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

**ANNEX 1**

of the Commission Implementing Decision on the financing of the multiannual action plan in favour of the Republic of Sierra Leone for 2022-2024

**Action Document for Transformational Energy Access for Sierra Leone**

**ANNUAL PLAN**

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and action plans in the sense of Article 23(2) of NDICI-Global Europe Regulation.

**1. SYNOPSIS**

**1.1. Action Summary Table**

<b>1. Title CRIS/OPSYS business reference Basic Act</b>	Transformational Energy Access for Sierra Leone CRIS number: NDICI AFRICA/2022/043-356 OPSYS business reference: ACT-60565 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
<b>2. Team Europe Initiative</b>	Yes (Green Pact with Sierra Leone)
<b>3. Zone benefiting from the action</b>	The action shall be carried out in Sierra Leone
<b>4. Programming document</b>	Multiannual Indicative Programme 2021-2027 - Republic of Sierra Leone
<b>5. Link with relevant MIP(s) objectives/expected results</b>	Specific Objective 1 (MIP) : To contribute to increased generation and access to modern, sustainable, affordable and reliable energy for jobs and growth Result 1.1 (MIP): Increase generation and access to sustainable, reliable and affordable energy for productive use, households and communities Result 1.2 (MIP): Increase productive use of energy, expanding green entrepreneurship, business development and broadened use of technologies and digitalisation Result 1.3 (MIP): Strengthen planning, policies, governance and capacities in the energy sector to accelerate low carbon development, increase energy security and create decent jobs
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>	
<b>6. Priority Area(s), sectors</b>	Priority area 1: Green Economy / ENERGY – DAC 230
<b>7. Sustainable Development Goals (SDGs)</b>	Main : SDG 7 (Affordable and clean energy) Other significant SDGs : 1 (No poverty), 3(Good health and well-being), 4 (Quality of Education), 5 (Gender Equality), 8 (Decent Work and economic growth), 9 (Industry, innovation and infrastructure), 11 (Sustainable cities and communities), 13 (Climate action)
<b>8 a) DAC code(s)</b>	DAC CODE 230 : ENERGY : 100%

<b>8 b) Main Delivery Channel @</b>	United Nations agency, fund or commission (UN) ; 41000			
<b>9. Targets</b>	<input type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input type="checkbox"/> Education <input type="checkbox"/> Human Rights, Democracy and Governance			
<b>10. Markers (from DAC form)</b>	<b>General policy objective @</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Participation development/good governance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Aid to environment @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Biological diversity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>11. Internal markers and Tags:</b>	<b>Policy objectives</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Digitalisation @ Tags: digital connectivity digital governance digital entrepreneurship job creation digital skills/literacy digital services	<input type="checkbox"/>	<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Connectivity @ Tags: transport people2people energy digital connectivity	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>

	Migration @ (methodology for tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities (methodology for marker and tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>BUDGET INFORMATION</b>				
<b>12. Amounts concerned</b>	Budget line(s) (article, item): NDICI AFRICA 2022 Total estimated cost: EUR 50 000 000 Total amount of EU budget contribution EUR 50 000 000			
<b>MANAGEMENT AND IMPLEMENTATION</b>				
<b>13. Type of financing</b>	<b>Indirect management</b> with the entity(ies) to be selected in accordance with the criteria set out in section 4.3.1.			

## 1.2. Summary of the Action

Since 2020, Sierra Leone has become the poorest country in West Africa. The country's installed power capacity per capita is among the lowest in the world with approximately 105 MW available for a population of around 8 million. Only 23% of the national population and 2% of the rural population have access to electricity, which also constrains business development. Energy poverty, one aspect of broader economic poverty, has distinct gender characteristics that disproportionately affect women and girls. Women and girls are often primarily responsible for collecting fuel and water at the community level.

The state has incorporated into its energy policies the development of mini solar grids as a means of delivering electricity to areas far from the national grid. Around 60 villages are now equipped and a market is emerging.

However, although electrification programmes in particular for mini grids expand the access to energy, the productive use of energy and, with it, the economic transformation is below potential. Moreover the low consumption increases the operational expenditures and decreases the affordability of electricity for households. Participation of rights holders represented by local communities' organisations and people living in vulnerable situations is essential to develop fit for purpose solutions.

In order to address these challenges, the action has the overall objective to:

*Contribute to increased generation, improved accessibility and increased use of sustainable, affordable and reliable energy*

And the specific objectives :

- 1 : To build generation and distribution infrastructure for sustainable, reliable and affordable energy and improve access to it
- 2 : To promote the use of renewable energies, technologies and digitalisation
- 3 : To strengthen governance and financing of the renewable energy sector

Thus, this action will support financial investment in the off-grid solar system market in Sierra Leone, develop the services offered by access to electricity for households and public services (health centres and schools), taking into account the need to reduce the environmental footprint of batteries and panels. The action is expected to generate 6 Megawatt (MW) of sustainable energy, benefiting 400 000 people. Working across multiple value chains, in particular agriculture, the action will promote access to financial services for micro, small and medium enterprises (MSME) and strengthen basic, technical and managerial skills prioritising people living in vulnerable situations and specifically women and young people. At least 30% of the energy supplied will be utilised for production. 1 000 enterprises (mainly micro-enterprises and farms) will increase their productivity and their viability thanks to sustainable and reliable energy. This will increase the resilience of the population facing crisis due to pandemics, economic shock and climate change. Finally, the action will support the government of Sierra Leone in improving the regulatory and investment framework in the renewable energies sector and ensure that the investments made turn quickly and effectively into sustainable economic growth developing decent work jobs for men and women as well as supporting women empowerment. The regulatory areas concerned are the regulation of tariffs, the regulation of concessions for

supply of electricity in off-grid areas and the regulation of feed-in. By working on specific pivotal issues (tariff structure, financing models, etc.), the EU will help the Sierra Leonean authorities and institutions in the energy sector to achieve the objectives defined by the national policy in terms of access to energy in rural areas and development of renewable energies.

The action is part of the priority 1 of the MIP “Green Economy” and will specifically address its objective 1 “To contribute to increased generation and access to modern, sustainable, affordable and reliable energy for jobs and growth”. The action will contribute directly to the achievement of SDG 7 “Ensure access to affordable, reliable, sustainable and modern energy for all”. The DAC code used is 230 ‘Energy’. In accordance with the Multiannual Indicative Programme (MIP), the action will be complemented by other actions focused on the sustainability of the food system and the protection of the ecosystem and the biodiversity. All these actions will contribute to developing a green economy in Sierra Leone. They will be implemented as part of the Team Europe Initiative (TEI) “Green Pact for Sierra Leone” which brings together EU Member States (France, Germany and Ireland), EU Development Finance Institutions (DFI) and European Investment Bank (EIB) as well as the European private sector. The present action supports the first pillar of the TEI, which is “Access to affordable, reliable, sustainable and modern energy for jobs and growth” (the two others TEI pillars are “Sustainable agriculture and seafood systems for employment, health and nutrition” and “Restoring, managing and protecting terrestrial and marine biodiversity and ecosystems”). The action should be an opportunity to foster and develop the involvement, including financial involvement, of TEI members in the sector and supporting the contribution to the Gender Action Plan III<sup>1</sup> particularly to the thematic area ‘addressing the challenges and harnessing the opportunities offered by the green transition and the digital transformation’ and ‘promoting economic and social rights empowering girls and women’. The action is designed to leverage investments of the private sector. Private companies active in the digital sector in Sierra Leone could join the TEI thanks to their own resources or to the European Fund for Sustainable Development (EFSD).

The commitment of the EU’s contribution to the Team Europe Initiatives foreseen under this action plan will be complemented by other contributions from Team Europe partners. It is subject to the formal confirmation of each respective partners’ meaningful contribution as early as possible. In the event that the TEIs and/or these contributions do not materialise the EU action may continue outside a TEI framework.

## 2. RATIONALE

### 2.1. Context

**Economy:** According to the World Bank, since 2020, Sierra Leone has become the poorest country in West Africa with an annual per capita GDP of USD 504. Economic growth is low, volatile, and heavily dependent on mining and does not significantly correlate with employment. Growth is insufficient to substantially reduce poverty and absorb the fast-growing working-age population. The informal sector accounts for some 60% of gross domestic product (GDP) and 85% of jobs are informal. Gross capital formation is low at 13% of GDP. Competitiveness has eroded below Sub Saharan and low-income country average. The main impediments include macroeconomic instability, lack of skilled labour, lack of access to finance, corruption and insufficient infrastructure.

**Social:** The Human Development Report of 2020 ranks Sierra Leone with a Human Development Index of 0,452 182nd out of 189 countries, way below the average for Sub-Saharan Africa, placing it amongst the 10 least developed countries in the world. Poverty is high at 52% with more than 10% in abject poverty, affecting disproportionately rural areas, home to 75% of the poor. The population of 8.1 million is young and grows rapidly at 3.2% per year. Child mortality is amongst the highest in the world and life expectancy is low (52.2 years). Almost 58% of the population are food insecure and stunting is prevalent (>30%).

**Employment:** The working-age population (15-64 years) amounts to 2.53 million out of which 65% participate in the labour market. Only 10% of the jobs are wage employment, of which only 35% are formal, held by few educated workers. Women still experience discrimination with regard to access to employment, especially formal types<sup>2</sup>. 90% of jobs are self-employment, 60% of which are in low productivity agriculture and 30% in non-agriculture micro-enterprises. Women provide more than 60% of agriculture jobs for food production. Men still possess greater access to ownership and control of the production, reducing women to marginal positions<sup>3</sup>. 88% of the self-employed jobs are informal. Unemployment is low at 4.5% but underemployment is high at about 30-35%. 75% of employees are

<sup>1</sup> [Gender Action Plan III – a priority of EU external action](https://ec.europa.eu/commission/presscorner/detail/en/IP_20_2184). [https://ec.europa.eu/commission/presscorner/detail/en/IP\\_20\\_2184](https://ec.europa.eu/commission/presscorner/detail/en/IP_20_2184)

<sup>2</sup> OECD (2019), Social Institutions and Gender Index, Country profiles: Sierra Leone. <https://www.genderindex.org/wp-content/uploads/files/datasheets/2019/SL.pdf>

<sup>3</sup> <https://www.usaid.gov/sierra-leone/gender-equality-and-womens-empowerment>

working poor (<USD 3.10 /day). Sierra Leone's human Capital Index of 0.36 (2020) implies that 64% of productivity is lost due to poor education, nutrition and health, placing it below the regional average.

**Gender:** The gender gap is persistent as socio-cultural barriers hamper women and girls accessing political and economic participation as well as education and employment. Gender based violence is widespread. Gender pay gaps are pronounced with men earning 2-3 times more than women. A gender gap also exists in the financial inclusion, as 25% of the male population has a bank account whilst only 15% of the female population does. Particularly in rural communities, patriarchal norms and cultural practices that reinforce male dominance and decision-making are widespread<sup>4</sup>.

**Governance:** On the Mo Ibrahim Index for African Governance, the country ranks just above average on 26/54, with economic opportunities and human development as the main challenges. Corruption continues to challenge most citizens' daily life and the private sector, 46% of enterprises report bribery. The commitment of the new government to fight corruption combined with civil society engagement and media attention are, however, promising trends. In the 2020 Rule of Law Index Report, Sierra Leone was ranked 100th out of 119 countries with an index at regional average, but with corruption and regulatory enforcement appearing as critical. Sierra Leone's effectiveness of government has worsened between 2006 and 2016. It was ranked 187th out of 209 countries in the World Bank, Government Effectiveness Index Report (World Bank 2017)

**Energy sector:** Sierra Leone's energy needs are under-resourced and the lack of reliable energy supply is one of the key impediments to Sierra Leone's economic and social development. The country's installed power capacity per capita is among the lowest in the world with approximately 105 MW available for a population of around 8 million. Only 23% of the population have access to electricity, which also constrains business development.

**Environment & biodiversity:** Biodiversity has seen significant deterioration over the past decade. The impact on environmentally sensitive sectors such as agriculture and fisheries threatens the basis of 60% of the economy and the livelihood of 70% of the population, thereby increasing conflict risks. Coastal erosion, loss of mangroves and continued illegal, unreported and unregulated fishing is depleting fish stocks, causing significant economic losses. Rapid deforestation is driven by logging, agriculture, mining, firewood and charcoal production.

**Climate change:** The average annual temperature has increased by 0.8°C since 1960, and projections suggest an increase in annual temperature by 1°C to 2.6°C by 2060. This will have severe consequences, including flash floods and landslides and a projected decline of more than 20% of annual landed fish resulting in a 50% decline in fishery related employment. Sierra Leone is vulnerable to and little prepared for climate change due to a high dependence on natural resources, poverty and a low adaptation capacity of the population.

**Impact of COVID-19:** Medium term growth prospects and the economy have contracted due to disruption in global trade, travel restrictions and domestic restrictions on mobility. At the household level, increasing income inequality and food insecurity are imposing greater burdens on households especially those headed by women.

## 2.2. Problem Analysis

**Low rates of access to electricity:** The country has one of the lowest rates of access to electricity in the world, with only 23% of the total population and 2% of its rural population having access to electricity in 2019 (Tracking Sustainable Development Goal (SDG) 7, Energy progress report 2021, International Energy Agency (IEA), International Renewable Energy Agency (IRENA), World Bank (WB), World Health Organisation (WHO), United Nations Statistics Division (UNSD). This limits standards of living, undermines social progress in particular in health and education and hampers economic development. Domestic use is limited by low income levels and lack of access to finance the purchase of appliances.

**Productive use of energy in mini grids is below potential, employment perspectives are limited and gender gaps are persistent:** The lack of access to energy is recognised as a binding constraint for a structural transformation and diversification of the economy into higher value added sectors. However, although electrification programmes, in particular for mini grids, expand the access to energy, the productive use of energy and with it the economic transformation is below potential. Furthermore, the low productive use exerts downward pressures on demand with daytime utilisation often well below the capacity of mini grids. Increasing productive use of energy faces nevertheless multiple, complementing binding constraints and manifests itself in a persistent deficit in the factors of production including (i) insufficient access to economically viable financing and infrastructure, in particular energy; (ii) inadequate human resources and business skills (iii) inefficiencies at all levels of the economy. Economic empowerment and gender pay gaps are persistent and stark.

**The energy sector lacks regulatory efficiency and strategic planning capacity:** Limited regulatory capacity is constraining the evolution of the mini grids, in particular, for effectively setting tariffs and further developing the

<sup>4</sup> OECD (2019), Social Institutions and Gender Index, Country profiles: Sierra Leone. <https://www.genderindex.org/wp-content/uploads/files/datasheets/2019/SL.pdf>

tariff structure including the strategy to reduce tariffs. There is also a need to strengthen the Environmental Protection Agency (EPA) in developing a relevant licencing approach for renewable energy projects. There are several strategic documents, studies or institutional frameworks, which map out possible solutions for energy access based on appropriate technology vis-a-vis demand, affordability and Government priorities. However, particularly critical is the lack of an integrated strategy for rural electrification and a capable institution to guide it.

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

**Public sector (duty bearers):** The Ministry of Energy defines and coordinates the policy of the electricity sector. The Ministry of Local Government and district councils organise the territories and public services at local level. The Private Public Partnership Unit - PPP Unit, an agency linked to the Presidency, fosters and supervises the arrangements with private operators to ensure the private/public partnerships. Electricity and Water Regulatory Commission (EWRC) controls and regulates the electricity market. The Ministry of Social Welfare, Gender and Children's Affairs protects the rights of women, men, children, elderly, people with disability and people in vulnerable situations and promotes women empowerment and skills development.

**Private sector:** Private companies invest and operate mini-grids in Sierra Leone. Currently there are three main operators: Powergen, Winch Energy and Power Leone. Other companies also work for increasing the consumption of electricity through devices that allow the productive use of electricity. The Renewable Energy Association of Sierra Leone (REASL) brings together several of Companies working in this sector.

**Target groups:** The main part of the population, particularly in rural areas, does not have access to electricity, neither for their basic and residential, nor for productive use. This considerably affects their living conditions, the performance of health and education services, as well as the potential for economic development.

Households, formal or informal MSME (with a focus on micro-enterprises, including farms), public services (health centres, schools) are the future consumers and the target groups. The action will ensure involvement of youth and women as members of households, users of social services, entrepreneurs or workers. The action will be spread over the whole of the territory of Sierra Leone, mainly in communities or in small towns where economic development potential can be expressed more easily. However, in accordance with the 'no one behind' approach, the action will also intervene in less favourable areas, adapting the support given to the population in each situation offering suitable solutions discussed with local communities.

The action aims to directly benefit 400 000 people, 340 000 of whom already live or will live in communities connected to mini-grids, and 60 000 who live in areas not covered by mini-grids but for whom the Action will support the acquisition of appliances powered by stand-alone renewable solutions. These direct beneficiaries will also benefit from support to develop economic activities for women and men using renewable energies.

### 3. DESCRIPTION OF THE ACTION

#### 3.1. Objectives and Expected Outputs

The Overall Objective (Impact) of this action is: Contribute to increased generation, improved accessibility and increased use of sustainable, affordable and reliable energy

The Specifics Objectives (Outcomes) of this action are to :

**1 Build generation and distribution infrastructure for sustainable, reliable and affordable energy and improve access to it**

**2 Promote the use of renewable energies, technologies and digitalisation**

**3 Strengthen governance and financing of the renewable energy sector**

The Outputs to be delivered by this action contributing to these Specific Objectives (Outcomes) are:

**Contributing to Outcome 1 (or Specific Objective 1) : To build generation and distribution infrastructure for sustainable, reliable and affordable energy and improve access to it**

1.1 Developed infrastructure to generate and distribute electricity from renewable energies

1.2 Promoted connections to the mini-grids

1.3 Supported initiatives to mitigate the environmental foot print of solar generation system

**Contributing to Outcome 2 (or Specific Objective 2): Promote the use of renewable energies, technologies and digitalisation**

This outcome will mainly target MSME involved in agricultural value chains. It will contribute to their development.

- 2.1 Developed solutions for the use of renewable energy by households and social services
- 2.2 Enhanced skills and competencies of the labour force and businesses
- 2.3 Increased availability of sustainable financial services for accessing renewable energies

**Contributing to Outcome 3 (or Specific Objective 3): Strengthen governance and financing of the renewable energy sector**

- 3.1 Strengthened regulatory and strategic planning capacity of energy sector institutions
- 3.2 Improved regulatory and investment framework

3.2. Indicative Activities

**Activities related to Output 1.1: Developed infrastructure to generate and distribute electricity from renewable energies**

Activity 1.1.1: Prioritise and select sites in agreement with the Ministry of Energy and in coordination with other donors

Activity 1.1.2: Construct / extend solar mini-grids, minimising the carbon and environmental footprint of disposed panels and batteries

Activity 1.1.3: Develop other sources of sustainable generation (mini hydro/ biomass or wind) for mini-grids or stand-alone infrastructure: feasibility studies (including climate risk assessments), technical legal and institutional advices, financial support

**Activities related to Output 1.2: Promoted connections to the mini-grids**

Activity 1.2.1: Support social studies notably on the affordability and the change effects for clients of mini-grids operators

Activity 1.2.2 : Develop financial solutions to support the connection fees

**Activities related to Output 1.3: Supported initiatives to mitigate the environmental foot print of solar generation system**

Activity 1.3.1: Support a circular economy for batteries, and support recycling initiatives: impact studies, legal advice, feasibility studies, technical advice and financial support.

**Activities related to Output 2.1: Developed solutions for the use of renewable energy by households and social services.**

Activity 2.1.1: Support household and social services in purchasing and using appliances connected to mini-grids

Activity 2.1.2: Develop renewable solutions for populations that are difficult to reach: households and social services outside the mini-grids areas. These solutions should involve the private sector and the local authorities managing the social services facilities, and they can include development of mechanisms of maintenance for renewable stand-alone systems and the change from fossil fuel generators to renewable energy generation systems.

Activity 2.1.3: Support applied research, awareness and training on modern energy services, energy efficiency, and willingness to pay. These can also include research and development of clean cooking solutions based on electricity and gender sensitive.

**Activities related to Output 2.2: Enhanced skills and competencies of the labour force and businesses**

Activity 2.2.1: Identify potential value chains which can benefit from productive use and support their development

Activity 2.2.2: Train individuals in communities through local Technical and Vocational Education and Training (TVET) for famers and very small economic operators

Activity 2.2.3: Support business development by men and women through assessments of business plans, monitoring of MSME, training in management accounting, advice and awareness raising concerning the benefits of replacing existing fossil fuel generators with renewable energy generation systems

Activity 2.2.4: Support the formal TVET system to better align student skills with the renewable energy market needs and to adapt content reaching women and girls

**Activities related to Output 2.3: Increased availability of sustainable financial services for accessing renewable energies**

Activity 2.3.1: Support from the communities and non-governmental organisations (NGOs) in developing Village Lending and Savings Associations (VSALs)

Activity 2.3.2: Foster the access to commercial banking services by private sector (MSME), support financial plans, and mitigate risks

Activity 2.3.3: Promote digital and financial inclusion in rural areas for all and reduce barriers of access

#### **Activities related to Output 3.1: Strengthened regulatory and strategic planning capacity of energy sector institutions**

Activity 3.1.1: Support capacity development at relevant authorities, notably through technical assistance, training and studies

Activity 3.1.2: Promote and develop new infrastructure financing solutions for renewable energy in Sierra Leone (Green funds, adapted revolving funds, and results based financing funds).

#### **Activities related to Output 3.2: Improved regulatory and investment framework**

Activity 3.2.1: Support the Ministry of Energy in upgrading the regulatory framework to foster access, affordability and productive use of renewable energy, notably through technical assistance, training and studies.

### 3.3. Mainstreaming

**Environmental Protection & Climate Change** will be central in the development of value chains and special attention will be paid to mainstreaming environment and climate change related issues, through encouraging growth and green job creation and by ensuring that target activities do not negatively affect the environment and apply low-carbon choices, energy and water efficiency. Providing renewable energy will contribute to reducing carbon emissions and dependency of the economy on fossil fuels and thereby contribute to the mitigation of climate change. The action will contribute to the climate change adaptation by developing solutions for irrigation and cooling systems as well as by strengthening the skills and capacities of affected communities. In addition the action will address the issue of solar system foot print, especially concerning the batteries and solar panels. Consequently, the action will promote a diversified, resilient green economy.

**Gender equality and empowerment of women and girls** As per the Organisation for Economic Co-operation and Development (OECD) Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that Gender equality and empowerment of women and girls will be reinforced by strengthening the access of women to training and boosting their role regarding access to energy and business development. This will allow narrowing the gender gap in economic opportunities. Gender sensitive research and studies are essential in order to include women in trainings, support active participation in VSALs and develop solutions on clean energy and clean cooking solutions. The action contributes to the Gender Action Plan III (GAP III, 2021-2025)<sup>5</sup>, more specifically “addressing the challenges and harnessing the opportunities offered by the green transition and the digital transformation” and “promoting economic and social rights empowering girls and women”.

**Human Rights** The action operationalises the rights-based approach by ensuring that all rights are respected and that empowerment, participation, non-discrimination, accountability and transparency are promoted. It will capacitate ‘rights-holders’ in claiming their rights and ‘duty-bearers’ in meeting their obligations. Particular attention will be given to issues linked to child labour. Focus will be given to inclusive policies targeting women and persons living in vulnerable situations as well as people living in less favourable areas.

**Disability:** As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0. This implies that the action does not specifically target the issue of people with disabilities. However, it will ensure that all activities, including meeting for monitoring / evaluation can be accessible to people with disabilities.

**Democracy:** The project will enhance the performance of state institutions and support decentralised economic and social development.

**Conflict sensitivity, peace and resilience:** Improving access to energy for household, communities and productive use, creating jobs and developing business will reduce regional and social inequalities and contribute to diversifying the economy, socio economic progress and transparency, which are critical to increase resilience and the functioning of the state. In addition, increasing the basic skills and entrepreneurship of the population through technical training would promote the resilience to adverse economic events. An equal distribution and clear selection criteria for target sites for energy infrastructure development will be observed.

**Disaster Risk Reduction:** Providing renewable energy will contribute to reducing the carbon emission, climate change and consequently contribute to decreasing the risk of climate disaster. In addition, by diversifying the economy and developing the mechanisation through productive use of electricity, the action will increase the resilience to

<sup>5</sup> EU Gender Action Plan (GAP) III, welcomed through Presidency Conclusions by 24 Member States.

potential disasters. For instance, solar irrigation system, which may be developed under the action, would contribute to increasing farmers' resilience to changing rainfall patterns.

### 3.4. Risks and Lessons Learnt

Category	Risks	Likelihood H/M/L	Impact H/M/L	Mitigating measures
External environment	Tensions between the main political parties and ethno-regional dynamics undermine the reform agenda.	M	L	Political and Policy dialogue. Better coordinated donor action. The EU and other donors support the democratic process
External environment	Deteriorating economic situation.	M	M	The action and other actions funded by EU or other donors contribute to improving the economic situation.
External environment	A major economic shock occurs. Regional instability with cross-border spill overs.	M	M	Better resilience through improved food security and diversification. Regional political dialogue and contingency planning.
External environment	Policy decisions lock the country into a fossil fuel development path and hamper a renewable energy transition.	L	H	Policy dialogue, promotion of energy transition in MIP. Development of the regional interconnected market fostering the energetic mix
External environment	Agro-food systems face environmental risks (droughts, flooding, climate change) that impact on production.	M	M	The Action contributes to improving the resilience to the climate change by developing solutions for irrigation and cooling systems as well as by strengthening the skills and capacities of affected communities
External environment	The state no longer wishes to enforce a cost-based tariff, due to consumer demand and political pressure.	M	M	The action and coordinated partners/donors support the Ministry to increase its capacities and make the right choice. The Action will be implemented by stakeholders familiar and appreciated by the Ministry of Energy.
Social and cultural norms	Social and cultural norms reduce economic opportunities of women and solutions do not answer needs of women.	L	M	Gender analyses and research includes a gender sensitive and human rights-based approach in order to provide suitable services and facilitate women empowerment. The Action will be implemented by stakeholders familiar with the Sierra Leone context

#### Lessons Learnt:

- It is critical to combine training with start-up funding to open up real opportunities: the action will combine skills development and access to finance at various levels.
- Since the industrial sector offers very limited possibilities of employment, traditional TVET is less effective in Sierra Leone: the action will emphasise entrepreneurship, self-employment and improving productivity, with skill training to open real opportunities for youth and women in particular.
- The implementation of mini-grids takes time and the societal changes brought about by access to electricity are not immediate: the project will develop actions to increase the productive use of electricity in areas already covered by mini-grid, and, at the same time, it will install new mini-grids with, from the outset, a focus on the productive use of electricity.
- The positive impact of access to electricity on improving health, especially mother / child health and education is demonstrated: the action will ensure that the mini-networks supply sustainable health centres and schools.

### 3.5. The Intervention Logic

The underlying intervention logic for the action is that Sierra Leone has to achieve broad-based, sustainable economic growth and diversification in order to maintain the prospect of a resilient, prosperous and peaceful future. Economic green growth and diversification allow its population to reach a minimum level of social safety, while preserving the ecological foundations of its agriculture dominated economy.

Central to this is a progressive economic transformation from low productivity, limited industrialisation, subsistence agriculture and low-value services to higher productivity, product diversification and a greater role of manufacturing and higher-value services. The economic dominance of the agriculture sector, on the one hand, and the import dependency for foodstuff, on the other, provide a potential not only for professionalising agriculture and expanding agro-processing but also for adjacent economic sectors such as manufacturing and services.

The strategic approach builds on stimulating a virtuous cycle of (1) improved energy supply (2) progressive economic transformation through productive use of energy and (3) increased use of renewable energy, particularly for productive services to increase its affordability. The action will reinforce the current dynamic of mini grids installation, strengthening the energy-transformation nexus through expanding the availability and use of energy in productive sectors (especially, but not exclusively, services and agricultural value chains) while promoting economic activities with higher productivity and higher value. This is expected to play a key role for increasing supply and demand.

In order to develop and sustain this virtuous cycle, the action will address key binding constraints simultaneously, in particular the key constraints to productivity:

- (i) Lack of infrastructure, in particular energy
- (ii) Underdeveloped skills in the labour force and business skills
- (iii) Lack of access to finance for small entrepreneurship

At household and community level, expanding sustainable energy consumption will raise standards of living. Against the background of existing pronounced gender gaps in terms of access to political and economic participation, as well as education and pay, the action will give particular attention to gender aspects and the economic empowerment of women. The ecological footprint of solar devices will be addressed as well.

The objective and result areas of the action reflect this multidimensional approach and its implementation will capitalise on the specific experience of the implementing partners. The underlying assumptions are limited to fundamentals: relative macroeconomic stability and absence of major economic shocks. These can be reasonably expected to hold true to a large extent. The effectiveness will be reinforced through a result oriented policy and political dialogue on public policy actions to improve the enabling environment for private sector, especially for smaller businesses and entrepreneurs as well as accelerating economic diversification and strengthening governance. The continuous involvement of local communities and local authorities will re-inforce the relevance and sustainability of the action.

The efficiency and the sustainability will be enhanced through the involvement of the private sector to invest in the sector and operate the mini-grids. Thus, the Capital Expenditure (CAPEX) of the mini-grids will be co-financed by the operators and the action. However, in accordance with the “leave no one behind principle”, around 20% of the mini-grids could be fully funded by the action in places where the consumption potential would be too low to request private sector co-investment. In the same line, access to renewable energy solutions for populations around the mini grid areas that are hard to reach will be also supported. Partnerships with private suppliers of electric appliances will be sought. Synergies with EFSD+ and regional programmes working in the same sector will also be sought.

### 3.6. Logical Framework Matrix

Results	Results chain Main expected results	Indicators:	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
<b>Impact</b>	To contribute to increased generation, improved accessibility and increased use of sustainable, affordable and reliable energy	1: national rate of access to electricity  2: Reduction in GHG emissions, due to EU support (estimated, expressed in tCO <sub>2</sub> eq.)	1: 23% (2019)  2 : 0 (2021)	1: 92 % (2030)  2: 270 cum. tCO <sub>2</sub> eq. (2027)	1 : Ministry of Energy, WB  2 : Project monitoring system	<i>Not applicable</i>
<b>Outcome 1</b>	Build generation and distribution infrastructure for sustainable, reliable and affordable energy and improve access to it	1.1: Number of mini-grids built with EU support  1.2: Number of people connected to a mini-grid due to EU support <i>Disaggregation: Male/Female</i>  1.3: Mini-grid electricity price, based on a cost reflective price for household	1.1: 0 (2021)  1.2: 0 (2021)  1.3: 0,79 US\$/kwh (2021)	1.1 : 57 (2027)  1.2: 105 000 (2027)  1.3: 0.6 US\$/kwh (2027)	1.1: project monitoring  1.2: project monitoring  1.3: EWRC (regulator in SL)	Macro-economic stability
<b>Outcome 2</b>	Promote the use of renewable energies, technologies and digitalisation	2.1: Increase of ratio : power used for productive use / power supplied	2.1 : 10% (2021)	2.1 : 30% (2027)	2.1: mini-grid operators, project monitoring	
<b>Outcome 3</b>	Strengthen governance and financing of the renewable energy sector	3.1: Number of processes related to partner country practices on trade, investment and business, or promoting the external dimension of EU internal policies or EU interest, which have been influenced **	3.1: 0 (2021)	3.1 : 4 (2027)	Ministry of Energy, EWRC.	
<b>Output 1 related to Outcome 1</b>	1.1 Developed infrastructures to generate electricity from renewable energies	1.1.1: Renewable energy generation capacity thanks to infrastructures installed with EU support *	1.1.1: 0 MW (2021)	1.1.1: 6 MW (2027)	Mini-grid operators and providers of assets for solution for hard reach population	

<b>Output 2 related to Outcome 1</b>	1.2 Promoted connections to the mini-grids	1.2.1: Number of individuals with access to electricity with EU support through: a) new access : living in a house connected to a mini-grid built due to EU support, * b) improved access * (consumers of mini-grids not built with EU support and benefiting from a more affordable price)	1.2.1  a) 0 (2021)  b) 0 (2021)	1.2.1  a) 105.000 (2027)  b) 100.000 (2027)	1.2.1  a) Mini-grid operators  b) EWRC, mini-grid operators, providers of assets for solutions promoted by the project, project monitoring	Government continues to apply incentives to promote access to off-grid electricity. (reduction in taxes, secure pricing framework for investors)
<b>Output 3 related to Outcome 1</b>	1.3 Supported initiatives to mitigate the environmental foot print of solar generation system	1.3 Status of one recycling batteries initiative	1.3) Not existing (2021)	1.3) Tested and sustainably implemented (2027)	1.3) Project monitoring system	
<b>Output 1 related to Outcome 2</b>	2.1. Developed solutions for the use of renewable energy by households and social services.	2.1.1 Number of consumers of mini-grids using electricity due to EU support  2.1.2 Number of people hard to reach benefiting from services powered with electricity due to the EU support  2.1.3 Number of users of public services benefiting from services powered with electricity (light, fridge, computer, ...) due to the EU support	2.1.1 ) 0 (2021)  2.1.2) 0 (2021)  2.1.3) 0 (2021)	2.1.1 ) 105.000 (2027)  2.1.2 ) 60.000 (2027)  2.1.3) 240.000 (2027)	2.1.1 ) Mini-grid operator  2.1.2 ) Report monitoring system  2.1.3) mini-grid operators, Ministry of Health, Ministry of Education	
<b>Output 2 related to Outcome 2</b>	2.2 Enhanced skills and competencies of the labour force and businesses	2.2.1: Number of people who have benefited from institution or workplace-based TVET and	2.2.1: 0 (2021)	2.2.1: 8.000 (2027)	2.2.1 ) Project reporting	Beneficiaries provided with skills and training can apply new

		<p>training/skills development supported by the EU *</p> <p><i>Disaggregation: Male/Female</i></p> <p>2.2.2: Number of jobs provided within enterprises that are reached by EU support during the reporting period **</p> <p><i>Disaggregation: Male/Female</i></p>	2.2.2: 0 (2021)	2.2.2: 3.600 (2027)	2.2.2) Project reporting	competencies and knowledge
<b>Output 2 related to Outcome 3</b>	2.3 Increased availability of sustainable financial services for accessing renewable energy	<p>2.3.1: Number of beneficiaries with access to financial services with EU support:</p> <p>a) MSME / farms, *</p> <p>b) individuals *</p> <p><i>For b) : Disaggregation: Male/Female</i></p> <p>2.3.2: Number of people who are benefitting from digital services established and/or improved with EU support *</p> <p><i>Disaggregation: Male/Female</i></p>	<p>2.3.1:</p> <p>a) Firms : 0 (2021)</p> <p>b) Individuals: 0 (2021)</p> <p>2.3.2: 0 (2021)</p>	<p>2.3.1:</p> <p>a) Firms: 1.000 (2027)</p> <p>b) Individuals: 16.000 (2027)</p> <p>2.3.2: 38.500 (2027)</p>	2.3.1 ) project reporting, providers of pay as you go appliance working with the project, micro finance or bank working with the project	Beneficiaries count with enough information on technical solutions and appliances to be purchased/acquired
<b>Output 1 related to Outcome 3</b>	3.1 Strengthen regulatory and strategic planning capacities of energy sector institutions	3.1.1: Number of inclusive Green Economy policy instruments adopted/implemented *	3.1.1: 0 (2021)	3.1.1: 1 (2027)	3.1.1) Parliament reports / Project reporting	Stakeholders use recommendations and orientations of the strategies developed
<b>Output 2 related to Outcome 3</b>	3.2 Improved regulatory and investment framework	3.2.1: Number of regulatory decisions adopted to improve the use of renewable energy due to the EU support	3.2.1: 0 (2021)	3.2.1: 3 (2027)	3.2.1) EWRC / Project reporting	Strategies count with sufficient funds to be implemented

## 4. IMPLEMENTATION ARRANGEMENTS

### 4.1. Financing Agreement

In order to implement this action, it is envisaged to conclude a simplified financing agreement with the partner country.

### 4.2. Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

### 4.3. Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures<sup>6</sup>.

#### 4.3.1. Indirect Management with a Member State Organisation and/or an international organisation

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

- Strong technical and management capacities demonstrated in the activity areas included in the Action.
- Very good knowledge of the Sierra Leonean context.
- Ability and availability to extend the on-going momentum initiated by current projects in the sector of renewable energy in rural areas.
- Ability and availability to promote the EU's policy dialogue with Sierra Leone in the sector of renewable energy.

Implementation in indirect management with one entrusted entity is expected to cover the activities related to Outcome 1: "To build generation and distribution infrastructure for sustainable, reliable and affordable energy and improve access to it." and the activities contributing to Outcome 3 "Strengthen governance and financing of the renewable energy sector".

The Outcome 2 "Promote the use of renewable energies, technologies and digitalisation" is expected to be implemented in indirect management by one or several other entities (international organisation, development agency from EU Member State).

#### 4.4. Scope of geographical eligibility for procurement and grants

NA

<sup>6</sup> [www.sanctionsmap.eu](http://www.sanctionsmap.eu). Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

#### 4.5. Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)	Third-party contribution, in currency identified
	<b>50 000 000</b>	
<b>Implementation modalities</b> – cf. section 4.3	Indirect management	
<b>Objective 1 : Build generation and distribution infrastructure for sustainable, reliable and affordable energy and improve access to it</b> composed of	<b>25 000 000</b>	
Indirect management with an International Organisation or a Member State Organisation	25 000 000	
<b>Objective 2: Promote the use of renewable energies and broaden use of technologies and digitalisation</b> composed of	<b>19 300 000</b>	
Indirect management with an International Organisation or a Member State Organisation	19.300 000	
<b>Objective 3: Strengthen governance and financing of the renewable energy sector</b>	<b>5 700 000</b>	
Indirect management with an International Organisation or a Member State Organisation	5 700 000	
<b>Evaluation</b> – cf. section 5.2 <b>Audit</b> – cf. section 5.3		
<b>Communication and visibility</b> – cf. section 6		
<b>TOTAL</b>	50 000 000	

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

Entities signing contribution agreements will be responsible for implementing the action. However, several levels of coordination will be put in place.

A steering committee will be set up to monitor and coordinate the action with the State sector policy. It will be chaired by the Ministry of Energy and will bring together the main players in the sector concerned by the action. The EU Delegation will participate and ensure that the orientations taken by the action are in line with those of the sectoral policy dialogue of the EU in Africa and Sierra Leone. This committee should meet semi-annually, at the invitation of the Ministry of Energy.

At the invitation of the Ministry of Energy, the entities signing contribution agreements and the EU Delegation will participate in the sector groups of Technical and Financial Partners (TFP) in order to coordinate activities with other projects.

At a more technical and operational level, a project coordination committee composed by the entities signing contribution agreements, the Ministry and the EU Delegation will meet regularly to coordinate the implementation. Depending on the needs and the progress of the project, ad hoc committees may also be set up (for example during the award of contracts to the operators of mini-grids.)

Finally, participatory mechanisms will be put in place at the local level to allow the target populations to express their opinions and, when relevant, take decisions on the implementation of the field activities and relevant orientations. It could be done through focus groups, field surveys or opinion polls. Particular care will be taken to ensure that women, young people and disabled persons can express themselves.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

## 5. PERFORMANCE MEASUREMENT

### 5.1. Monitoring and Reporting

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

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

#### **Roles and responsibilities for data collection, analysis and monitoring:**

Output indicators of the logical framework are directly linked to the progress of the action: logically, baseline values are nil. Then the data for these indicators are provided mainly by private operators in the electricity or financial sector who follow in real time the evolution of their customer file. The contribution agreements and the tenders for the private operators will ensure that the entities in charge of specific activities under the action have access, cost free, to this data and share it at least semi-annually with the Ministry of Energy and the EU Delegation.

For some output indicators and especially the output 2 related to outcome 2 ("Number of people who have benefited from TVET and training /skills development supported by the EU" and "Number of jobs supported or sustained by the EU"), the entities signing the contribution agreement will provide the data, follow-up and report on progress, also at least semi-annually. When relevant they will use the cheapest and modern ways to collect the data (use digital tools for instance). Impact monitoring and outcome harvesting process needs to be set up in order to capture the extents and scales of transformation that happens as a result of achieving the outputs. It will be worthy to trace the domains of changes and lessons learnt from the implementation level in the form of most significant change stories, best practices etc. which will provide a way to assess whether the programme is delivering as expected or what type of modification is required.

Regarding the outcome indicators 3 (Number of Inclusive Green Economy policy instruments adopted / implemented and Number of regulatory decision adopted to improve the use of renewable energy) a road map with milestones and times lines will be defined at the beginning of the action by the entity in charge of the activities implementation, so that the process of elaboration, adoption and implementation of policy can be monitored.

Data required for Impact and Outcome indicators will be provided by the Ministry of Energy, the World Bank and the mini-grids operators.

Working closely with the project stakeholders, attending the different committees and carrying out field missions, the EU Delegation will follow up the implementation of the action. In addition, thanks to the results-oriented monitoring (ROM) exercise the EU Delegation will be able to monitor the action with external experts.

This action is the first one of the Team Europe Initiative (TEI) "Green Pact with Sierra Leone". Germany, through the German Agency for International Cooperation (GIZ), should be involved directly in the implementation of the

action which will foster the monitoring of the partner actions for TEI. Then, as the team grows, it will set up a monitoring system with the team members for the TEI actions.

## 5.2. Evaluation

Having regard to the nature of the action, mid-term and final evaluations will be carried out for the whole action or for its components via independent consultants contracted by the Commission. The evaluation will be gender and human rights sensitive, assess gender equality and human rights results and implementation of human rights-based approach working principles (participation, non-discrimination, accountability, and transparency).

The mid-term evaluation will be carried out for learning and re-orientation purposes, if required.

The final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision).

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

The evaluation reports shall be shared with the partner country and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

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

Evaluations jointly with other contributing Member States and European Development Finance Institutions (EDFIs) of the TEI will be the preferred option to provide an overview of the action within the larger impact of the TEI.

## 5.3. Audit and Verifications

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

## 6. STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

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

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

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

## APPENDIX REPORTING IN OPSYS

An Intervention<sup>7</sup> (also generally called project/programme) is the operational entity associated to a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Interventions are the most effective (hence optimal) entities for the operational follow-up by the Commission of its external development operations. As such, Interventions constitute the base unit for managing operational implementations, assessing performance, monitoring, evaluation, internal and external communication, reporting and aggregation.

Primary Interventions are those contracts or groups of contracts bearing reportable results and respecting the following business rule: ‘a given contract can only contribute to one primary intervention and not more than one’. An individual contract that does not produce direct reportable results and cannot be logically grouped with other result reportable contracts is considered a ‘support entities’. The addition of all primary interventions and support entities is equivalent to the full development portfolio of the Institution.

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

The level of the Primary Intervention is defined in the related Action Document and it is revisable; it can be a(n) (group of) action(s) or a (group of) contract(s).

Tick in the left side column one of the three possible options for the level of definition of the Primary Intervention(s) identified in this action.

In the case of ‘Group of actions’ level, add references to the present action and other action concerning the same Primary Intervention.

In the case of ‘Contract level’, add the reference to the corresponding budgetary items in point 4.5, Indicative Budget.

<b>Option 1: Action level</b>		
<input checked="" type="checkbox"/>	Single action	Present action: all contracts in the present action
<b>Option 2: Group of actions level</b>		
<input type="checkbox"/>	Group of actions	Actions reference (CRIS#/OPSYS#):
<b>Option 3: Contract level</b>		
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		
	(...)	
<input type="checkbox"/>	Group of contracts 1	

<sup>7</sup> [ARES \(2021\)4204912](#) - For the purpose of consistency between terms in OPSYS, DG INTPA, DG NEAR and FPI have harmonised 5 key terms, including ‘action’ and ‘Intervention’ where an ‘action’ is the content (or part of the content) of a Commission Financing Decision and ‘Intervention’ is a coherent set of activities and results which constitutes an effective level for the operational follow-up by the EC of its operations on the ground. See more on the [concept of intervention](#).