 2.3, 3.1:**

Grants under direct management in 4.4.1 can be replaced by indirect management mode with an entrusted entity as described in section 4.4.3 due to circumstances outside of the Commission's control. The entrusted entity will be selected using the criteria described in 4.4.3.

##### **For Outputs 1.1, 3.2, 3.3:**

Indirect management with entrusted entities described in 4.4.3.1 and 4.4.3.2 can be replaced by direct management mode (grants) due to circumstances outside of the Commission's control.

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

The grants will contribute to achieving activities under Outputs 1.1, 3.2, and 3.3, as described in chapter 3.

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

Non-profit making legal entities such as: International Organisations, Non-Governmental Organisations (NGOs).

#### 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).

#### 4.6. Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)	Third-party contribution, in currency identified <sup>11</sup>
<b>Implementation modalities</b> – cf. section 4.4		
<i><b>SO1: Support to the horticulture value chain development with a focus on export – Outputs 1.1, 1.2, 1.3</b></i>		
<b>Grants</b> – cf. section 4.4.1.1	<b>3 200 000</b>	
<b>Indirect management</b> – cf. section 4.4.3.1	<b>4 600 000</b>	
<i><b>SO2: Support to the drought-resistant crops value chain development, with a focus on traditional grains – Outputs 2.1, 2.2, 2.3</b></i>		
<b>Grants</b> – cf. section 4.4.1.2	<b>11 000 000</b>	
<i><b>SO3: Support to private investments in renewable energy for value-chain development – Outputs 3.1, 3.2, 3.3</b></i>		
<b>Grants</b> – cf. section 4.4.1.2	<b>4 000 000</b>	
<b>Indirect management</b> – cf. section 4.4.3.2	<b>3 000 000</b>	
<i><b>Grants – total envelope under section 4.4.1</b></i>	<i><b>18 200 000</b></i>	
<b>Evaluation</b> – cf. section 5.2	<b>200 000</b>	N.A.
<b>Audit</b> – cf. section 5.3		
<b>Totals</b>	<b>26 000 000</b>	

#### 4.7. Organisational Set-up and Responsibilities

The project will be implemented by different implementing partners, both in direct management and indirect management through entrusted entities.

In light of the Aid Effectiveness agenda, in particular to ensure ownership and alignment, a **Coordination Committee** shall be set up. These coordination committee will serve the purpose: i) to keep all partners involved and informed about the progress in implementation of activities; ii) to foster coordination and synergies between implementing partners; iii) to ensure alignment with Government priorities.

For the overall guidance, direction and planning of activities for each of the three components of the Action, separated **Steering Committees** will be established under each contract/commitment. Steering Committees will be held in Harare or in targeted provinces (at least once per year) and possibly linked to joint (Government-EU-implementing partners) monitoring visits in the field. Steering committees will bring together Government

<sup>11</sup> Indicatively we are aiming to mobilise 10% of financial resources from implementing partners, thus approximately EUR 2 600 000. Nevertheless, the final amounts are yet to be confirmed.

stakeholders, implementing partners and the EU. Other stakeholders may be invited in order to improve coordination and complementarity of interventions. The chair of the Steering Committees will be identified in consultation with key Ministries involved in the Action. The Steering Committees mechanism will be outlined in detail in the contractual modalities chosen for implementation.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in governance structures such as the Steering Committee and the Oversight Committee to ensure the effective implementation of the Action.

## 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).

External monitoring under the form of external Results Oriented Monitoring (ROM) exercises will be commissioned by the EU Delegation at selected times of the project.

Relevant information for most of the indicators in the logical framework matrix will not be available until the baseline survey is undertaken. Once the baseline data are available, the programme's logical framework and activities framework will be updated to reflect the baseline value before, and target values after the action. The EU delegation will participate in joint monitoring missions. Joint reviews or other consultation mechanisms may provide platform where all parties can agree to modify the logical frameworks and adapt the Action accordingly.

Regular monitoring will also be assured by implementing partners and local authorities, providing as such immediate feedback, on the pace and quality of activity implementation for immediate corrective action to achieve annual targets.

To address inequality-reduction in monitoring concerns, the monitoring system should be designed in a participatory manner and seek to include stakeholders in its design, application and use. It is essential that monitoring becomes a learning tool, going beyond reporting, and that it helps in understanding whether and how the intervention facilitates changes in the drivers of inequality, and why. The monitoring system should include both quantitative and qualitative indicators to facilitate participation and understanding by all stakeholders. Further, the indicators to be used should reflect the contextual drivers of inequality and provide information on changes in these drivers.

## 5.2 Evaluation

Having regard to the nature of the action a final evaluations 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).

The Commission shall inform the implementing partner at least 30 days 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 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, 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.

All evaluations shall assess to what extent the action is taking into account inequality reduction as well as how it impacts the most vulnerable (bottom 40% and socio-economically disadvantaged individuals). Expertise on inequality reduction will be ensured in the evaluation teams.

## 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 programs are in principle no longer required to include a provision for communication and visibility actions promoting the programs 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

A Primary Intervention (project/programme) is a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Identifying the level of the primary intervention will allow for:

Articulating Actions or Contracts according to an expected chain of results and therefore allowing them to ensure efficient monitoring and reporting of performance;

Differentiating these Actions or Contracts from those that do not produce direct reportable development results, defined as support entities (i.e. audits, evaluations);

Having a complete and exhaustive mapping of all results-bearing Actions and Contracts.

Primary Interventions are identified during the design of each action by the responsible service (Delegation or Headquarters operational Unit).

The level of the Primary Intervention chosen can be modified (directly in OPSYS) and the modification does not constitute an amendment of the action document.

The present action identifies as

Action level		
	Single action	
Groups of Actions		
	Groups of Actions	
Contract level		
X	Greener and climate-smart agriculture	Covers several contracts
X	EPA technical assistance and infrastructure support	Covers several contracts