



EN

THIS ACTION IS FUNDED BY THE EUROPEAN UNION

ANNEX

of the Commission Implementing Decision on the financing of the multiannual action plan in favour of Turkmenistan for 2022 – 2023

Action Document for Turkmenistan Cooperation Facility 2022-2023

MULTI-ANNUAL PLAN

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

1. SYNOPSIS

1.1. Action Summary Table

1. Title CRIS/OPSYS business reference Basic Act	Turkmenistan Cooperation Facility 2022-2023 CRIS number: 2022/043-515; 2023/043-558 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
2. Team Europe Initiative	No
3. Zone benefiting from the action	The action shall be carried out in Turkmenistan
4. Programming document	Multi-annual Indicative Programme – Turkmenistan 2021-2027
5. Link with relevant MIP(s) objectives/expected results	Cooperation Facility with the objective to enhance the EU-Turkmenistan Partnership
PRIORITY AREAS AND SECTOR INFORMATION	
6. Priority Area(s), sectors	43010 – Multi-sector
7. Sustainable Development Goals (SDGs)	Main SDG : SDG 17 Partnership for the Goals Other significant SDGs: (5) gender equality, (7) clean energy, (8) decent work and economic growth, (9) industry, innovation and infrastructure, (11) sustainable cities and communities, (12) sustainable consumption and production, (13) climate action, (15) life on land, and (16) peace justice and strong institutions.
8 a) DAC code(s)	DAC 410 – General Environment Protection – app. 50% DAC 330 – Trade Policies and Regulations – app 25% DAC 150 – Government and Civil Society – app. 25%
8 b) Main Delivery Channel	Other – 50000

9. Targets¹	<input type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input checked="" type="checkbox"/> Biodiversity <input type="checkbox"/> Education <input checked="" type="checkbox"/> Human Rights, Democracy and Governance			
10. Markers (from DAC form)	General policy objective	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Aid to environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input 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"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Climate change adaptation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	11. Internal markers and Tags:	Policy objectives	Not targeted	Significant objective
Digitalisation Tags: digital connectivity digital governance digital entrepreneurship job creation digital skills/literacy digital services		<input checked="" 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 checked="" 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"/>

¹ Actual contribution to targets will be confirmed ex-post based on a standardised methodology.

	Migration (methodology for tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities (methodology for marker and tagging under development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
12. Amounts concerned	Budget line(s) (article, item): 14.020130 NDICI Middle East and Central Asia Total estimated cost (2022-2023): EUR 11 000 000 Total amount of EU budget contribution: EUR 11 000 000 The contribution is for an amount of EUR 6 000 000 from the general budget of the European Union for financial year 2022 and for an amount of EUR 5 000 000 from the general budget of the European Union for 2023, subject to the availability of appropriations for the respective financial years following the adoption of the relevant annual budget, or as provided for in the system of provisional twelfths.			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing	Indirect management with the entity(ies) to be selected in accordance with the criteria set out in sections 4.3.2.			

1.2. Summary of the Action

The proposed Action intends to enhance the EU-Turkmenistan partnership.

The action is intended to promote the EU's long-term interests in supporting Turkmenistan's re-engagement with the outside world, while supporting its more sustainable, inclusive and democratic development, with special focus on vulnerable groups, to leave no one behind. The action therefore prioritises economic and trade cooperation (within the framework of the rules and norms governing EU external relations, including on human and labour rights), EU policy priorities (in particular, on Green Deal and Governance, Human rights), and the SDGs.

Such increased and coherent engagement will allow **leveraging possible additional funding from EU Member States and EU financial institutions** to create greater impact in policy fields of EU and joint interest, in particular relating to the EU Green Deal and improved business climate.

The **Specific Objectives** (Outcomes) are to:

1. Continue and reinforce EU-Turkmenistan relations and policy dialogue.
2. Increase alignment between EU and Turkmenistan interests, principles, policies and values, including human rights and gender equality, complemented by increased awareness and understanding of the EU and its role in the country, the region and the world.
3. Enhance decent work, address poverty and inequalities by improving the living and working conditions of the population, support the implementation of the Climate Change Strategy (2019), green transition, and improve the business environment. Emphasis will be put on Micro-, Small and Medium-Sized Enterprises (MSMEs) with a particular focus on women- and youth-led enterprises, and in line with the national roadmap for the implementation of the UN Sustainable Development Cooperation Framework (for 2021-2025).

The Action will do so by:

- 1.1 Creating opportunities for effective dialogue on EU and joint agendas, and strategic partnership.
- 1.2 Increasing interaction with and strengthening the capacities of public entities and the private sector, especially MSMEs led by woman and youth.
- 1.3 Strengthening capacities, raising awareness and improving access to knowledge and information on the Green Agenda, public finance management, decent work and business environment, and promoting innovation in this field.

The Cooperation Facility will consist of a wide range of tools, initiatives and activities to achieve its objectives. It will **leverage green catalytic investments** through the involvement of development banks, and allow for flexible,

fast assistance and implementation of technical assistance, studies and peer to peer exchanges of experiences where needed. At the same time, it will deliver results and enable advocacy on some of the fundamental interests and values of the EU, namely human rights and gender equality.

The Cooperation Facility will cover two sectors:

- 1) Green Economy
- 2) Improving the business climate (with a focus on agriculture/rural development and support to trade development)

The Action is aligned with the EU's policy first principle, the commitment to the 2030 Agenda and the SDGs, the Paris Agreement, the new European Consensus on development, the external dimension of the European Green Deal, as well as other main priorities of the European Union. **It will contribute in particular to SDG 17 Partnerships for the Goals and to the SDGs 1 (no poverty), 5 (gender equality), 7 (renewable energy), 12 (sustainable production and consumption), 8 (decent work and economic growth) and 13 (climate action). The Action is furthermore aligned with the priorities of Turkmenistan's National Development Plan 2019-2025.**

The Cooperation Facility will allow for an **enhanced coordinated approach**, promoting synergies with other EU policies. The Action complements ongoing regional programmes as well as potential regional Team Europe Initiatives on Digital Connectivity and on Water, Energy and Climate Change.

It is expected that the Action will be **complemented by additional funds from thematic and regional programmes** and blending facilities, in order to ensure the EU's credibility as a dialogue partner for Turkmenistan and other development partners.

2. RATIONALE

2.1. Context

Turkmenistan is governed by one of the most secretive, closed and authoritarian regimes in the world, characterised by systematic violations of basic civil rights and freedoms. The Constitution formally recognises the division of powers between the legislative, executive and judiciary, and guarantees fundamental freedoms, but there is no real implementation of these provisions in practice.

Turkmenistan possesses the world's fourth largest reserves of natural gas and its economy is highly dependent on the export of hydrocarbons to a narrow client base, in particular to China, which absorbs some 69% of its exports. With the fall in global energy prices alongside competition from its neighbours for access to gas exports, the country has experienced a steep slowdown in GDP growth since 2015, further exacerbated by the global drop in demand associated with the COVID-19 pandemic.

Negotiations between Turkmenistan and Russia intensified in the last two years and the ratification, in early 2021, of the Russia-Turkmenistan agreement on security cooperation is an indication of Russia's increasing return to a stronger role in the region.

Despite the challenges of engaging with the Government of Turkmenistan, there is a need to build cooperation and partnership with the country. At the regional level, the EU Strategy on Central Asia of 2019² aims to support resilience and prosperity through an approach that enhances integration and cooperation between all the countries of the region and supports connectivity of the region as a whole with the EU. Turkmenistan also shares a long border with Afghanistan and therefore has a key role to play within the context of Central Asia's support for peace and stability in Afghanistan.

In line with the EU Strategy on Central Asia, the EU will promote its long-term interests in supporting Turkmenistan's re-engagement with the outside world, and its more sustainable, inclusive and democratic development, with special focus on vulnerable groups, to leave no one behind. The guiding principles of the EU intervention will be: (1) 'build back better' with a view to recover from the crisis generated by the COVID-19 pandemic, and address poverty and inequalities by improving the living conditions of the population, with a focus on people living in vulnerable situations. A more equal and inclusive social and economic environment will be also ensured, while supporting Turkmenistan's commitment to the Paris Agreement; (2) 'do no harm', in particular in relation to support for the

² JOINT COMMUNICATION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL The EU and Central Asia: New Opportunities for a Stronger Partnership - JOIN/2019/9 final of 15.5.2019

improvement of the business climate, with a specific focus on micro-, small and medium enterprises (MSMEs), providing opportunities to all, especially women and youth, and the diversification of the economy.

EU support will take the form of a Cooperation Facility, which will consist of a range of tools, initiatives and activities to support the EU strategic interests and priorities in Turkmenistan in two areas: (i) green aspects of the economy and (ii) improving the business climate with a focus on agriculture/rural development and support to trade development.

The MIP identifies green inclusive development, economic diversification, business climate improvement, with a focus on agriculture/rural development and support to trade development, as priority areas for cooperation with Turkmenistan.

In a very closed and difficult context, the Cooperation Facility should enable the EU to open some doors to pursue its strategic interests and coherent policy outreach and dialogue with the government, in particular on the SDGs, the Green Deal, as well as economic and business cooperation. It should allow for flexible, fast assistance and implementation of technical assistance, studies and peer-to-peer exchanges of experiences where needed. At the same time, it will enable advocacy on some of the fundamental values of the EU such as women and youth economic and social empowerment and decent work. Although the country's political stance on human rights does not match at all with that of the EU or international human rights law and standards, the EU will continue its engagement to achieve a more open, concrete and focused political dialogue with Turkmenistan, including on issues of human rights, good governance and rule of law.

The Facility will enhance the awareness and understanding of the relationship between the EU and Turkmenistan, while promoting synergies with other EU policies.

The proposed action complements ongoing and future regional programmes, potential regional Team Europe Initiatives on Digital Connectivity and on Water, Energy and Climate Change.

The Action will be complemented by additional funds from thematic and regional programmes, as well as blending and guarantees facilities, in order to ensure the EU's credibility as a dialogue partner for Turkmenistan.

2.2. Problem Analysis

Turkmenistan is one of the world's most closed countries, ruled by a repressive, autocratic government, which maintains a very tight control, virtually, over all aspects of its citizens' lives including access to information. One of the examples of this is a total denial by Turkmenistan of the COVID-19 pandemic on its territory. To date, Turkmenistan has still not reported a single case of COVID-19 infection. However, the overall sanitary and human rights situation deteriorated following the outbreak of the COVID-19 pandemic and the subsequent socio-economic downturn has affected the whole country.

The conditions of vulnerable groups, such as those working in sectors affected by the pandemic, women working in the informal sector, children and youth, the elderly, people with disabilities, migrants and their families, worsened. Small businesses have been hit very badly, as have state-sector jobs in transportation, where employees have been furloughed. Away from the capital, those who have lost their jobs and have not been able to travel anywhere to find new ones have also suffered. There is growing evidence that in recent months this situation has been increasingly exacerbated by a second year of disappointing grain harvests with some observers signalling that in some areas the situation is bordering on famine conditions.

For this reason, despite Turkmenistan's refusal to admit the existence of the COVID-19 pandemic on its territory, in July 2020, the EU decided to include the country in the regional Central Asia COVID-19 Crisis Response programme. The goal of this programme is to improve the capacities of the national health system to attend to the needs of the local population suffering from an undeclared, yet real, pandemic.

Turkmenistan has one of the world's largest natural gas fields and its economy is almost entirely dependent on the gas exports. The main export market remains China. Recently, however, Turkmenistan has started to face a number of challenges, including a global fall in commodity prices and the competing resource agendas of Russia, Iran, China, Azerbaijan and Turkey. These challenges have begun to affect the country's foreign relations strategy (e.g. a more ambitious government's policy with regards to the climate change) and planned long-distance pipeline projects with new connections to external markets.

Despite the traditional reluctance of Turkmenistan to engage with the EU more actively, the country seems to be very keen on developing economic/trade relations with the EU. Having received a WTO observer status in July 2020, Turkmenistan has expressed gratitude to the EU for support.

The country's climate vulnerability and greenhouse gas emissions also make Turkmenistan a prime target for EU climate policies and the external dimension of the European Green Deal³, while the extreme inequalities that prevail in the country mean that, despite its Upper Middle Income Country (UMIC) status, EU support will have an important role to play in support of the achievement of the SDGs in the country, with a particular focus on poverty reduction, decent work, reduced inequalities (including gender inequalities), clean and affordable energy.

The Action will address these issues through policy dialogue and focused technical assistance. The Cooperation Facility will enable the EU to **pursue coherent policy outreach and dialogue** with the government and other partners, in particular on the SDGs, the Green Deal, as well as economic and business cooperation, while Technical Assistance will **address the gaps to realise Turkmenistan's policy objectives for sustainable green growth**.

In terms of women's rights and gender equality there are major outstanding issues. Only 20.6% of indicators needed to monitor the SDGs from a gender perspective are available, with gaps in key areas, in particular: violence against women, unpaid care and domestic work and key labour market indicators, such as the gender pay gap. In addition, many areas – such as gender and poverty, physical and sexual harassment, women's access to assets (including land), and gender and the environment – lack comparable methodologies for regular monitoring. Closing these gender data gaps is essential for achieving gender-related SDG commitments in Turkmenistan. 25% of seats in parliament were held by women (February 2021), 79.6% of women of reproductive age (15-49 years) have their need for family planning satisfied with modern methods.

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

The Facility will be able to respond to requests for support from a variety of stakeholders such as the Government of Turkmenistan, International Financial Institutions, in particular European Development Financing Institutions (DFIs), as well as the private sector, both Turkmen and European, which will play a key role across all priority areas. The Cooperation Facility will maintain an open approach to engage and benefit a wide range of stakeholders as appropriate, including those representing rights-holders, including women and youth organisations.

3. DESCRIPTION OF THE ACTION

3.1. Objectives and Expected Outputs

The Overall Objective (Impact) of this action is to enhance the EU-Turkmenistan partnership.

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

1. Continue and reinforce EU-Turkmenistan relations and policy dialogue.
2. Increase alignment between EU-Turkmenistan interests, principles, policies and values, such as human rights, including labour rights, and gender equality, complemented by increased awareness and understanding of the EU and its role in the country, the region and the world.
3. Enhance decent work, address poverty and inequalities by improving the living and working conditions of the population, support the implementation of the Climate Change Strategy (2019), green transition, and improve the business environment. Emphasis will be put on Micro-, Small and Medium-Sized Enterprises (MSMEs) with a particular focus on women- and youth-led enterprises.

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

- contributing to Outcomes 1 and 2 (or Specific Objectives 1 and 2): Opportunities are created for effective dialogue, strategic partnership, including on EU and joint agendas.
- contributing to Outcomes 1 and 2 (or Specific Objectives 1 and 2): Increased interaction with and strengthened capacities of public entities and private sector, with a particular focus on women- and youth-led MSMEs, in line with the “do no harm” principle.
- Contributing to Outcome 3 (or Specific Objective 3): Strengthened capacities, awareness raised and improved access to knowledge and information of relevant stakeholders on decent work, on Climate Change Strategy, green transition, improved business environment, and promoting innovation in this field.

³ [European Green Deal - Consilium \(europa.eu\)](https://european-council.europa.eu/media/en/press-articles/2020/07/23/P12222_en.pdf)

3.2. Indicative Activities

Activities related to Output 1.1 and 1.2:

- Policy dialogues on issues arising from the Joint Committee meetings and human rights dialogues between the EU and the Government of Turkmenistan, including gender equality and women and youth empowerment, environment/climate change, development and SDGs, good governance, human rights, including labour rights, rule of law.
- Strategic communication and Public diplomacy activities to (1) promote the awareness and understanding of the Union's values, interests and specific policies and (2) strengthen public awareness, networks and long-term relationships with key target audiences and partners (e.g. youth, students, academics, business), including leveraging existing EU programmes, in order to build trust and facilitate future cooperation across policy areas.
- Ensuring a human rights-based approach and gender equality mainstreaming.

Activities related to Output 1.3

- Cooperation to promote decent jobs, support the implementation of the Climate Change Strategy (2019), green transition, improve the business environment and mobilise sustainable investments (in synergy and complementarity with regional, thematic, blending, and EFSD+ interventions).
- Technical assistance to support sector reform in renewable energy and energy efficiency; cooperation on other areas of the Green Deal, National Determined Contributions (NDCs), emission trading, carbon pricing, etc.
- Technical assistance to support market reforms, public finance management, and economic diversification;
- Technical assistance to address issues that have a direct impact on poverty and inequalities, such as land ownership, labour legislation (in line with international labour standards), , social security provision, support to women- and youth-led MSMEs and support for small producers in the agriculture sector;
- Support for business integrity and progress towards the elimination of corruption, lack of transparency and fair competition and on sustainable investment practices in line with social and environmental responsibility standards;
- Technical assistance to support the country's ambition to access the WTO while ensuring the development and implementation of trade facilitation practices, promotion of e-commerce, elimination of non-tariff barriers to trade.

3.3. Mainstreaming

Environmental Protection & Climate Change

Outcomes of the SEA screening (relevant for budget support and strategic-level interventions)

N/A

Outcomes of the EIA (Environmental Impact Assessment) screening (relevant for projects and/or specific interventions within a project)

N/A

Outcome of the CRA (Climate Risk Assessment) screening (relevant for projects and/or specific interventions within a project)

N/A

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is marked as G1. This implies that a gender responsive approach will be applied throughout implementation in all activities undertaken under the Cooperation Facility.

In line with the EU Gender Action Plan 2021-2025 (GAP III)⁴, the action will contribute in particular to the thematic area of promoting economic and social rights and empowering girls and women.

Human Rights

Respect for human rights is a fundamental value of the European Union. Strengthening the human rights dialogue with Turkmenistan and aligning the legal framework (ratification of international human rights treaties) are key activities under this Cooperation Facility.

The Action adopts a human rights based approach (HRBA) and it promotes the fulfilment of the human rights (adequate standard of living, the right to work, access to justice, etc) of all, with a focus on women and youth and individuals living in vulnerable situations. All activities will be designed taking into account the *do-no-harm* principle. The HRBA's five working principles (applying all human rights for all; b) meaningful and inclusive participation and access to decision-making; c) non-discrimination and equality; d) accountability and rule of law for all; and e) transparency and access to information supported by disaggregated data) will be promoted throughout.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0. This implies that disability is not considered the overall nor a specific objective of the facility. However, in all activities all possible measures will be taken to ensure an inclusive policy dialogue. Therefore, attention will be paid to ensure and enable the participation of people with disabilities in the activities under the facility, and to ensure that the achieved results will be accessible for people with disabilities.

Democracy

All activities, including policy dialogues with the Government of Turkmenistan will aim at promoting democratic values to ensure that the country moves closer to the path of democracy. This is also supported by a strengthening of the inclusiveness of the dialogue as well as a focus on respect for human rights, good governance, transparency, anti-corruption and the importance of the rule of law.

Conflict sensitivity, peace and resilience

Building resilience and preventing conflicts are primarily relevant in Turkmenistan for conflicts linked to the environmental considerations. Protecting the environment, adapting to climate change and building resilience of communities are key issues of thematic funding in Turkmenistan as well in the foreseen increased policy dialogue.

Disaster Risk Reduction

Building resilience and preventing disaster are primarily relevant in Turkmenistan for conflicts linked to environmental resources. Protecting the environment, mitigating and adapting to climate change and building resilience of communities at risk are key issues of thematic funding in Turkmenistan as well as in the ongoing policy dialogue. Following the COVID-19 pandemic and in the perspective of building back better public health and crisis response in the case of global pandemic will be relevant crosscutting issues.

Other considerations if relevant:

N/A

3.4. Risks and Lessons Learnt

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
----------	-------	---	-------------------------------------	---------------------

⁴ [IMMC.JOIN%282020%2917%20final.ENG.xhtml.1_EN_ACT_part1_v8.docx \(europa.eu\)](#)

Political stability	The political environment is unstable and cooperation can be volatile.	Medium	High	Flexibility under the Cooperation Facility will allow us to respond and adapt to these changes and to include new or rapidly expanding areas of potential cooperation.
Involvement	Stakeholders disengage in the dialogue	High	High	To ensure the engagement of Turkmen authorities, joint priorities will be established in close cooperation with high level representatives of the Turkmen government
Credibility	Public diplomacy efforts lack credibility	Medium	Medium	Strategic communication and public diplomacy actions are more effective and credible if they are directed to carefully selected target audience (e.g. youth, women) and appeal to concrete interests/needs/challenges of targeted population groups. Therefore particular attention will be paid to the design of messages and Key Performance Indicators (KPIs). If feasible, these activities could be implemented in partnership with local stakeholders.
Coordination	Multi-country programmes duplicate activities and/or do not effectively supplement country specific projects	Low	Medium	The effective coordination with other, including regional projects, programmes and initiatives, will be facilitated through the disciplined implementation of the regional coordination mechanism for Central Asia organised in Planet, People & Prosperity and Peace programme clusters.

Lessons Learnt:

The Cooperation Facility should be used as an enabler for dialogue with the government in a very closed and authoritarian regime. Realistically, not much transformational impact should be expected on the ground. However, by aligning our limited support with the priorities of Turkmenistan's National Development Plan 2019-2025, such as increasing Turkmenistan's competitiveness through private sector development, we increase the chances for uptake.

The EU is in a better position to make a difference in Turkmenistan by joining forces with the European Financial Institutions, especially the EBRD. Thus, it will be able to supplement the Cooperation Facility with support for investment projects through EFSD+ blending and guarantees. The Action aims to leverage such green catalytic investments. The involvement of IFIs in the past programming phase (2014-2020) has shown to be fruitful and to contribute, through the leverage effect of grants-loans combination, to the achievement of the country's development priorities.

3.5. The Intervention Logic

The Action intends to enhance the EU-Turkmenistan cooperation policy. The Cooperation Facility will enable the EU to promote its values and pursue strategic interests and coherent policy outreach and dialogue with the government involving other important partners. It will provide the funding to foster meaningful engagement with Turkmenistan in a flexible manner. Such increased and coherent engagement will allow leveraging additional funding from EU Member States and European finance institutions to create greater impact in policy fields of EU and joint interest, in particular relating to the Green Deal.

3.6. Logical Framework Matrix

PROJECT MODALITY (3 levels of results / indicators / Source of Data / Assumptions - no activities)

Results	Results chain: Main expected results (maximum 10)	Indicators: (at least one indicator per expected result) ⁵	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	To enhance the EU-Turkmenistan partnership	1. Effective implementation of essential documents, including the interim Agreement on trade and trade-related matters and the EU Strategy on Central Asia 2. Progress of SDG implementation in Turkmenistan	SDG Index Score 61.14 (2021)	SGD scope improved in 2024	1. Reports of annual bilateral Joint Committee meetings 2. Sustainable development report and dashboard	<i>Not applicable</i>
Outcome 1	1. Reinforced EU-Turkmenistan relations and policy dialogue.	1.1. Number of annual policy dialogues with the government of Turkmenistan (including key topics, human rights, gender equality, etc) 1.2. Number of joint statements with the Government of Turkmenistan(including key topics, human rights, gender equality, etc) 1.3. Number of joint statements with the Government of Turkmenistan (including key topics, human rights, gender equality, etc)	1.1. x in 2021 1.2. x in 2021 1.3. x in 2021	1.1. +10 in 2027 1.2. +5 in 2027 1.3. + 5 in 2027	1.1. Minutes of meetings 1.2.	
Outcome 2	2. Increased alignment between EU-Turkmenistan interests, principles, policies, and values, including human rights and gender equality, complemented by increased awareness and understanding of the EU and its role in the country, the region and the world	2.1. Turkmenistan signs relevant international treaties/conventions. 2.2. Increased knowledge and positive public opinion of the EU	2.1. 0 2.2. 0	2.1. +5 in 2027 2.2. +5 in 2027	2.1. 2.2. 2.3.Opinion research	
Outcome 3	3. Decent work enhanced; the implementation of the Climate Change Strategy (2019), green transition, and improve the business environment are supported	3.1. Progress of SDG #8 implementation in Turkmenistan 3.2. Climate Change Strategy implemented 3.3. Green transition, and improve the business environment are supported	3.1. “Major challenges remain” 3.2. 0 3.3.	3.1. Change of status from “Major challenges” to at least “significant challenges” 3.2. 1 3.3.	3.1. Sustainable Development Report, Dashboard	
Output 1 related to Outcome 1 & 2	1.1. Opportunities are created for effective dialogue, strategic partnership, including on EU and joint agendas	1.1.1 Contract(s) signed	1.1.1. 0	1.1.1. At least 1 contract signed and implemented by 2027		
Output 2 related to Outcome 1 & 2	1.2. Increased interaction with and strengthened capacities of public entities and private sector.	1.2.1. Contract(s) signed (no. with entities representing women and youth interests)	1.2.1. 0	1.2.1 At least 1 contract signed and implemented by 2027		
Output 3 related to Outcome 3	1.3. Strengthened capacities, awareness raised and improved access to knowledge and information on decent work, Climate Change Strategy, green transition, improved business environment, and promoting innovation in this field with a focus on women and youth.	1.3.1. Contract(s) signed (no. with entities representing women and youth interests)	1.3.1. 0	1.3.1 At least 1 contract signed and implemented by 2027		

⁵ Indicators will be disaggregated by sex where applicable.

4. IMPLEMENTATION ARRANGEMENTS

4.1. Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement with the Government of Turkmenistan.

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 adoption by the Commission of this Financing Decision.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this 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 measures⁶.

4.3.1. Indirect Management with Member States Organisations or an international organisation

A part of this action may be implemented in indirect management with Member States organisations or an international organisation, which will be selected by the Commission's services applying the following criteria: (1) experience of work in Central Asia and in Turkmenistan in particular, (2) experience of work in the specific field of intervention, (3) proven good relationship with key Turkmen government bodies, to enable smooth policy dialogues on the partnership with the EU or related to the Sustainable Development Goals (SDGs).

The implementation by these entities entails provision of technical expertise and support to achieve the outputs to be delivered by this action.

4.4. Indicative Budget

Indicative components	Budget	EU contribution 2022	EU contribution 2023	Total EU contribution
Objective 1: Reinforce EU – Turkmenistan relations and policy dialogue		900 000	850 000	1 750 000
Objective 2: Increase alignment between EU and Turkmenistan interests, policies, values		900 000	1 850 000	2 750 000
Objective 3: Enhance decent work, address poverty and inequalities		3 900 000	1 850 000	5 750 000
Evaluation		N/A	200 000	200 000

⁶ 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.

Audit			
Strategic Communication and Public Diplomacy	300 000	250 000	550 000
Contingencies	N/A	N/A	N/A
Totals	6 000 000	5 000 000	11 000 000

4.5. Organisational Set-up and Responsibilities

The Cooperation Facility, will be subjected to an advisory mechanism. This group will discuss and provide on a bi-annual basis the strategic and policy guidance needed to ensure smooth project implementation. It will review and endorse annual work plans, monitor project outputs and achievements and not least provide advice on how to address obstacles and challenges identified during implementation. The group should have participation from the main sections of the EU Delegation.

Sub-groups of the advisory mechanism group may be set-up for specific areas of the Cooperation Facility.

The Cooperation section in the EU Delegation will facilitate the meetings, under the chairmanship of the Head of Delegation.

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 (for project modality) and the partner's strategy, policy or reform action plan list (for budget support).

Indicators shall be disaggregated by sex, age and disability at a minimum and other relevant categories (when pertinent). All monitoring and reporting shall assess how the action takes into account the human rights-based approach working principles (i.e. applying all human rights for all; meaningful and inclusive participation and access to decision-making; non-discrimination and equality; accountability and rule of law for all; and transparency and access to information supported by disaggregated data).

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:

The implementing partner is responsible for day to day monitoring and reporting based on the agreed indicators in the logframe. Adjustments to the agreed indicators will be subject to a discussion and approval of the advisory committee. The contracting authority will be responsible for the approval of annual reports

5.2. Evaluation

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

It will be carried out for learning purposes, in particular with respect to the intention to launch a second phase of the action.

The final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that the facility incorporated a number of different implementation modalities and covered a wide variety of issues.

Evaluations shall assess to what extent the action takes into account the human rights-based approach working principles (i.e. applying all human rights for all; meaningful and inclusive participation and access to decision-making; non-discrimination and equality; accountability and rule of law for all; and transparency and access to information supported by disaggregated data) as well as how it contributes to gender equality and women's empowerment. In this regard, expertise on human rights and gender equality will be ensured in the evaluation teams.

The Commission shall inform the implementing partner at least 2 months 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 dissemination⁷. 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 may be contracted under a framework contract.

5.3. Audit and Verifications

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

6. STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

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

At country level, resources required for strategic communication and public diplomacy will be consolidated in Cooperation Facilities established by support measure action documents. This will allow Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.

To that end, Delegations will develop short strategic communication and public diplomacy plans that reflect the objectives of the Delegation as a whole in this domain, initially covering the period up to the Mid-Term Review (MTR). The strategic plan will include key administrative information (timeline, budget and the programme manager responsible for implementation) and cover the following main elements:

Audiences targeted

The principal communication objective(s)

The core narrative

Preliminary suggestions for content, partnerships and channels

⁷ See best [practice of evaluation dissemination](#)

APPENDIX 1 REPORTING IN OPSYS

An Intervention⁸ (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.

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

⁸ [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](#).

