

Regional Indicative Programme

**for Eastern Africa, Southern Africa
and the Indian Ocean (EA-SA-IO)**

2014 to 2020

GENERAL PROVISIONS

European Union - Eastern Africa, Southern Africa and the Indian Ocean (EA-SA-IO)

Regional Indicative Programme (RIP) for the period 2014-2020

The European Union and Eastern Africa, Southern Africa and the Indian Ocean, represented by COMESA (Common Market for Eastern and Southern Africa), EAC (East African Community), IGAD (Intergovernmental Authority on Development), IOC (Indian Ocean Commission) and SADC (Southern African Development Community), hereby agree as follows:

(1) The European Commission, represented by Neven Mimica, Commissioner for International Cooperation and Development; COMESA, represented by Mr Sindiso NGWENYA, Secretary General; EAC, represented by Dr Richard SEZIBERA, Secretary General; IGAD, represented by Eng. Mahboub MAALIM, Executive Secretary; IOC, represented by Jean-Claude DE L'ESTRAC, Secretary General; and SADC, represented by Dr Stergomena TAX, Executive Secretary; hereinafter referred to as the Parties, determined the general orientations for cooperation for the period 2014-2020.

During these discussions, the Regional Indicative Programme of EU Aid in favour of Eastern Africa, Southern Africa and the Indian Ocean was drawn up in accordance with the provisions of Articles 6 to 10 of Annex IV to the Partnership Agreement between the Members of the African, Caribbean and Pacific Group of States, of the one part, and the European Community and its Member States of the other part, signed in Cotonou on 23 June 2000, revised in Luxembourg on 25 June 2005 and in Ouagadougou on 22 June 2010 (*Cotonou Agreement*). These discussions complete the programming process in Eastern Africa, Southern Africa and the Indian Ocean.

For the purpose of this RIP, Eastern Africa¹, Southern Africa² and the Indian Ocean³ include the following ACP countries: Angola, Botswana, Burundi, Comoros, DRC, Djibouti, Eritrea, Ethiopia, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Rwanda, Seychelles, Somalia, South Sudan, Sudan, Swaziland, Tanzania, Uganda, Zambia and Zimbabwe.

The Regional Indicative Programme is annexed to the present document.

(2) As regards the indicative programmable financial resources which the EU envisages to make available to Eastern Africa, Southern Africa and the Indian Ocean for the period 2014-2020, an amount of EUR 1 332 million is foreseen for the allocation referred to in Article 9 of

¹ Burundi, Djibouti, DRC, Eritrea, Ethiopia, Kenya, Rwanda, Somalia, South Sudan, Sudan, Tanzania, Uganda.

² Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland, Zambia, Zimbabwe.

³ Comoros, Madagascar, Mauritius, Seychelles.

Annex IV of the *Cotonou Agreement*. This allocation is not an entitlement and may be revised by the EU, following the completion of reviews, in accordance with Article 11 of Annex IV.

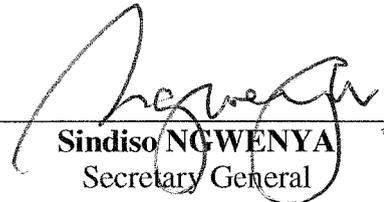
(3) The Indicative Programme concerns the resources of the allocation. This allocation is intended to cover economic integration and trade support, sectoral policies, programmes and projects at the regional level in support of the priority areas of EU assistance. It does not preempt financing decisions by the European Commission.

(4) The European Investment Bank may contribute to the present RIP by operations financed from the Investment Facility and/or from its own resources, in accordance with Articles 3 and 4 of the Financial Protocol of the Cotonou Agreement

Done at Brussels, on 4 June 2015, in six original copies in the English language.

FOR THE EUROPEAN COMMISSION
ON BEHALF OF THE EUROPEAN UNION

FOR THE COMMON MARKET FOR
EASTERN AND SOUTHERN AFRICA

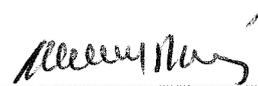
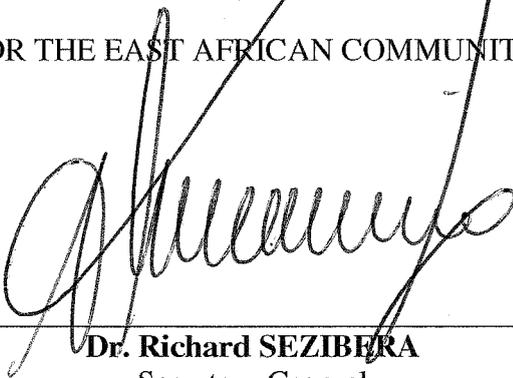


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FOR THE EAST AFRICAN COMMUNITY

FOR THE INTERGOVERNMENTAL
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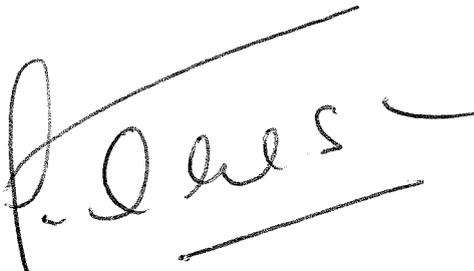


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ABBREVIATIONS AND ACRONYMS

ACP	African, Caribbean and Pacific Group of States
ABAKIR	Trilateral Lake Kivu and Ruzizi River Basin Authority
AFD	Agence Française de Développement
AGA	African Governance Architecture of the African Union
AIDS	Acquired Immune Deficiency Syndrome
AIM Strategy	African Integrated Maritime Strategy
AIMS	Atlantic, Indian Ocean and South China Sea
AMSSA	African Maritime Safety and Security Agency
APF	African Peace Facility of the African Union
APF	African Peace Facility
APSA	African Union Peace and Security Architecture
ARREST	African Regional Response to Endangered Species Trafficking
AU	African Union
AU	African Union
AU-IBAR	African Union Inter-African Bureau for Animal Resources
AWF	African Wildlife Foundation
CASSOA	East African Community Civil Aviation Safety and Security Oversight Agency
CCIA	COMESA Common Investment Area
CEN-SAD	Communauté des Etats Sahélo-Sahariens
CEPGL	Economic Community of Great Lakes Countries
CEPGL	Economic Community of the Great Lakes Countries
CERT	Computer Emergency Response Team
CEWARN	IGAD Conflict Early Warning and Response Mechanism
CEWERU	IGAD Conflict Early Warning Response Units
CFTA	Continental Free Trade Area
CIRAD	Centre de Coopération Internationale en Recherche Agronomique pour le Développement
CIRT	Computer Incident Response Team
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
COMESA	Common Market for Eastern and Southern Africa
CRE	Cross-regional envelope
CRIMLEA	Law Enforcement Capacity Building in East Africa programme
CSDP	Common Security and Defence Policy
CSO	Civil Society Organisation
DCI	EU Development Cooperation Instrument
DDR	disarmament, demobilisation and reintegration
DDRRR	disarmament, demobilisation, repatriation, reintegration and resettlement
DMRO	Duly Mandated Regional Organisation
DRC	Democratic Republic of Congo
DRR	Disaster Risk Reduction
EAC	East African Community
EACJ	East African Court of Justice

EADB	East African Development Bank
EALA	East African Legislative Assembly
EA-SA-IO	Eastern Africa, Southern Africa, and the Indian Ocean
EBRD	European Bank for Reconstruction and Development
EC	European Community
ECCAS	Economic Community of Central African States
EDF	European Development Fund
EIB	European Investment Bank
EMB	Electoral Management Body
EPA	Economic Partnership Agreement
ERDF	European Regional Development Fund
ESA	Eastern, Southern Africa
ESA-IO	Eastern, Southern Africa and Indian Ocean
EU	European Union
EUCAP Nestor	Regional Maritime Capacity Building Mission in the Horn of Africa and the Western Indian Ocean
EU-NAVFOR-ATLANTA	European Union Naval Force Somalia
EUR	Euro (currency unit)
FAO	United Nations Food and Agriculture Organisation
FARDC	Forces Armées de la République Démocratique du Congo
GDP	Gross Domestic Product
GPGC	EU Global Public Goods and Challenges thematic programme
HAWEN	Horn of Africa Wildlife Law Enforcement Network
HIV	human immunodeficiency virus
HLG	High Level Group
HoA	Horn of Africa
ICCWC	International Consortium on Combating Wildlife Crime
ICGLR	International Conference of the Great Lakes Region
ICGLR	International Conference on the Great Lakes Region
IcPS	Instrument contributing to Stability and Peace
ICT	Information and Communication Technologies
IDDRSI	IGAD Drought Disaster Resilience and Sustainability Initiative
IDP	Internally displaced person
iEPA	interim Economic Partnership Agreement
IFAW	International Fund for Animal Welfare
IFS	Instrument for Stability
IGAD	Intergovernmental Authority on Development
IMF	International Monetary Fund
IOC	Indian Ocean Commission
IRC	International Rescue Committee
ISPS	International Ship and Port Facility Security
ISSP	IGAD Security Sector Programme
IUCEA	Inter-University Council of East Africa
IUU fishing	illegal, unreported and unregulated fishing
LVBC	Lake Victoria Basin Commission
LVFO	Lake Victoria Fisheries Organisation

MASE	Programme for the Implementation of a Regional Maritime Security Strategy
MDG	Millennium Development Goal
MIC	Middle Income Country
MONUSCO	United Nations Organisation Stabilisation Mission in the Democratic Republic of the Congo
MOWCA	Maritime Organisation of West and Central Africa
MS	Member State
NAO	National Authorising Officer
NBI	Nile Basin Initiative
NEPAD	New Partnership for Africa's Development
NGO	Non-Governmental Organisation
OCT	Overseas Countries and Territories of the EU
PEP	Panel of Eminent Persons
PIDA	Programme for Infrastructure Development in Africa
PKI	Public Key Infrastructure
PSC-F	Addis Ababa Peace Security and Co-operation Framework
RAO	Regional Authorising Officer
RDPP	Regional Development and Protection Programme
RIP	Regional Indicative Programme
RISDP	SADC Regional Indicative Strategic Development Plan
RISP	Regional Integration Support Programme
SACU	Southern Africa Customs Union
SADC	Southern African Development Community
SADCC	Southern African Development Coordination Conference
SIDS	Small Island Developing States
SIPO	SADC Strategic Indicative Plan for the Organ on Politics, Defence and Security Cooperation
SPS	sanitary and phyto-sanitary
TCF	Technical cooperation facility
TFCA	Trans-frontier Conservation Area
TFTA	Tripartite Free Trade Area
TFTAA	Tripartite Free Trade Area Agreement
UCCIOI	Union of Chambers of Commerce and Industry of the Indian Ocean
UN	United Nations
UNDP	United Nations Development Programme
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
VAT	Value-Added Tax
WEN	Wildlife Enforcement Network
WFP	United Nations World Food Programme
WTO	World Trade Organisation

I THE OVERALL LINES OF THE EU SUPPORT TO EA-SA-IO

DULY MANDATED REGIONAL ORGANISATIONS AND REGIONAL AUTHORISING OFFICERS

For the purpose of endorsing/signing, and later amending this Indicative Programme, the Duly Mandated Regional Organisations (DMROs) are COMESA (Common Market for Eastern and Southern Africa), EAC (East African Community), IGAD (Intergovernmental Authority on Development), IOC (Indian Ocean Commission) and SADC (Southern African Development Community).

The function of Regional Authorising Officer (RAO) is defined by analogy to the description of the function of National Authorising Officer (NAO) in the *Cotonou Agreement* (Annex IV, Articles 14.3 and 35). A single Regional Indicative Programme is devised for the collective overview and programming by the five Duly Mandated Regional Organisation (DMRO) by virtue of the provision in the *Cotonou Agreement* (Annex 4, Article 7) regarding regions with overlapping memberships across the regional organisations. The High Level Group (HLG) mechanism brings together the five DMROS and the EU for coordinating programming and formulation processes. This requires coordination among the DMROs, internally, and with their member states, and with other stakeholders.

1. THE POLICY PERSPECTIVES OF THE EA-SA-IO REGION

The EA-SA-IO region comprises 25 African countries with very diverse political and socio-economic backgrounds. These countries are members of one or more of the following five Regional Organisations: COMESA, EAC, IGAD, IOC and SADC; all of them duly mandated for European Development Fund (EDF). The five DMROs of the region, their role, core mandates and achievements are as follows:

1. COMESA (Common Market for Eastern and Southern Africa) has 19 member states: Burundi, Comoros, the Democratic Republic of Congo (DRC), Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Swaziland, Uganda, Zambia and Zimbabwe. Its main focus is on the formation of a large economic and trading unit capable of overcoming the barriers faced by individual states in the sub-region. COMESA's current strategy can thus be summed up in the phrase 'economic prosperity through regional integration.' Its Free Trade Area was launched in 2000, but full implementation is proving challenging due partly to the size and diversity of the sub-region and national transposition of regional commitments remains limited.
2. EAC (East African Community) has five member states: Burundi, Kenya, Rwanda, Uganda and Tanzania. It has a clear regional integration mandate aiming at achieving a monetary union and eventually political integration. To this end the EAC countries established a *Customs Union* in 2005 and signed a *Common Market Protocol*, which came into effect on 1st July 2010. It has also adopted a *Defence Pact* and it is active in anti-trafficking. The full realisation of the Common Market remains challenging due

to poor transposition of regional commitments at national levels, a lack of enforcement mechanisms and of satisfactory instruments to track progress with implementation of regional commitments.

3. IGAD (Intergovernmental Authority on Development) covers the eight countries of the Greater Horn of Africa: Djibouti, Eritrea (suspended since 2007), Ethiopia, Somalia, Kenya, Uganda, South Sudan and Sudan. Its core mandate was broadened and adopted in 1996 as spelt out in the IGAD *Regional Strategy (2011-2014)*, and is built on four strategic pillars: agriculture, natural resources and environment; economic cooperation, integration and social development; peace security and humanitarian affairs; and corporate development services.
4. IOC (Indian Ocean Commission) is an organisation that groups together five island states: Comoros, Madagascar, Mauritius, Réunion (France) and Seychelles. Its main focus is to strengthen the relationship and solidarity of the Indian Ocean islands for sustainable development and enhanced regional cooperation. IOC's key priorities for the period 2013-15 are political stability, accessibility and connectivity, food security, and culture and media. The fact that Réunion is a member of IOC and is also an EU ultra-peripheral territory calls for increased consistency and synergies between the EDF and the European Regional Development Fund.
5. SADC (Southern African Development Community) comprises 15 member states: Angola, Botswana, DRC, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Tanzania, Seychelles, South Africa, Swaziland, Zambia and Zimbabwe.
6. The overall goal of SADC is to promote and achieve equitable and sustainable development to be attained through increased regional integration. A SADC Free Trade Area was launched in 2008, however its full and effective implementation is still to be achieved both through the joining of the remaining member states (Angola and DRC), the completion of tariff and non-tariff phasing down as well as the simplification of the Rules of Origin. SADC programme of action includes cooperation in politics defence and security, infrastructure development, food security, joint management of natural resources, environment and cross-cutting issues of regional dimension such as HIV and AIDS, gender and development. Challenges ahead relate to deepening regional economic integration, consolidation of viable democracies as well as trade and economic development that lead to more equitable sharing of economic benefits and poverty reduction.

Almost all countries of the EA-SA-IO region are members of at least two regional organisations, a situation which poses challenges to both regional integration and EU support to the region.⁴ An attempt to address this challenge is the *Tripartite Free Trade Area Agreement* between COMESA-SADC-EAC States, which committed them to the establishment of a single Free Trade Area covering 26 countries. The Tripartite process was launched in 2008 and the modalities for creating the FTA are still being negotiated.

The region hosts an on-going interim *Economic Partnership Agreement* (iEPA) with Mauritius, Seychelles, Madagascar and Zimbabwe, since 2012. The EU-SADC EPA has been

⁴ EU support will seek to ensure coherence when undertaking similar activities with different DMROs, for example, on election observation, or migration.

initialled by the EU and Botswana, Lesotho, Namibia, Mozambique, South Africa⁵, Swaziland on 15 July 2014. The EU-EAC EPA has been initialled by EU and Burundi, Kenya, Rwanda, Tanzania, Uganda on 16 October 2014. Signatures as well as provisional application are expected in the near future.

The three agreed EPAs mentioned above include chapters on economic and development cooperation where the EU (including Member States) commits to cooperate with the concerned countries. The three chapters differ from each other since they are the result of different negotiation processes, however they address cooperation needs in similar sectors, notably: infrastructure (including information and communications technologies), private sector development (including research and technology development), agriculture and livestock (including fisheries), natural resources management, market access issues (including sanitary and phyto-sanitary standards, technical barriers to trade and customs and trade facilitation). EU cooperation with these countries should be accompanied by economic, regulatory and fiscal reforms by their Governments.

The EA-SA-IO RIP is an instrument to support EPA negotiation and implementation, because both its sectorial focus and the envisaged implementing modalities. Trade facilitation and private sector development are key areas of intervention as well infrastructure development. Activities financed through the RIP may also be implemented by individual Governments if within a regional framework.

The region now also hosts a number of Middle Income Countries (MICs) while others are expected to graduate into this group over the duration of the 11th EDF.

The EU has an interest in a stable, peaceful and prosperous EA-SA-IO region. Peace and security have become an increasingly important part of EU-Africa political dialogue and actions and should be reflected in regional programming. The DMROs are an important pillar of the *African Peace and Security Architecture* (APSA). The promotion of democratic governance through dialogue and incentives is equally important for the EU as well as respect for human rights and the rule of law.⁶

In the Horn of Africa, the implementation of these priorities underpins the EU's regional interests which are enshrined, for the IGAD sub-region, in the *EU Strategic Framework* for the Horn of Africa. The *Strategic Framework* takes a regional approach to manage support to the IGAD countries and underlines the need to address the link between insecurity, poverty and governance.

⁵ At this stage and in accordance with Protocol 3 on South Africa of the *Cotonou Agreement*, South Africa's participation in activities funded under this RIP will be fully financed from the resources provided for under Title VII of the 1999 *Trade, Development and Cooperation Agreement* (i.e. from the special financial facility established under the EU budget). South Africa's participation in specific actions will be discussed in the context of the identification and formulation of the actions to be financed from the RIP.

⁶ The 2005 *European Consensus on Development* affirms that sustainable development cannot occur without peace and security, and that without development and poverty eradication there will be no sustainable peace; development cannot take root in the absence of peace and security and conversely for peace and security to be lasting requires intensified development efforts. The Council Conclusions of 2007 on Security and Development clearly state, "Conflict prevention should be pursued as a priority goal in particular by fostering and strengthening development cooperation". The EU Communication 'Increasing the impact of EU Development Policy: an Agenda for Change' of 13 October 2011 is clear that "objectives of development, democracy, human rights, good governance and security are intertwined". The Agenda calls for a concentration on, amongst other areas, tackling the challenges of security, fragility and transition.

Similarly, there is a special focus on stabilisation and development in the Great Lakes region, situated between Central Africa and East Africa, including the Eastern DRC, Rwanda and Burundi, but also parts of Uganda and Tanzania. The main regional players are the CEPGL (Economic Community of Great Lakes Countries) and the ICGLR (International Conference of the Great Lakes Region).

Concerning the Indian Ocean, the conclusions of the Council of the EU of 19 May 2014 on the EU joint position for the 3rd International Conference for Small Island Developing States in Samoa in September 2014, underline that the EU, which is collectively the leading donor for small island developing states, will continue to support them while seeking to strengthen existing partnerships and develop new ones, including cooperation of small island developing states with EU Outermost Regions and Overseas Countries and Territories.

Climate change, ocean governance, disaster risk management, biodiversity and food security are key areas where the EU and small island developing states have a common interest and will continue to work together, particularly in view of international negotiations on the *post-Hyogo Framework for Action for Disaster Risk Management*, a new *Agreement on Climate Change* and the *post-2015 Development Agenda*.

With regard to regional economic integration, the EU recognises that enhanced intra-regional and continental trade serves as a tool for sustainable development and contributes to the realisation of development goals, poverty alleviation, as well as improved conditions for investment, private sector development and creation of decent jobs.

In responding to the priorities in programming the RIP, the EU must take account of the priorities set out in the *Agenda for Change*⁷ as well as the regional strategies mentioned above and in accordance with the globally agreed aid effectiveness principles. EU actions will be coherent and coordinated, concentrating on those areas and actions where action at the regional level will make the greatest impact on priority sectors and poverty alleviation, including governance and sustainable and inclusive growth for human development, and with a strong commitment to gender equality and the empowerment of women as a fundamental human right⁸ and to sustainable development respecting the environment.

The broad developmental challenges faced by the EA-SA-IO region are by and large those of Africa as a whole, and include undiversified markets with low value addition, overdependence on raw material exports, low levels of effective trade and economic integration, lack of infrastructure, regional food insecurity, conflicts and political instability. However, the different countries and sub-regions significantly differ in terms of their exposure to these challenges. It is however stated in the region's further integration process, such as through the Tripartite, that these challenges are recognised and constitute a priority, the core

⁷ See footnote 1

⁸ The Conclusions of the Council of the European Union of 19 May 2014 reaffirm the EU's 'strong commitment to gender equality and the empowerment of women as a fundamental human right and as a core value of the EU and a basic principle of its development policy'. The Council 'underlines that the promotion of gender equality, women's empowerment and the enjoyment of human rights by women and girls are instrumental to achieving internationally agreed development goals, including the Millennium Development Goals'. Furthermore, the Conclusions note that 'gender issues should be systematically mainstreamed in the identification, design, implementation, monitoring and evaluation of all EU development policies and programmes, in the context of the current external financing instruments and the 11th European Development Fund'.

objectives of the region's future development being to strengthen market integration, pursue regional infrastructure development and undertake high value-addition industrialisation and transformative production.

The Eastern Africa/Horn of Africa sub-region is characterised by a long history of underdevelopment and conflict. The long period of lawlessness in Somalia and the long Sudanese civil war had a destabilising effect on other parts of the region. Whilst there is a gradual consolidation of state power in Somalia the internal conflict in South Sudan and the rise of Islamic extremism pose a threat for a stable regional development framework.

The EU's interests in the Horn of Africa are defined by the sub-region's geo-strategic importance, the EU's historic engagement, its desire to protect vulnerable populations, including refugees and internally displaced persons, to support the welfare of the people and help lift them from poverty into self-sustaining economic growth.

Other countries of the sub-region (Kenya, Uganda, and Tanzania) have been less affected by conflict. They experienced some remarkable economic growth in the period around 2010-2014, which needs to translate into drastic poverty reduction. Governance remains however a challenge in almost all countries of East Africa. In terms of regional integration efforts, the sub-region is split into three main regional organisations (IGAD, EAC, and COMESA) with partly overlapping membership.

Southern Africa is characterised by economic imbalances where South Africa is the major economic power house. Steady economic growth in Mozambique, Zambia, Angola, plus the relative affluence of Namibia and Botswana is beginning to provide some balance. Tanzania and the Democratic Republic of Congo (DRC), both also drawn into Southern Africa's orbit, belong to SADC, but are equally or more integrated into East and Central African integration plans. Nevertheless, these African states see themselves as a cohesive sub-region: political as well as economic logic suggests treating them as such. The sub-region hosts the Southern Africa Customs Union (SACU), including South Africa, Botswana, Namibia, Swaziland and Lesotho, which has in place a revenue sharing formula.. SACU members except Botswana constitute the "Common Monetary Area" (CMA) in which Lesotho, Namibia and Swaziland peg their currencies at par with the South African Rand.

The Indian Ocean sub-region is composed of islands only (Comoros, Madagascar, Mauritius, Réunion (France) and Seychelles). Economically, this sub-regional grouping is dominated by Mauritius but each country's level of economic development differs. Some islands (Comoros, Madagascar) have been exposed to some political instability. In terms of regional cooperation, there is however a more coherent agenda linking these countries, for example in sectors such as agriculture, fisheries, environment, biodiversity, regional transport, and others).

1.1. LESSONS LEARNED AND MEDIUM-TERM OUTLOOK

Under the 10th EDF there were two Regional Strategy Papers/RIPs: one for COMESA, EAC, IGAD and IOC (ESA-IO) with a EUR 645 million allocation; and a second one for SADC with a EUR 116 million allocation. The mid-term review highlighted the limits of the 10th EDF approach:

- RIPs focal areas were too broad and actions and priorities were not clearly identified;

- The assistance targeted mainly regional organisations' secretariats, which proved to have limited project management capacity and did not reach eligibility for EU direct funding through Contribution Agreements in the foreseen time schedule, with the exception of COMESA;
- Regional programmes did not reduce the gap between regional and national level, since they did not make as much progress as intended to promote the domestication of regional commitments at national levels;
- The complicated implementation modalities of the ESA-IO RIP, even with continued support to a coordination system, proved unsatisfactory and added burden to the preparation and implementation of regional programmes;
- SADC member states could not participate in some regional programmes financed by the ESA-IO RIP, even if relevant, because of the separation between the RIPs.

The 2011 Mid-Term Review of the 10th EDF Eastern and Southern Africa, Indian Ocean (ESA-IO) RIP made the following recommendations to be applied to future programming:

- Explore concrete ways to support the EPA process and the Tripartite course of action;
- Encourage the application of new leveraging/blending arrangements and promote investment in key regional infrastructure projects;
- Carry out programming jointly between DMROs and national authorities in consultation with the private sector and civil society, as to better identify real obstacles to regional integration at the national level and to better fine tune the focal axes of interventions.
- When relevant, projects should be implemented and monitored by national authorities, who would also carry out evaluations of projects with a regional dimension in association with the DMROs;
- Ensure that the 11th EDF strategy maintains some flexibility to adapt to the evolving needs of the region but at the same time focus the RIP to some key fields of actions and programmes to ensure concentration of efforts;
- Consider the implications that emerging regional priorities such as the *Tripartite Free Trade Area Agreement* and the *EU Strategic Framework for the Horn of Africa* may have on the operational configuration of the ESA-IO Region;
- Encourage DMROs to design programmes using resources to motivate their member states to undertake reforms that favour regional integration.
- Consider alternatives to the current ESA-IO configuration and the joint programmes assessing the possibility for each DMRO to manage its own programme.

The 2011 Mid-Term Review of the 10th EDF SADC RIP concluded that the region's efforts in achieving the common agenda of deeper integration have been undermined by a number of constraining factors, such as:

- Multiple and overlapping memberships, which can be perceived as a duplication of the responsibilities of different institutions serving the same constituents;
- Limited incorporation of regional law into national law and adherence to integration requirements, and the persistence of barriers to the free flows of goods, services, and people across borders;
- The principle of subsidiarity between the regional and national levels being overlooked or misunderstood;
- The absence of effective mechanisms for organising, implementing, directing, monitoring, and revising the integration process, both at national and regional levels.

On this basis, under the 11th EDF:

1. Concrete actions, preferred implementation modalities and implementing partners have been identified in the RIP wherever possible.
2. The overall RIP envelope is to be divided into separate indicative allocations:
 - One allocation per each 'sub-region' (DMRO and its member states), including support to each DMRO secretariat, to NAOs and/or to other regional or international actors⁹;
 - One allocation for infrastructure financing to be delivered mainly through blending instruments;
 - One allocation for seven cross regional priorities which do not correspond to the geographical coverage or the core mandate of any one DMRO (see Chapter IV).
3. Support to DMROs is based on DMROs' own strategies and action plans as well as on EU-DMROs' joint interests, while taking into account DMROs' implementation capacity and real added value in terms of promoting regional objectives. All actions financed by this RIP will be identified in full complementarity with the *Joint Africa-EU Strategy* and support provided under the Pan African or Intra-ACP programmes, through National Indicative Programmes of the countries of the region and/or any other EU instruments.
4. In order to strengthen linkages and empower stakeholders best placed to ensure the realisation of DMROs' policy objectives and intended programming results, the EU and the DMROs will assess when objectives can be better reached through projects implemented by other stakeholders¹⁰, through the principles of "subsidiarity" and "direct access". Part of the support to the region will be delivered to national governments committed to undertake the necessary reforms to achieve progress in regional integration.
5. In order to ensure the democratic ownership of the Regional Indicative Programme for Eastern Africa, Southern Africa and the Indian Ocean, civil society and local authorities from the beneficiary countries will be duly consulted during the programming, instruction, implementation and evaluation of the programme when relevant.

EU-funded actions supporting regional economic integration will be identified with due consideration for countries' multiple DMRO memberships and taking into account the outcome of the DMROs' own internal coordination.

⁹ A number of criteria have been used to define sub-regional allocations: (i) Absorption capacity of the region based on 10th EDF commitments; (ii) Total budget of DMROs and relative weight of DMROs' member states contributions; (iii) DMRO' member states involvement and participation in DMROs' core activities; (iv) Population; (v) Specific situations of fragility, vulnerability, isolation and insularity.

¹⁰ Including specialised national and international bodies, national and local authorities, and civil society organisations (CSOs).

2. STRATEGIC OBJECTIVES OF THE EU'S RELATIONSHIP WITH EA-SA-IO AND CHOICE OF PRIORITY AREAS

In line with Article 28 of the *Cotonou Agreement*, three priority areas of support have been identified with the aim of enhancing economic growth with a focus on poverty alleviation, and based on the principles of subsidiarity, complementarity and cost-effectiveness. These are:

- Priority Area 1: Peace, security and regional stability;
- Priority Area 2: Regional economic integration;
- Priority Area 3: Regional natural resource management.

Priority Area 1: Peace, security and regional stability

Overall objective: Foster peace and stability, prevent and manage conflict, and address security threats through support to regional governance and cooperation for peace and stability.

Indicative allocation: 12% of total allocation

Specific objectives:

- Support capacity development of DMROs to strengthen their role as political/peace and security pillars in the region;
- Support election observation and conflict mediation;
- Support regional projects promoting democratisation, good governance, rule of law, human rights;
- Support regional projects addressing cross-border issues such as refugees, mixed migration flows, human trafficking and smuggling, radicalisation and terrorism, maritime security, as well as border management.

Justification: Political stability is a pre-requisite for economic development. Regional integration and cooperation play an increasing role in preventing conflicts within and between African countries and in addressing various causes of regional instabilities. It also helps in building trust, enhancing understanding between groups and deepening interdependence. These are mainly areas for regions affected by conflict and/or political instability (DRC, Eritrea, Somalia, South Sudan, and Madagascar) or major security threats (piracy, terrorism, extremism). Implementation of these priorities will be underpinned by regional strategies such as the *EU Strategic Framework for the Horn of Africa*¹¹ and the *EU Strategy for the Great Lakes*¹² addressing the link between insecurity, poverty and governance.

On the peace and security chapters of the sub-regional envelopes, synergies will be ensured with relevant instruments and programmes related to peace and security, in particular with the African Union's *African Peace Facility* (APF) via its *African Peace and Security Architecture* (APSA) support programme, where mutually reinforcing actions should be envisaged on conflict prevention, mediation and early warning activities. Moreover, every sub-regional

¹¹ http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/126052.pdf

¹² <http://register.consilium.europa.eu/doc/srv?l=EN&f=ST%2011396%202013%20INIT>

envelope should be in complementarity with the cross-regional programmes. The Maritime Security, Migration and the Great Lakes cross-regional actions complement the peace and security component of every sub-regional envelope. EU-funded measures in these areas shall place particular emphasis on good governance and on compliance with human rights, and shall be in accordance with international law, in particular human rights law and international humanitarian law.

As outlined in the Joint Communication to the European Parliament and the Council on the EU's comprehensive approach to external conflict and crises¹³, articulation and complementarity with ongoing or future *Common Security and Defence Policy* (CSDP) activities should be stressed in all peace and security chapters of the sub-regional envelopes.

With regard to strengthening DMROs' capacities in crisis management, coherence and consistency with ongoing work, as directed by the European Council in December 2013 and underlined at the Africa-EU Summit of April 2014, needs to be emphasised.

Priority Area 2: Regional economic integration

Overall objective: Contribute to sustainable economic development through regional economic integration, with an emphasis on more integrated markets, the promotion of intra-DMROs trade and EPA processes, the development of investment and productive capacity, creation of decent jobs and the improvement of economic infrastructures.

Justification: In larger and more harmonised markets, the free movement of goods, services, capital and people enables economies of scale and lower transaction costs, and stimulates investment, thus spurring economic growth and increasing trade. The right mix of gradually-increased intra- and extra-regional competition allows for smooth integration into the global trading system and makes regional integration a vehicle for inclusive growth and accelerated poverty reduction.

Indicative allocation: 63% of total allocation. An indicative 45% of the total allocation is to support specific objectives 2.3 and 2.4 below.

Specific objective 2.1. Enhance institutional capacity of DMROs¹⁴

- Enhance the capacity of DMROs to advance on regional economic integration and/or implement regional strategies (regulatory aspects), including the negotiation of EU trade agreements/EPAs;
- Strengthen monitoring systems to provide comprehensive information and economic analysis on the overall regional integration process, including progress in individual countries;
- Promote the harmonisation of the integration agendas of DMROs, and support DMROs to fulfil their mandate in trade-related assistance for their member states;
- Support inter-DMRO policy coordination and dialogue including support to progress on the Tripartite process;

¹³ http://www.eas.europa.eu/statements/docs/2013/131211_03_en.pdf

¹⁴ Certain aspects of institutional support to DMROs are to be considered as cutting across priority areas.

- Enhancing DMROs' capacity to mobilise/diversify their financial resources.

Specific objective 2.2. Deliver at national level trade-related assistance and support to private sector

- Enhancing conditions for effective integration of the EA-SA-IO countries into regional and international trading systems, including support to the implementation of EPAs. This may cover the whole spectrum of trade related assistance, including trade policy, export strategies, trade facilitation, regulatory aspects, transposition of regional commitments in trade in goods, modernisation of customs systems and the collection of public revenue;
- Enabling the private sector to take advantage of regional and international trade and investment opportunities, including in the context of EU trade schemes/agreements. This may include: support to the regulatory environment (business and company laws, industrial standards, intellectual property rules, competition laws, tax policies, including tax fraud); strengthening productive capacity (development of industrial and export strategies, regional training and research institutions); developing and deepening financial regional markets to mobilise regional and external finance for business development (in particular small and medium enterprises); strengthening the capacity of civil society organisations to participate actively in regional integration and EPA processes (policy-making, implementation); and promoting inter-enterprise cooperation (networks, supply chains, business associations), including with EU companies.

Specific objective 2.3. Connecting regional infrastructure networks

- Support the expansion/improvement of infrastructure in line with regional and continental strategies, with an emphasis on completing the key “missing links” and providing interconnectivity between national transport, energy and telecommunication networks, and notably:
 - Improve availability of and access to sustainable energy, make further progress towards regional energy markets in particular by improving interconnectivity with neighbouring countries and reinforcing regional strategies with relevant DMROs;
 - Contribute to the improvement of regional transport corridors (roads, railways, waterways, ports, airports, intermodal facilities) in line with the *Programme for Infrastructure Development in Africa* (PIDA) and regional priorities in order to enhance transportation flows and to promote closer regional integration by strengthened trade exchange;
 - Increase deployment and exploitation of ICT, focusing in particular on (i) physical interconnections and internet exchange points, (ii) analysing ICT potential in projects and (iii) reinforcing cyber-security;
 - Increase water resource development: focus on water storage infrastructure for food production and trade, multipurpose hydraulic infrastructure and water transfer.

Specific objective 2.4. Improving the strategic and regulatory framework of regional infrastructure networks

- Support the regional strategic and regulatory framework to progress towards smoothly functioning regional infrastructure systems (transport, energy, aviation, telecommunications, etc.): enforcement of the axle load control strategy, facilitation of transit at border points, reduction of obstacles and delays (non-tariff barriers), harmonisation of legislation and administrative procedures in telecommunications, transport and energy;
- Support regional power trade, i.e. the development of a regulatory framework for transmission (wheeling tariff structure), establish transmission access regime, adopt electricity grid code;
- Prepare and promote the transposition of regional infrastructure related policies at national levels on the realisation, use and maintenance of regional infrastructure. Including, when needed, the establishment of regional monitoring bodies;
- Preparation and implementation of legislation aimed at ensuring a conducive environment for investment promotion, including improved governance in the four subsectors covered (transport, energy, ICT and water).

Priority Area 3: Regional natural resource management

Overall objective: Improve regional management of natural resources with a significant regional dimension.

Justification: Cooperation between neighbouring countries can better address challenges of a trans-national dimension linked to natural resources management, such as land use planning, water management, biodiversity conservation, sustainable agriculture, sustainable tourism, sustainable fisheries, sustainable forestry, wildlife conservation and the fight against wildlife crime, pollution control, coastal management, climate change and disaster risk reduction.

The 11th EDF as a whole has a financing target of 20% for climate change issues. Several aspects of priority areas in the RIP are concerned with the effects of climate change, such as conflict early warning systems, migration, the interests of small island states, environmental sustainability in infrastructure programmes etc. The impact of climate change will be addressed during project identification in all priority areas.

Indicative allocation: 13% of total allocation

Specific objective 3.1. Improving drought resilience at regional level

- Assist the region to increase drought resilience by strengthening regional strategies and operational tools, such as: information systems, market regulation, food supply systems, food stock systems, value chains, disaster risk reduction, early warning systems, and trans-boundary disease control.

Specific objective 3.2. Supporting natural resource management of regional importance

- Water management;
- Biodiversity conservation;
- Wildlife conservation and the fight against wildlife crime;
- Sustainable agriculture, including crops, livestock and aquaculture;
- Sustainable exploitation of fisheries resources;
- Sustainable management of mineral resources, including a strengthened regional coordination.

The remaining 12% unallocated funds constitute the reserve.

3. FINANCIAL OVERVIEW

The Regional Indicative Programme is based on the indicative allocation for Eastern Africa, Southern Africa and the Indian Ocean amounting to EUR 1,332 million, distributed as follows:

1. Sub-regional envelope: EUR 450 million, sub-divided as follows:

- COMESA: EUR 85 million (details provided under chapter II-A)
- EAC: EUR 85 million (details provided under chapter II-B)
- IGAD: EUR 80 million (details provided under chapter II-C)
- IOC: EUR 50 million (details provided under chapter II-D)
- SADC: EUR 90 million (details provided under chapter II-E)
- Performance reserve: EUR 60 million

2. Infrastructure financing envelope: EUR 600 million (details provided under chapter III)

3. Cross-regional envelope: EUR 205 million (details provided under chapter IV)

4. Technical cooperation facility (TCF): EUR 15 million

5. Reserve: EUR 62 million

6. Envelope for unforeseen needs (Regional B Envelope)

- This allocation is EUR 0 until a need arises. In that case, the EU and its regional partners will proceed to a replenishment of the allocation according to the applicable procedure.

4. ANNEXES

The following annexes are provided:

1. Financial overview table;
2. RIP intervention framework;
3. Timetable for indicative 11th EDF commitments.

II EU SUPPORT TO DMROS AND THEIR MEMBER STATES UNDER THE SUB-REGIONAL ENVELOPE

The RIP supports the five sub-regions with a total envelope of EUR 450 million with the following financial breakdown:

- COMESA: EUR 85 million (details provided under chapter II-A)
- EAC: EUR 85 million (details provided under chapter II-B)
- IGAD: EUR 80 million (details provided under chapter II-C)
- IOC: EUR 50 million (details provided under chapter II-D)
- SADC: EUR 90 million (details provided under chapter II-E)
- Performance reserve: EUR 60 million

EU support will be consistent with DMROs' own strategies and action plans as well as with EU-DMROs' joint interests, while taking into account DMROs secretariats' implementation capacity and real added value in terms of promoting regional objectives. The three priority areas all offer potential synergies with the Pan-African Facility and the EC intra-ACP programme. Close coordination will be required to maximise these synergies and avoid duplication.

The EU and the concerned DMRO will assess when objectives can be better reached through projects implemented by other stakeholders, through the principles of "subsidiarity" and "direct access". It is expected that two thirds of the support to the region provided under this RIP will be delivered to national governments committed to undertake the necessary reforms to achieve progress in regional integration.

EU-funded actions supporting regional economic integration within the region will be identified with due consideration for countries' multiple DMRO memberships. Each DMRO will consult other DMROs when identifying projects benefitting states who are also members of these. The EU and DMROs will ensure that the RIP does not finance contradicting activities in the field of trade and regional integration.

The performance reserve will be allocated to finance actions under one or more sub-regional programmes on the basis of their relevance, coherence, efficiency and effectiveness as assessed jointly by the EU and the DMROs but also taking into account the rate, quality and effectiveness of implementation of the original allocation.

II-A EU SUPPORT TO THE COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA (COMESA) REGION

1. THE POLICY PERSPECTIVES OF THE COMESA REGION

The Common Market for Eastern and Southern Africa (COMESA) was established by treaty in 1994, with the goal of being a fully integrated, internationally competitive regional economic community with high standards of living for all its people, ready to merge into an African Economic Community (Article 3 of the *COMESA Treaty*). Specifically, by 2025, COMESA plans to be a single trade and investment area in which tariffs, non-tariff barriers and other impediments to the movement of goods, services, capital and people will be removed, while trade in goods and services from the region will have achieved global market competitiveness.

COMESA is the foremost building block for continental integration. First, it is part and a driver of the African Union, the African Economic Community and the Tripartite COMESA-EAC-SADC area. Second, it is the largest of the eight regional economic communities (RECs) recognised by the African Union, bringing together 19 member states¹⁵ that are at various stages of economic development¹⁶, with a total population of 450 million people and a combined GDP of over USD 570 billion (2012). It is also the regional economic community that covers most of the countries of the Great Lakes region (except Tanzania), covering Central, Eastern and Southern Africa, with significant need for enhanced cross-border economic activities.

COMESA's policy agenda is part of the continental integration policy agenda, as defined in the 1980 *Lagos Plan of Action* and the *Final Act of Lagos*; the 1991 *Abuja Treaty*; the 1999 *Sirte Declaration*; and the *New Partnership for Africa's Development*, adopted as an African Union programme in 2001. In the specific area of trade and economic integration, COMESA objectives are aligned with pan-African initiatives such as the establishment of a Continental Free Trade Area, planned for 2017, and the *Boost Intra-African Trade Action Plan* adopted in 2012.

The COMESA region has demonstrated results since its creation:

- Launch of a Free Trade Area in 2000, with 14 COMESA members trading under it and with Uganda and Eritrea already providing 80% and Ethiopia providing 10% preferences respectively to other COMESA member states. Formal intra-COMESA trade in goods increased by 574%, from USD 3.1 billion in 2000 to USD 20.9 billion in 2013. COMESA inward foreign investment registered a growth of 498%, from USD 2.9 billion in 2000 to USD 17.29 billion in 2013¹⁷.
- COMESA has promoted the harmonisation of 337 standards at the regional level, and supported public-private-sector partnerships to leverage private sector resources in the sanitary and phyto-sanitary area.

¹⁵ Current COMESA member states are: Burundi, Comoros, DRC, Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Swaziland, Uganda, Zambia and Zimbabwe.

¹⁶ A significant number of COMESA countries are facing fragility challenges.

¹⁷ Source: COMESA statistics.

- Design and implementation of trade and transport facilitation instruments have contributed to reduce the cost of cross-border trade, including for small, informal traders. These include, for example, the *Harmonised Axle Load Limits Instrument*, which facilitated uniform axle load enforcement and exchange of information on violators. The member states represented by road transport units provide information on the national implementation of the COMESA transit transport facilitation instruments¹⁸. A key element of trade and transit trade facilitation is the COMESA *Virtual Trade Facilitation System* which is being rolled out in different transit corridors and which integrates all COMESA instruments under the real time cargo tracking system.
- 15 member states have elaborated timelines to commit to liberalise trade in communications, transport, financial services and tourism.
- The key instruments for the COMESA Customs Union namely, the *Customs Management Regulations*, the *Common Tariff Nomenclature*, the *Common External Tariff* and the *Council Regulations on the Customs Union* are in place¹⁹.
- The implementation of value-addition and industrial cooperation programmes, such as the *COMESA Cluster Initiative* in the cassava, textile and leather/footwear sectors currently ongoing in ten member states.
- The COMESA Competition Commission has established a *One Stop Merger Control* facility requiring all concentrations falling under the merger regulation that have a regional dimension, to be assessed and authorised by the Commission and not by individual member states²⁰.
- As an institution, the COMESA Secretariat has been meeting international financial and contractual management standards, as confirmed by 2005 and 2010 EU institutional assessments (4-pillar). It has also been recognised as a respected source of regional statistics and policy analysis.

The strategic objectives of the COMESA region are currently defined in the 2011-2015 *Medium-Term Strategic Plan* which is articulated around six pillars, all with identified interventions and targets:

- Pillar 1: Removing barriers to factor mobility;
- Pillar 2: Building productive capacity for global competitiveness;
- Pillar 3: Addressing supply-side constraints related to infrastructure;
- Pillar 4: Peace and security;

¹⁸ COMESA transit transport facilitation instruments include: carrier license, harmonised road user charges, overload control certificates, third party motor insurance, one-stop border posts, corridor management, COMESA customs document, Regional Customs Bond Guarantee and axle load limits.

¹⁹ A *Common External Tariff* was adopted by Council in 2007; *Common Tariff Nomenclature*, *Customs Management Regulations* and *Council Regulations* were adopted by Council in 2009. Currently the national customs laws of member states are at least 90% compliant with the *Customs Management Regulations*. With regard to the *Common Tariff Nomenclature*, twelve COMESA Members are in effect implementing it. Finally, the four COMESA member states that also belong to the EAC are already implementing the *COMESA Common External Tariff* at 74% of the total tariff lines.

²⁰ The *Competition Enforcement Guidelines* on the *Merger Control Provisions* of the *COMESA Competition Regulations* were adopted by the Board of Commissioners on 8th August, 2014. This was after the Council's approval of the Rule on Revenue Sharing of Merger Filing Fees and the Rule on the Determination of the Merger Notification Threshold at its Meeting held in Kampala, Uganda in November, 2012. The Commission has, as of July 2014, assessed over forty (40) mergers and other forms of acquisitions which in financial terms, represents an estimated total investment in the Common Market of over USD 1 billion.

- Pillar 5: Integration of gender, youth, socio-environmental health, climate, knowledge society, statistics and cooperation and aid for trade as cross-cutting issues in the other pillars;
- Pillar 6: Institutional development: institutional strengthening of COMESA Secretariat and coordinating ministries in member states.

The *2016-2020 Strategic Plan*, to be adopted in 2015 by Council, is expected to contribute to “structural transformation of the economies of the COMESA member states so as to foster the overall economic development of the member states through trade”. It will do so by creating an enabling fiscal, monetary and policy environment, with a focus on market integration, infrastructure development, industrialisation (including small and medium enterprise development and regional industrial clusters), institutional and regulatory policies, capacity development as well as resource mobilisation.

COMESA medium-term objectives in the area of trade integration are also driven and build on Tripartite²¹ and continental commitments, as well as international trade agreements and policy frameworks such as the WTO *Bali Agreement on Trade Facilitation* (concluded in December 2013) and the revised *Kyoto Convention on the Simplification and Harmonisation of Customs Procedures* (which entered into force in 2006).

There is clear evidence that regional integration can lead to more trade and economic growth. However, the link to poverty reduction is more tenuous and not automatic. COMESA will therefore continue to pay special attention to specific interventions such as reducing the cost of cross-border trade for poor small traders, particularly women, and promoting the development and integration of small and medium enterprises – important purveyors of jobs and incomes – into regional and global value chains.

Moreover, in keeping with Articles 154 and 155 of the *COMESA Treaty* and its 2002 *Gender Policy* and related strategic plan of action, COMESA shall also continue to enhance the role of women in the promotion of socio-economic transformation and sustainable growth. In that respect, COMESA is notably working on establishing a Women's Economic Empowerment Fund to enhance access by women and youth to business finance.

1.1. MEDIUM-TERM OUTLOOK

In spite of progress observed over the last decade, economic integration and transformation remain limited in the COMESA region. The formal intra-COMESA trade in goods as a share of total trade remains low (7% in 2012)²². The price of transport in the COMESA region is among the highest in the world: importing a container can cost four to five times what it does in OECD high income countries²³. The COMESA region is still characterised by a dependency on export of raw and semi-processed goods. Whilst efforts to promote industrialisation and trade in finished products are being made, COMESA exports in 2012 were still largely dominated by fuels (42%) and unprocessed or semi-processed minerals (14%)²⁴. Of the top 20 COMESA export commodities in 2012, only four underwent any value

²¹ The COMESA-EAC-SADC Tripartite Arrangement is built on industrial development; infrastructure development; and market integration—the latter resting on the design, negotiation and implementation of the *Tripartite Free Trade Agreement*.

²² COMSTAT

²³ World Bank Cost of Doing Business 2013; Cost to import (USD per container): OECD high income; 1,090 USD; DRC; 3,890 USD, Burundi: 4,420 USD, Zambia: 3,560 USD, Rwanda: 4,990 USD; Zimbabwe: 5,660 USD.

²⁴ COMSTAT

addition within the COMESA region and this value-addition was very low. At the same time, the COMESA region has been experiencing a period of sustained growth since 2003, in spite of the 2009 global financial and economic crisis. In 2012, the COMESA region recorded an economic growth rate of 5.4%, well above the world average of 2.2%, which may provide opportunity to accelerate economic integration and transformation.

Greater national ownership is central to effective integration. COMESA's visibility in the region is far less than it should be. Ordinary citizens, and their political leaders in some cases, often have insufficient understanding of what there is to gain or lose from further regional integration. More efforts should be devoted to analyse and promote the benefits of regional economic integration and to monitor the impact of regional reforms as well as to sensitise and raise awareness in the region (in particular the private sector) about the rules, costs, and benefits of economic integration.

Despite pro-integration political declarations, budgetary contributions from member states to the regional agenda are insufficient, and the average level of transposition of regional policies at national levels remains low. Special attention should be given to analysing and better understanding the various interests, both among and within countries, as well as political economy dynamics related to regional integration. External support could be used to leverage more financial commitments from member states. Within the broad agenda of regional economic integration, the focus should be on implementation in countries, among countries and along priority corridors (northern, north-south, central, and maritime) where progress can be expected.

Strong institutions and systems are needed, both at regional and national levels, to drive and monitor the regional integration process. Effective and sustainable institutional support to the COMESA Secretariat should therefore continue to be central, together with adequate capacity building for national public institutions and coordination mechanisms. In terms of monitoring and evaluation and enforcement mechanisms, more emphasis should be placed on compliance through the use of soft measures, peer pressure and advisory services, approaches which have proven effective in many inter-governmental organisations and in COMESA itself.

Evaluations of 9th and 10th EDF programmes concluded that institutional capacity within COMESA and member states were often overstated. In order to mitigate risks related to mismatches between resources allocated and the absorption capacity of COMESA Secretariat, it is important to strengthen COMESA Secretariat's capacity to coordinate, monitor and evaluate the implementation of regional programmes. Institutional support should also reinforce COMESA's capacity to plan and develop policies and strategies. Furthermore, COMESA member states' capacity needs to be reinforced so that they can effectively and efficiently implement regional programmes, while taking into account the important diversity among COMESA countries in terms of political situations, priorities and institutional strengths and weaknesses.

Economic integration is the core mandate and main field of expertise of the COMESA Secretariat. It is also an area where the EU has a unique experience and value added. In this regard it is important to remember the provisional application of the *interim Economic Partnership Agreement* with four countries of this region since 2012. Therefore, to maximise value for money, it is proposed that future EU regional cooperation with COMESA under the 11th EDF should, among the three priority areas agreed with the Eastern and Southern Africa/Indian Ocean regional organisations, concentrate on regional economic integration. EU support to COMESA will also build on the lessons learnt from previous EDF support and be guided by the following general principles: focus on the key bottlenecks to effective regional

trade integration; avoid complex implementation modalities; focus on results; increased emphasis on national constraints and priority needs to domestication of regional commitments as well as; more involvement of civil society organisations (in particular businesses) in regional processes.

2. PRIORITY AREA OF INTERVENTION

The Regional Indicative Programme is based on the indicative allocation for the COMESA region amounting to EUR 85 million. Expected results, their corresponding indicators and sources of verification agreed between COMESA and the EU are in the intervention framework in Annex 3.

Operations supported under Specific Objectives 1 and 2 below, including in particular potential support to the Tripartite trade negotiations process, will be implemented in close coordination with EDF and EU Member States' support to EAC and SADC in order to maximise synergies and complementarities and value for money whilst avoiding duplications.

For the purpose of the implementation of the specific objectives listed below, the duly mandated regional organisation is COMESA. The governments of COMESA member states, other regional and international organisations and other stakeholders may be involved. Implementing partners will be jointly defined by the EU and COMESA during project identification.

The indicative allocation will be for regional economic integration, the sole priority area for this sub-regional envelope, and will be distributed as follows:

PRIORITY AREA 2: REGIONAL ECONOMIC INTEGRATION

The following specific objectives shall be pursued:

Specific objective 1: Reduced cost of cross-border trade through removal of internal barriers in line with Tripartite agreements

An indicative EUR 68 million shall be reserved for this specific objective.

The policy measures to be taken and major operations foreseen are:

- Political economy economic cost-benefit analysis on non-tariff barrier bottlenecks at national level;
- Capacity building/technical assistance at national level (with a focus on disadvantaged countries) for the implementation of the COMESA non-tariff barrier regulations;
- General information sharing and awareness raising activities, including for the private sector;
- Continuation of the existing non-tariff barrier monitoring/reporting and resolution mechanism;
- Sensitisation of member states on compulsory prior notification of measures that restrict intra-regional trade;
- Support to the design of harmonised sanitary and phyto-sanitary / technical barriers to trade inspection and certification systems and subsequent implementation at national level by member states and the private sector;
- Strengthening transparency/notification systems (in line with WTO requirements);

- Harmonisation of prioritised technical standards (COMESA and Tripartite levels) and support to subsequent domestication/implementation at national level;
- Support to proficiency testing and inter-laboratory schemes at regional level for prioritised technical standards;
- Implementation of effective hazard and critical control points systems for regional food business operations (including traceability and good hygiene practices);
- Support to COMESA for the coordination of sanitary and phyto-sanitary risk management (including establishing an early warning/rapid response system for food and feed²⁵) as well as application of economic analysis by member states to define and prioritise sanitary and phyto-sanitary capacity needs and related investments;
- Support to better border and customs management, focusing on priority regional corridors (for instance automation of all customs processes and procedures, exchange of information through streamlined customs operational procedures, development of modern clearance including selective checking based on risk analysis and post-clearance strategies, structured dialogue mechanism with private sector on customs reforms, capacity building/training modules for national customs administration, support to increased coordination and alignment to international best practices, including cooperation of customs authorities with other agencies operating at the borders)²⁶;
- Development and implementation of simplified and harmonised trade procedures, including rules of origin, customs procedures and sanitary and phyto-sanitary inspection systems for small-scale traders, with a focus on female traders;
- Implementation at national level of regional/international trade facilitation instruments such as the *Regional Transit Bond Guarantee Scheme*, the *COMESA Virtual Trade Facilitation System* and the *WTO Agreement on Trade Facilitation*;
- Support to the reform, harmonisation and mutual recognition of services regulations at regional level, as well as to the ongoing negotiation processes to liberalise trade in services in priority sectors (including through assessment of regulatory impacts, awareness raising and regional knowledge sharing activities) and subsequent implementation of commitments at national level;
- Support to the implementation of COMESA protocols on visas and free movement of persons and (potentially) to any agreement made on movement of business persons in the context of the Tripartite initiative;
- Support to ongoing trade negotiations at different levels.

The main expected results to be achieved are:

- Non-tariff barriers identified, prevented and resolved;
- Harmonisation and compliance with regional and international sanitary and phyto-sanitary and technical regulations/standards increased;
- Trade flows at borders and along priority corridors facilitated;
- Regulatory/policy environment at national, regional/tripartite levels for trade in services improved;
- Trade negotiations concluded.

²⁵ Complementarities will be sought with PanAfrican-funded initiatives in the sector

²⁶ To be developed in complementarity with activities under the cross-regional migration action.

Specific Objective 2: Increased private sector participation in regional and global value chains, through improved investment/business climate and enhanced competitiveness and productive/innovation capacity

An indicative EUR 10 million shall be reserved for this specific objective.

The policy measures to be taken and major operations foreseen are:

- Support to develop more small and medium enterprise clusters and business linkages including with multinationals, in more economic sectors and in more countries and with a specific focus on fostering women's economic empowerment (in the context of the COMESA Cluster Initiative, and in close coordination with national initiatives);
- Support to COMESA initiatives in the area of science, technology and innovation;
- Support to COMESA member states to align their national policies to the COMESA regional small and medium enterprise policy (or to develop one when inexistent) and monitor subsequent implementation;
- Support to update/review, implement and monitor the COMESA Common Investment Area (CCIA);

The main expected results to be achieved are:

- Small and medium enterprise productive/innovation capacity and competitiveness enhanced;
- Enabling environment for small and medium enterprises and the private sector in general in the COMESA region improved.

Specific Objective 3: Enhanced capacity of the COMESA Secretariat and member states, including the private sector, to deepen regional integration

An indicative EUR 7 million shall be reserved for this specific objective.

The policy measures to be taken and major operations foreseen are:

- Support to the roll-out/effective implementation of the COMESA on-line monitoring and evaluation system and to the development of other innovative monitoring and evaluation tools;
- Capacity building and awareness-raising/communication activities at national level for private and public sectors;
- Secondment of national experts from COMESA member states (and potentially other stakeholders) to the COMESA Secretariat; partnerships/collaboration with region-based and international research institutes and universities working on trade and economic integration;
- Continuous enhancement of COMESA procurement, financial management and audit systems and processes, in line with international standards;
- Technical assistance and capacity building aiming at producing and disseminating harmonised quality, timely and policy responsive statistics, in line with the COMESA 2014-2017 *Statistics Strategy* and in close coordination with the support provided to the African Union in that area.

The main expected results to be achieved are:

- Capacity, both at Secretariat and country level, to monitor domestication/implementation of regional commitments and to engage in a multi-stakeholder dialogue on regional economic integration (including in the context of the Tripartite) increased;
- COMESA Secretariat procurement and financial management capacity enhanced;
- Production and dissemination of harmonised regional statistics improved.

Institutional support to the COMESA Secretariat under Specific Objective 3 will be accompanied by an EU-COMESA dialogue on financial contributions from COMESA member states to the COMESA budget and to specific regional programmes.

II-B EU SUPPORT TO THE EAST AFRICAN COMMUNITY (EAC) REGION

1. THE POLICY PERSPECTIVES OF THE EAC REGION

The East African Community (EAC) was re-established in 2000²⁷ and builds on a long history of regional integration among the founding members, Kenya, Uganda and Tanzania. Rwanda and Burundi joined the EAC in 2007. The aim of the Community is to increase intra-regional trade and to raise the prominence of the East African region internationally. The population is forecast to reach 150 million by 2015; GDP growth averages are around 9%; it represents a relatively diversified non-oil based economy; and has one of the easier business environments in which to operate. Somalia, South Sudan and the Democratic Republic of the Congo have expressed interest in membership, making the EAC likely to expand further. A number of factors contribute positively to EAC prospects in comparison to the first attempt that ended in 1977: disparities in economic size have decreased, the political systems are more aligned and the economies are more conducive to trade. On top of this, landlocked members (Burundi, Rwanda and Uganda) are placing regional integration at the centre of their economic strategy.

The development of the EAC has been planned in four different phases: customs union, common market, monetary union and political federation. The customs union phase focused on common external tariffs, duty-free trade between members and common customs procedures, while the common market phase provided for the free movement of people, services, labour and capital. Changes to date have coincided with a significant increase in levels of foreign direct investment and intra-regional trade, which indicates that the EAC is achieving the goals for which it was formed. A new phase started in November 2013 with the adoption of the *Monetary Union Protocol*.

Though fragile, the institutional framework and systems for delivery of the EAC agenda have been entrenched at national and regional levels. The establishment of the East African Legislative Assembly and the East African Court of Justice are models in Africa in terms of regional legislative oversight and jurisprudence.

The EAC still needs to overcome some significant challenges, especially in terms of prioritising Community initiatives above those of the individual countries and creating the institutional capacity to drive reforms. Despite these challenges, there is political backing from the partner states for the EAC integration process and progress is expected to continue, bringing with it an increasing number of benefits. These include: free movement of staff and resources, access to an expanding market, increased competition between suppliers and large scale investments in regional infrastructure.

As detailed in the *Common Market Scorecard 2014* published in February 2014, other challenges include inadequate institutional, national and regional level capacity to domesticate regional policies; inappropriate legal and regulatory frameworks; low technical standards and

²⁷ "The Partner States undertake to establish among themselves and in accordance with the provisions of this Treaty, a Customs Union, a Common Market, subsequently a Monetary Union and ultimately a Political Federation in order to strengthen and regulate the industrial, commercial, infrastructural, cultural, social, political and other relations of the Partner States to the end that there shall be accelerated, harmonious and balanced development and sustained expansion of economic activities, the benefit of which shall be equitably shared" – Article 5(2), Treaty for the Establishment of EAC

capacity; a weak private sector; differences in economic development, education systems, culture and languages; weak capacity of implementing agencies; inadequate safeguard measures and dispute settlement mechanisms; conflicting labour legislation (especially regarding the issuing of work permits and residence permits); weak urban planning policies; and disparities in intra-regional trade. Additionally, major constraints that slow progress towards the full benefits of the Customs Union are the prevalence of non-tariff barriers, inadequate infrastructure, institutional handicaps, divergent socio-economic structures, supply side constraints, weak legal, regulatory and dispute settlement mechanisms and requisite powers for the EAC to enforce Community obligations and decisions, delays in operationalisation of the EAC Competition Act, and mismatching during the implementation of trade facilitation instruments and processes.

The private sector potential in spurring economic development requires further harmonisation of macro-economic and sector policies both at national and regional levels. In addition, increased institutional coordination and governance, a more robust financial sector that effectively integrates small and medium enterprises, and business-friendly administrative structures and tax regimes, will go a long way towards facilitating private sector success. Similarly, concerted efforts are needed to build private sector capacity to cope with the on-going globalisation business environment, in which production is fragmented through outsourcing and off-shoring.

1.1. MEDIUM-TERM OUTLOOK

The medium-term outlook of the EAC region is enshrined in the 4th *Development Strategy* (2011-16). This strategy is articulated around eight strategic regional priorities: consolidation of the benefits of a fully-fledged customs union; full implementation of the common market; establishment of the East African Monetary Union; laying the foundation for a political federation; development of regional infrastructures; strengthening of the regional productive sectors; strengthening of EAC organs and institutions and wide stakeholder participation. The key drivers for the realisation of the EAC regional integration agenda in 2011–2016 include: creation of a strong legal framework; strategic selection and harmonisation of prioritised programmes at national and regional levels; application of common policies and gradual elimination of all barriers to trade; devolution of power and authority to EAC organs and institutions commensurate with the level of regional integration agenda; and establishment of regional institutional frameworks among others. Other key strategic drivers that will underpin the regional integration agenda are increased private sector, civil society organisations and citizenry involvement; good governance, transparency and accountability; and political stability, peace and security and the continued cooperation at the Tripartite and multi-lateral levels.

The Strategy was estimated to cost about USD 1.3 billion over the entire 2011–2016 period. Sustainable mechanisms were to be identified to ensure timeliness and sustainability in programme implementation. Those included innovative ways of tapping non-conventional sources of resources through public-private partnerships, foreign direct investment, and portfolio investment including leveraging available resources to mobilise additional funds for regional development.

Overall, the EAC has committed to focus on improving global competitiveness for faster and sustainable economic growth and move closer to the status of a newly industrialised region. Specific areas of focus will include the establishment of a robust legal and administrative

framework that facilitates the regional economy to generate income and wealth; improvement and expansion of infrastructure, energy access, improvement and sustained long-term stability in the macro-economic environment; improvements in health, primary education and training; investment in higher education and training; development of financial markets; technology development; innovation; increased efficiency in production and distribution; and increased trade with other regional economic communities and globally through strong and continuous support for the process of creating a COMESA-EAC-SADC Grand Free Trade Area and identification of new international markets.

Future EAC-EU cooperation under the 11th EDF will focus both on supporting EAC organs and institutions to pursue their core mandates and on actions aimed at directly assisting partner states to domesticate regional commitments. Consequently, in accordance with the provisions of the *Cotonou Agreement*, with the priorities of the *EAC 4th Development Strategy*, and the requests expressed by the EAC Secretariat and partner states, the 11th EDF EAC sub-RIP will be primarily dedicated to supporting regional economic integration, with complementary activities in support of peace and security and sustainable management of natural resources. In this regard, due consideration should be taken of the *EU-EAC Economic Partnership Agreement* initialled on October 2014. The choice of specific objectives is founded on priority criteria such as project maturity, articulation between the global, regional and national levels, EU added-value, and feasibility of implementation within the 11th EDF period.

Some of the risks to the implementation of programmes designed to address the challenges above are not specific to the East African Community. For example, political or economic instability, overlapping and concurrent economic integration processes, or institutional weaknesses at national and regional levels do not affect only the EAC but also other regional entities. Overarching mitigation strategies should therefore be developed.

At the EAC level, an important risk lies with the absorption capacity under current implementation modalities. The EAC Secretariat has not yet passed the institutional pillar assessment which would confirm that its financial management is up to international standards. This limitation is currently being addressed, with 10th EDF funds being dedicated to support the reform process leading to the required improvements in terms of internal control, accounting and independent external audit. The EAC Secretariat is confident that it will pass the pillar assessment by the time 11th EDF funds become available for implementation.

As the EAC has a relatively limited membership compared with other regional organisations in the region, coordination may be considered easier. Furthermore, the political federation goal stated in the *EAC Treaty* can be interpreted as a political willingness towards complete integration, although implementation of regional commitments at national level lags behind. From a technical point of view, this risk is being addressed in this Regional Indicative Programme by increased support to EAC partner states to reinforce their capacity to comply with their obligations under the *EAC Treaty and Protocols*.

2. PRIORITY AREAS OF INTERVENTION

The Regional Indicative Programme is based on the indicative allocation for the EAC region amounting to EUR 85 million. Expected results, their corresponding indicators and sources of

verification agreed between the EAC and the EU are in the intervention framework in Annex 3.

For the purpose of the implementation of the specific objectives listed below, the duly mandated regional organisation is the EAC. The governments of the EAC partner states, other regional and international organisations and other stakeholders may be involved. Implementing partners will be jointly defined by the EU and the EAC during project identification.

The indicative allocation will be distributed as follows:

PRIORITY AREA 1: PEACE, SECURITY AND REGIONAL STABILITY

An indicative EUR 15 million shall be reserved for this area. The overall objective is to contribute to enhancing peace, security and regional stability in the EAC Region.

The following specific objectives shall be pursued:

Specific objective 1: Promote democratic governance in the EAC region in line with the EAC Protocol on Good Governance²⁸ and the African Charter on Democracy, Elections and Governance

An indicative EUR 5 million shall be reserved for this specific objective.

The ultimate goal of EAC integration is the attainment of a political federation enshrined in fundamental principles of democracy, rule of law, accountability, and transparency. The EAC *Draft Protocol on Good Governance* demonstrates the priority and commitments towards reaching higher democratic standards in the region. The EAC is also part of the *African Governance Architecture*, the overall framework for the promotion of democracy, governance and human rights at continental level, which aims at enhancing coordination, coherence, partnership and efficiency among African Union organs and regional economic communities. Recent rounds of elections have shown increasingly diversified political landscapes and multiparty elections in EAC partner states. However, election-related violence and political instability continue to affect the region, with negative implications for peace, security and political integration. Cooperation at a regional level will add value to national approaches, by building electoral support capacity at the EAC Secretariat and encouraging peer review and sharing of best practices among relevant national authorities. This will support fair, free and peaceful multiparty elections and transparent, accountable and sustainable electoral processes in the region.²⁹

The major operations foreseen are:

- Strengthen EAC electoral governance mechanisms and fora, notably by operationalising the Electoral Support Unit within the EAC Secretariat and reinforcing

²⁸ This Protocol is still a draft while this Regional Indicative Programme is being drafted

²⁹ EU support will avoid encouraging the duplication of structures and efforts when supporting specific regional organisations in undertaking election observation. Its support to DMROs will be consistent with the broader support EU is providing to the African Union (DCI Pan African Programme 2014-2020) in strengthening its capacities and methodology on election observation, which is based on the EU's own commitments and credibility on election observation.

the EAC fora of Electoral Management Bodies (EMBs), political parties and other electoral stakeholders. EMBs' capacity at national level will also be enhanced.

- Support the EAC Secretariat's capacity to conduct electoral observation and evaluation, in particular by developing a methodology and guidelines for electoral observation missions and by building the technical capacity of EAC core team and long-term observers.
- Strengthen preventive diplomacy and mediation, notably through the EAC *Panel of Eminent Persons*, special envoys for political diplomacy and high-level dialogue and political dispute resolution mechanism at the regional level.
- Enhance research-based electoral as well as peace and security knowledge in the region, especially via the Nyerere Centre for Peace Research.³⁰

The major policy measures to be taken by the EAC for the fulfilment of this specific objective are:

- Enhance the final negotiations for the adoption of the EAC *Protocol on Good Governance* by the EAC Summit and its swift ratification by partner states;
- Foster the ratification process and implementation of the EAC *Protocol on Foreign Policy Coordination*;
- Ensure the implementation of the *Modality for the Establishment and Functioning of the East African Community Panel of Eminent Persons*;
- Ensure the implementation of the EAC *Strategy for Regional Peace and Security in East Africa* and *Protocol on Peace and Security*;
- Finalise the draft EAC *Bill of Rights*;
- Foster the implementation of EAC *Principles of Election Observation and Evaluation*.

The main expected results to be achieved are:

- Elections in EAC partner states are observed by the EAC Secretariat according to an internationally recognised methodology;
- EAC electoral governance mechanisms and fora contribute to a stable democratic environment;
- Crisis and election-related violence is reduced.

Specific objective 2: Combat terrorism, cross-border and transnational organised crime (including human trafficking, migrant smuggling³¹, as well as trafficking of small arms and light weapons, wildlife and narcotics) in the EAC region

An indicative EUR 10 million shall be reserved for this specific objective.

Terrorism and cross-border / transnational crime have become a major threat in East Africa. The number of terrorist attacks and the variety and intensity of organised crime is increasing, notably financed by wildlife and narcotics trafficking. The EAC *Protocol and the Regional Strategy on Peace and Security*, the recently endorsed *Regional Counter Terrorism Strategy*,

³⁰ The Nyerere Centre is an EAC institution

³¹ To be developed in complementarity with activities under the cross-regional migration action

the *EAC Protocol on Combating Drug Trafficking* and the *Nairobi Protocol for the Prevention, Control, and Reduction of Small Arms and Light Weapons in the Great Lakes Region and the Horn of Africa* provide the basis for countering organised crime in the region.

The major operations foreseen are³²:

- On the basis of relevant UN and AU conventions and frameworks in the areas of counter-terrorism and cross-border / transnational organised crime, the EU will support the strengthening and harmonisation of related policies and laws among EAC partner states through a regional comprehensive legal framework, so as to provide the legal basis for prosecution in line with existing international standards. Strengthen the capacity and promote the harmonisation of standard operating procedures of relevant regional and national agencies (judiciary, intelligence, law enforcement, border security, the Civil Aviation Safety and Security Oversight Agency, Regional Forensic Referral Centre) to combat terrorism and transnational criminal networks, notably through technical assistance and training, as well as the provision of basic equipment and infrastructure. Institutionalise information exchanges between the National Fusion Centres by assessing the possibility to create regional networks to exchange and analyse relevant data, share best practices and to conduct coordinated and intelligence led interventions.
- Raise awareness and engagement of border communities via outreach activities and trainings in cooperation with civil society organisations, and by strengthening the Regional Peace Networks in support of a culture of peace, dialogue and tolerance, with particular attention to youth and women.
- Enhance investigation capabilities to fight against wildlife crime, notably by developing specific regional forensic capacities to determine the provenance ivory and rhino horn.

The major policy measures to be taken by the EAC for the fulfilment of this specific objective are:

- Take the necessary policy measures for the implementation of the *EAC Protocol and Strategy on Peace and Security*;
- Take the necessary policy measures for the implementation of the *EAC Counter-Terrorism Strategy*;
- Accelerate the ratification process and implementation of the *EAC Protocol on Foreign Policy Coordination*;
- Take the necessary policy measures for the implementation of the *EAC Protocol on Combating Drug Trafficking*;
- Take the necessary policy measures for the implementation of the decisions of the EAC Council on Cooperation in Inter-state Security and on Counter-terrorism.

The main expected results to be achieved are:

- Regional policy framework against terrorism and cross-border/transnational crime adopted, and related national strategies harmonised;

³² This will complement the migration action within the cross-regional envelope, notably the proposed activity to strengthen countering human trafficking (partnership with IOM).

- Counter-terrorism and crime-fighting capacities of the national judiciary, intelligence, law enforcement and border security agencies and Counter-terrorism Fusion Centres, as well as regional bodies such as the Regional Forensic Referral Centre and Civil Aviation Safety and Security Oversight Agency are strengthened and their activities coordinated;
- Contribution made by border communities to preventing terrorism and trans-national crime.

PRIORITY AREA 2: REGIONAL ECONOMIC INTEGRATION

An indicative EUR 45 million shall be reserved for this area. The overall objective is to contribute to inclusive and sustainable economic development in the EAC region through the promotion of more integrated markets, and the development of investment and productive capacities.

The following specific objectives shall be pursued:

Specific objective 1: Foster the implementation of the EAC Common Market as well as monitoring the Customs Union and Common Market Protocols (both at the Secretariat and partner state levels)

An indicative EUR 10 million shall be reserved for this specific objective.

The major operations foreseen are:

- Support EAC monitoring and coordination mechanisms:
 - Complete quality management systems certification processes for the EAC Secretariat, Ministries of East African Affairs and other national institutions;
 - Support for the development of e-registries at the EAC Secretariat and in partner states (fast-track system for cross-border recognition and exchange of information between the EAC partner states; facilitate online transactions and payments across jurisdictions during the registration of companies);
 - Operationalise the online East African Monitoring System for data collection and analysis by the EAC Secretariat, Ministries of East African Affairs and other national institutions.
- Support the implementation of the *Common Market Protocol*:
 - Facilitate activities of National Implementation Committees aimed at domesticating the *EAC Common Market Protocol* (Ministries of Industry and Trade, business associations, other relevant national authorities);
 - Support the liberalisation of service sectors, notably for professional services (legal, accounting, architectural, and engineering), road transport, distribution (retail and wholesale), financial and telecommunications services (EAC Secretariat, Ministry of Industry and Trade and other national institutions, as well as professional associations);
 - Support the design of transparent notification mechanisms for partner states to comply with reporting requirements of legal and economic decisions affecting implementation of the protocol and notably the publication of EAC Common Market scorecards (EAC Secretariat and Ministries of East African Affairs, Industry and Trade, Finances and other national institutions);

- Improve the level of harmonisation and technical compatibility of national labour and immigration laws as well as to improve the management of cross-border migratory flows via capacity building and technical assistance to the EAC Secretariat and Ministries of Home Affairs, police forces;
- Improve performance reported by the EAC scorecard;
- Remove non-tariff barriers in the transport corridor limiting the free movement of goods (ports, customs, transport, police, national authorities);
- Support to the implementation of the Customs Union protocol:
 - Support the full attainment of a Single Customs Territory;
 - Support regional coordination and monitoring and evaluation of the implementation of Single Customs Territory;
 - Support of interconnectivity of customs systems, change management interventions and review and amendment of customs laws.

The major policy measure to be taken by the EAC for the fulfilment of this specific objective is:

- Undertake the necessary measures towards EAC legislation to formalise mutual recognition agreements and accreditation processes in order for different regulators in partner states to accept each other's conformity assessment procedures.

The main expected results to be achieved are:

- Common Market commitments related to non-tariff barriers and service liberalisation are implemented by the EAC partner states, namely:
 - Unnecessary non-tariff barriers identified, prevented and resolved;
 - Intra-regional trade in services in priority sectors liberalised;
- Implementation of the *Customs Union and Common Market Protocols* is effectively monitored by the EAC Secretariat.

Specific objective 2: Develop EAC industries and private sector, and facilitate trade

An indicative EUR 35 million shall be reserved for this specific objective (EUR 5 million for activities related to the *Industrial Development Strategy*, EUR 30 million for the trade-related window).

The major operations foreseen are:

- Support the implementation of the EAC *Industrialisation Development Strategy* in four priority sectors (food chain, leather, wood, and pharmaceuticals, identified as pilot sectors for the implementation of the Strategy³³) to stimulate inclusive economic growth through diversification and generation of higher value-added. These could include:
 - Improve the regulatory environment for small and medium enterprises through technical assistance to Ministries of Industry and Trade and other relevant institutions;

³³ "Industrial upgrading and modernisation programme for the East Africa region" by the EAC and UNIDO

- Build research and development capacity and enhance networking among relevant academia, government research laboratories and financial institutions: financial support to upgrade research facilities and technical competencies of research and technology personnel and possibly strengthen skills development actors and institutions;
 - Promote technologies and innovation capabilities to foster structural transformation of the manufacturing sector and industrial upgrading: identification of existing and new technologies for small and medium enterprise development and adding value;
 - Facilitate technology transfer via regional and international collaboration among research and technology organisations (university-industry partnerships; research laboratories-industry partnerships; university-research centre-industry partnerships).
- Development of a trade-related window, as a demand-driven tool to improve EAC Partners States' participation in regional and international trade, including in the Continental Free Trade Area, by directly addressing the needs of a wide range of stakeholders at national level. This window should first increase EAC partner states' compliance with their regional and international commitments and secondly promote private sector development to increase regional trade-flows.
 - Support capacity building needs, trade and private sector development projects for ministries and other relevant national bodies (bureaux of standards, revenue authorities) in order to:
 - facilitate implementation of resolutions and obligations resulting from international trade agreements, notably the *EAC-COMESA-SADC Tripartite Free Trade Agreement*, the *World Trade Organisation Trade Facilitation Agreement* and the *EU-EAC Economic Partnership Agreement*;
 - reinforce their trade policies (intellectual property rights, competition, market surveillance and trade infrastructure) and to enhance the harmonisation or technical compatibility of national trade laws;
 - support small and medium enterprises, industries, value chains, trade infrastructures and trade financing;
 - enhance the level of harmonisation or technical compatibility of their sanitary, and phyto-sanitary standards and regulations;
 - promote investment opportunities through partnerships and direct investments;
 - increase tax cooperation and enhance the level of harmonisation or technical compatibility of their business and finance taxation regime, notably on transfer pricing.
 - Support capacity building needs, advocacy work, networking of business associations, chambers of commerce, export groups, professional associations, with specific attention to women entrepreneurs, in order to:
 - improve the business environment at regional level through advocacy, reporting and campaigning;
 - promote enforcement of social and economic rights, standards, customs and trade procedures resulting from the EAC market and customs legislation;
 - promote intra-EAC trade;

- support the development of services offered to their members.

The major policy measures to be taken by EAC for the fulfilment of this specific objective are:

- Formalise adoption of EAC *Industrialisation Development Strategy* as an Act of Parliament;
- Undertake the necessary stakeholder consultations to formulate a regional small and medium enterprise charter or legislation to govern operations of small and medium enterprises in the EAC region;
- Undertake the necessary technical work to enable the EAC Secretariat and Partner States to adopt a regional legislation based on needs assessment, covering mutual recognition agreements and accreditation processes, harmonising documentation, adopting a common regulatory regime for surface transport.

The main expected results to be achieved are:

- EAC *Industrialisation Development Strategy* is adopted and implemented;
- Industrial development in the food chain, leather, wood and pharmaceuticals sectors is enhanced;
- EAC partner states are compliant with their obligations resulting from regional and international trade agreements;
- Intra-EAC trade flows are increased.

PRIORITY AREA 3: REGIONAL NATURAL RESOURCE MANAGEMENT

An indicative EUR 20 million shall be reserved for this area. The overall objective is to improve the quality of inland water quality in the EAC region, notably in Lake Victoria therefore ensuring increased fish quality production.

The following specific objective shall be pursued:

Specific objective: Support the integrated management and development of the shared water and fishery resources of the Lake Victoria Basin

The major operations foreseen are:

- Capacity building support to the Lake Victoria Basin Commission to formulate and implement regional policies on water supply, sanitation and environmental management;
- Support the implementation of water supply and sanitation projects in towns located in trans-boundary water basins, with particular emphasis on conservation agriculture, integrated water resources management, agroforestry and mixed farming systems;
- Improve regional policies, standards and regulatory frameworks on aquaculture production by the Lake Victoria Fisheries Organisation and their implementation by national governments, with specific attention on environmental impact assessments and economic and financial sector analysis;
- Facilitate credit-access schemes to support the development of a fishery value-chain and stimulate private sector investment. Matching grant schemes to medium-size

entrepreneurs and clusters of smaller business farmers will also be considered. Both will aim at developing hatcheries for supply of quality seed-stock, as well as mills to provide fish feed and promotion of ingredient production. Particular attention will be paid to women entrepreneurs and farmers;

- Strengthening technical and management capacities of aquaculture producers and stakeholders through provision of training at existing centres of excellence³⁴, notably to increase knowledge on public-private partnerships and enhance research and development to support technical innovation for selective breeding, disease control, quality of feed and transfer; and to establish model demonstration farms and techniques.

The major policy measures to be taken by the EAC for the fulfilment of this specific objective are:

- Undertaking analysis and stakeholders consultations for Lake Victoria Basin Commission to make informed proposals for joint water release and abstraction policies and joint standards, and have those effectively implemented, and reflected in national investments programmes.
- Operationalisation by the Lake Victoria Fisheries Organisation of the EAC *Aquaculture Strategy* and implementation by each partner state of the policies, strategy and legal framework creating a conducive environment for the private sector to invest in the sub-sector;
- Strengthen enforcement of illegal fishery and illegal trade monitoring system in particular from lake resources;
- Application and enforcement of harmonised environmental impact assessment+ standards and the 2014 EAC *Protocol on Sanitary and Phyto-sanitary Measures* within the aquaculture sub-sector.

The main expected results to be achieved are:

- Joint regional priority investment plan with respect to watershed improvement, sanitation and water supply is developed and implemented;
- Water release and abstraction policy is harmonised and implemented through the establishment of appropriate monitoring systems;
- Aquaculture regional policy and regulatory environment is improved, monitored and enforced, leading to an increase in sustainable aquaculture production and productivity.

CROSS-CUTTING: INSTITUTIONAL CAPACITY BUILDING

An indicative EUR 5 million shall be reserved for this specific objective.

The following specific objective shall be pursued:

³⁴ Kajjansi in Uganda, Sagana in Kenya, and equivalent centres of excellence to be identified in Burundi, Rwanda and Tanzania

Specific objective: Enhance the capacity of the EAC Secretariat and other organs and institutions³⁵ to deliver effectively on their mandates

The major operations foreseen are:

- Strengthen capacity for economic research, planning, implementation, monitoring and evaluation/auditing programmes, as well as resource mobilisation;
- Provision of policy and project preparatory, monitoring and evaluation support for the process of deepening regional integration. This will include studies, capacity building, training and awareness activities;
- If not reached before the beginning of the implementation of the 11th EDF RIP, upgrade EAC management procedures to international standards, namely the EU pillars for joint management (internal control, accounting and independent external audit, plus possibly the rules for grants, procurement and financial instruments or sub-delegation);
- Strengthen capacity to produce and disseminate timely, comparable regional economic and trade statistics and develop an integrated statistics database, in close coordination with the support provided to the African Union in the area of statistics;
- Support EAC partner states in improving their reporting on the transposition of regional policies at national level;
- Undertake visibility actions on EU-EAC cooperation. Strengthening the capacity of key organs and institutions to achieve their mandate (of priority will be the East Africa Legislative Assembly, East Africa Court of Justice, Lake Victoria Fisheries Organisation and Inter-University Council of East Africa).

The major policy measures to be taken by the EAC and EAC partner states for the fulfilment of this specific objective are:

- Finalise and implement the EAC Secretariat Institutional review;
- Apply the recommendation of the EAC Capacity Development Action Plan;
- Review the implementation of the 4th EAC Development Strategy and define priorities under the 5th development strategy.

The main expected results to be achieved are:

- Improved performance of the EAC Secretariat and partner states in the implementation of successive EAC development strategies;
- Strengthened resource mobilisation, strategic planning, coordination, policy development, implementation, public financial management, evaluation and monitoring;
- Improved implementation rate for projects supported under the 11th EDF;
- Improved production and dissemination of harmonised regional statistics.

³⁵ EAC Legislative Assembly, EAC Court of Justice, East African Community Civil Aviation Safety and Security Oversight Agency (CASSOA), East African Development Bank, Lake Victoria Fisheries Organisation, Inter-University Council of East Africa, Lake Victoria Basin Commission

II-C EU SUPPORT TO THE INTER-GOVERNMENTAL AUTHORITY FOR DEVELOPMENT (IGAD) REGION

1. THE POLICY PERSPECTIVES OF THE IGAD REGION

The Intergovernmental Authority on Development (IGAD) comprises the eight countries of Djibouti, Eritrea, Ethiopia, Kenya, Somalia, Sudan, Uganda and South Sudan (Eritrea suspended its membership in 2007). The IGAD region covers an area of 5.2 million km² with a total population of over 215 million people.

The geo-strategic importance of the IGAD region, covering the Horn of Africa and beyond, has far-reaching consequences. The region is very diverse, comprising positive economic growth and political and social stability with unstable areas prone to violent conflict, political instability and humanitarian crisis. This instability in the Horn of Africa poses a growing challenge not only to the security of its own peoples but also to the rest of the world.

IGAD's initial focus was on drought resilience, other climate-related threats and socio-economic shocks. Its mandate has been broadened and includes a wider range of sectors, acknowledging the reality in a region experiencing a range of problems. The mandate calls for an approach to regional integration, economic cooperation and social development, peace and security, humanitarian affairs and natural resource management. This approach is outlined in the IGAD *Regional Strategy* adopted in 2011 (revised in 2013), in which a number of sector and cross-sector strategies have been developed to guide the delivery of the IGAD mandate. In line with the African Union *Commission Strategy*, the IGAD *Regional Strategy* is built on four strategic pillars, around which the core programmes of IGAD are organised, each with a strategic objective:

- i. Agriculture, natural resources and environment. Strategic objective: to promote attainment of food security and sustainable management of the environment and natural resources;
- ii. Economic cooperation and integration and social development. Strategic objective: to promote regional economic cooperation, integration and social development;
- iii. Peace and security and humanitarian affairs. Strategic objective: to promote good governance, peace and security, and prevent and address humanitarian crises;
- iv. Corporate development services. Strategic objective: to enhance the corporate capacity of IGAD to effectively deliver its mandate.

The IGAD *Regional Strategy* recognises the complexity of regional integration processes: in respect to relationships with EAC, COMESA and CEN-SAD (Communauté des Etats Sahélo-Sahariens), where an IGAD member country belongs to two or more of these institutions, IGAD will negotiate and enter into cooperative agreements to avoid duplication of efforts and wastage of resources. Such agreements will be essential within the framework of the 11th EDF Regional Indicative Programme. All IGAD member states with the exception of Somalia and South Sudan are members of COMESA, and Kenya and Uganda are also members of the EAC. It must be ensured that multiple memberships reinforce and complement policy objectives rather than resulting in a duplication of processes and programmes.

Parts of the region are marked by chronic instability and institutional fragility, and by cycles of violence which cause significant harm to the population and have an adverse impact on general socio-economic development in the more stable parts of the region. The porous nature of many borders in the IGAD region means that IGAD member states are vulnerable to spill-over of conflict from neighbouring states, irregular cross-border movements and trans-national threats such as terrorism and piracy.

Unaccountable government and corruption mixed with societal tensions have been manifested in some parts of the Horn. In others, the absence of the rule of law or an administrative vacuum has permitted piracy and terrorism to flourish. Inter-state rivalry, often over disputed use of water resources or as a result of forced movement of people, also risks breaking into conflict between states as well as within them. The frozen border dispute between Ethiopia and Eritrea has a particular significance as it has influenced regional politics. The region is currently suffering from two major conflicts, in South Sudan and Somalia, with destabilising regional effects. IGAD has assumed a mediation role in Somalia and the on-going South Sudan conflict which is recognised and supported by the international community.

The economic situation for the IGAD region is diverse. Some countries are experiencing economic growth and investment whilst others are characterised by high youth unemployment, low productivity, poorly developed domestic market structures, heavy debt burdens, and poor infrastructure. Stress on natural resources is exacerbated by high population growth and increasing urbanisation, provoking further socio-economic problems in cities and depleting the productive work force in rural areas. The agricultural sector remains of key importance, as it is still the principal source of employment for over 80% of the population. Revenues from the sector contribute an average of 15% to member states' GDPs with over half of this contribution coming from the livestock trade.

Poor communication and weak energy distribution infrastructure, limited access to new technologies and innovations and low human resources capacity also impact negatively on prospects for growth. The region faces many environmental challenges, including population pressure, land clearing, overuse and degradation, uncontrolled toxic waste disposal, dumping at sea, tenure uncertainty and overgrazing, and extinction of native species. All can lead to drought, desertification, soil erosion and reduction of arable land and pasture, landslides, increased occurrence of floods and storms caused by climate change, destroying the ecosystems.

These challenges, if properly managed and turned into assets, could contribute significantly to the economic development of the region. A population of over 215 million covering a vast territory provides a sizeable market that has the potential to attract both domestic and foreign investors.

1.1. MEDIUM-TERM OUTLOOK

The institutional foundation of the EU's relationship with most of the Inter-Governmental Authority on Development - IGAD's member states and IGAD itself is the *Cotonou Partnership Agreement*.

Since November 2011 the EU Foreign Affairs Council adopted a *Strategic Framework for the Horn of Africa*, to guide its engagement in the region. The *Strategic Framework* underlines the five main areas that need to be addressed as part of a comprehensive approach to achieve the EU's objectives for the region, namely (i) democratic and accountable state structures, (ii) peace, security, conflict prevention and resolution, (iii) mitigation of the effects of insecurity

in the region, (iv) poverty reduction, economic growth and prosperity and (v) regional cooperation. Through this approach, the EU will pay special attention to root causes and drivers of conflict, and to lagging development.

In the framework of the 11th EDF, the focus will be on IGAD's four strategic objectives (pillars), in particular those aspects where EU-IGAD cooperation has the biggest added value and is fully complementary with other ongoing programmes. EU support to the IGAD region will reinforce the strategic objectives outlined in both the IGAD and EU strategies, building and maintaining effective synergy between regional and national programmes, other EU initiatives and those of other development partners. Consequently, results-oriented coordination is required at all stages of the programme cycle.

Continued EU engagement will be in support of efforts at continental (*African Union Peace and Security Architecture/APSA/African Governance Architecture*), regional (including through IGAD) and national level to achieve lasting peace, security, justice and good governance, based on the democratic principles of inclusiveness, the rule of law and respect for human rights.

The greatest risk to the implementation of programmes designed to address the challenges described above is lack of financial support from IGAD member states. IGAD will strive to demonstrate the benefits accruing from IGAD membership, and to publicise its successes, in order to secure full support from member states. IGAD member states will need to maintain their commitment in order to ensure the success of the programmes, and to enable timely achievements of the objectives.

At operational level, IGAD's efficiency is challenged by constraints on its resources, and on the need to comply with EU procedural requirements that support accountability. Its capacities in terms of conflict prevention, mediation, preventive diplomacy as well as crisis management will need to be continuously strengthened to ensure that it takes charge of the security situation in its region. Further action will be taken to recruit and train staff, in order to improve its programme management capability.

2. PRIORITY AREAS OF INTERVENTION

The Regional Indicative Programme is based on the indicative allocation for the IGAD region amounting to EUR 80 million. Expected results, their corresponding indicators and sources of verification agreed between IGAD and the EU are in the intervention framework in Annex 3.

For the purpose of the implementation of the specific objectives listed below, the duly mandated regional organisation is IGAD. The governments of IGAD member states, other regional and international organisations and other stakeholders may be involved. Implementing partners will be jointly defined by the EU and IGAD during project identification.

The indicative allocation will be distributed as follows:

PRIORITY AREA 1 - PEACE, SECURITY AND REGIONAL STABILITY

An indicative EUR 40 million shall be reserved for this area. The overall objective is to achieve sustainable peace, security and stability for the attainment of economic integration and development of the IGAD Region.

The following specific objectives shall be pursued:

Specific Objective 1: Strengthen conflict early warning and response mechanism

An indicative EUR 10 million shall be reserved for this specific objective.

The major operations foreseen are:

- Map current structural and operational weaknesses of CEWARN (IGAD Conflict Early Warning and Response Mechanism) and propose concrete recommendations; evaluate information gaps to ensure data analysis is based on threat and risk analysis at regional and national levels;
- Based on the previous activities, upgrade the capacity of CEWARN to collect and analyse disaggregated data and strengthen the real time response mechanism;
- Strengthen capacity at local and national level (Conflict Early Warning Response Units), and streamline the functioning of the Rapid Response Fund;
- Strengthen monitoring and evaluation for CEWARN;
- Strengthen the role of civil society organisations at local level in peace-making efforts.

The major policy measures to be taken by IGAD for the fulfilment of this specific objective are:

- *CEWARN Strategy Framework* is fully integrated into regional, national and local norms;
- Relevant national ministries harmonise approaches to conflict situations by adopting the IGAD formulated policy frameworks.

The main expected result to be achieved is:

- Conflict early warning and response mechanism strengthened.

Specific objective 2: Improve mediation and preventive diplomacy

An indicative EUR 15 million shall be reserved for this specific objective.

The major operations foreseen are:

- Assess operational needs of the IGAD Mediation Support Unit;
- Support the establishment of sustainable, adequate, reliable and flexible funding mechanisms to facilitate rapid mediation initiatives;
- Operationalise linkages between CEWARN, the Conflict Early Warning and Response Mechanism, and the Mediation Support Unit to ensure identification of deteriorating conflict situations/expansion of local-level conflict;
- Support activities for capacity development and exchange of best practice in conflict prevention, peace-building, democracy, good governance, human rights, and elections;
- Continue to support and assist ongoing mediation efforts in Somalia and South Sudan.

The major policy measures to be taken by IGAD and its member states for the fulfilment of this specific objective are:

- IGAD member states endorse IGAD's Mediation Support Unit;
- To develop and validate the guidelines to administer the IGAD Mediation Fund;
- Member states increase their accession and domestication of international treaties and conventions to promote democracy, good governance and human rights.

The main expected result to be achieved is:

- Mediation and preventive diplomacy of IGAD is improved.

Specific objective 3: Counter existing, evolving and emerging trans-national security threats

An indicative EUR 15 million shall be reserved for this specific objective.

The major operations foreseen are:

- Strengthen institutional framework and operational efficiency of IGAD's Security Sector Programme and relevant member states' agencies and institutions;
- Develop mechanisms for regional cooperation and promote exchange of information and experiences on security institutions capacity building in the IGAD region as well as development of common regional cooperation and information-sharing mechanisms in addressing transnational security threats;
- Develop and promote capacity building and other programmes as well as regional legal frameworks to combat trans-national security threats, including training on human rights and respect for the rule of law, taking into account existing and complementary initiatives;
- Awareness-raising on transnational security threats between governments, parliaments, agencies, and civil society organisations, with a view to forging a consensus on perceived threats.

The major policy measures to be taken by IGAD for the fulfilment of this specific objective are:

- Member states adopt and integrate international and regional normative framework(s);
- Ratification finalised by the remaining member states of the *Mutual Legal Assistance and Extradition Convention* and implementation enforced;
- Member states committed to engage themselves in the capacity building and awareness-raising programmes to be delivered by IGAD's Security Sector Programme.

The main expected result to be achieved is:

- Relevant authorities and organisations are more efficient in countering existing, evolving, and emerging trans-national security threats.

The activities in support of this specific objective will be developed in close coordination with those of the suggested cross-regional programme on maritime security, taking into account existing and complementary initiatives of the EU at regional, national and local levels.

PRIORITY AREA 2: REGIONAL ECONOMIC INTEGRATION

An indicative EUR 10 million shall be reserved for this area. Building on what the EAC has already achieved, the overall objective is to enhance the economic integration of the IGAD region by reducing barriers to trade and promoting the free movement of persons.

The following specific objective shall be pursued:

Specific objective: Reduce barriers to free movement of persons in the IGAD region³⁶

The major operation foreseen is:

- Support phased migration management programmes that enhance the free movement of persons, including elaboration of migration rules and capacity building immigration management at regional and national levels;

The major policy measures to be taken by IGAD for the fulfilment of this specific objective are:

- Ratification by the member states of the IGAD *Regional Protocol on the Free Movement of Persons*;
- Ensure adherence to migration models used by the African Union and other DMROs (e.g. the *Model Immigration Law* already adopted by COMESA);
- Ratification and roll out of a *Regional Transhumance Protocol*.

The main expected results to be achieved are:

- Strengthened capacity of national migration services to manage legal migration;
- Increased movement of persons, including refugees, across regional borders;
- Pastoral mobility (transhumance) in the region facilitated.

PRIORITY AREA 3: REGIONAL NATURAL RESOURCE MANAGEMENT

An indicative EUR 25 million shall be reserved for this area. The overall objective is to enhance resilience while increasing productivity and preservation of the natural resource base in the region. The need for a comprehensive and holistic approach to build the resilience of vulnerable communities to address deep-rooted poverty and environmental degradation has been widely recognised. IGAD has responded by developing an IGAD *Drought Disaster Resilience and Sustainability Initiative (IDDRSI)* to support communities in their efforts to not only resist the effects of adverse changes and to adapt to new circumstances, but also to withstand and recover from shocks.

While a number of projects have been initiated by development partners and national governments to implement the IDDRSI or other resilience-building programmes, the activities developed in this priority area will address the issue of resilience building not from the

³⁶ Activities in this area will be formulated and implemented in close coordination with interventions foreseen under the EAC and COMESA sub-regional envelopes, with a view to focusing on activities not addressed by EAC and COMESA and in close coordination with the proposed cross-regional programme on migration.

national perspective but rather from a regional point of view with cross-border dimensions, given the transhumant nature of pastoralism in the region. They will also ensure complementarities between regional and trans-border activities in the same areas of intervention, while aligning development interventions with the resilience building needs of the communities. The following specific objectives shall be pursued:

Specific objective 1: Enhance resilience of (agro-) pastoralist populations

An indicative EUR 15 million shall be reserved for this specific objective.

The major operations foreseen are:

- Contribution to the trust funds in support of the IGAD-FAO *Partnership Programme on Drought Resilience*;
- Improve fodder production and access to water resources for pastoralists, with particular attention to women pastoralists;
- Improve health and value by weight of livestock, as well as processing, traceability as a guarantee of quality and marketing of livestock products;
- Improve rangeland management and develop infrastructure for feed and water storage;
- Strengthen and support an integrated early warning system through the IGAD Resilience Analysis Unit (a joint initiative by IGAD, FAO, UNDP, UNICEF and WFP supporting IGAD member states, development partners, and other stakeholders in measuring resilience);
- Provide information on, and access to, improved agricultural practices and technology in the agricultural sector (increased use of fertilisers – both organic and chemical, better seeds, improved pest control and water management), with particular attention to the role of women in the agricultural sector.

The major policy measures to be taken by IGAD for the fulfilment of this specific objective are:

- Protocol for the integrated early warning system is proposed;
- IGAD livestock early warning system fully integrated into national frameworks.

The main expected results to be achieved are:

- Volume and quality of agricultural products and products of animal origin are increased;
- The role of women pastoralists is enhanced;
- Land degradation is reduced.

Specific objective 2: Promote sustainable ecosystem rehabilitation and management of natural resources

An indicative EUR 10 million shall be reserved for this specific objective.

The major operations foreseen are:

- Promote sustainable ecosystem rehabilitation and management of natural resources (forest, biodiversity, renewable energy use);
- Improvement of the capacity of local operators to develop renewable energy projects.

The major policy measures to be taken by IGAD for the fulfilment of this specific objective are:

- IGAD *Regional Environment Policy and Strategy* to be endorsed and national policies harmonised;
- *Protocol on Trans-boundary Environment Assessment in IGAD Region* endorsed by all member states;
- Policy and strategy on renewable energy is developed and domesticated.

The main expected results to be achieved are:

- Reduced deforestation;
- Destruction of biodiversity is mitigated;
- Increased use of renewable energy by households.

CROSS-CUTTING: INSTITUTIONAL CAPACITY BUILDING

An indicative EUR 5 million shall be reserved for this area.

The overall objective is to provide the IGAD Secretariat with institutional support that will enhance its capability and its performance, in the context of the EU pillar review.

The following specific objective shall be pursued:

Specific objective: Enhance the capacity of IGAD Secretariat to enable it to deliver on its mandate effectively

The main operation foreseen is:

- Implementation of the recommendations arising from IGAD's own analysis of its operational capability, to be agreed by the EU and IGAD (to include institutional reorganisation, training and staff recruitment as required).

The main policy measure to be taken by IGAD for the fulfilment of this specific objective is:

- Support from IGAD senior management for the implementation of this process.

The main expected results to be achieved are:

- Improved implementation rate for projects supported under the 11th EDF;
- Enhanced capacity to comply with international standards and procedures in financial and human resources management;
- Enhanced communication with stakeholders.

II-D EU SUPPORT TO THE INDIAN OCEAN COMMISSION (IOC) REGION

1. THE POLICY PERSPECTIVES OF THE IOC REGION

The Indian Ocean Commission (IOC) was created following the preparatory *Conference in Port Louis (Mauritius)* in 1982 and the *Regional Cooperation Agreement of Victoria* in 1984. The five IOC member states are: Comoros (least developed country), France (on behalf of Réunion), Madagascar (least developed country), Mauritius and the Seychelles (both Middle Income Countries), all located in the southwest region of the Indian Ocean. Réunion is an EU Outermost Region.

The IOC is essentially the only African regional organisation to defend the interests of exclusively island and ocean states and territories and it represents those states in wider regional forums and continental or multilateral institutions. Moreover, the IOC is the only regional organisation of the Africa Caribbean Pacific (ACP) group including an EU Outermost Region. Réunion does not have access to the EDF but instead to the European Regional Development Fund (ERDF) which includes a specific envelope for regional cooperation with neighbouring countries and territories (*Territorial Operational Programme*). This fact presents both challenges and opportunities. A specific regional committee has been set up to promote linkages, and complementary actions have already been developed in selected areas such as biodiversity, fisheries, and sustainable development of small island developing states. Since 2007, the IOC is the only intergovernmental organisation implementing a regional strategy to fight illegal unregulated unreported fishing in the Indian Ocean in partnership with its member states and the EU.

Since its foundation, the mission of the IOC has been political and regional cooperation, with the gradual development of actions in many broad areas, ranging from the political and diplomatic action to the effective and beneficial integration of the region in the world economy through the conservation of the environment (including marine and coastal) or animal and plant resources, the protection of populations (civil security and public health) and cultural cooperation, academic and research.

The IOC countries share the "Indianocéanie"³⁷ together with many common challenges. They also possess important assets. In particular, the exclusive economic zone of the five member states extends over more than 5 million km². This leads to a strong need for the implementation of collective initiatives for the benefit of all member countries and their populations.

The IOC has a two pronged mission geared towards (i) the development of the intra-IOC space and (ii) the collective action vis-à-vis the larger region and globally. The intra-IOC component aims at the development and practical implementation of a genuinely integrated Indianoceanic region. The other component aims at the promotion and integration of this

³⁷ The "Indianocéanie" is an area of the Indian Ocean comprising the western Indian Ocean states and islands linked though the Indian Ocean Commission not only by geography but by shared historical, economic, social, cultural and ecological systems as well as by their common destiny.

Indianoceanic space, of its member states, its populations and civil society organisations within the larger African region and globally.

The IOC was established in a regional and global environment that has undergone radical changes in recent years. In accordance with elements of the uniqueness and specificities that bring its members together, the IOC aspires to meet the new challenges and opportunities which result from recent global economic and environmental changes, especially:

- Governance, peace and stability issues, the development of illicit and cross boundary trafficking and threats to insecurity, including maritime insecurity;
- Accelerating globalisation, particularly emerging from the setup of the *Economic Partnership Agreement* (EPA) between the European Union and the ACP countries;
- Further recognition of the specific developmental challenges of Small Island Developing States;
- Threats to sustainability of marine and coastal resources, including ocean economy;
- Persistent poverty and the increase of pandemics;
- Climate change and natural disasters;
- Food insecurity

From the *Lomé Convention III* to the actual *Cotonou Partnership Agreement*, the EU and the Indian Ocean Commission have been developing a longstanding cooperation in areas where the IOC have a specific value added such as the management of the marine environment and resources, of island and coastal biodiversity, and sustainable development.

The IOC 11th EDF Regional Indicative Programme will be implemented under the auspices of a grouping extended to 25 Eastern and Southern African and Indian Ocean countries grouped around COMESA, IGAD, EAC, IOC and SADC. In this context the programming process for the IOC will focus on:

- The areas which offer a comparative advantage over that of other regional organisations;
- Equipping itself with the greater professional capacity to promote its position and its expertise in its own areas of excellence;
- Improving the visibility of its actions to enhance its international standing and to foster a better appreciation of its role in those communities which benefit from its programmes.

Through the IOC sub-component, the IOC member states wish to further strengthen their links of solidarity within the South Western Indian Ocean whilst strengthening the role and the place of the IOC in the larger regional environment.

The IOC priorities for 11th EDF Programming will underpin the implementation of key pillars of the organisation's *Strategic Development Plan*. Though this Plan provides large areas of regional cooperation and integration, the priorities for 11th EDF will focus on building a strong and unified "Indianocéanie" through:

- Stability, security and diplomacy defending the interests of island states;
- An inclusive economic growth facilitating competitiveness and business;
- A resilient and sustainable island and oceanic environment.

These priorities chosen for support under 11th EDF are coherent with the EU Development policy provisions as defined under the *2005 European Consensus for Development and the 2012 Agenda for Change*. They underscore the EU value-addition in terms of the *Agenda for Change* second pillar on inclusive and sustainable growth for human development, in particular inclusive and sustainable growth, notably through a stronger business environment, deeper regional integration, and the sustainable agriculture axis with emphasis on food security. Capacity building of the IOC and its constituents remain a cross cutting component of these priorities. In addition, the gender and youth dimensions for the priority sectors of intervention will be further integrated as cross cutting issues at the identification and formulation phase in line with the *IOC Regional Strategy and Action Plan for Gender*.

The programming exercise will take into account the current support from the EU as well as with other partners.

1.1. MEDIUM-TERM OUTLOOK

To meet its goal for more concrete and more visible results, the IOC intends to follow a double prioritisation exercise, focusing on a few major areas of activity (1st level of prioritisation), and within each of its priority areas, focusing its intervention on one or two projects (2nd level of prioritisation).

This principle of prioritisation translates the choice of priority key interventions in accordance with the vision, mission, and fundamental objectives of the IOC. It will be applied to its multiannual programming period, a process that was agreed at its Council beginning 2013. In order to focus on these key priority interventions, the IOC will strengthen the links with the national structures beyond the first level of interaction with its member states (the Permanent Liaison Officers), both at the highest political level and at the technical level, including:

- sectoral ministries and parliamentarians of the member states;
- future national committees underpinning regional cooperation;
- key concerned civil society organisations.

It is in this context that the IOC Council endorsed a *Strategic Development Programme* in January 2013 for the period 2013-2016.

The envisaged areas of intervention will be consistent with on-going EU funded programmes and missions and with the cross-regional programmes, in particular, in the domains of (a) fisheries, (b) maritime security, (c) iEPA implementation, (d) migration and (e) wildlife. Improvement in infrastructure networks is also a priority for the IOC for better connectivity among its member states in view of enhancing regional integration. As part of the process for providing institutional support to the IOC in formulating regional infrastructural projects, consistency will be maintained in enabling the IOC to having access to the capacity development component of the infrastructure envelope. The selection of sectors of intervention is based on the experience of the IOC and conclusions of sectoral studies. The three priority areas have been identified based on lessons learnt and value addition developed under 9th and 10th EDF. Identification and formulation of projects will also take due consideration of lessons learnt from previous projects. In addition, a comprehensive risk analysis encompassing all forms of risks: political, institutional, financial, technical and implementation risks as well as mitigating measures will be undertaken at the level of identification and formulation of projects.

2. PRIORITY AREAS OF INTERVENTION

The Regional Indicative Programme is based on the indicative allocation for the IOC region amounting to EUR 50 million. Expected results, their corresponding indicators and sources of verification agreed between the IOC and the EU are in the intervention framework in Annex 3.

For the purpose of the implementation of the specific objectives listed below, the duly mandated regional organisation is the IOC. The governments of IOC member states, other regional and international organisations and other stakeholders may be involved. Implementing partners will be jointly defined by the EU and the IOC during project identification.

The indicative allocation will be distributed as follows:

PRIORITY AREA 1: PEACE, SECURITY AND REGIONAL STABILITY

An indicative EUR 5 million shall be reserved for this area.

The following specific objectives shall be pursued:

Specific objective 1: Enhance political stability and democratic governance in the IOC Region

An indicative EUR 3 million shall be reserved for this specific objective.

The major operations foreseen are:

- Crisis mediation as part of larger initiatives (continental or regional), foster endogenous political processes, support post-crisis recovery strategies that also promote regional integration;
- Promote IOC participation in the *Africa Peace and Security Architecture* (APSA) and in maritime security discussions;
- Strengthen electoral support capacity of the region for election observation, and facilitate the exchange of expertise and best practices amongst independent national electoral commissions;³⁸
- Promote democratisation, rule of law, human rights and good governance through support to national parliaments, relevant regional and national civil society organisations, media and other relevant regional and national oversight bodies;
- Promote ocean governance.

The major policy measures to be taken by the IOC and its member states for the fulfilment of this specific objective are:

- Implement the mandate given by IOC Council to intervene in crisis and post-crisis management and for electoral observation;

³⁸ EU support will avoid encouraging the duplication of structures and efforts when supporting specific regional organisations in undertaking election observation. Its support to DMROs will be consistent with the broader support EU is providing to the African Union (DCI Pan African Programme 2014-2020) in strengthening its capacities and methodology on election observation, which is based on the EU's own commitments and credibility on election observation.

- IOC's decision to coordinate with the broader regional political context under the aegis of the African Union;
- Coordinate with SADC Secretariat;
- Adopt *IOC Principles on Ocean Governance*.

The main expected results to be achieved are:

- Prevention and mediation of crises enhanced;
- The electoral processes of IOC member states are improved;
- Enhanced regional cooperation and public awareness for good governance;
- Improved ocean governance.

Specific objective 2: Promote the interests of island states

An indicative EUR 2 million shall be reserved for this specific objective.

The major operations foreseen are:

- Regional capacity building for the promotion of islands specificities in regional and international fora;
- Coordinate policies and dialogue with other DMROs including the Tripartite process;
- Develop proposals for special and differential treatment for small island developing states in various regional and international fora (e.g. for EPA implementation, Tripartite process, within the UN systems among others);
- Build capacity regionally for diversification of financial resources including innovative financing;
- Conduct advocacy and promotion of South-West Indian Ocean connectivity.

The major policy measures to be taken by the IOC for the fulfilment of this specific objective are:

- IOC is confirmed as coordinator of the AIMS (Atlantic, Indian Ocean and South China Sea) group;
- Regional connectivity remains a top priority for the IOC Council;
- Involvement of IOC Secretariat in Tripartite process;
- IOC participates as an observer in African Union meetings;
- Diversification of partnerships endorsed by IOC Council;
- Reforms enhancing regional connectivity are undertaken by member states.

The main expected results to be achieved are:

- Specific characteristics of small island developing states are addressed in regional and continental fora and by multilateral institutions;
- Adaptation measures to economic and trade vulnerabilities of small island developing states are developed and implemented;
- Additional resources leveraged in support of small island developing states;
- Advocacy measures contributing to the improvement of regional connectivity are developed and implemented complementary to regional infrastructure projects.

PRIORITY AREA 2: REGIONAL ECONOMIC INTEGRATION

An indicative EUR 7 million shall be reserved for this area.

The following specific objectives shall be pursued:

Specific objective 1: Competitiveness and business facilitation

An indicative EUR 7 million shall be reserved for this specific objective.

The IOC will focus on assisting its member states in developing their competitiveness and improving the business environment to facilitate intra-regional trade, complementary to the Tripartite process, as well as promoting IOC's sub-regional specificities within the EA-SA-IO regional integration agenda.

The major operations foreseen are:

- Support to the private sector representatives of the region, in particular the Union of Chambers of Commerce and Industry of the Indian Ocean (UCCIIO), around the concept of poles of development or sectoral clusters, as a complement to the support provided by the Agence Française de Développement;
- Support to development of public/private governance and networking for regional research and investment partnerships/networking and cooperation between research centres, taking advantage of the technology resources of Réunion and as a complement to ERDF;
- Support the establishment of a European Business Information Centre to facilitate exchange of information pertaining to private sector development in the region;
- Identify priority areas for business facilitation and complementary support to training and regional exchanges initiatives for professionals and entrepreneurs supported through the ERDF, with a particular emphasis on young people and women.

The major policy measures to be taken by IOC and member states for the fulfilment of this specific objective are:

- Promote linkages between public and private sector in IOC member states;
- Agreements and partnerships among IOC member states for sharing of research and development;
- Promote free flows of people and skills in the IOC generally by encouraging abolishment of visas and permits for students, academia and the private sector business community.

The main expected results to be achieved are:

- Improved public/private dialogue and implementation of regional projects;
- Regional networks of excellence of research and investment are created in the IOC region to promote a dynamic productive and commercial response from small and medium enterprises;
- Improved regulatory framework on regional mobility for businesses.

PRIORITY AREA 3: REGIONAL NATURAL RESOURCE MANAGEMENT

An indicative EUR 33 million shall be reserved for this area.

The following specific objectives shall be pursued:

Specific objective 1: Address specific vulnerabilities of island states – climate change and disaster risk management

An indicative EUR 16 million shall be reserved for this specific objective.

The major operations foreseen are:

- Disaster risk management
 - Strengthen regional cooperation among islands in the IOC region on disaster risk management and with the ERDF programmes;
 - Strengthen regional institutional networks on risk knowledge and policies, civil protection and rescue services, post disaster recovery;
 - Enhance technical and institutional capacity building for disaster risk management, information sharing and transfer of research and development results and technology at the national and regional levels³⁹;
 - Implement a regional action plan for innovative risk financing and risk transfer mechanisms;
 - Ensure effective cooperation and joint action with the climate change component of the programming to integrate climate change adaptation measures with disaster risk reduction activities;
 - Support the implementation of the Samoa outcome⁴⁰.
- Climate change adaptation
 - Develop and promote a regional position in relation to the international negotiations on climate change;
 - Improve regional governance of climate change;
 - Implement the IOC regional strategy for adaptation to climate change;
 - Engage in climate change regional strategies in the Indian Ocean within the larger continental or global strategies.

The major policy measures to be taken by the IOC and its member states for the fulfilment of these specific objectives are:

- Endorse recommendations of Samoa International Conference for Small Island Developing States by the IOC Council;
- Implement *Mauritius Strategy for Small Island Developing States*;
- Adopt IOC regional strategy for adaptation to climate change (2012-2020);
- Adopt climate change strategies by member countries.

³⁹ Complementarities will be sought with PanAfrican-funded initiatives in the sector, e.g. the Global Monitoring for Environment and Security Programme.

⁴⁰ Outcome of the Third International Conference on Small Island Developing States (SIDS Conference), 1-4 September 2014, Samoa. Information on the following website: <http://www.sids2014.org/>

The main expected results to be achieved are:

- Measures to adapt to climate change are financed and implemented at national and regional levels;
- Technical and financial capacity for land use management, urban development and disaster risk management is strengthened in the IOC and member states;
- Regional cooperation with civil protection agencies is strengthened;
- Member states' access to climate change financing is facilitated.

Specific objective 2: Regional Food Security Programme

An indicative EUR 17 million shall be reserved for this specific objective.

The major operations foreseen are:

- Create a regional network of national food security committees in each IOC member country;
- Strengthen regional agricultural statistical data systems;
- Establish a regional food and agricultural marketing association;
- Provide technical assistance to farmers to produce and promote trade under the Fairtrade label;
- Harmonisation of food safety regulations on a regional basis;
- Support IOC member states for implementation of food safety regulations;
- Improve infrastructure for food security for quality and control for conformity with international standards;
- Regionally promote sustainable agricultural and fishing best practices and resilient to risks of climate change and natural disasters;
- Conduct regional exchange programmes and effective training experiences for farmers and fishers;
- Build regional scientific partnerships in agricultural activities with the ERDF-supported CIRAD (Centre de Coopération Internationale en Recherche Agronomique pour le Développement), in Réunion.

The major policy measures to be taken by the IOC Secretariat and IOC member states for the fulfilment of this specific objective are:

- Improve governance and institutional capacity to develop an enabling environment for sustainable agricultural development;
- Harmonise sanitary and phyto-sanitary standards for food and agriculture in the region;
- Support MS to implement harmonised food safety regulations;
- IOC MS to implement sanitary and phyto-sanitary standards and food safety regulations;
- Support agro-ecological approaches to build resilience against climate change;
- Enhance safety nets and food emergency management systems.

The main expected results to be achieved are:

- Strengthened regional policies and management processes in regional institutions;
- Enhanced resilience of smallholders and family farmers;

- Enhanced regional value chains for specific products.

CROSS-CUTTING: INSTITUTIONAL CAPACITY BUILDING

An indicative EUR 5 million shall be reserved for this area.

The following specific objective shall be pursued:

Specific objective: Provide institutional support to the IOC Secretariat and member states, based on the results of an EU "4-pillar audit pre-assessment" conducted in 2013, and a new "7-pillar audit assessment"⁴¹ to be undertaken. Key areas for improvement and required support will be identified, taking into account complementary support from IOC member states and other development partners.

The major operations foreseen are:

- Train on result-based planning, programme implementation and monitoring;
- Report on the implementation and adaptation of the *Strategic Development Plan* and relating budgeting;
- Design and develop a planning, budgeting and monitoring system;
- Improve IOC effectiveness and efficiency in the coordination and implementation of programmes, including those related to regional connectivity measures and infrastructure;
- Prepare and supervise programmes;
- Strengthen the IOC Secretariat, in particular in internal audit and procurement;
- Upgrade IOC management procedures to international standards, namely the EU seven pillars for joint management;
- Support IOC member states to implement the mechanism for reporting on the transposition of regional policies at national level;
- Coordinate with member states;
- Undertake visibility actions on EU-IOC cooperation.

The major policy measures to be taken by the IOC and IOC member states for the fulfilment of this specific objective are:

- IOC decision on medium term development plans;
- Member states' financial commitments, included in the budget endorsed by the Council, to ensure reinforcement of the Secretariat and sustainability of posts;
- Regional policies mainstreamed at national level.

The main expected results to be achieved are:

- Improved performance of the IOC and member states in the implementation of the *IOC Strategic Development Plan* and results-based management tool;
- Enhanced public financial management capacities at IOC.

⁴¹ In line with EU new financing regulations.

II-E EU SUPPORT TO THE SOUTHERN AFRICAN DEVELOPMENT COMMUNITY (SADC) REGION

1. THE POLICY PERSPECTIVES OF THE SADC REGION

The Southern African Development Community (SADC) was established on 1 April 1980, as the Southern African Development Coordination Conference (SADCC). Its goal then was mainly to advance the cause of political liberation of the entire Southern African region. On 17 August 1992, in Windhoek, Namibia, a new treaty was adopted, transforming the Coordination Conference into the present-day Southern African Development Community (SADC), and with objectives focusing more strongly towards regional economic cooperation, integration and development.

The *SADC Integration Agenda*, objectives, strategies as well as the main areas of regional cooperation and integration are articulated in the *Regional Indicative Strategic Development Plan* (the RISDP) (2003) and the *Strategic Plan of Organ* (SIPO), adopted in 2003. The RISDP and SIPO provide the main strategic direction with respect to implementation of *SADC Treaty*, protocols, policies, programmes, projects and activities.

The main areas of regional cooperation and integration as articulated in the RISDP and SIPO include (i) politics, defence and security cooperation, (ii) industrialisation, trade and economic liberalisation, (iii) infrastructure development, (iv) food, agriculture and natural resources, (v) social and human development and (vi) cross-cutting areas of regional dimension.

SADC's prospects to attain its overarching goals of regional integration and sustainable development depends, to a large extent, on the existence of effective productive systems, industrial development and modernisation, infrastructure development and greater levels of trade and investment, as well as peace, political stability and good governance, sustainable use of natural resources and capacity for mobilising resources.

Looking ahead, SADC aspires to deepen regional integration and economic development in order to achieve increased levels of trade, larger and efficient regional markets, competitive and diversified industrial development, macroeconomic stability and convergence, increased cross-border and foreign direct investment, economic growth, poverty eradication and sustainable development. This is based on the notion that trade and economic liberalisation are crucial enablers and drivers of regional economic integration and development.

The establishment of the SADC Free Trade Area in 2008 represents an important milestone in the regional integration process – and constitutes an essential building block within the broader African integration context. Although Angola, the DRC and Seychelles are not yet part of the Free Trade Area, Seychelles is now at the final stages of acceding to the *Protocol on Trade* following approval of its tariff offer by the Committee of Ministers of Trade in July 2014. At the same time, SADC aims to deepen regional integration through the COMESA-EA-SADC Tripartite and pursue the African Union agenda for a wider Continental economic integration. Notwithstanding this, however, economic integration has not progressed beyond the Free Trade Area despite the objectives set to deepen integration towards a Customs Union and Common Market.

SADC also focus on the following issues:

- Facilitating financial sector cooperation and liberalisation in the region, all SADC member states are to accede to the *SADC Protocol on Finance and Investment*. SADC adopted the *Regional Infrastructure Development Master Plan* in 2012, as the main blueprint for the achievement of efficient, integrated and cost-effective cross-boundary infrastructure networks and services, thereby enabling economic development, regional integration and poverty alleviation in the region.
- Regarding peace, security and regional stability, SADC has mainly focused on the strengthening of democratic governance and mediation. For “democratic governance”, the *SADC Guidelines on Democratic Elections and Election Observation* among others is one crucial element. It is expected that these efforts will remain crucial in the future and will contribute towards greater cross-border cooperation and the rule of law.
- Improvement in the social and human capacity to advance regional integration through empowering of women and youth and harnessing of labour productivity.
- The recent adoption of the *SADC Regional Agriculture Policy* further demonstrates SADC member states' continued commitment to addressing food and nutrition security in the region. The interventions proposed for this sector should be able to respond adequately to the region's current challenges and opportunities.

1.1. MEDIUM-TERM OUTLOOK

Overall, economic growth in the SADC region has remained robust and is forecast to continuously pick up in the medium-term. Notwithstanding this, structured policies targeted towards reducing high inequalities and promoting inclusion are needed to further spur growth and socio-political stability.

The RISDP (*Regional Indicative Strategic Development Plan*) outlines SADC's main milestones and targets. In the last ten years SADC has made notable progress towards the attainment of these. In 2012, SADC embarked on the revision of the RISDP to take into account the new dynamics and developments at play in the global, continental and regional environments, and to test the soundness of the set regional targets and timeframes. It is expected that the main priorities will be as follows:

- i. Industrial development and market integration, including sustainable industrial development; productive competitiveness and supply side capacity; free movement of goods and services; stability oriented macroeconomic convergence; financial market integration and monetary cooperation; intra-regional investment and foreign direct investment and deepened regional integration;
- ii. Infrastructure in support of regional integration;
- iii. Peace and security cooperation;
- iv. Special programmes with a regional dimension under: education and human resource development; health; HIV and AIDS, and other communicable diseases; food security and trans-boundary natural resources; environment; statistics; gender equality; science, technology and innovation; as well as research and development.

This RIP already takes into account the emerging priorities from the revised RISDP 2015-2020 by allocating financial resources to each of the above priorities.

Innovative 10th EDF programmes, such as the *Trade-related Facility*, feature prominently on the agenda of SADC and are maintained as proposed areas of intervention for the 11th EDF. The reason being is that this would strengthen member states' engagement with regional integration and provide the member states with the tools required to implement the regional agenda at all levels.

2. PRIORITY AREAS OF INTERVENTION

The Regional Indicative Programme is based on the indicative allocation for the SADC Region amounting to EUR 90 million. Expected results, their corresponding indicators and sources of verification agreed between SADC and the EU are in the intervention framework in Annex 3.

All actions to be implemented under this envelope will be identified and formulated with due consideration to inclusivity and gender mainstreaming and as such will contribute to achieving the targets highlighted in the *SADC Protocol on Gender and Development (2008)*.

For the purpose of the implementation of the specific objectives listed below, the duly mandated regional organisation is SADC. The governments of SADC member states, other regional and international organisations and other stakeholders may be involved. Implementing partners will be jointly defined by the EU and SADC during project identification.

The indicative allocation will be distributed as follows:

PRIORITY AREA 1: PEACE, SECURITY AND REGIONAL STABILITY

An indicative EUR 15 million shall be reserved for this area.

The overall objective is to support the SADC Secretariat in fostering peace, regional stability, democratic governance and accountability across the region as essential elements underpinning regional integration and socio-economic development.

The following specific objectives shall be pursued:

Specific objective 1: Strengthen the infrastructure for peace, security and regional stability

An indicative EUR 5 million shall be reserved for this specific objective.

The major operations foreseen are:

- Strengthen democratic governance through continued support to the enhancement of SADC capacity to coordinate professional conduct of elections across the region through institutional capacity strengthening and to monitor that due consideration is given in all electoral processes to the participation of women, youth and disabled citizens as voters, candidates and electoral staff;
- Strengthen accountability of the regional authorities in the SADC region, through improved interaction, consultation and cooperation between SADC structures and civil society, women and youth including by establishing or strengthening institutionalised

coordination, oversight and consultation mechanisms to strengthen demand for accountability and foster consultative processes. This includes support towards improved inclusive monitoring of the SIPO;

- Enhance SADC Secretariat's capacity for threat monitoring and prevention as well as peaceful dispute settlement: It is foreseen to continue support to the Mediation Unit – with particular attention to the positive role women can play in conflict mediation in accordance with the UN Security Council Resolution 1325 on *Women, Peace and Security*, but also strengthen the early warning system and encourage interaction with civil society organisations towards joint threat monitoring, ensuring complementarities with actions funded under the *African Peace Facility* in providing more comprehensive analysis and threat monitoring.

The major policy measures to be taken by SADC for the fulfilment of this specific objective are:

- Strengthen the normative framework for what constitutes democratic governance;
- Strengthen the capacity of the SADC Electoral Advisory Council;
- Establish a follow up system for SADC Electoral Observation Missions;
- Establish structured and systematic consultation processes with civil society organisations at national and regional levels to ensure accountability of regional policy and strategic frameworks;
- Adopt a framework for the inclusion of youth and women in the regional integration process;
- Adopt a standard framework for mediation/conflict prevention through the establishment of guidelines and principles;
- Adopt a normative framework for mediation/conflict prevention through the establishment and implementation of SADC guidelines and principles on mediation;
- Adopt a normative framework for SADC engagement in early warning.

The main expected results to be achieved are:

- Strengthened SADC capacity to provide electoral assistance and conduct credible electoral observation;⁴²
- Strengthened accountability of regional authorities through an enhanced interface between SADC structures and civil society;
- Enhanced SADC capacity for threat monitoring, prevention and peaceful dispute settlement.

Specific objective 2: Promote regional stability through increased respect for rule of law and enhanced public security across the SADC region

An indicative EUR 10 million shall be reserved for this specific objective.

The major operations foreseen are:

⁴² EU support will avoid encouraging the duplication of structures and efforts when supporting specific regional organisations in undertaking election observation. Its support to DMROs will be consistent with the broader support EU is providing to the African Union (DCI Pan African Programme 2014-2020) in strengthening its capacities and methodology on election observation, which is based on the EU's own commitments and credibility on election observation.

- Strengthen capacity to uphold and enhance cross-border safety and security, through the development of joint rights-based training programmes, that include anti-corruption modules, but also deployment of capacity building measures and joint actions to address trans-national criminal activities (e.g. smuggling and trafficking of small arms, precious commodities and drugs, smuggling of migrants and trafficking of persons). The development of a rights-based approach towards police training and curricula development is key to ensure the provisions of the *Protocol on Gender and Development* are realised (e.g. protection of equal access to justice for women and other disadvantaged groups); the continuation of support to address trafficking in persons is equally important as the main victims of such practices are women, children and other vulnerable groups in society⁴³;
- Develop a model for integrated approaches to cross-border safety and security, considering the nexus of security, economic integration/trade and migration. Such integrated approach is to address all different positive aspects of migration and economic integration with due consideration for possible negative side-effects of irregular migration and security concerns.

The major policy measures to be taken by SADC for the fulfilment of this specific objective are:

- Establish and foster clear normative frameworks;
- Harmonise regulatory frameworks and operating procedures across the SADC member states;
- Establish joint rights-based and gender-sensitive training curricula for law enforcement officials;
- Domesticating and foster implementation of the Protocols⁴⁴ and the SADC *Strategic Plan of Action on Combating Trafficking in Persons*; and
- Establish a cross-sector policy dialogue on integrated border management.

The main expected results to be achieved are:

- Strengthened capacity to uphold and enhance cross-border safety and security;
- Model for integrated and gender-sensitive approaches to cross-border safety and security developed and implemented.

PRIORITY AREA 2: REGIONAL ECONOMIC INTEGRATION

An indicative EUR 47 million shall be reserved for this area. The overall objective of this priority area is to deepen regional integration, increase economic growth and reduce poverty through enhancement of trade and financial liberalisation and integration, promotion of competitive and diversified industrial development and increased investments, enhancement of market and economic integration, strengthening the capacity of social partners (employers' and workers' organisations), and support to labour market institutions. The actions to be

⁴³ To be developed in complementarity with activities under the cross-regional migration action.

⁴⁴ *Protocol on Gender and Development* (2008); *Protocol on combating illicit drug trafficking* (1996); *Protocol on the control of firearms, ammunition and other related materials* (2001); *Protocol on the facilitation and movement of persons* (2005); *Protocol on mutual legal assistance in criminal matters* (2002); *Protocol on Politics, Defence and Security Cooperation* (2001).

implemented under this priority area will be designed so as to ensure the equal access, benefit and opportunities of women and men in trade and entrepreneurship, taking into account the contribution of women in the formal and informal sectors⁴⁵. Equally, actions under this priority area will support the SADC region to optimise the full potential of the recently adopted SADC-EU *Economic Partnership Agreement* (EPA).

The following specific objectives shall be pursued:

Specific objective 1: Support for the Consolidation of the SADC Free Trade Area (FTA) and Implementation of the SADC-EU Economic Partnership Agreement (EPA)

An indicative EUR 15 million shall be reserved for this specific objective.

The major operations foreseen are:

- Support Ministries and Departments of Trade and Customs, with a view to reducing non-tariff related obstacles such as ineffective border management, technical barriers to trade as well as the lack of a supportive trade regime for small cross border traders;
- Provide technical assistance and support to prepare and negotiate a second round of commitments of the SADC *Protocol on Trade in Services* in, due to start in 2018;
- Support effective preparation for, and execution of SADC EPA implementation, so that SADC members of the EPA Group (Botswana, Lesotho, Mozambique, Namibia, South Africa⁴⁶ and Swaziland) can maximise the EPA's full trade potential. This may include support to SADC EPA member states to negotiate trade in services with the EU;
- Support to SADC's participation in interregional and continental integration processes, including the COMESA-EAC-SADC *Tripartite Agreement*; the African Union's *Minimum Integration Programme*; and the *Boosting Intra-African Trade and Continental Free Trade Area* initiatives for the African Union RECs.

The main expected results to be achieved are:

- Higher levels of compliance with SADC *Trade Protocol* commitments by SADC member states achieved;
- Non-tariff barriers reduced;
- Agreement establishing the *Tripartite Free Trade Area* concluded, signed and ratified.

Specific objective 2: Support towards industrialisation and the productive sectors

An indicative EUR 18 million shall be reserved for this specific objective.

A regionally coordinated industrialisation strategy is still being developed following adoption of the SADC *Industrial Development Framework* in 2012 and its implementation is directly

⁴⁵ Art. 17, SADC *Protocol on Gender and Development* (2008)

⁴⁶ At this stage and in accordance with *Protocol 3 on South Africa* of the *Cotonou Agreement*, South Africa's participation in activities funded under this RIP will be fully financed from the resources provided for under Title VII of the *1999 Trade, Development and Cooperation Agreement* (i.e. from the special financial facility established under the EU budget). South Africa's participation in specific actions will be discussed in the context of the identification and formulation of the actions to be financed from the RIP.

linked to the implementation of the other key economic integration instruments such as the *Protocol on Trade in Services*, *Regional Agricultural Policy*, *Regional Infrastructure Development Master Plan* and the *Procurement Policy*.

SADC through its *Industrialisation Policy Framework* has identified nine priority sectors, namely, agro-food processing; fisheries; forestry (wood and wood products); textiles and garments; leather and leather products; processing of mineral (metallic and non-metallic) products (beneficiation); pharmaceuticals and chemicals; machinery and equipment; and services. Promotion of regional value chains with global supply chains in these sectors is a priority.

It would be important to develop strategies, which address the opportunities created by both intra-SADC trade and the EPAs, aimed at:

- ensuring competitiveness of the SADC industrial sector,
- identification of growth leading industrial sectors and removal of constraints;
- verify and upgrade capacity related to technical standards and quality infrastructure;
- development of regional beneficiation value chains and value addition in the agriculture, mining and industrial sectors;
- strengthening the capacity of social partners (employers' and workers' organisations), and support to labour market institutions;
- supporting development and modernisation of national industrialisation policies and strategies (where they exist);
- creating a regional environment that enables the effective participation of the private sector; and
- increasing the export potential of the region;
- supporting the development of a SADC *Protocol on Industry*.

The major operations foreseen are:

- Develop the above strategies and ensure their implementation. Enhance the private sector's capacity to take advantage of regional and international trade, with a view to improving the productive competitiveness and supply side capacity, the promotion of regional value chains and value addition/beneficiation, and the operationalisation of the *Industrial Development Framework*.

The main expected results to be achieved are:

- Increased value addition and enhanced value chains in selected priority sectors;
- Support to small and medium enterprises, industries and smallholder farmers enhanced;
- Capacity of member states to develop and implement industrial development policies enhanced.

Specific objective 3: Support to intra-SADC investment and foreign direct investment through improving the business and investment environment

An indicative EUR 14 million shall be reserved for this specific objective.

Future activities linked to this area will build on 9th and 10th EDF programmes and will give special attention to the removal of barriers to doing business in the SADC region.

Opportunities created by the EPAs can lead to intra-SADC investment and foreign direct investment.

The major operations foreseen are⁴⁷:

- Promote a conducive intra-SADC and foreign direct investment environment including tax and monetary co-operation;
- Support policy coordination and investment promotion in order to avoid harmful tax competition, double taxation and lost revenue due to tax incentives;
- Facilitate cross-border transactions, improve the business environment and minimise smuggling and fraud;
- Coordinate indirect tax regimes (VAT, excise taxes) and harmonise cooperation in the banking sector.

The main expected results to be achieved are:

- Investment climate and doing business environment enhanced;
- Reduced prevalence of double taxation among member states.

PRIORITY AREA 3: REGIONAL NATURAL RESOURCE MANAGEMENT

An indicative EUR 9 million shall be reserved for this specific objective. The overall objective is to support SADC efforts in the management of natural resources with a particular emphasis on sustainable agriculture, food security, and gender equality.

The following specific objective shall be pursued:

Specific objective: Operationalise SADC's Regional Agricultural Policy to contribute to achieving sustainable food and nutrition security in order to achieve sustainable access to safe, adequate and affordable food

The major operations foreseen are:

- Support the development of the SADC *Integrated Information System* at all levels;
- Facilitate agriculture and food security data management and exchange at regional level;
- Support the implementation of regional long-term control strategies for trans-boundary animal and crop diseases and pests, including early warning and rapid response mechanisms;
- Support the harmonisation and implementation of the sanitary and phyto-sanitary (SPS) standards for agriculture, livestock, and food safety set out by the WTO *Agreement on the Application of SPS Measures* and SPS and agricultural provisions of the SADC EPA;
- Facilitate the development of socially inclusive food and nutrition strategies in member states;
- Promote the drafting, ratification and implementation of regional and national legislation that mainstreams and takes into account gender issues of relevance to agriculture and food and nutrition security;

⁴⁷ Complementarities will be sought with PanAfrican-funded initiatives in the sector, e.g. on public financial management.

- Facilitate member states' respective plans to develop institutional and legal frameworks at national level that address gender issues in the agriculture sector.

The major policy measures to be taken by SADC Secretariat for the fulfilment of this specific objective are:

- Harmonise and standardise data collection methods and outputs and enhance member states' capacity to collect, analyse, process and disseminate data on agricultural production and productivity⁴⁸;
- Improve regulatory frameworks, governance and coordination mechanisms for agricultural trade as well as food and nutrition security; and
- Implement the *SADC Trade Protocol* with respect to trade of agricultural products supported.

The main expected results to be achieved are:

- Enhanced member states' capacity to collect, analyse, process and disseminate data on agricultural production and productivity;
- Regional strategies for reducing plant and animal pests, diseases and post-harvest losses formulated and implemented;
- Reduced social and economic vulnerability of the region's population.

CROSS-CUTTING: INSTITUTIONAL CAPACITY BUILDING

An indicative EUR 19 million shall be reserved for this area.

The following specific objective shall be pursued:

Specific objective: Strengthen the capacity of the SADC Secretariat to harmonise policies and strategies of member states, coordinate, monitor and evaluate the implementation of the *Regional Indicative Strategic Development Plan (RISDP)* and the *Strategic Indicative Plan for the Organ on Politics, Defence and Security Cooperation (SIPO)*

The major operations foreseen, with an allocation of EUR 7 million, include the following areas:

- Strengthen SADC Secretariat's capacity to coordinate transposition of regional policies and legal instruments into national policies and laws that are binding to member states;
- Strengthen SADC Secretariat's capacity for monitoring and evaluating, and reporting compliance of member states with regional integration commitments and obligations. The support may also include statistical capacity building to strengthen this process;
- Strengthen SADC Secretariat management and operational systems and processes in order to comply with internationally recognised standards, particularly the European pillar assessment.

⁴⁸ Complementarities will be sought with PanAfrican-funded initiatives in the sector, e.g. Agricultural Data Project under the Food Facility.

To further support the above objective, an indicative amount of EUR 7 million will be allocated in the following areas:

- Strengthen regional-national linkages as an overall strategy to accelerate implementation of the regional integration agenda; strengthen capacity and coordination for protocol implementation and monitoring especially as it relates to regional integration.

The major policy measures to be taken for the fulfilment of this specific objective are:

- Strengthen regional and national subsidiarity and implementing organisations as articulated in the *SADC Capacity Development Framework* and other similar structures in the implementation of the RISDP and SIPO;
- Continuous institutional reforms to enable the SADC Secretariat to deliver on its mandate effectively;
- Implementation of the recommendations from EU 4-pillar assessment reports.

The main expected results to be achieved are:

- SADC Secretariat's capacities strengthened in coordination, evaluation and monitoring of subsidiarity and implementing structures at regional and national levels;
- Strengthened capacity of regional and national subsidiarity and implementing organisations at regional and national levels in the implementation of the RISDP and the SIPO;
- Enhanced SADC Secretariat capacity to comply with internationally-accepted standards and procedures.

An indicative amount of EUR 5 million of the RIP is reserved for the technical cooperation facility. The facility is intended to provide the SADC region with project preparatory, monitoring and evaluation support for the process of deepening regional integration. The facility will mainly fund capacity building, training and awareness activities.

III EU SUPPORT TO EA-SA-IO UNDER THE INFRASTRUCTURE FINANCING ENVELOPE

1. THE INFRASTRUCTURE POLICY PERSPECTIVES OF EA-SA-IO

Delivering on regional economic integration requires, among other measures, good regional infrastructure. Despite robust gains in GDP in many of the EA-SA-IO countries in recent years, infrastructure inefficiencies continue to slow down integration efforts and growth, and put stress on national resources, both public and private.

The infrastructure deficit that hampers competitiveness needs to be addressed through investments for the development of more integrated transport, energy, ICT and trans-boundary water networks that boost interconnectivity and growth, as identified in regional (DMROs and others) and continental (*Programme for Infrastructure Development in Africa - PIDA*) strategies and/or master plans. The overall objectives per sub-sector, as identified by PIDA, are:

- Reduce transport prices and boost intra-African trade;
- Reduce energy costs and increase access;
- Ensure access to safe water and food security;
- Increase global connectivity.

PIDA defines the projected gaps and bottlenecks created by mismatched supply and projected demand and institutional inefficiencies. The identified needs are:

- Investments and technical preparatory studies for the realisation and/or completion of target key regional projects identified in PIDA, regional strategies or aligned to the principles defined in these documents;
- Sector governance: compliance with regional policies, regulations and standards is key to ensure the sustainability of the investments. The PIDA evaluation shows that the framework of regional and continental policies is fundamentally sound, but their translation into national legislation and their enforcement are major challenges and constitute the principal reason for the high cost and low level of competitiveness. Furthermore, in order to meet the needs for infrastructure development, the region has to mobilise resources from the private sector through public-private partnerships.. However, preconditions are a clear legal framework and guidelines;
- Capacity development: a major constraint to the development of regional economic infrastructure is the lack of expertise in preparation and development of bankable project proposals. This results in a lack of adequately prepared proposals that could be marketed to potential investors which limits severely the ability of countries to access the required resources to finance infrastructure projects. There is also a need for an enhanced capacity of public institutions to initiate, supervise and manage public-private partnerships.

The PIDA process is a useful one in setting the context for investment in regional infrastructure. Over time it may develop into an explicit set of prioritised investments agreed by African Governments as those most likely to enhance integration and growth. Work is ongoing to refine this prioritisation.

Concerning public-private partnerships in particular, blending can be used to assist governments upstream to increase the number of bankable projects that may be financed with the help of the private sector. However, increasing the number of projects is not sufficient: there is also a need for additional risk capital – early stage equity and mezzanine debt – in order to speed up public-private partnerships to reach financial close. Despite the large infrastructure gap, the number of bankable public-private partnerships in sub-Saharan Africa and other developing countries is still low. Many factors contribute to this situation, but at the heart lies the problem that governments are generally ill-equipped to assess whether public-private partnerships are a good solution; they also lack the proper institutional capacities to develop actual projects. At the same time, international investments into African companies are growing. While the deepening of the African financial markets is a positive development, substantial regulatory and analytical capacity is necessary to manage and monitor the engagement with international capital markets.

The indicative geographical distribution will be based on the number of countries and their geographical coverage, resulting in the following indicative proportion of investments⁴⁹:

1. Eastern Africa (Burundi, Djibouti, DRC, Eritrea, Ethiopia, Kenya, Rwanda, Somalia, South Sudan, Sudan, Tanzania, Uganda) – 52% of the envelope;
2. Southern Africa (Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland, Zambia, Zimbabwe) – 38% of the envelope;
3. Indian Ocean (Comoros, Madagascar, Mauritius, Seychelles) – 10% of the envelope.

Investment projects supported from this envelope in Burundi, DRC and Rwanda must be relevant for the integration of these countries in the EA-SA-IOC region though the establishment of better connectivity to countries in that region.

EU support will address projects with a regional dimension that can swiftly and efficiently deliver results, primarily in the sectors of energy and transport, and to a lesser extent in the sectors of water and ICT. This regional dimension will take into account concrete steps to end energy poverty, which is a key barrier for growth and regional integration.

The DMROs and the EU have been engaging on a thorough analysis of the needs in those sectors, in dialogue with national governments, financial institutions and other donors, with the aim of establishing an indicative list of projects to be identified as a priority in the execution of the RIP.

1.1. MEDIUM-TERM OUTLOOK

Interconnectivity plays a crucial role for regional integration, growth and job creation. Against this backdrop, transport sector support will aim at two pillars entailing (i) transport sector investments for strategic and sustainable corridor development and (ii) accompanying regulatory reforms to protect investments and to preserve the network assets.

In this context, the *2012 Special Report No 17 of the Court of Auditors on the road network in Sub-Saharan Africa* highlighted the crucial importance of sector governance for the

⁴⁹ The distribution amongst sub-regions is proportional to allocations under the 11th EDF National Indicative Programmes for the countries mentioned.

sustainability of the investments in infrastructure. In response, this requires a focus on combating overload, addressing sustainable maintenance management and other trade facilitation matters such as one stop border crossings, corridor observatory support etc. to eventually arrive at reduced transport prices for the benefit of end-users. Consequently, attention will be dedicated to the regulatory frameworks at national and regional level in the different sectors and, especially, to their implementation and enforcement.

Combining energy and development requires a holistic approach that includes the overall investment climate, import duties, tariff setting and energy sector regulation. Where increasing access to sustainable energy for people currently living in energy poverty may be the ultimate goal, the way to guarantee its long-term viability is through the creation of a dynamic and viable energy market, especially a regional market. This implies that investments and operations are dealt with in a competitive and transparent way and that customers receive value for invoices that are paid.

Tackling these challenges requires concerted action at all relevant levels, supporting the development of regional infrastructure including increased access, production, transmission, distribution and energy efficiency. Therefore actions in the energy sector should focus on:

- Increase access of the population to sustainable sources of energy and reduction of energy poverty at regional level;
- Promote infrastructure priorities for regional integration to ensure adequate capacity to address the prevalent challenges at the relevant level;
- Support policy and regulatory reforms as a prerequisite for investment from both public and private sources;
- Stimulate private sector investment in energy aiming to create a functional and vibrant energy market;
- Finance innovative approaches of blending and risk mitigation, to mobilise private financing;
- Support capacity building at all levels. Capacity building is at the heart of the “absorptive capacity” of the energy sector for investment; it is the prerequisite for effective know-how and technology transfer and for the localisation of value addition in Africa.

In the ICT sector, there is a need to increase the number of professionals to ensure that demand for services can be met. For a conducive environment, apart from the necessary regulatory reforms (and their domestication) and a faster and cheaper internet access, there is a need to ensure greater interoperability, standards and type approval and to boost internet trust and security, as well as to regulate content. Consideration must also be given to the deployment of broadband cables alongside energy and transport infrastructures, so as to maximise added value of infrastructure investments.

Regional integration needs to be strengthened to ensure adequate capacity to address the prevalent challenges at the relevant level. Cross border exchange and harmonisation will assist the consolidation of regional markets.

2. PRIORITY AREAS OF INTERVENTION

The indicative allocation of EUR 600 million for this area will be distributed as described below.

Expected results, their corresponding indicators and sources of verification are in the intervention framework in Annex 3.

PRIORITY AREA 2: REGIONAL ECONOMIC INTEGRATION

The overall objective is to contribute to sustainable economic development through regional economic integration, with an emphasis on lowering economic costs through more integrated markets, the development of investment and productive capacities and the improvement of economic infrastructures. The following specific objectives shall be pursued:

Specific objective 1: Improved connectivity and efficiency and resilience of regional infrastructure networks

An indicative EUR 525 million shall be reserved for this specific objective that aims to: support the expansion/improvement of infrastructure networks in line with regional and continental strategies, with an emphasis on completing key missing links of regional transport corridors; further develop energy interconnectors, increase energy generation, promote resilient information and communications technology networks interconnectivity; and ensure water availability.

The major operations foreseen are:

- Reduce transport prices and time on major regional corridors: focus investments on regional/continental priority corridors by means of loan/grant blending with financial institutions to boost interconnectivity and growth, thereby considering all modes of transport and promoting the inter-modality agenda;
- Support infrastructure for trade facilitation purposes such as one stop border posts, weighbridges at strategic location, and the like;
- Improve energy access, supply, security and reliability for sustainable energy services and regional energy market;
- Increase affordable and reliable broadband penetration and ICT services and applications at reduced costs in sub-regions where private sector investment prospects are limited: focus on physical interconnections or on facilitating internet exchange may be supported when needed, as well as the aspects of critical information infrastructure protection, including the setting up of Computer Emergency Response Teams (CERTs);
- Increase regional water resource development: focus on water storage infrastructure for food production and trade, multipurpose hydraulic infrastructure, and water transfer investments where trans-border initiatives are viable;
- Support the implementation of water supply and sanitation projects in towns located in trans-boundary water basins.

The main selection criteria will be:

- Alignment with the regional strategy: the project proposed should be in line with the regional strategy.
- Commitment of the implementing country: even if the selection and prioritisation of the regional project is done at regional level, the effective implementation will be

executed at national level. The support and commitment of the implementing country is necessary to guarantee the success of the project.

- In the case of blending operations: healthy management of public finances and countries' commitment to address debt sustainability.
- Maturity of the project: in order to avoid extension of lead time after the formulation of the opinion of the respective facility boards, overall maturity and completeness of the studies (technical, environmental and socio-economical) should be a key factor in the prioritisation of the project.
- Added value of EU intervention: due the limited resources available, the intervention should focus on projects which can demonstrate the additionality of EU grants in terms of financial viability, taking into account quality, timing, impact and/or scale of the project. There will always be a clear rationale for public sector finance.
- Development impact: the projects should ensure the highest possible impact in terms of direct and indirect poverty alleviation through e.g. an increase of sustainable access, economic growth and enforcement of regional initiatives.
- Social, financial and environmental sustainability: the sustainability of the project is a prerequisite to any investment. The proposed scheme should include the technical, managerial and financial resources to guaranty the durability. Additionally, investments should contribute to sustainable development while minimising the impact on the environment.
- Existence of adequate sector regulatory framework: to ensure sustainability of the projects the partner country shall engage in a sector policy dialogue with the EU and/or EU Member States with the objective of reforming the sector aiming at providing sustainable and enabling conditions for the benefit of the population.
- Availability of the needed financing partner: as blending is the recommended approach, financing partners should be identified and demonstrate the appropriate level of commitment at the identification stage of the project. The level of the grants should take into account the project related financing architecture and when possible should maximise the leveraging effect of it.
- Nexus with other actions (in governance and cross sectorial): for projects with a multi-purpose character (e.g. infrastructure for hydropower, irrigation and water storage), the interaction between different sectors (e.g. in governance aspects) should be ensured in a coordinated way.
- Complementarity with EPA-related trade flows. To further contribute to increase the impact and use of both infrastructure and trade agreements.

The visibility of the EU will need to be properly addressed from the beginning, even if it is not a selection and prioritisation criteria for projects. It should be integrated in the action from preparation and definition.

The major policy measures to be taken for the fulfilment of this specific objective are:

- Ensure sustainable transport network preservation with a focus on maintenance;
- Improve, implement and enforce regulatory frameworks for transport liberalisation including overload control across the region (regional/national);
- Enhance energy sector reforms and increase market integration, taking into account energy efficiency and renewable energy sources;
- Increase affordable and reliable broadband penetration and ICT services and applications at reduced costs;

- Increase cooperation on trans-boundary water initiatives.

DMROs will guide the strategic development of infrastructure projects and related regulatory reforms in consultation with their member countries and financing institutions. Specific actions and any necessary regulatory reform will be prepared jointly by national governments, DMROs, the EU and international, regional and national financial institutions, involving when possible the private sector.

The main expected results to be achieved are:

- Improved transport and electric interconnectivity through strategic regional corridor developments;
- Increased regional energy trading;
- Increased share of renewable energy sources in the regional energy mix;
- Enhanced secured and resilient regional ICT networks;
- Increased water availability through trans-boundary initiatives.

The investments will predominantly be implemented through blending operations with one or more development finance institutions. When this is not feasible, i.e. in case of fragile countries, or for cross-regional activities in support of economic partnership agreements (EPAs), other options such as stand-alone grants and/or co-financing may be considered.

Potential implementing partners for the interventions foreseen under this specific objective are:

- For financial instruments (blending operations), potential implementing partners are defined under article 40 of the *11th EDF Financial Regulation*⁵⁰;
- National government institutions responsible for infrastructure (through NAOs);
- Regional organisations specialised in infrastructure (e.g. power pools, lake/river basin organisations, corridor authorities).

Specific objective 2: Improved enabling environment e.g. strategic and regulatory framework to sustain and maximise utilisation of physical infrastructure

An indicative EUR 40 million shall be reserved for this specific objective. The aim is to support, among others:

⁵⁰ Financial instruments may be established in the financing decision referred to in Article 26. They shall be, whenever possible, under the lead of the European Investment Bank, a multilateral European financial institution, such as the EBRD, or a bilateral European financial institution, e.g. bilateral development banks, possibly pooled with additional grants from other sources.

The Commission may implement financial instruments under direct management, or under indirect management by entrusting tasks to entities pursuant to points (ii), (iii), (v) and (vi) of Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012. These entities shall fulfil the requirements of Regulation (EU, Euratom) No 966/2012 and shall comply with Union objectives, standards and policies, as well as best practices regarding the use of and reporting on Union funds.

Entities which fulfil the criteria of Article 60(2) of Regulation (EU, Euratom) No 966/2012 are deemed to meet the selection criteria referred to in Article 139 of that Regulation. Title VIII of Part One of Regulation (EU, Euratom) No 966/2012 shall apply with the exception of paragraph 1; the first subparagraph of paragraph 4 and paragraph 5 of Article 139 thereof. Financial instruments may be grouped into facilities for implementation and reporting purposes.

- The preparation of regional legislative frameworks on the realisation, use, governance and maintenance of regional infrastructure and services;
- The implementation of legislation at regional and national level, possibly including the establishment of monitoring/management bodies and strengthening the existing ones;
- Support enhanced energy sector reform processes to open the sector for new entrants and improve the prospects for investment in sustainable energy services;
- Preparation of regulatory frameworks and legislation aimed to ensure a conducive environment for investment promotion, including improved governance in the four subsectors covered (transport, energy, ICT and water);
 - For ICT, soft aspects of "cyber security" (Public Key Infrastructure and Computer Incident Response Teams), information society development, communication services enhancement and content regulation will be included;
 - For transport, this includes regulatory frameworks towards transport liberalisation across the regions with a focus on overload control, corridor management, and one-stop border crossings.

The major operations foreseen are:

- Prepare master plans and regional strategies;
- Harmonise, facilitate, monitor, maintain and peer review and/or when these are missing, establish legal frameworks for action through legislation;
- Domesticated and enforce regional and other international agreements to which the countries in the region are parties;
- Develop regulatory reform targeting standards and policies for their domestication in member countries;
- Implement measures to combat overload;
- Implement maintenance and protection measures and standards;
- Create an enabling environment to attract infrastructure investments, including assistance in preparation for public-private partnerships, business/entrepreneurship models and any necessary trade facilitation measure.

The major policy measures to be taken for the fulfilment of this specific objective are:

- DMROs, jointly with other regional and government agencies, develop, harmonise and implement policy measures across countries.

The main expected results to be achieved are:

- Policy and regulatory environment for infrastructure development at regional and national level enhanced;
- Regional policies are translated into national legislation and standards, which are implemented and enforced;
- Maintenance and protection measures implemented;
- Investment in infrastructure increased; and
- Public Key Infrastructure and Computer Incident Response Teams information society measurements developed.

Specific objective 3: Capacity development for infrastructure

An indicative EUR 35 million shall be reserved for this specific objective. The major operations foreseen are:

- Strengthen project preparation expertise at country level with the objective of helping leverage financial resources from private, public and international multilateral sources;
- Develop capacity leading to increased private sector knowledge and financing;
- Develop capacity of national government institutions/regulators responsible for infrastructure to facilitate the removal of the structural and institutional weaknesses, and enhance technical knowledge;
- Build capacity for corridor management and monitoring authorities;
- Strengthen regional regulatory associations;
- Build capacity on Public Key Infrastructure and Computer Incident Response Teams.

The major policy measures to be taken for the fulfilment of this specific objective are:

- DMROs, jointly with other regional and government agencies, harmonise and implement policy measures across countries;
- DMROS with stakeholders enhance operation, management and control of the performance of corridors.

The main expected results to be achieved are:

- Enhanced capacity of relevant national authorities in infrastructure project preparation with a blending approach;
- Enhanced capacity of relevant national authorities in initiating, supervising and managing public-private partnerships;
- Operation and management of corridors enhanced;
- National regulators' capacity enhanced;
- Energy and ICT associations strengthened.

IV EU SUPPORT UNDER THE CROSS-REGIONAL ENVELOPE

The EU will support a limited number of initiatives in EA-SA-IO that are strategically important for the promotion of the objectives of the RIP. These do not pertain to the exclusive mandate of any of the DMROs and address needs which go beyond their geographical configurations; therefore they need to be addressed through a separate envelope of the RIP.

Seven actions have been identified to achieve cross-regional objectives, with a budget of EUR 205 million with a comparative advantage to support provided under other EU instruments in three priority areas for the region. In order to foster coherence, a limited number of projects will be identified per action, in close coordination with other EU and donor mechanisms.

The present RIP constitutes the formal request from the DMROs to finance the projects under the cross regional envelope. The identification and formulation of projects will be carried out by the EU, in consultation with potential implementing partners, including specialised regional and international bodies, national governments and civil society organisations. The five DMROs will be consulted and provide their non-objection on project identification and action fiches. Each DMRO may appoint technical experts to participate in the identification and formulation of projects. Wherever possible, existing networks or bodies will be used.

Implementing partners may include DMROs, governments of DMRO member states, other regional and international organisations and other stakeholders. They will report to the High Level Group on progress in implementation upon request.

Exceptionally, the identification and formulation of the projects in support of the implementation of the EU-Eastern and Southern Africa (ESA) *interim Economic Partnership Agreement* (iEPA) will be carried out directly between the EU and the concerned countries, which will subsequently sign Financing Agreements. The EU-ESA Joint iEPA Committee will provide the strategic orientation for this action. Upon ratification of other EPAs in the region, the HLG may decide to mobilise resources from the reserve to support concerned countries in EPA implementation.

The seven actions are the following:

Under Priority Area 1: Peace, security and regional stability

A. Peace and security in the Great Lakes region (EUR 30 million)

The objective is to assist regional organisations, governments and civil society actors in the Great Lakes region to implement the Addis Ababa *Peace and Security and Cooperation Framework* amongst other protocols. The envisaged support will complement actions carried out under the COMESA, EAC and SADC sub-regional envelopes as well as under the RIP for Central Africa.

B. Migration (EUR 25 million)

The objective is to improve the management of mixed migratory flows by building capacities of involved institutions and civil society organisations and providing protection and development to refugees, internally displaced persons and other migrants, including vulnerable ones, both facilitating legal migration and tackling irregular and forced migration. The envisaged support will be complemented by the

EU funded *Pan-African Programme on Migration and Mobility* and the Global Public Goods and Challenges thematic programme on migration and asylum.

C. Maritime situation, security and safety (EUR 30 million)

The objective is to contribute in enhancing maritime security and safety in Eastern and Southern Africa and the Indian Ocean by increasing awareness and the rule of law along coasts, and improve maritime safety of navigation and maritime security. The activities will complement actions carried out previously under the 10th EDF ESA-IO RIP, under the *Instrument for Stability (IfS) Programmes, Critical Maritime Routes Programme*, the *Law Enforcement Capacity Building in East Africa (CRIMLEA)* programme, and the CSDP missions (EUCAP Nestor, Operation Atalanta).

Under Priority Area 2: Regional economic integration

D. Implementation of the *EU-East and Southern Africa interim Economic Partnership Agreement* (EUR 40 million)

The objective is to support the ESA countries with the implementation of the EU-ESA interim EPA provisions through capacity building on sanitary and phyto-sanitary standards, promotion of private sector development, creation of decent jobs, enhanced public-private policy dialogue and research and development and innovation.

The envisaged support will complement actions carried out under the COMESA, EAC and IOC sub-regional envelopes as well as the Pan African Programme on sustainable and inclusive development and growth and continental integration.

Under Priority Area 3: Regional natural resource management

E. Trans-boundary water management (EUR 20 million)

The objective is to contribute to equitable utilisation, shared benefits and mitigated common risk of trans-boundary waters in Eastern and Southern Africa and the Indian Ocean. The envisaged support will complement activities funded by the Global Public Goods and Challenges thematic programme on environment and climate change.

F. The contribution of sustainable fisheries to the blue economy (EUR 30 million)

The objective is to enhance equitable economic growth, poverty alleviation, food security and nutrition by promoting sustainable fisheries and aquaculture management in Eastern and Southern Africa and the Indian Ocean and in particular in the framework of the *Economic Partnership Agreement (EPA)* and its related fisheries chapter. The support is in line with the *Pan-African Fisheries and Aquaculture Policy Framework and Reform Strategy* and will be complementary to activities undertaken in aquaculture in the EAC region with the Lake Victoria Fisheries Organisation. The implementation of these strategies will consider in particular the specific requirements of the national and regional scientific bodies to provide the best scientific advice for sustainable fisheries resource management. The envisaged support will contribute to the implementation of the Regional Action Plan for the fight against illegal, unreported and unregulated fishing currently involving IOC member states and other partner countries.

G. Wildlife conservation (EUR (€30 million)

The objective is to contribute to improved ecosystem management in Eastern and Southern Africa and the Indian Ocean by strengthening the management of Trans-Frontier Conservation Areas and improving law enforcement on wildlife crime. The

envisaged support will complement activities carried out under the Global Public Goods and Challenges thematic programme on environment and climate change.

Detailed descriptions of the proposed actions follow in this Chapter.

IV-A PEACE AND SECURITY IN THE GREAT LAKES REGION

1. THE POLICY PERSPECTIVES OF EA-SA-IO ON PEACE AND SECURITY IN THE GREAT LAKES REGION

A number of regional organisations including the East African Community (EAC), Common Market for Eastern and Southern Africa (COMESA), Southern African Development Community (SADC), Intergovernmental Authority on Development (IGAD), Economic Community of Central African States (ECCAS), Economic Community of the Great Lakes Countries (CEPGL) and International Conference on the Great Lakes Region (ICGLR), are united in their vision of the Great Lakes region as a stable and peaceful area able to fulfil its significant development potential. The objectives of the 11th EDF regional programme build on this shared vision.

EU assistance under the Regional Indicative Programme would support the overarching goal established by ICGLR – to transform the Great Lakes Region into a space of sustainable peace and security through joint and coordinated efforts and within a regional framework for the prevention, management and peaceful settlement of conflicts. EA-SA-IO DMROs are actively committed to the implementation of the 2013 *Addis Ababa Peace Security and Co-operation Framework (PSC-F)* for the Democratic Republic of Congo (DRC) and the region⁵¹. This commitment is shared by all states of the region.

Peace and security is the fundamental prerequisite for the development of the Great Lakes region. Many partners are involved: SADC signed the *PSC Framework* as a witness and has a key role, in partnership with ICGLR, in monitoring and encouraging its implementation. COMESA's *Medium Term Strategic Plan* includes a commitment to working with member states on peace and security in the Great Lakes sub-region, and COMESA itself has supported specific programmes to this end. The establishment of ICGLR prioritised the peace and security agenda: this is expressed in the *Dar es Salaam Declaration* and in the *Pact for Security, Stability and Development*. Other regional organisations including Great Lakes countries, such as CEPGL and EAC, themselves conduct activities relevant to peace and security, and ad hoc actions between the countries of the Great Lakes should also be encouraged in line with the new approach envisaged for the 11th EDF.

Conflict minerals and the sustainable management of natural resources deserve special attention, as minerals and other commodities are often a source of financing for armed groups in the Great Lakes region and smuggled to the Gulf Arab States and beyond. Over recent years a number of initiatives have been developed to promote responsible sourcing and trading of minerals from Eastern DRC and the Great Lakes region, which could be better aligned to allow coordinated follow-up measures.

Economic co-operation is also vital. Implementing of joint projects in agriculture, mining, energy, telecommunications and transport can also be covered through blending under the economic integration focal sector of the Central Africa RIP – maintaining coherence between

⁵¹ The agreement was signed by DRC, Angola, Republic of Congo, South Africa, Tanzania, Uganda, Central African Republic, Burundi, Rwanda, Kenya, Sudan, South Sudan and Zambia. The UN Secretary General, the Chairperson of the AU Commission, the Chairperson of SADC, and the Chairperson of ICGLR also signed the agreement as "guarantors".

the two programmes requires active engagement with ECCAS and CEMAC, the DMROs for Central Africa. At the same time, 11th EDF regional programming recognises the importance for Burundi and Rwanda of deepening co-operation in the framework of EAC, addressed separately in the dedicated EAC sub-envelope.

Finally, coherence with EU-supported peace and security measures at Pan-African level must also be ensured.

The key framework for medium-term policy orientation is the *Plan of Action for the Implementation of Regional Benchmarks under the Commitments of the PSC Framework*. This document sets out responsibilities of states of the Great Lakes region and of key partners including the African Union, MONUSCO (United Nations Organisation Stabilisation Mission in the Democratic Republic of the Congo), ICGLR and CEPGL. SADC in particular is attributed implementing or co-implementing responsibility in relation to a number of specific objectives under the seven PSC-F regional commitments.

1.1. MEDIUM-TERM OUTLOOK

The key factors for sustainability of policies, with reference to regional benchmarks of the *PSC-F Action Plan*, are:

- Continued progress by MONUSCO and official DRC forces (FARDC) against armed groups. Linked to this, effective disarmament, demobilisation and reintegration (DDR) processes reducing the risk of new armed groups forming (linked to regional benchmark 2.3);
- Stabilisation of eastern DRC and re-establishment of state control and state services to citizens;
- Effective border management allowing easy but regulated flow of people, services and goods (linked to regional benchmark 4.9);
- Improved capacity of ICGLR and CEPGL (regional benchmark 4.4).

2. PRIORITY AREAS OF INTERVENTION

The indicative allocation of EUR 30 million for this area will be distributed as described below.

Expected results, their corresponding indicators and sources of verification are in the intervention framework in Annex 3.

PRIORITY AREA 1: PEACE, SECURITY AND REGIONAL STABILITY

The overall objective is to assist regional organisations of the Great Lakes region, countries of the region when acting together, and civil society actors in implementing the international commitments on security and regional stability, including commitments and benchmarks under the *Addis Ababa Peace Security and Co-operation Framework* (notably the *Plan of Action for the Implementation of Regional Benchmarks* in which ICGLR and SADC are especially strongly implicated) and other relevant international documents.

Specific objective 1: PSC-F commitments 1, 2, 5 and 7⁵²: conflict resolution, peacebuilding, security and judicial co-operation

An indicative EUR 10 million shall be reserved for this specific objective. The major operations foreseen are:

- Support actions mitigating the resourcing of armed groups through exploitation of conflict minerals (PSC-F regional benchmark 2.2);
- Support dispute resolution mechanisms and measures, including measures under the *ICGLR Extended Joint Verification Mechanism*;
- Support regional DDR (disarmament, demobilisation and reintegration) and DDRRR (disarmament, demobilisation, repatriation, reintegration and resettlement) programmes in line with relevant UN Security Council Resolutions and African Union Guidelines and the repatriation of refugees in cooperation with UNHCR and local leaders and communities;
- Support civil society and parliamentary organisations, networks, platforms and media sensitisation campaigns;
- Support regional judicial co-operation and frameworks for accountability, evaluation and monitoring of regional peace and security measures, including parliamentary, citizens' and civil society oversight.

The major policy measures to be taken for the fulfilment of this specific objective are:

- The *PSC Framework Action Plan*, particularly benchmarks under Commitments 1 and 2, is implemented jointly by the countries and main actors of the region, including the development partners;
- Increased effective action against armed groups (including addressing root causes of the phenomenon and to address the linkages between natural resources exploitation and conflict);
- Disarmament of armed pastoral communities;
- Enhanced activity by the civil society and media with a culturally- and conflict-sensitive discourse at regional level that can contribute to conflict resolution, peace, security and regional democratic development, with particular focus on youth and women;
- Employment creation in the energy, fisheries, sustainable agriculture, tourism sector for returnees, to dissuade young people from radical activities and to reintegrate them into the local economy and community through a long-term holistic reintegration strategy after a crisis, involving local leaders;
- Development and monitoring of regional standards governing democratic elections.

The main expected results to be achieved are:

⁵² Commitment 1: Not to interfere in the internal affairs of neighbouring countries

Commitment 2: To neither tolerate nor provide assistance or support of any kind to armed groups

Commitment 5: To respect the legitimate concerns and interests of the neighbouring countries, in particular regarding security matters

Commitment 7: To facilitate the administration of justice through judicial cooperation within the region

- No interference in the internal affairs of neighbouring countries (commitment 1);
- Armed groups are not tolerated, assisted or supported (commitment 2);
- Legitimate concerns and interests of the neighbouring countries are respected, in particular regarding security matters (commitment 5);
- The administration of justice is facilitated through judicial cooperation within the region (commitment 7).

Specific objective 2: PSC-F Commitments 3 and 4⁵³: secure cross-border social, economic and commercial activities

An indicative EUR 20 million shall be reserved for this specific objective. The operational aim is to establish a single programme of measures in the field of integrated and inclusive cross-border management and co-operation, involving local communities and security aspects.

The main operations foreseen are:

- Plan and implement joint management, surveillance and patrol of borders, including relevant police and customs co-operation, information exchange, data collection, border infrastructure and informatics;
- Support measures to enhance cross-border legal trade, associated free movement of persons and joint work and training activities to bring together communities across borders;
- Improve resilience and social cohesion in border communities;
- Capacity building for CEPGL and ABAKIR (Trilateral Lake Kivu and Ruzizi River Basin Authority).

The major policy measures to be taken for the fulfilment of this specific objective are:

- Improving the security, legal and business environment, trade-related and border infrastructure to facilitate the regular flow of people and goods across the borders;
- Securing and surveillance of border posts, enhanced cooperation and information exchange of border authorities, removal of anti-personnel landmines;
- Intensified action against cross-border trafficking;
- Reintegration of displaced people in border communities.

The main expected results to be achieved are:

- Sovereignty and territorial integrity of neighbouring countries is respected (commitment 3);
- Regional cooperation, including deepening economic integration, is strengthened, with special consideration for the exploitation of natural resources (commitment 4);
- Strengthened capacity of regional organisations in order to coordinate regional action and foster peace and stability across the region.

⁵³ Commitment 3: To respect the sovereignty and territorial integrity of neighbouring countries

Commitment 4: To strengthen regional cooperation, including deepening economic integration, with special consideration for the exploitation of natural resources

1.3. Complementarity

Complementarity and coherence of actions must be ensured with other parts of the EA-SA-IO RIP and the Central African RIP, National Indicative Programmes of Central, Eastern and Southern African countries, the *Pan-African Programme*, *African Peace Facility (APF)*, *Instrument contributing to Stability and Peace (IcPS)*, and the *African Peace and Security Architecture (APSA)*.

IV-B MIGRATION

1. THE POLICY PERSPECTIVES OF EA-SA-IO ON MIGRATION

Migration in the eastern and southern regions of Africa is a very complex phenomenon, as countries in the region are at the same time countries of origin for large-scale migratory flows, but also transit and destination countries for various groups of migrants. Migration flows are rising in the region, be it along the southern migratory route (from the Horn of Africa, East Africa and the Great Lakes towards Southern Africa) the northern route (through Sudan, Egypt, Libya to Europe) or the eastern route (via Djibouti to Yemen).

This situation provides both challenges and opportunities for development. For countries of origin, migration can contribute to poverty reduction through remittance transfers and diaspora investment. Financial, human and social capital from the diaspora can directly contribute to meeting social development goals, including the MDGs on health and education. For destination countries, migration can help bridge labour market gaps, provide labour to fuel structural economic transformation, drive innovation through migrants' dynamism, and contribute to social security systems.

However, the detrimental effects of poorly managed migration may also undermine progress towards sustainable development. Migrants in an irregular situation are often more vulnerable to exploitation and abuse, especially in the context of smuggling of migrants and human trafficking. In this context, national and regional migration policies in the Horn of Africa need to be strengthened to ensure that individuals can migrate through legal and safe means, rather than taking risks through illegal ways. Effective migration governance is therefore crucial. Governments must provide opportunities for and facilitate legal migration, but also protect vulnerable migrants, and prevent criminal activities such as human trafficking and smuggling of migrants.

In addition, the region hosts some eight million people of concern to UNHCR⁵⁴, including 1.8 million refugees and more than three million internally displaced people, all of whom require protection and development assistance. Most of the refugees and internally displaced people live in situations of protracted displacement, in particular Somali refugees in Kenya, Djibouti and Ethiopia, as well as IDPs in Somalia and Sudan (Darfur). In 2014, 1.4 million people were displaced by violence and conflict inside South Sudan and more than 475,000 refugees fled South Sudan for neighbouring countries⁵⁵. In July 2014 Ethiopia overtook Kenya as the largest refugee-hosting country in Africa, sheltering over 600,000 refugees.

Regional organisations from the eastern and southern regions of Africa (EAC, SADC, COMESA, IGAD and IOC) have competencies which are directly or indirectly related to migration.

The IOC has initiated actions for mainstreaming migration into development planning in its member states on the basis of a migration profile in the region. The preliminary lessons

⁵⁴ UNHCR (2014)

⁵⁵ IRC, *Uprooted by conflict – South Sudan's displacement crisis* (November 2014)

underlined the need for coordination both at national and regional levels; especially given the regional nature of the issue of migration. The IOC intends to proceed with the development of a programme focused on strengthening the capacity of government institutions on strategy and policy formulation on the subject.

COMESA, EAC, and SADC have clear objectives in terms of economic integration, including the establishment of customs unions, common markets, and/or free trade areas; but they have also demonstrated their interest in effective migration governance in their respective regions. The International Organisation for Migration has undertaken a comprehensive study in the SADC region. A regional *Ministerial Migration Dialogue for Southern Africa* conference was held in Maputo in 2013, and a regional technical *Migration Dialogue for Southern Africa* conference held in Lilongwe in 2014. In 2013 COMESA also launched a *Regional Consultative Process on Migration*, an information-sharing and discussion forum for States with an interest in promoting cooperation on migration.

In 2014 COMESA member states set up structures to implement Council decisions on eliminating visas and enhancing the free movement of persons. Both EAC and COMESA have organised technical workshops on issues related to migration and human trafficking. In 2012 the IGAD Council of Ministers adopted a *Regional Migration Policy Framework* and holds an annual *Regional Consultative Process on Migration*; an *IGAD Migration Action Plan* was under preparation in 2014.

The April 2014 EU-Africa Summit, held in Brussels⁵⁶, recognised the increasing importance of migration for both African and European countries. The summit's *Joint Declaration on Migration and Mobility*⁵⁷ committed to a 2014-2017 action plan to focus on combating human trafficking; to fight irregular migration by addressing all its relevant aspects, including the root causes of irregular migration; strengthening the nexus between migration and development; supporting diaspora engagement and reducing the costs of remittances; enhancing border management and international protection; all the while respecting the fundamental human rights of migrants.

In the context of the plight of migrants undertaking the hazardous journey from the countries of the Horn of Africa towards Europe via Egypt, Libya and the Mediterranean, which led to the deaths of many migrants near Lampedusa island in 2013, the EU launched the *EU-Horn of Africa Migration Route Initiative*, also known as the *Khartoum Process*, which sought to establish a political dialogue on migration with the countries of the Horn and Eastern Africa, as well as the main Mediterranean transit countries, thus gathering countries of origin, transit and destination along the migratory route from the Horn of Africa to Europe. The initiative is anchored in the *2014-2017 Action Plan on Migration and Mobility* adopted at the 2014 EU-Africa Summit. The *Khartoum Process* was launched at a ministerial meeting in Rome in November 2014.

1.1. MEDIUM-TERM OUTLOOK

Due to the persisting instability and lack of economic opportunities in the countries of origin migratory flows along the southern, northern and eastern migratory routes are likely to remain significant.

⁵⁶ <http://www.european-council.europa.eu/eu-africa-summit-2014>

⁵⁷ http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/en/ec/142097.pdf

The regional management of migration and mobility is rooted in a complex structure involving three interdependent levels: the African Union, the regional economic communities, and African states. This structure is associated with several challenges which need to be addressed to achieve effective migration governance, including a lack of capacity, policies and legal frameworks on migration; and a lack of institutional and operational links between the three layers, associated with competing processes. Both the affected states and regional organisations have recognised the importance of jointly dealing with migration issues, although actual coordination remains low. Moreover, an increased participation of civil society and diaspora organisations in policy making is needed to improve migration governance.

Finally, it remains essential that countries of the region build their capacity to manage migration flows in full respect for human rights and fundamental freedoms. Strengthening integrated border management⁵⁸ and ensuring that borders are managed in a protection-sensitive manner constitute important areas of cooperation in this regard.

In this context, support under the cross-regional envelope should focus on building regional capacity, policies and legal frameworks for addressing challenges associated with migration.

2. PRIORITY AREAS OF INTERVENTION

The indicative allocation of EUR 25 million for this area will be distributed as described below.

Expected results, their corresponding indicators and sources of verification are in the intervention framework in Annex 3.

PRIORITY AREA 1: PEACE, SECURITY AND REGIONAL STABILITY

The overall objective is to contribute to improved management of the mixed migratory flows, including by building capacity and providing protection and development for refugees, internally displaced persons and other vulnerable migrants, thereby diminishing the negative impact of migration in the region and optimising the contribution of refugees, internally displaced people and migrants to local economies, and so contributing to development.

The activities developed under this envelope should be complementary to activities foreseen under the Pan African Programme, the thematic programmes, and the national indicative programmes for countries of the region, as well as for sub-regional envelopes for regional organisations in eastern and southern Africa.

Specific objective 1: Build capacity to improve migration governance

An indicative EUR 10 million shall be reserved for this specific objective. The major operations foreseen are:

- Build capacity at national and regional level to improve information on criminal networks active in migrant smuggling and trafficking in human beings;

⁵⁸ As defined in 'Guidelines for Integrated Border Management in European Commission External Cooperation', 2010

- Build operational capacity of law enforcement agencies, judicial authorities and civil society organisations to prevent, reduce and criminalise trafficking in human beings and the smuggling of migrants, and to conduct criminal investigations and prosecutions, whilst protecting the victims of trafficking, and the human rights of smuggled migrants, and ensuring adequate resources for legal remedies for victims of trafficking;
- Build capacity at national and regional level to manage mixed migration, including support for information/assistance centres for people in the context of mixed migration flows. Proposals from relevant regional organisations will be considered on the basis of their merit in due course;
- Build capacity to strengthen integrated border management and establishing protection-sensitive human rights-based border management systems, with special focus on vulnerable groups and irregular migrants, and enhancing cross-border cooperation, and sharing of information and best practices between relevant authorities;
- Build capacity and create frameworks for cooperation at national and regional level to protect people in the context of mixed migration flows;
- Establish mechanisms for the identification and protection of unaccompanied and separated children in the context of mixed migration flows.

The major policy measures to be taken for the fulfilment of this specific objective are:

- Adoption of strategies at regional level to improve migration governance;
- Creation of frameworks for cooperation to protect people in the context of mixed migration flows;
- Development of cross-border cooperation policies.

The main expected results to be achieved are:

- Better protection and assistance for vulnerable groups;
- Improved knowledge base on the three migratory routes;
- Enhanced capacity at national and regional levels to manage mixed migration, including addressing the issues of trafficking in human beings and smuggling of migrants, while protecting related vulnerable groups.

Potential beneficiaries for these interventions foreseen under this specific objective are: national authorities, including law enforcement, border management and social service agencies and judicial authorities; civil society organisations, local administration authorities, DMROs, migrants.

Specific objective 2: Support regional integration processes through facilitation of legal migration and prevention of irregular migration

An indicative EUR 5 million shall be reserved for this specific objective. The major operations foreseen are:

- Strengthen the capacity of national governments, local authorities and civil society organisations to better manage mixed migration, including by providing information on the risks of irregular migration and opportunities for legal migration;
- Identify gaps and needs for the development and implementation of policy and normative frameworks in the area of legal migration;

- Support implementation of regional commitments at national level;
- Support the development of labour agreements between countries in the region, including working conditions and rights of refugees and other migrants;
- Promote intra-regional diaspora involvement (e.g. entrepreneurship and investment, skills matching, transfer of competences);
- Promote exchange of good practices in integration of migrants into host communities;
- Enable DMROs to better facilitate peer mechanisms;
- Build the capacity of government authorities and civil society organisations to better reach out to migrants and offer them information and support services, including e.g. on labour standards, access to social services, integration measures;
- Support information campaigns on the risks connected with irregular migration and legal ways of migrating.

The major policy measures to be taken for the fulfilment of this specific objective are:

- Establish a regional dialogue on legal migration, including national and regional authorities, organisations of employers and workers, diaspora and civil society organisations;
- Develop a regional strategy for legal migration, including agreements on working conditions and rights.

The main expected results to be achieved are:

- Policies and frameworks that facilitate orderly intra-regional migration and mobility;
- Enhanced capacity at national and local levels to manage migration in support of regional economic integration;
- Increased integration of migrants in host countries.

Potential beneficiaries for these interventions foreseen under these specific objectives are: national authorities, DMROs, civil society, diaspora, migrants.

Specific objective 3: Support national and regional development and protection initiatives for refugees and internally displaced persons

An indicative EUR 10 million shall be reserved for this specific objective. The major operations foreseen are:

- Community-based surveys and research on primary pull and push factors, including the effects of statelessness, on forced displacement;
- Strengthen the capacity of national governments, local authorities, civil society organisations and diaspora groups to better manage the influx of refugees and internally displaced persons at national and local level;
- Support a Regional Development and Protection Programme for refugees and host communities in the Horn of Africa aimed at ensuring that refugees are able to avail themselves of a durable solution and access basic rights, as well as supporting socio-economic development in host countries that will benefit both the host populations and refugees;
- Advocate for better access to basic rights and support development activities, including livelihoods and self-reliance opportunities for refugees and internally displaced persons.

The main policy measure to be taken for the fulfilment of this specific objective is:

- Policy dialogue between national and regional authorities, on access to basic rights for refugees and internally displaced persons.

The main expected results to be achieved are:

- Refugees and internally displaced persons benefit from a Regional Development and Protection Programme;
- Enhanced self-reliance of refugees and internally displaced persons as well as an enhanced contribution to local economies in host countries and/or receiving areas;
- Enhanced political dialogue with host governments on refugees' access to basic rights, mainstreaming issues relating to refugees and internally displaced persons into national development planning.

Potential beneficiaries for these interventions foreseen under these specific objectives are: civil society, diaspora organisations, national authorities, migrants, refugees and internally displaced persons.

IV-C MARITIME SITUATION, SECURITY AND SAFETY

1. THE POLICY PERSPECTIVES OF EA-SA-IO ON MARITIME SECURITY

Maritime security is not only about combating piracy but also covers issues such as cross-border and organised crime, terrorism and other intentional unlawful acts at sea and in ports against ships, cargo, crew and passengers, ports and port facilities and critical maritime and energy infrastructure, trafficking of narcotics and human beings, and threats to freedom of navigation. At the same time, when the maritime domain is properly and sustainably managed, there are many opportunities to strengthen the blue economy of a state or community.

The fight against piracy off the coast of Somalia has demonstrated the importance of a secure and open Western Indian Ocean region to facilitate the high volume of trade routed via the sea and other economic activities at sea. Piracy, armed robbery at sea and other threats such as drug trafficking, smuggling of migrants, and a general lack of maritime security have drastically increased the price of transport, trade and insurance. More importantly, these threats endanger lives at sea. This has undermined development efforts, thereby affecting the processes of regional integration and inclusion of the region in the global economy. Despite a recent decrease in levels of piracy and armed robbery, risks remain, and the situation can worsen if maritime security and safety are left unattended.

The initial concern over piracy prompted the region to consider political, social and economic aspects of maritime security. This was of particular concern for the economically vulnerable small island states. As a result, countries in the region gave Regional Organisations a specific mandate on the fight against piracy. On this basis a High Level Regional Ministerial Meeting on Piracy in October 2010 in Mauritius adopted the *Regional Strategy and Action Plan against Piracy and for Promoting Maritime Security* as a regional response to maritime security risks. Against this background and the transnational organised crime developments in the region, the whole range of maritime criminality should be addressed.

SADC expressed interest in learning from the experience of the Western Indian Ocean region in dealing with maritime security. The 11th EDF presents an opportunity for SADC and its member states to take a joint approach, thereby widening the geographical scope of the programme to include the South West Indian Ocean and the South East Atlantic ocean. Maritime security in the Indian Ocean and Southern Africa involves actions which benefit some of the SADC coastal member states. Others, such as Namibia and Angola, can potentially benefit from similar actions under the RIPs for West and Central Africa. In the preparation of the concrete actions, synergies and complementarities will be sought between RIP programmes supporting maritime security in the two oceans. Also important in this regard is the recent adoption by the African Union of the *African Integrated Maritime Strategy (the 2050 AIM Strategy)*, which addresses Africa's maritime challenges, threats and opportunities and provides a continent-wide framework for the protection of the African Maritime Domain. It includes a response to threats such as piracy off the continent's east and west coasts, illegal fishing, pollution and human trafficking.

Maritime security is also steadily gaining political prominence within the EU. It is in the EU's interest to promote stability in the western Indian Ocean region through maritime security and safety. In the same spirit, the EU adopted in March 2014 a *Strategy on the Gulf of Guinea*⁵⁹ which covers all coastal states from Senegal to Angola, and aims to address maritime security threats in the Gulf of Guinea, which are largely common to those of the Indian Ocean. Finally, on 24 June 2014, the General Affairs Council adopted the EU *Maritime Security Strategy* creating a shared strategic framework to address maritime security threats in a cross-sectorial manner.

1.1. MEDIUM-TERM OUTLOOK

Within the maritime security domain, past experience shows that maritime crime is a complex issue fuelled by poverty, instability and weak rule of law. Tackling it successfully requires therefore different types of interventions: law enforcement to ensure control of the situation; legal and juridical to bring perpetrators to justice; development and capacity building to improve the social and economic environment and, finally, political and diplomatic efforts to ensure cooperation between the international community, the region and governments and local authorities.

The EU's comprehensive approach which links political, military, security, development and humanitarian efforts in a mutually supportive manner has been at the heart of the success of its counter-piracy action in the Horn of Africa and the Western Indian Ocean through EUNAVFOR Atalanta and EUCAP Nestor. But the root causes, and hence solutions are ultimately to be found on land. The warped business model of maritime crime can be broken by strengthening rule of law and focusing on the economic development of the region with a focus on coastal communities, particularly in Somalia. Creation of livelihoods and offering opportunities to coastal youth is crucial.

In line with the Action Plan mentioned above, the EU is funding a *Programme for the Implementation of a Regional Maritime Security Strategy* (MASE). Its implementation is revealing further needs as safety issues gain relevance in the framework of a maritime governance response strategy. In parallel, under the IcSP, the EU is funding programmes protecting critical maritime routes in the Western Indian Ocean and supporting maritime security, safety and law enforcement by enhancing maritime information sharing and training capacities including law enforcement agencies.

Furthermore, the EU is chairing from 2014 the Contact Group on Piracy off the Coast of Somalia, and the *EU Maritime Security Strategy* identifies its strategic maritime interests and global responsibilities. The framework will strengthen the link between internal and external security aspects and reinforce civil and military cooperation.

In parallel, the *EU Strategy on the Gulf of Guinea* aims to help the states to strengthen their maritime capabilities, the rule of law, identified specific priorities on maritime capacity building, and rule of law.

From the above it is evident that the countries and regions on both Atlantic and Indian oceans coasts must respond to similar challenges. The wide geographical scope of this RIP offers

⁵⁹ http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/141582.pdf

therefore a unique opportunity, which must not be lost, for substantial synergies between the comprehensive approaches needed to respond to such challenges.

The EU comprehensive approach means also that crisis management structures will be consulted and associated with the planning phase, in order to articulate development programmes with *Common Security and Defence Policy (CSDP)* activities in the field (for example EUCAP Nestor and EUNAVFOR Atalanta in the Horn of Africa).

2. PRIORITY AREAS OF INTERVENTION

The indicative allocation of EUR 30 million for this area will be distributed as described below.

Expected results, their corresponding indicators and sources of verification are in the intervention framework in Annex 3.

PRIORITY AREA 1: PEACE, SECURITY AND REGIONAL STABILITY

The overall objective is to contribute to enhanced maritime security and safety in the EA-SA-IO region.

The purpose of the strategy is to assist in building sustainable capacity in coastal states and also in the judiciary, legal, and police areas, by balancing support at country level and at regional level as capacity at national level is required to control crime in the maritime domain, while regional activities can enhance efforts by promoting coordination in selected areas. Where relevant, EU-funded measures in this area shall place particular emphasis on good governance and, in accordance with international law, in particular human rights law and international humanitarian law, and beneficiaries will promote human rights in the context of their cooperation.

The following three specific objectives shall be pursued:

Specific objective 1: Maritime situation awareness and the rule of law along the coast

For indicative purposes, approximately EUR 15 million shall be reserved for this specific objective and the major operations foreseen are intended to address the commitments undertaken within the *Djibouti and Yaoundé Codes of Conduct*:

- Implement the ESA-IO and SADC maritime security strategies in coherence with the 2050 AIM Strategy (*Africa's Integrated Maritime Strategy*);
- Reinforce the capacities enabling maritime surveillance, secure trade, promote good order at sea and prevent the re-emergence of large-scale piracy activities and the escalation of maritime crime;
- Disrupt financial networks of criminal leaders, financiers and other maritime criminals;
- Support coastguard and coastal police functions (coast, sea, air) as coastal forces are the actor in areas of both maritime security and maritime safety.

The major policy measures to be taken for the fulfilment of this specific objective are:

- DMROs facilitate preparation and harmonisation within their member states of national legislation on maritime security within the regional strategies;
- Member states adopt adequate legislation and coordinate efforts at regional level to address maritime security including maritime criminality;
- Maritime security coordination structures are put in place with input from maritime organisations (Maritime Organisation for West and Central Africa, African Maritime Safety and Security Agency etc.).

The main expected results to be achieved are:

- Maritime administrations are reinforced, better exchange of data on vessels and cargo;
- Maritime awareness is raised and information sharing is facilitated among agencies at national and regional level;
- National capacity to control maritime traffic is upgraded including the possibility to share operational information with neighbouring states or on a regional basis;
- Reinforced capacity of national fisheries administrations (especially in Somalia) to oversee their exclusive economic zone and set up transparent licence systems.

Specific objective 2: Maritime safety of navigation and maritime security

For indicative purposes, approximately EUR 15 million shall be reserved for this specific objective and the major operations foreseen are intended to:

- Support National and Regional authorities in the implementation of the *International Ship and Port Facility Security Code (ISPS)* with a view to improve port security and compliance with international rules and regulations;
- Promote port control functions;
- Deliver capacity building for maritime safety and security in ports and coastal waters.

The major policy measures to be taken for the fulfilment of this specific objective are:

- Commitment by the beneficiary countries to provide adequate specialised staff to be trained and to ensure the sustainability of the port security facilities and staffing;
- Commitment by the DMROs to collaborate with maritime authorities;
- The conduct of port security seminars to build awareness on the importance of ISPS compliant ports; ways to make the ports ISPS compliant and assess the needs and existing gaps.

The main expected results to be achieved are:

- Maritime administrations are reinforced, better quality inspections, reduced ship detention;
- Ports are compliant with ISPS, thus enhancing trade and revenues for local economies and state budgets;
- Safety reinforced in ports and coastal waters.

IV-D IMPLEMENTATION OF THE EU-EASTERN, SOUTHERN AFRICA (ESA) INTERIM ECONOMIC PARTNERSHIP AGREEMENT (iEPA)

1. THE POLICY PERSPECTIVES OF EA-SA-IO ON THE *ESA INTERIM PARTNERSHIP AGREEMENT (iEPA)*

Four ESA states (Madagascar, Mauritius, Seychelles, and Zimbabwe) are implementing the EU-ESA iEPA which entered into force on 14 May 2012. The agreement envisages the elimination of duties and quotas for imports from these countries to the EU as well as a gradual liberalisation of EU exports to them. It also covers rules of origin, fisheries, trade defence, development cooperation provisions and mechanisms for settling disputes.

The iEPA includes an Economic Development Chapter where the Parties commit to cooperate in a number of sectors as to facilitate EPA implementation and enhance its immediate and medium/long term expected positive effects on the economies of the ESA countries while preventing risks. The four ESA countries have analysed the impact that the implementation of the iEPA will bring to their economies and presented individual development matrices where they express the envisaged short, medium and long term needs.

Support to immediate needs arising from EU-ESA iEPA implementation has been provided under the 10th EDF through the *Regional Integration Support Programme 3 (RISP3)*, whose implementation started in early 2014. Activities include trade promotion, trade facilitation, capacity building of national authorities, and private sector development.

During the regular dialogue between the EU and the ESA states in the Joint EPA Committee and Economic and Development sub-Committee, the four ESA Governments concerned have presented plans for economic and fiscal reforms to address those needs. On this basis a set of support measures to complement national reforms and development programmes has been identified. These target trade facilitation including technical and sanitary and phyto-sanitary standards and customs procedures, capacity of government bodies, private sector development and public awareness. Complementarity with the RIP infrastructure envelope and the economic integration focal sector under the sub-regional envelopes will be sought.

Regional cooperation and integration has a key role to play to support economic growth by creating more efficient and competitive regional markets, reduce and eventually phase out tariff and non-tariff barriers, reduce production and trade costs e.g. by means of improved infrastructure and regulations, increase competitiveness on the local, continental and world markets.

Through this action, support is available to the four countries implementing the EU-ESA iEPA and any other country that may ratify the agreement at a later date.

1.1. MEDIUM-TERM OUTLOOK

At the third meeting of the Joint Economic and Development iEPA Committee of 28 January 2014, the ESA states presented the ongoing and planned reforms undertaken by their Governments to accompany iEPA Implementation. The Seychelles reported that implementation of the iEPA was progressing without challenges. They had commenced reforms in line with the International Monetary Fund (IMF) Reform of 2008 and the

requirements under Seychelles' accession to the World Trade Organisation (WTO). The reforms included, inter alia, capacity building for the private sector; modernisation of legislation to align with international standards; and support and strengthening of the fisheries sector including through the expansion of the Victoria port and beefing up air and sea patrols.

Mauritius gave a detailed account of the broad economic reform that the country was undertaking since 2006 which included reforms related to the implementation of the iEPA, such as revision of relevant legislation to create an environment for business facilitation and trade facilitation, as well as the upgrading of existing facilities. The initial tariff phase down from 80% to 30% had resulted in a revenue deficit of EUR 40 million. The broad reform had been estimated to cost EUR 4-5 billion which would be financed by domestic funds and donor support, including from the EU.

Madagascar indicated that regulations were in place to implement the iEPA but that the support of the EU would be required in the process. They informed that tariff phase down had commenced on 1 January 2014, focusing on raw materials. A revenue deficit of EUR 17 million was anticipated for 2014 alone. The delegation however expressed the hope that the shortfall would be compensated in the long term if the benefits of the EPA as a development tool were realised. They stressed that the EPA must allow diversification of products while respecting international standards. The delegation also indicated that they were revising their initial impact assessment on the implementation iEPA and that they had identified immediate needs such as the need for capacity building on sanitary and phyto-sanitary and trade facilitation issues, capacity building in the textiles industry as well as technical barriers to trade challenges which they hoped the EU would assist them to overcome.

Zimbabwe gave an account of some of the legislative and institutional reforms that the Government had initiated including, among others, reforms of legislation governing import and export controls; upgrading of customs facilities at the central authority and at border posts; and the on-going negotiations for the establishment of one-stop border posts. The Government required support in training customs officials and capacity building on sanitary and phyto-sanitary issues.

The proposed mid-long term support will address the needs highlighted by each ESA Countries in their development matrices. These include:

- Research and development, innovation and new product development and diversification
- Export promotion, export readiness and market diversification
- Investment promotion
- Trade facilitation measures
- Develop the fishery and agro industrial sectors
- Private sector development and strengthening capacities of labour market actors and institutions
- Trade data development
- Stakeholders awareness
- Sanitary and phyto-sanitary standards.

Coordination, complementarity and consistency with the support to be provided through other parts of the RIP and under the Intra-ACP and Pan African programmes will be ensured. Complementarity with the European Regional Development Fund will also be sought.

2. PRIORITY AREAS OF INTERVENTION

The indicative allocation of EUR 40 million for this area will be distributed as described below.

Expected results, their corresponding indicators and sources of verification are in the intervention framework in Annex 3.

PRIORITY AREA 2: REGIONAL ECONOMIC INTEGRATION

The overall objective is to support the ESA countries with the implementation of the EU-ESA iEPA provisions and the major operations foreseen are:

- Strengthen capacity of involved government bodies i.e. ministries of trade, customs, industry, agriculture, fisheries, labour, regulatory bodies inter alia to phase out unnecessary non-tariff barriers;
- Trade facilitation including, but not limited to the implementation of the *WTO Trade Facilitation Agreement*, through streamlining of import and export procedures;
- Improve business and investment climate and increase capacity for the investment and services sector, notably for diversification of exports;
- Stimulate research and development and innovation;
- Enhance public-private policy dialogue on enabling environment and policy harmonisation with e.g. chambers of commerce and business organisations and organisations of employers and workers;
- Enhance knowledge of technical and sanitary and phyto-sanitary standards and their monitoring, including creating or upgrading laboratories as necessary, ideally at regional level, ensuring consistency with continental policies;
- Conduct awareness campaigns on regional integration and trade issues, including for national parliaments.

The major policy measures to be taken by the ESA countries for the fulfilment of this specific objective are:

- Fiscal reform to anticipate and compensate possible effects of enhanced tariff liberalisation;
- Business enabling measures to strengthen local private sector competitiveness and capacities for creation of decent jobs;
- Regulatory provisions to improve compliance of export with relevant standards;
- Simplification of customs procedures.

The main expected results to be achieved are:

- Strengthened capacity of involved government bodies and of the investment and services sector;
- Enhanced business competitiveness for production and export of goods and services;
- Increased capacity to fulfil sanitary and phyto-sanitary as well as technical barriers to trade standards.

IV-E TRANS-BOUNDARY WATER MANAGEMENT

1. THE POLICY PERSPECTIVES OF EA-SA-IO ON TRANS-BOUNDARY WATER MANAGEMENT

Trans-boundary waters⁶⁰ link populations of different countries and support the livelihoods of a significant part of their populations. Wetlands, such as lakes and floodplains, are often shared between countries and provide invaluable ecosystem services to humans, such as food provision and reduction of flood impacts and pollution. Aquifers contain quality water, represent a substantial hidden global capital and support land and water ecosystems.

Depleted and degraded freshwater supplies, as a result of population growth, poorly managed development and weak governance, hamper sustainable development and underscore the need for cooperation between major water-use sectors: agriculture, fisheries, aquaculture, industry, energy, navigation and water supply and sanitation. Individual countries implement integrated water resources management policies in order to protect water and related ecosystems and to use them sustainably, and to reconcile the demands of different sectors for socio-economic development.

Potential trans-boundary impacts and conflicting interests can best be solved by cooperation, adequate legal and institutional frameworks, joint approaches to planning and sharing of benefits and related costs. Analytical work helps to unlock the potential for cooperation and to target and maximise investments. Cooperative action is necessary to optimise benefits regionally and mitigate shared risks. The urgency to facilitate cooperation around shared waters increases as competition for the resource grows and climate change seems to increase hydrological variability and unpredictability.

Differences between riparian countries – in terms of socio-economic development, water resources management capacity, infrastructure, political orientation and institutional as well as legal contexts – represent challenges to the joint management and protection of trans-boundary waters and to effective and coordinated development. At the same time, such differences present opportunities for capacity development and cooperation. Operating at regional level can increase benefits, reduce risks and establish benefit-sharing mechanisms. However, challenges include difficulties with resource mobilisation and allocation and the perception that regional processes extend project timelines.

Effective trans-boundary water management starts at the national level, where coordination and cooperation between different ministries and institutions is needed, as are sufficient financing and political commitment. Some common obstacles are conflicting mandates, fragmented authority and limited capacity of national institutions. A lack of strong political will to develop and implement the laws and agreements needed to effectively coordinate water uses within the various sectors and to manage resources in an integrated manner adds to the problem.

⁶⁰ The term "trans-boundary" water refers to trans-boundary rivers, lakes, inland water and aquifers; but excludes open oceans, territorial seas and coastal waters.

Cooperation amongst Nile riparian countries has been taking place through a temporary institution, the Nile Basin Initiative (NBI). The NBI has been facing a number of challenges but has also proven to be a useful platform by bringing together all ten riparian countries, facilitating information exchange and capacity development, as well as the joint planning and development of water and related resources. The EU has a continued interest in supporting sustainable development and promoting peace and stability between the ten countries sharing the Nile Basin. The Foreign Affairs Council *Conclusions on EU Water Diplomacy* of 22 July 2013 draw particular attention to the situation in the Nile Basin, where the water security situation is a major concern, and invite the High Representative and the European Commission to continue working closely with the countries concerned in these areas to further facilitate sustainable and collaborative solutions taking into account existing initiatives.

1.1. MEDIUM-TERM OUTLOOK

The long term commitment of riparian countries to cooperation changes over time as it is driven by perceptions of risk and opportunities that are continuously shaped by changing water realities. External actors, including development partners, provide stability through long-term engagement and help stakeholders manage risks and invest in opportunities. Riparian country representation and participation are important in the governance of funding mechanisms. However, the funding of trans-boundary water institutions by riparian countries is often minimal, unreliable or late, affecting their sustainability and increasing donor dependence.

Institution-building is a long-term process and can accelerate or lapse around specific issues. Progress must occur in both development and institution-building to mitigate the risk of frustration with the pace of multilateral institution building as well as the risk that development is disconnected from the regional perspective and institutions that coordinate regional action.

2. PRIORITY AREAS OF INTERVENTION

The indicative allocation of EUR 20 million for this area will be distributed as described below.

Expected results, their corresponding indicators and sources of verification are in the intervention framework in Annex 3.

PRIORITY AREA 3: REGIONAL NATURAL RESOURCE MANAGEMENT

The overall objective is to contribute to equitable utilisation, shared benefits and mitigated common risks of trans-boundary waters in Eastern and Southern Africa. Specific priority will be given to the following basins: Nile, Lake Tanganyika and Okavango.

The following specific objective shall be pursued:

Specific objective: Strengthen cooperative management of trans-boundary waters in Eastern and Southern Africa

The major operations foreseen are:

- Support cooperation among riparian countries;

- Promote knowledge management, skills and objective decision-making on trans-boundary waters;
- Raise capacity of trans-boundary water institutions;
- Develop capacity of national institutions and expert bodies on integrated water resources management.

The major policy measures to be taken for the fulfilment of this specific objective are:

- Riparian countries put in place long term and inclusive cooperation agreements, including legislative frameworks where necessary;
- Riparian countries share relevant data with trans-boundary water institutions according to data-sharing policies and protocol;
- Riparian countries increase budget allocations for trans-boundary water management;
- Member states design and adhere to sustainable funding solutions for trans-boundary water institutions.

The main expected results to be achieved are:

- Effective regional cooperation and joint action between riparian countries, leading to better trans-boundary water management;
- Increased stakeholder engagement, enhanced capacity and coordination in trans-boundary water management;
- Equitable use of trans-boundary water resources, with benefits shared and common risks mitigated.

IV-F THE CONTRIBUTION OF SUSTAINABLE FISHERIES TO THE BLUE ECONOMY

1. THE POLICY PERSPECTIVES OF EA-SA-IO ON THE CONTRIBUTION OF SUSTAINABLE FISHERIES TO THE BLUE ECONOMY

The role of fisheries and aquaculture in Africa, in terms of GDP and employment, has been highlighted by a study carried out by NEPAD⁶¹ and the Food and Agriculture Organisation of the United Nations. Overall, fishing and aquaculture contribute 6% of GDP in Africa and employ 12.3 million people.

In April 2014, the African Ministers for Fisheries and Aquaculture agreed the *Pan-African Fisheries and Aquaculture Policy Framework and Reform Strategy*. This is the culmination of a five year consultative process coordinated by NEPAD and involving national authorities, regional economic communities, fishers' organisations, environmental NGOs.

The rationale for the *Pan-African Fisheries and Aquaculture Policy Framework and Reform Strategy* stems from the realisation that the substantial benefits deriving from the fisheries sector (including nutrition, food security, livelihoods, employment, exports and foreign currency, and conservation and biodiversity value) are under threat due to the over-exploitation of resources and inadequate governance. The main threats are: 1) weak and uncoordinated institutions governing the sector; 2) illegal, unreported and unregulated fishing; 3) lack of knowledge and evidence to foster reforms; 3) under-developed aquaculture sector; 4) absence of policy coherence in the sector, which has made it difficult for fisheries and aquaculture to contribute effectively to economic growth and social benefits while continuing to provide food, livelihoods and jobs in many countries. The EU has agreed to support the implementation of the *Pan-African Fisheries and Aquaculture Policy Framework and Reform Strategy* with a contribution to AU-IBAR⁶² of EUR 11 million from the EU Development Cooperation Instrument. The programme will be implemented jointly with NEPAD and is aimed at complementing action at regional and national level.

In the EA-SA-IO region, both marine and inland fisheries are important and there is a huge potential for aquaculture. The different DMROs have developed their own fisheries policies, taking into account the specificities of their member countries: SADC has a protocol on fisheries (developed in 2001), IOC has developed a fisheries strategy, EAC includes fisheries in its *Agriculture and Rural Development Policy and Strategy*, IGAD has set up a task force on sustainable fisheries with the aim of developing a strategy. Given the trans-boundary nature of fish, a cross-regional approach is necessary. There is a need to develop better coordination mechanisms between the DMROs and the regional fisheries bodies⁶³ to ensure coherence of fisheries and aquaculture development policies and their effective implementation.

1.1. MEDIUM-TERM OUTLOOK

⁶¹ *New Partnership for Africa's Development*

⁶² African Union Inter-African Bureau for Animal Resources

⁶³ Some regional fisheries bodies have an advisory mandate, and provide advice, decisions or coordinating mechanisms that are not binding on their members. Others – known as regional fisheries management organisations – have a management mandate. They adopt fisheries conservation and management measures that are binding on their members.

Sustainable fisheries have been part of EU regional cooperation in Eastern Africa and the Indian Ocean during the period 2007-2013. Available evaluation and monitoring reports have shown that EU support has been useful and appreciated. However, experience shows that only long term cooperation can bring substantive and sustainable results in the field of fisheries and aquaculture. It seems therefore important to continue our cooperation in the region, especially at a moment where fisheries and aquaculture gets more political recognition through the adoption of the Pan-African strategy.

The current situation is environmentally and economically sub-optimal, as many fish stocks are overfished and many fishing communities are facing decline. It is however still feasible to increase fish production through proper management and sustainable aquaculture. The EU will work with regional fisheries bodies and other potential partners to build their capacity and ensure high standards and in order to improve science, compliance and governance. Good quality data and science are essential for adequate management decisions and conservation of resources. Compliance assessments need to be backed up by sanctions and capacity building to fight illegal, unreported and unregulated fishing.

This being said, the region is large and diverse and the problems are very different between countries. Several countries are coastal states with important marine resources. Others have an interest in developing inland fisheries or aquaculture. A differentiated approach would seem appropriate to tackle specific needs and ensure concrete results.

To be sustainable, conservation of marine/fisheries resources requires the adoption of a comprehensive approach that includes, together with fisheries, all other sectors related to the blue economy such as management of extractive industries that reduce fishing grounds and impact the marine ecosystem.

2. PRIORITY AREAS OF INTERVENTION

The indicative allocation of EUR 30 million for this area will be distributed as described below.

Expected results, their corresponding indicators and sources of verification are in the intervention framework in Annex 3.

PRIORITY AREA 3: REGIONAL NATURAL RESOURCE MANAGEMENT

The overall objective is to enhance equitable economic growth by promoting sustainable fisheries in the EA-SA-IO region and the following specific objective shall be pursued:

Specific objective: Improved fisheries and aquaculture management to increase the contribution of the sector to poverty alleviation, food security and nutrition in line with the Pan-African Fisheries and Aquaculture Policy Framework and Reform Strategy

The major operations foreseen are:

- Build awareness of the potential contribution of sustainable fisheries and aquaculture to the blue economy at both national and regional levels;
- Cooperation between DMROs and regional fisheries bodies to develop coherent regional policies;

- Capacity building and institution strengthening at national and regional levels, including capacity for IUU fishing;
- Support development and management of inland fisheries;
- Review regulatory frameworks;
- Support producers' organisations and improved involvement of stakeholders in decision making;
- Improve business environment and investment facilities in the fisheries and aquaculture sector.

The major policy measures to be taken for the fulfilment of this specific objective are:

- Develop data collection schemes and reinforce scientific advice;
- Establish recovery pathways for overfished fisheries and implement protocols, plans and programmes for management of trans-boundary fisheries and sustainable marine resources exploitation;
- Improve monitoring, control, and surveillance, including measures against illegal unreported unregulated fisheries;
- Take action to reduce waste and post-harvest losses;
- Increase the value-added of fish products through improved quality and safety, processing and trade policy;
- Ensure that the development of other maritime activities (shipping, fisheries and oil/mining/gas sectors) is not detrimental to coastal fisheries and promote dialogue with the private sector and civil society to better coordinate efforts and ensure that their perspectives are taken into account.

The main expected results to be achieved are:

- Enhanced capacity of regional and national institutions to propose, implement and monitor policies and regulations in the fisheries sector;
- Strengthened contribution of small-scale fisheries to poverty alleviation, food security and socio-economic benefits for fishing communities;
- Market-led sustainable aquaculture developed.

These results are fully in line with the objectives of the *Pan-African Fisheries and Aquaculture Policy Framework and Reform Strategy*.

IV-G WILDLIFE CONSERVATION

1. THE POLICY PERSPECTIVES OF EA-SA-IO ON WILDLIFE CONSERVATION

The current magnitude of wildlife poaching requires urgent and concrete action. Apart from threatening species, wildlife poaching and trafficking harm local and national security and need to be tackled at all levels: at local level by securing the management of priority protected areas; at national level by reinforcing the rule of law; at regional level by promoting anti-criminal networks, improving the management of cross-border protected areas, and improving species monitoring; and internationally by supporting organisations specialised in the fight against wildlife crime, illegal trade and smuggling.

The major threats to biodiversity conservation and ecosystem services are unsustainable utilisation; human-wildlife conflict; inadequate protected area systems; fragmentation, transformation and loss of natural habitats and ecosystems; and climate change. The main drivers underlying these threats are market forces (e.g. ivory, rhino horn, bush meat); population growth; poverty; lack of or limited incentives for local communities; under-valuation of ecosystem services and biodiversity; and weak governance and corruption.

The overall response is influenced and guided by a number of international, continental, regional and national agendas. Almost all countries are party to many international conservation programmes and conventions and most countries have undertaken national biodiversity strategies and action plans. Many have participated in and contributed to development of broader international strategies and plans. All countries have policies for conserving natural areas and endangered species and have relevant legislation and departments for such purposes. These legal instruments and institutional frameworks are adequate to designate systems for protected areas and give protection to endangered species. There is, however, much room for improvement in the form of revising out-dated legislation to allow a more flexible approach to conservation and strengthening the enforcement dimension. A recent trend has been to participate in a regional approach to wildlife conservation leading to the designation and co-management of Trans-Frontier Conservation Areas (TFCAs).

Gaining control over the illegal consumption of, and trade in, wildlife rests very much on tackling the fundamental weaknesses of governance driving these issues through actions summarised as “stop the killing” (supply), “stop the trafficking” (transit) and “stop the demand” (consumer). Protected areas face two major issues: their overall design, and the effectiveness with which they are managed - the latter being dependent on adequate funding and human resources capacity. A better understanding of ecosystem values should result in governments investing more heavily in the agencies responsible for land use planning and in those responsible for protecting natural resources and/or managing their utilisation.

The costs of living with wildlife are for rural people a major disincentive to conserve it. The basic premise underlying community-based natural resource management is that illegal and unsustainable natural resource use by the rural poor can be halted by giving them ownership of and management responsibility for the resource, so that they may directly benefit from its use and their livelihoods improve accordingly.

1.1. MEDIUM-TERM OUTLOOK

The emergence of a genuine ethos for conservation needs to be stimulated and accelerated by providing the awareness, training, capacity development and assistance in policy development and legal frameworks that will be required for countries to conserve their own resources. An effective response to the wildlife crisis is complex and involves a wide range of actions. Conservation will be needed at a large number of different sites and for a great many different species in order to adequately conserve the full range of wildlife and ecosystem services required. Given the pace of population growth and human development and the rate of degradation of environments and habitats it is unrealistic to assume that we can conserve all the places or wildlife resources that we might wish. There is a danger of spreading efforts too thinly. The EU is strongly committed to assisting the EA-SA-IO countries in reversing the ecological degradation for humanitarian, security, environment and biodiversity reasons.

The Trans-Frontier Conservation Area concept is a significant conservation initiative that combines policies on wildlife conservation, community development and the promotion of culture and peace. It brings together a complex and diverse mosaic of land uses under one shared or joint management structure. One of the main advantages of the trans-frontier approach to conservation is the opportunity to plan and undertake both conservation and development at the scale of landscapes which incorporate entire ecosystems. This enables more effective conservation, more efficient use of natural resources and greater social and economic involvement of communities. Five levels of TFCA management can be recognised: landscape management for wildlife migration; landscape management for livelihoods development; water basin management for conservation and development; protected areas management; and promotion of culture and peace.

Several countries are considering or are in the process of setting up multi-agency Wildlife Enforcement Networks to combat wildlife crime. At the national level, each country operates an inter-agency task force comprised of police, customs and environmental officers, forming the backbone of a regional network dedicated to battling trans-national wildlife crimes. The concept is similar to already existing networks dealing with other trans-national crimes such as drug smuggling and human trafficking.

2. PRIORITY AREAS OF INTERVENTION

The indicative allocation of EUR 30 million for this area will be distributed as described below.

Expected results, their corresponding indicators and sources of verification are in the intervention framework in Annex 3.

PRIORITY AREA 3: REGIONAL NATURAL RESOURCE MANAGEMENT

The overall objective is to contribute to improved ecosystem management in Eastern Africa, Southern Africa and the Indian Ocean and the following specific objectives shall be pursued:

Specific objective 1: Strengthened Trans-Frontier Conservation Area (TFCA) management in Eastern Africa, Southern Africa and the Indian Ocean

An indicative EUR 20 million shall be reserved for this specific objective. The major operations foreseen are:

- Raise management capacity of selected TFCAs;
- Support policy and legal reforms related to conservation.

The major policy measures to be taken for the fulfilment of this specific objective are:

- National governments increase budget allocations for conservation substantially, including capacity building for wildlife conservation authorities;
- Regional and national institutions enact or reform legislation on conservation;
- Regional and national institutions guide, coordinate and implement conservation;
- National governments recognise and support key TFCAs.

The main expected result to be achieved is:

- More effective conservation, more efficient use of natural resources and greater social and economic involvement of communities in selected TFCAs.

Specific objective 2: Improved law enforcement on wildlife crime in Eastern Africa, Southern Africa and the Indian Ocean

An indicative EUR 10 million shall be reserved for this specific objective. The major operations foreseen are:

- Build on the efforts of national and regional wildlife enforcement networks such as the Horn of Africa Wildlife Law Enforcement Network (HAWEN), the African Wildlife Foundation, the Freeland Foundation, and the International Fund for Animal Welfare and national law enforcement agencies responsible for combating wildlife crime, such as the African Regional Response to Endangered Species Trafficking (ARREST);
- Embed wildlife security advisers in national wildlife enforcement networks;
- Implement ICCWC (International Consortium on Combating Wildlife Crime) tools and activities;
- Support policy and legal reforms related to wildlife crime.

The major policy measures to be taken for the fulfilment of this specific objective are:

- National governments increase budget allocations for combating wildlife crime substantially;
- National governments step up enforcement of laws combating wildlife crime and wildlife trade control, including enforcement of CITES (*Convention on International Trade in Endangered Species of Wild Fauna and Flora*);
- Development by HAWEN of a 5-year programme for Sub-Saharan Africa, with immediate focus on the Horn of Africa region;
- National governments revise out-dated legislation on wildlife crime.

The main expected result to be achieved is:

- Wildlife enforcement networks function effectively at national and regional level.

Annex 1. Financial overview table (in million €)

	COMESA	EAC	IGAD	IOC	SADC	Sub-totals	Total	Share
Sub-Regional Envelopes							450	33,8%
Initial allocation	85	85	80	50	90	390		
Performance reserve						60		
Peace, Security and Regional Stability	0	15	40	5	15	75		
Regional Economic Integration	85	45	10	7	47	194		
Regional Natural Resource Management	0	20	25	33	9	87		
Institutional Capacity Building	0	5	5	5	19	34		
Infrastructure Envelope							600	45,0%
<i>Infrastructure Network Investment</i>						525		
<i>Governance reforms</i>						40		
<i>Capacity Building</i>						35		
Cross-Regional Envelope							205	15,4%
Peace, Security and Regional Stability						85		
<i>Great Lakes</i>						30		
<i>Migration</i>						25		
<i>Maritime Security</i>						30		
Regional Economic Integration						40		
<i>EPA implementation</i>						40		
Regional Natural Resource Management						80		
<i>Transboundary Water Management</i>						20		
<i>Sustainable Fisheries</i>						30		
<i>Wildlife Conservation</i>						30		
Technical Cooperation Facility						15	15	1,1%
Reserve							62	4,7%
Unforeseen Needs (Regional B Envelope)							0	0,0%
Total							1332	100,0%
Total by priority area								
Peace, Security and Regional Stability							160	12,0%
Regional Economic Integration							834	62,6%
Regional Natural Resource Management							167	12,5%
Institutional Capacity Building							34	2,6%
Technical Cooperation Facility							15	1,1%
Reserve and Performance Reserve							122	9,2%

Priority Area	Specific Objective	Indicative Allocation (M Eur.)	Expected Result (outcome)	Indicators	Source of Verification	
Regional Economic Integration	Reduced cost of cross-border trade through removal of internal barriers in line with Tripartite agreements	68	Non-tariff barriers identified, prevented and resolved	% of non-tariff barrier complaints resolved annually	Tripartite non-tariff barriers on-line monitoring system	
			Harmonisation and compliance with regional and international sanitary and phytosanitary and technical regulations/standards increased	Number of simplified/risk-based sanitary and phytosanitary/technical barriers to trade measures that are demonstrated based on (i) harmonisation with regional or international standards, (ii) equivalence, or (iii) mutual recognition agreements	WTO Standards and Trade Development Facility project report; Council reports	
	Trade flows at borders and along priority corridors facilitated	Regulatory/policy environment at national, regional/tripartite levels for trade in services improved	Trade negotiations concluded	Average costs to export/import along selected regional corridors	Mantica (freight forwarding company)	
				Number of service sectors liberalised in COMESA	Council reports; COMESA gazettes	
	Small and medium enterprises productivity/innovation capacity and competitiveness enhanced	10	Enabling environment for small and medium enterprises and the private sector in general in the COMESA region improved	Number of COMESA member states participating in the Tripartite Free Trade Area	Growth in regional/international exports from (supported) small and medium enterprises (disaggregated between male and female-headed)	Signatures of member states on the Tripartite Free Trade Area agreement; records of ratification instruments deposited
				Number of COMESA countries having signed and ratified the Comesa Common Investment Area	Reports from FEMCOM (Federation of National Associations of Women in Businesses in COMESA), ACTESA (Alliance for Commodity Trade in Eastern and Southern Africa), L.L.P.I (Leather and Leather Products Institute), cluster development reports	
	Enhanced capacity of the COMESA Secretariat and Member States, including the private sector, to deepen regional integration	7	Capacity, both at Secretariat and country level, to monitor domesticator/implementation of regional commitments and to engage in a multi-stakeholder dialogue on regional economic integration (including in the context of the Tripartite) increased	Rate of implementation of COMESA instruments, policies and programmes	COMESA monitoring & evaluation system; COMESA transposition report	
				Number of recommendations of the 2014 7-pillar assessment implemented	pillar assessment audit report	
				Production and dissemination of harmonised regional statistics improved	Number of statistical clusters for which harmonised regional data are produced and disseminated	COMSTAT data portal

Priority Area	Specific Objective	Indicative Allocation (M Eur.)	Expected Result (outcome)	Indicators	Source of verification
Peace, Security and Regional Stability	Combat terrorism, cross-border and transnational organised crime (including human trafficking, as well as trafficking of small arms and light weapons, wildlife and narcotics) in the EAC region	10	Regional policy framework against terrorism and cross-border / transnational crime adopted, and related national strategies harmonised	Number of political or legal frameworks on terror and cross-border / transnational crime harmonised and operationalised by EAC partner states	National government and EAC Secretariat reports
			Counter-terrorism and crime-fighting capacities of the national judiciary, intelligence, law enforcement and border security agencies and Counter-terrorism Fusion Centres, as well as regional bodies such as the Regional Forensic Referral Centre and Civil Aviation Safety and Security Oversight Agency are strengthened and their activities coordinated	Number of successful joint and intelligence-led operations or investigations (including cases brought to court) undertaken amongst EAC partner states	EAC Secretariat reports
Regional Economic Integration	Foster the implementation of the EAC Common Market as well as monitoring the Customs Union and Common Market Protocols (both at the Secretariat and Partner State levels)	10	Contribution made by border communities to preventing terrorism and trans-national crime	Number of awareness-raising sessions held	EAC Secretariat progress reports of project implementation
			Common Market commitments related to non-tariff barriers and service liberalisation are implemented by the EAC partner states, namely: - unnecessary non-tariff barriers identified, prevented and resolved; - intra-regional trade in services in priority sectors liberalised	Number of non-tariff barriers and other trade barriers among EAC partner states	EAC scorecard and other Secretariat reports, Common Market protocol Annex on Mutual Recognition
Regional Economic Integration	Develop EAC industries and private sector, and facilitate trade	35	Implementation of the Customs Union and Common Market Protocols is effectively monitored by the EAC Secretariat	Status of operationalisation of the East African Monitoring System	EAC Secretariat scorecard and other reports
			EAC Industrialisation Development Strategy is adopted and implemented	Status of EAC Industrialisation Development Strategy action plans/programmes (ie dates drafted, adopted, implemented)	EAC Sectoral Council on Trade, Investment, Finance and Industries decisions
			Industrial development in the food chain, leather, wood and pharmaceuticals sectors is enhanced	Number of new food chain, leather, wood and pharmaceutical small and medium enterprises created	East African Business Council reports
			EAC Partner States are compliant with their obligations resulting from regional and international trade agreements	Status of Tripartite Free Trade Agreement (ie dates drafted, agreement signed, agreement implemented)	EAC Secretariat and partner states reports
			Intra-EAC trade flows are increased	Foreign direct investment and cross-border trade and investment flows	EAC Secretariat scorecard
Peace, Security and Regional Stability	Promote democratic governance in the EAC region in line with the EAC Protocol on Good Governance and the African Charter on Democracy, Elections and Governance	5	EAC electoral governance mechanisms and fora contribute to a stable democratic environment.	Number of long-term electoral observation missions (ie about 10 observers for about 3 months before and after the election day) deployed by the EAC Secretariat in partner states during the 2015-2018 electoral cycle	EAC Secretariat reports
			Crisis and election-related violence is reduced.	Number of incidents of electoral violence	Media reporting
			Regional policy framework against terrorism and cross-border / transnational crime adopted, and related national strategies harmonised	Number of trainings and knowledge exchanges within the Political Party Forum, Human Rights Commission Forum, Electoral Management Bodies Forum	EAC Secretariat reports

Priority Area	Specific Objective	Indicative Allocation (M Eur.)	Expected Result (outcome)	Indicators	Source of verification
Regional Natural Resource Management	Support the integrated management and development of the shared water and fishery resources of the Lake Victoria Basin	20	Joint regional priority investment plan with respect to watershed improvement, sanitation and water supply is developed and implemented	Status of joint regional priority investment plan (ie dates plan formulated, implemented)	Lake Victoria Basin Commission reports
			Water release and abstraction policy is harmonised and implemented through the establishment of appropriate monitoring systems	Socio-economic and environmental data on pollution levels	Lake Victoria Basin Commission reports; environmental impact and strategic environmental assessments
			Aquaculture regional policy and regulatory environment is improved, monitored and enforced, leading to an increase in sustainable aquaculture production and productivity.	Tons of fish produced per year by regional aquaculture	National and regional statistics
Cross-Cutting: Institutional Capacity Building	Enhance the capacity of the EAC Secretariat and other organs and institutions to deliver effectively on their mandates	5	Improved performance of the EAC Secretariat and partner states in the implementation of successive EAC development strategies	Rate of realisation of the successive (4th & 5th) EAC strategy performance indicators	EAC Secretariat progress report on the implementation of the 4th & 5th EAC strategy performance indicators
			Strengthened resource mobilisation, strategic planning, coordination, policy development, implementation, public financial management, evaluation and monitoring	Outcome of the EU 7-pillar assessment	Pillar assessment audit report
			Improved implementation rate for projects supported under the 11th EDF	Rate of absorption of 11th EDF EA-SA-IO RIP EAC sub-envelope funds	EU Delegation Tanzania records

Priority Area	Specific Objective	Indicative Allocation (M Eur.)	Expected Result (outcome)	Indicators	Source of Verification
Peace, Security and Regional Stability	Strengthen conflict early warning and response mechanism	10	Conflict early warning and response mechanism strengthened	Geographic coverage of CEWARN (conflict and early warning response mechanism) and CEMWERU (conflict early warning response units) and number of conflicts covered/prevented	IGAD and CEWARN annual reports and data from other relevant institutions; fact-finding field missions etc
	Improve mediation and preventive diplomacy	15	Mediation and preventive diplomacy of IGAD is improved	Number of interventions of technical and mediation experts	IGAD and CEWARN reports; records of police and military authorities
Regional Economic Integration	Counter existing, evolving and emerging trans-national security threats	15	Relevant authorities and organisations are more efficient in countering existing, evolving, and emerging trans-national security threats	Number of interventions of regional technical experts (including regional law enforcement operations) in preventing and addressing transnational crimes	Reports by IGAD and member states; records of police and military authorities
			Strengthened capacity of national migration services to manage legal migration	Number of training courses and capacity-building actions for national migration services to manage legal migration	Reports from national migration services and IGAD
Regional Economic Integration	Reduce barriers to free movement of persons in the IGAD region	10	Increased movement of persons, including refugees, across regional borders	Volume of persons, including refugees, recorded at cross border points	Records of customs and border management authorities; surveys commissioned by national and regional authorities
			Pastoral mobility (transhumance) in the region facilitated	Numbers of pastoralists and livestock crossing the borders	Records of customs and border authorities; surveys commissioned by national & regional authorities
Regional Natural Resource Management	Enhance resilience of (agro-) pastoralist populations	15	Volume and quality of agricultural products and products of animal origin are increased	Volume of animal and agricultural products	Records from the ministries of agriculture of member states and national nutrition surveys; activity reports from relevant institutions and implementing partners, and the livestock market information system
			The role of women pastoralists is enhanced	Indicators to be taken from survey on role of women pastoralists	Survey of role of women pastoralists.
			Land degradation is reduced	Percentage of agricultural land and pastures which is not degraded	Records from the ministries of agriculture of member states; data on status of pastures and forest areas from the Monitoring of Environment and Security in Africa programme (MESIA); activity reports from relevant institutions and implementing partners
			Reduced deforestation	Number of hectares of forest	Activity reports from relevant institutions and implementing partners; data on status of forest areas from the Monitoring of Environment and Security in Africa programme (MESIA); records from the environment ministries of member states and legal instruments for ratification
			Destitution of biodiversity is mitigated	Number of member states that have endorsed the IGAD Regional Environment Policy and Strategy	Activity reports from relevant institutions and implementing partners; records from the ministries of environment and energy of member states
Cross-Cutting: Institutional Capacity Building	Enhance the capacity of IGAD Secretariat to enable it to deliver on its mandate effectively	5	Increased use of renewable energy by households	Percentage of renewable energies in energy mix used by households	Activity reports from relevant institutions and implementing partners; records from the ministries of environment and energy of member states
			Improved implementation rate for projects supported under the 11th EDF	Rate of implementation of projects under the 11th EDF	European Commission records
			Enhanced capacity to comply with international standards and procedures in financial and human resources management	Quality of project documentation; evidence of reforms of financial procedures	Reports from IGAD donor partners; external consultants (where appropriate) and EU Delegation Djibouti; pillar assessment audit report
	Enhanced communication with stakeholders.		Number of communication and visibility actions (press releases, workshops etc); perceptions of donor partners and other stakeholders	Media monitoring in national and regional newspapers and websites; survey/questionnaire on the views of donor partners and other stakeholders	

Priority Area	Specific Objective	Indicative Allocation (M Eur)	Expected Result (outcome)	Indicators	Source of Verification
Peace, Security and Regional Stability	Enhance political stability and democratic governance in the IOC Region	3	Prevention and mediation of crises enhanced	Number of IOC Council decisions resulting from a regional mechanism for crisis prevention and resilience building	Council decision
			The electoral processes of IOC member states are improved	Number of IOC electoral observation missions conducted; number of exchanges of expertise and best practice amongst national independent electoral commissions within the IOC	IOC reports
			Enhanced regional cooperation and public awareness for good governance	Number of regional consultations between civil society organisations facilitated, including the Association of Indian Ocean Parliamentarians(AIOI)	IOC and national reports
			Improved ocean governance	A regional strategy on ocean governance based on synergies of actions of IOC member states	IOC and national reports
			Specific characteristics of small island developing states are addressed in regional and continental fora and by multilateral institutions	Number of continental conclusions and recommendations on specificities of small island developing states ie small size, remote location, high vulnerability to climate change and natural disasters, specific provision for small island developing states in the Tripartite regional process	Council decisions; UN reports
			Adaptation measures to small island developing states' economic and trade vulnerabilities are developed and implemented	Number of trade and economic measures specific to small island developing states signed with other regional, international organisations, trade blocs and/or business forums	IOC reports; UNCTAD reports
			Additional resources leveraged in support of small island developing states	Proportion of non-EU funded mechanisms for small island developing states	IOC reports; national reports made available on UN database
			Advocacy measures contributing to the improvement of regional connectivity are developed and implemented complementary to regional infrastructure projects	Number of decisions from the air transport and regional maritime service committees implemented by member states; number of decisions resulting in improvement of a regional ICTI cluster	Council decisions; partners reports
			Improved public/private dialogue and implementation of regional projects	Annual economic forum with chambers of industry and commerce and other private sector organisations; number of regional projects implemented with the private sector	IOC reports
			Regional networks of excellence in research and investment are created in the IOC region to promote a dynamic productive and commercial response from small and medium enterprises	Number of regional networks established; number of sector results shared by IOC member states and used effectively by small and medium enterprises	IOC reports; reports of small and medium enterprises; national reports
Regional Economic Integration	Competitiveness and business facilitation	7	Improved regulatory framework on regional mobility for businesses	Number of areas for business facilitation prioritised and agreed by IOC member states	IOC reports

Priority Area	Specific Objective	Indicative Allocation (M Eur.)	Expected Result (outcome)	Indicators	Source of Verification
Regional Natural Resource Management	Address specific vulnerabilities of island states – climate change and disaster risk management	16	Measures to adapt to climate change are financed and implemented at national and regional levels	Number of disaster reduction-related and climate change initiatives implemented reflecting the regional strategy and action plans	National reports, IOC annual reports
			Technical and financial capacity for land use management, urban development and disaster risk management is strengthened in the IOC and member states	Number of regional climate change networks developed; number of peer review mechanisms undertaken; number of laws or amendments to existing laws, strategies and policies on disaster risk management and urban land use management developed; number of persons trained; % of national budget allocated to land use management, urban development and disaster risk management	National development plans and budgets
			Regional cooperation with civil protection agencies is strengthened	Status of regional agreement for civil protection	IOC reports
			Member states' access to climate change financing is facilitated	Number of member states implementing action plans under innovative funding mechanisms; amount of financing for climate change leveraged	IOC reports; national reports
			Strengthened regional policies and better management processes in regional institutions	Status of regional food security policies; number of food security mechanisms established	IOC reports
			Enhanced resilience of smallholders and family farmers	Number of regional emergency plans and protocols for vulnerable groups	IOC reports
Regional Food Security Programme		17	Enhanced regional value chains for specific products	Proportion of beneficiaries utilising technological innovations to improve production, transformation and preservation	National statistics; IOC reports
			Improved performance of the IOC and its member states in the implementation of the IOC Strategic Development Plan and results-based management tool	% implementation of IOC Strategic Development Plan; number of results based management tools, financial and administrative management frameworks applied	IOC reports; external assessment
			Enhanced public financial management capacity at IOC	Number of recommendations of the 2014 7-pillar assessment implemented	Pillar assessment audit report
Cross-Cutting: Institutional Capacity Building	Provide institutional support to IOC Secretariat and IOC Member States	5			

SADC sub-envelope

Priority Area	Specific Objective	Indicative Allocation (M Eur.)	Expected Result (outcome)	Indicators	Source of Verification			
Peace, Security and Regional Stability	Strengthen the infrastructure for peace, security and regional stability	5	Strengthened SADC capacity to provide electoral assistance and conduct credible electoral observation	Number of SADC electoral observation missions recommendations implemented	Reports from SADC electoral observation missions and the SADC Electoral Advisory Council; reports from other (international) election observation missions			
			Strengthened accountability of regional authorities through an enhanced interface between SADC structures and civil society	Percentage increase of women's, youth and non-state actors' representation in decision-making in public and private sectors across SADC MS	SADC Gender Barometer, GenderLinks reports			
			Enhanced SADC capacity for threat monitoring, prevention and peaceful dispute settlement	Number of interventions undertaken by the SADC Secretariat's mediation structures	SADC annual reports; mediation mission reports			
			Strengthened capacity to uphold and enhance cross-border safety and security	Proportion of SADC Member States with harmonised legislation/operating procedures	Legal instruments of SADC member states			
			Model for integrated and gender-sensitive approaches to cross-border safety and security developed and implemented	Incidence of cross-border crime such as smuggling of commodities, poaching, trafficking in persons and illegal migration	Criminal and judicial records of SADC member states; IOM publications			
			Higher levels of compliance with SADC Trade Protocol commitments by SADC Member States achieved	Level of development of model, and its implementation	SADC Secretariat and IOM reports			
			Non-tariff barriers reduced	Number of member states that acceded to the Protocol on Trade	Protocol monitoring reports			
			Agreement establishing the Tripartite Free Trade Area concluded, signed and ratified	Average % of non-tariff barriers complaints resolved	Non-tariff barriers on-line reporting			
			Increased value addition and enhanced value chains in selected priority sectors	Proportion of Tripartite Member Countries that sign, ratify and implement the free trade agreement obligations	Reports of SADC Secretariat and member states			
			Support to small and medium enterprises, industries and smallholder farmers enhanced	Number of regional value beneficiation, value addition and value chains analyses developed per year in priority selected sectors	SADC Business Council reports			
Regional Economic Integration	Support towards industrialisation and the productive sectors	18	Capacity of Member States to develop and implement industrial development policies enhanced	Number of joint investment and export promotion initiatives held for small and medium enterprises/small and medium industries	SADC Business Council reports			
			Investment climate and doing business environment enhanced	Number of member states with policies and skilled policy makers on industrial development	Reports from SADC Secretariat and member states			
			Reduced prevalence of double taxation among Member States	Average ranking of SADC member states on the Ease of Doing Business index	Reports from SADC Secretariat and member states			
			Enhanced member states' capacity to collect, analyse, process and disseminate data on agricultural production and productivity	Proportion of SADC member states with database in place and linked with SADC Integrated Information System	Reports from SADC Secretariat and member states			
			Regional strategies for reducing plant and animal pests, diseases and post-harvest losses formulated and implemented	% of member states that adopt regional long-term control strategies for crop and livestock diseases and pests	Reports from SADC Secretariat and member states			
			Reduced social and economic vulnerability of the region's population	Proportion of SADC member states that have comprehensive food and nutrition security policies, strategies and investment programmes	Reports from SADC Secretariat and member states			
			Regional Natural Resource Management	Operationalise SADC's Regional Agricultural Policy (RAP) to contribute to achieving sustainable food and nutrition security in order to achieve sustainable access to safe, adequate and affordable food	9	Regional strategies for reducing plant and animal pests, diseases and post-harvest losses formulated and implemented	% of member states that adopt regional long-term control strategies for crop and livestock diseases and pests	Reports from SADC Secretariat and member states
						Reduced social and economic vulnerability of the region's population	Proportion of SADC member states that have comprehensive food and nutrition security policies, strategies and investment programmes	Reports from SADC Secretariat and member states

SADC sub-envelope

Priority Area	Specific Objective	Indicative Allocation (M Eur.)	Expected Result (outcome)	Indicators	Source of Verification
<p>Cross-Cutting Institutional Capacity Building</p>	<p>Strengthen the capacity of the SADC Secretariat to harmonise policies and strategies of member states, coordinate, monitor and evaluate the implementation of the Regional Indicative Strategic Development Plan (RISDP) and the Strategic Indicative Plan for the Organ on Politics, Defence and Security Cooperation (SIPO)</p>	<p>19</p>	<p>SADC Secretariat's capacities strengthened in coordination, evaluation and monitoring of subsidiarity and implementing structures at regional and national levels</p>	<p>Number of SADC Secretariat staff trained in coordination, evaluation, and monitoring of subsidiarity and implementing structures</p>	<p>SADC reports</p>
			<p>Strengthened capacity of regional and national subsidiarity and implementing organisations at regional and national levels in the implementation of the RISDP and the SIPO</p>	<p>Number of capacity strengthened regional/national subsidiarity/implementing organisations</p>	<p>SADC reports; EU Delegation Gaborone reports</p>
			<p>Enhanced SADC Secretariat capacity to comply with internationally-accepted standards and procedures</p>	<p>Pillar assessment audit</p>	<p>Pillar assessment audit report</p>

Priority Area	Specific Objective	Indicative Allocation (M Eur.)	Expected Result (outcome)	Indicators	Source of Verification	
Regional Economic Integration	Improved connectivity, efficiency and resilience of regional infrastructure networks	525	Improved transport and electric interconnectivity through strategic regional corridor developments	Length of roads constructed and / or maintained / rehabilitated / upgraded (km)	National, regional and corridor statistics and reports	
				Number of ports/airports rehabilitated and number of bridges constructed or rehabilitated		Number of ports/airports rehabilitated and number of bridges constructed or rehabilitated
				Number and length of transmission/distribution lines and cross border interconnectors installed or upgraded (km)		Number and length of transmission/distribution lines and cross border interconnectors installed or upgraded (km)
				Percentage change in energy trading		Percentage change in energy trading
				Electricity installed capacity from renewable energy sources		Electricity installed capacity from renewable energy sources
				Percentage change in access to broadband internet		Percentage change in access to broadband internet
				Number of people having access to sustainable potable water supplies		Number of people having access to sustainable potable water supplies
				Number of regional policies, regulations and standards implemented at national level		Number of regional policies, regulations and standards implemented at national level
				Policy and regulatory environment for infrastructure development at regional and national level enhanced		Regional policies are translated into national legislations and standards which are implemented and enforced
				Regional policies are translated into national legislations and standards which are implemented and enforced		Regional policies are translated into national legislations and standards which are implemented and enforced
Improved enabling environment e.g. strategic and regulatory framework to sustain and maximise utilisation of physical infrastructure	40		Increased water availability through trans boundary initiatives	Number of national legislations and standards that reflect regional policies and are enforced	National, regional and corridor statistics and reports	
				Funding allocated by national governments		Investment in infrastructure as % of GDP
				Investment in infrastructure increased		Investment in infrastructure as % of GDP
				Public key infrastructure and computer incident response teams information society measurements developed		Number of public key infrastructure and computer incident response teams established
				Enhanced capacity of relevant national authorities in initiating, supervising and managing public-bridging approach		Project preparation in line with international best practice
Capacity development for infrastructure	35		Operation and management of corridors enhanced	Number of integrated national and inter-regional committees established	National, regional and corridor statistics and reports	
				National regulators' capacity enhanced		Regulators performance in line with international best practice
				Operation and management of corridors enhanced		Travel time and travel prices
				National regulators' capacity enhanced		Regulators performance in line with international best practice
				Energy and ICT associations strengthened		Level of engagement of energy and ICT associations

Cross-Regional: Peace and Security in the Great Lakes Region

Priority Area	Specific Objective	Indicative Allocation (M Eur)	Expected Result (outcome)	Indicators	Source of Verification
Peace, Security and Regional Stability	PSC-F Commitments 1, 2, 5 and 7: conflict resolution, peacebuilding, security and judicial co-operation	10	No interference in the internal affairs of neighbouring countries (commitment 1)	Number of disputes notified or discussed at regional forum and number of civil society and media events	Reports of the regional oversight mechanism established as part of the Peace, Security and Cooperation Framework, UN Group of Experts on the DRCC, OECD reports, evaluation and monitoring reports
			Armed groups are not tolerated, assisted or supported (commitment 2); legitimate concerns and interests of the neighbouring countries are respected, in particular regarding security matters (commitment 5)	Number of successful disarmament, demobilisation, repatriation, reintegration and resettlement programmes, number of jobs created for returnees, and better integration of conflict-free minerals in the global supply chain.	
			The administration of justice is facilitated through judicial cooperation within the region (commitment 7)	Number of joint judicial investigations and consultations, trainings, sensitisation campaigns	
			Sovereignty and territorial integrity of neighbouring countries is respected (commitment 3)	Number of operations and consensually agreed reports in the area of joint inclusive management, surveillance and patrolling of borders (eg reports of the Extended Joint Verification Mechanism)	
	PSC-F Commitments 3 and 4: Secure cross-border social, economic and commercial activities	20	Regional cooperation, including deepening economic integration, is strengthened, with special consideration for the exploitation of natural resources (commitment 4)	Statistics on the free movement of persons, enhanced cross-border legal trade and extent of economic and social activities in cross-border communities	
			Strengthened capacity of regional organisations in order to coordinate regional action and foster peace and stability across the region	Number of implemented recommendations from independent evaluation and monitoring reports, results-oriented summits, conferences, workshops and training courses, timely recruitment of staff in key positions and payment of contributions by regional Member States	

Priority Area	Specific Objective	Indicative Allocation (M Eur)	Expected Result (outcome)	Indicators	Source of Verification		
Peace, Security and Regional Stability	Build capacity to improve migration governance	10	Better protection and assistance for vulnerable groups	Number of refugees, victims of trafficking and other migrants supported by the relevant national authorities;	Reports from implementing partners, UNHCR and civil society organisations		
			Improved knowledge base on the three migratory routes	Number of reports published on migration in the region, including data and analysis	Reports from national governments, implementing partners, UNHCR and civil society organisations		
	Support regional integration processes through facilitation of legal migration and prevention of irregular migration	5	Enhanced capacity at national and regional levels to manage mixed migration, including addressing the issues of trafficking in human beings and smuggling of migrants, while protecting related vulnerable groups	Status of legal frameworks on protecting displaced people (e.g. drafting, adoption and successful implementation of frameworks)	Status of frameworks on intra-regional migration and mobility (e.g. drafting, adoption and successful implementation of frameworks)	Reports from national governments, implementing partners, UNHCR and civil society organisations	
			Policies and frameworks that facilitate orderly intra-regional migration and mobility			Regular monitoring reports of the Regional Development and Protection Programme	
			Enhanced capacity at national and local levels to manage migration in support of regional economic integration	Perceptions on progress of integration, on the part of governments, local communities and migrants (proxy indicator)	Enhanced capacity at national and regional levels to manage mixed migration, including addressing the issues of trafficking in human beings and smuggling of migrants, while protecting related vulnerable groups	Reports and surveys from implementing partners, UNHCR and civil society organisations	
			Increased integration of migrants in host countries				
	Support national and regional development and protection initiatives for refugees and internally displaced persons	10	Enhanced self-reliance of refugees and internally displaced persons, as well as an enhanced contribution to local economies in host countries and/or receiving areas	Enhanced political dialogue with host governments on refugees' access to basic rights, mainstreaming issues relating to refugees and internally displaced persons into national development planning	Status of dialogue under the Khartoum Process (eg meetings organised, agendas include discussion of refugees' basic rights, discussions take place)	Khartoum Process reporting	
				Enhanced political dialogue with host governments on refugees' access to basic rights, mainstreaming issues relating to refugees and internally displaced persons into national development planning			
				Enhanced self-reliance of refugees and internally displaced persons, as well as an enhanced contribution to local economies in host countries and/or receiving areas	Evidence from surveys on the number of households of refugees and internally-displaced persons benefiting from employment schemes and/or vocational training, and having better access to basic rights, including education and health		Reports and surveys from implementing partners, UNHCR and civil society organisations
				Enhanced self-reliance of refugees and internally displaced persons, as well as an enhanced contribution to local economies in host countries and/or receiving areas			

Priority Area	Specific Objective	Indicative Allocation (M Eur)	Expected Result (outcome)	Indicators	Source of Verification
Peace, Security and Regional Stability	Maritime situation awareness and the rule of law along the coast	15	Maritime administrations are reinforced, better exchange of data on vessels and cargo.	Number of signed collaboration protocols between regional authorities and/or national governments and institutions for exchanging information and sharing data	Reports from port authorities, implementing partners, regular monitoring reports
			Maritime awareness is raised and information sharing is facilitated among agencies at national and regional level	Number of signed MoUs between beneficiary countries and maritime information sharing centres	
			National capacity to control maritime traffic is upgraded including the possibility to share operational information with neighbouring states or on a regional basis	Increased capacity of beneficiaries to control maritime traffic using new technologies	
			Reinforced capacity of national fisheries administrations (especially in Somalia) to oversee their exclusive economic zone and set up transparent licence systems	Number of arrests	
			Maritime administrations are reinforced, better quality inspections, reduced ship detention	Adoption of the Landlord Port Model structure by major ports	
Maritime safety of navigation and maritime security		15	Ports are compliant with International Ship and Port Facility Security Code (ISPS), thus enhancing trade and revenues for local economies and state budgets	International maritime safety and security standards for the SOLAS (Safety of Life at Sea) Convention and ISPS Code implemented by maritime authorities	Number of accidents or incidents caused by port activities
			Safety reinforced in ports and coastal waters		

Priority Area	Specific Objective	Indicative Allocation (M EUR)	Expected Result (outcome)	Indicators	Source of Verification	
Regional Economic Integration	Support the ESA countries with the implementation of the EU-ESA IEPA provisions	40	Strengthened capacity of involved government bodies and of the investment and services sector	Country scores in the Ease of Doing Business report	Ease of Doing Business report	
				Enhanced business competitiveness for production and export of goods and services	Country scores in the Ease of Doing Business report	
				Increased capacity to fulfil sanitary and phytosanitary as well as technical barriers to trade	Number of needs assessments conducted with a view to setting up a regional strategy on standards	Commission and other monitoring reports

Priority Area	Specific Objective	Indicative Allocation (M Eur.)	Expected Result (outcome)	Indicators	Source of Verification
Regional Natural Resource Management	Strengthen cooperative management of trans-boundary waters in Eastern and Southern Africa	20	Effective regional cooperation and joint action between riparian countries, leading to better trans-boundary water management	National budget allocations for trans-boundary water management, as an indicator of commitment to better cooperation	National government statistics; reports and surveys carried out by implementing partners and/or by international organisations
				Increased stakeholder engagement, enhanced capacity and coordination in trans-boundary water management	Reports and surveys carried out by implementing partners and/or by international organisations
				Evidence-based planning and decision-making on trans-boundary waters, involving NEPAD centres of excellence	The level and degree of cooperation between riparian countries

Cross-Regional : Contribution of Sustainable Fisheries to the Blue Economy

Priority Area	Specific Objective	Indicative Allocation (M Eur.)	Expected Result (outcome)	Indicators	Source of Verification
Regional Natural Resource Management	Improved fisheries and aquaculture management to increase the contribution of the sector to poverty alleviation, food security and nutrition in line with the Pan-African Fisheries and Aquaculture Policy Framework and BeSoma Strategy	30	Enhanced capacity of regional and national institutions to propose, implement and monitor policies in the fisheries sector	Number and coverage of management measures developed and enforced by regional bodies and member countries as compared to best practices recommended by relevant international organisations	Annual reports of regional fisheries organisations
			Strengthened contribution of small-scale fisheries to poverty alleviation, food security and socio-economic benefits of fishing communities	Inclusion of fish in protein intake in diet	FAO statistics
			Market-led sustainable aquaculture developed	Aquaculture production	FAO and national statistics

Priority Area	Specific Objective	Indicative Allocation (M EUR)	Expected Result (outcome)	Indicators	Source of Verification
Regional Natural Resource Management	Strengthened Trans-Frontier Conservation Area (TFCA) management in Eastern Africa, Southern Africa and the Indian Ocean	20	More effective conservation, more efficient use of natural resources and greater social and economic involvement of communities in selected TFCAs	Extent of decline within TFCAs, compared with baseline situation; adoption of modern conservation approaches; extent of local community participation in TFCAs	Reports of the EU-funded BIOPAMA (Biodiversity and Protected Areas Management) Programme
	Improved law enforcement on wildlife crime in Eastern Africa, Southern Africa and the Indian Ocean	10	Wildlife enforcement networks function effectively at national and regional level	Extent of decline in wildlife, compared to baseline situation	

ANNEX 3. Timetable for indicative 11th EDF commitments (in million €)

TOTAL COMMITMENTS	Indicative allocation (M EUR)	2014	2015	2016	2017	2018	2019	2020
PRIORITY AREA 1 – Peace, Security and Regional Stability	160	0	19	76,5	35	10	19,5	0
Sub-Regional	75	0	5	45,5	0	5	19,5	0
COMESA	0	0	0	0	0	0	0	0
EAC	15	0	5	10	0	0	0	0
IGAD	40	0	0	20,5	0	0	19,5	0
IOC	5	0	0	5	0	0	0	0
SADC	15	0	0	10	0	5	0	0
Cross-Regional	85	0	14	31	35	5	0	0
Peace and security in the Great Lakes region	30	0	0	10	20	0	0	0
Migration	25	0	14	11	0	0	0	0
Maritime situation, security and safety	30	0	0	10	15	5	0	0
PRIORITY AREA 2 – Regional Economic Integration	834	0	100	213,5	154	120	146,5	100
Sub-Regional	194	0	0	73,5	54	20	46,5	0
COMESA	85	0	0	42,5	0	0	42,5	0
EAC	45	0	0	0	40	5	0	0
IGAD	10	0	0	6	0	0	4	0
IOC	7	0	0	7	0	0	0	0
SADC	47	0	0	18	14	15	0	0
Cross-Regional	40	0	0	40	0	0	0	0
Implementation of the EU- East and Southern Africa interim Economic Partnership Agreement	40	0	0	40	0	0	0	0
Infrastructure	600	0	100	100	100	100	100	100
PRIORITY AREA 3 – Regional Natural Resource Management	167	0	9	86	45	16	11	0
Sub-Regional	87	0	9	51	0	16	11	0
COMESA	0	0	0	0	0	0	0	0
EAC	20	0	0	20	0	0	0	0
IGAD	25	0	0	14	0	0	11	0
IOC	33	0	0	17	0	16	0	0
SADC	9	0	9	0	0	0	0	0
Cross-Regional	80	0	0	35	45	0	0	0
Trans-boundary water management	20	0	0	20	0	0	0	0
Blue economy and sustainable fisheries	30	0	0	0	30	0	0	0
Wildlife conservation	30	0	0	15	15	0	0	0
Other measures- Capacity Development	34	0	5	26,5	0	2,5	0	0
COMESA	0	0	0	0	0	0	0	0
EAC	5	0	0	5	0	0	0	0
IGAD	5	0	0	2,5	0	2,5	0	0
IOC	5	0	0	5	0	0	0	0
SADC	19	0	5	14	0	0	0	0
Technical Cooperation Facility	15	0	5	5	5	0	0	0
Performance Reserve for DMROs	60							
Reserve	62							
Total Commitments	1332	0	138	407,5	239	148,5	177	100