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ANNEX

of the Commission Implementing Decision on the financing of the annual action plan in favour of Indonesia for 2021

Action Document for EU-Indonesia Cooperation Facility

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 of NDICI-Global Europe Regulation.

1. SYNOPSIS

1.1. Action Summary Table

1. Title CRIS/OPSYS business reference Basic Act	EU-Indonesia Cooperation Facility CRIS number: NDICI ASIA/2021/043-299 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
2. Team Europe Initiative	Yes TEI Indonesia Green Agenda (under discussion)
3. Zone benefiting from the action	The action shall be carried out in Indonesia
4. Programming document	Multi-annual Indicative Programme – Indonesia 2021-2027
5. Link with relevant MIP(s) objectives/expected results	The Cooperation Facility with the objective to enhance the EU-Indonesia Partnership , will support directly all three priority areas of the MIP (Trade and Connectivity, Climate Change, Governance and Security). It will provide a facility for continuing and reinforcing EU-Indonesia relations and policy dialogue. It will promote an increased alignment between EU-Indonesia interest, principles, policies and values, complemented by increased awareness, understanding and approval of the EU and its role in the country, the region and the world. By doing so it will allow the EU to better respond to global challenges and build resilience in a flexible, forward-looking and strategic manner in its relationship with Indonesia and other partners.
PRIORITY AREAS AND SECTOR INFORMATION	
6. Priority Area(s), sectors	43010 – Multi-sector
7. Sustainable Development Goals (SDGs)	Main SDG: SDG 17 Partnerships for the Goals Other significant SDGs: 5 (gender equality), 7 (clean energy), 8 (decent work and economic growth), 12 (sustainable consumption and production), 13 (climate action), 14 (life below water), 15 (life on land), 16 (peace, justice and strong institutions)
8 a) DAC code(s)	DAC 41010 - Environmental policy and administrative management – app. 50% DAC 33110 - Trade policy and administrative management – app. 25 % DAC 15150 - Democratic participation and civil society – app. 25%

8 b) Main Delivery Channel	Private sector – 60000			
9. Targets¹	<input type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input 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 type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Internal markers and Tags:	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation Tags: digital connectivity digital governance digital entrepreneurship job creation digital skills/literacy digital services	<input type="checkbox"/>	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input 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"/> <input type="checkbox"/>
	Connectivity Tags: transport people2people energy	<input type="checkbox"/>	<input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" 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.

	digital connectivity		<input checked="" 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"/>
BUDGET INFORMATION				
12. Amounts concerned	Budget line(s) (article, item): BGUE-B2021-14.020131-C1-INTPA Total estimated cost: 12 000 000 EUR			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing	Direct management through: - Grants - Procurement Indirect management with the entity(ies) to be selected in accordance with the criteria set out in section 4.3.3.			

1.2. Summary of the Action

The proposed Action intends to enhance the EU-Indonesia partnership. The Cooperation Facility will enable the EU to **pursue strategic interests and 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, and **enhance public awareness, understanding and approval** of the EU-Indonesia relationship. It thus will provide funding to foster meaningful engagement with Indonesia and allow the EU to better respond to global challenges and build resilience in a flexible, forward-looking and strategic manner. Such increased and coherent engagement will allow **leveraging 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.

The **Specific Objectives** of this action are to:

1. Continue and reinforce EU-Indonesia relations and policy dialogues;
2. Promote an increased alignment between EU-Indonesia interests, principles, policies, and values, including human rights and gender equality, with a particular focus on the 2030 Agenda and the Sustainable Development Goals (SDGs);
3. Build increased awareness, understanding and approval of the EU and its role in Indonesia, the region and the world;
4. Enhance climate, biodiversity and environmental management, mainstreaming and monitoring, as well as conservation, sustainable, management use and restoration of natural resources.

The Action will do so by:

1. Creating opportunities for effective multilateralism and dialogue, including on EU and joint agendas.
2. Building a strategic partnership committed to mutual interests.
3. Implementing strategic communication and public diplomacy activities
4. Increasing interaction with and strengthening the capacities of civil society organisations, public entities and private sector.
5. Strengthening capacities, raising awareness and improving access to knowledge and information on the Green Agenda, 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 **create partnerships** between European and Indonesian businesses, and **leverage green catalytic investments** through the strong 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 the role of civil society, human rights and gender equality.

The Cooperation Facility includes two components:

1 A Partnership and Cooperation Agreement (PCA) Facility linked to Policy Dialogues, and Strategic Communication and Public Diplomacy contributing to the three priority areas of the MIP (Trade and Connectivity, Climate Change, Governance and Security), to support and facilitate the political dialogue between the EU and Indonesia, supporting key dialogues linked to the PCA and the Free Trade Agreement (FTA) negotiations, as well as a continued dialogue on the SDG agenda, including sustainable development and the fight against climate change. The facility will support ongoing dialogues with civil society and the implementation of the GAP (Gender Action Plan) III as well as enhanced public diplomacy efforts of the EU in Indonesia in key areas of interest. It will also contribute to strategic communications activities designed to raise public awareness, understanding and approval of the EU's partnerships with Indonesia.

2 "Technical Assistance supporting the Green Agenda", mainly under the MIP priority area on Climate Change, structured along the main areas of the Green Deal, in particular focusing on renewable energy and energy efficiency, circular economy, as well as sustainable landscape and resource management to support Indonesia to realise its policy objectives in the areas of the Green Agenda.

The Action is **aligned with the EU's policy first principle, as well as key EU and Indonesian policies**, including the commitment to the 2030 Agenda and the Sustainable Development Goals (SDGs), the Paris Agreement, the Addis Ababa Action Agenda, the Global Strategy for the European Union's Foreign and Security Policy, the EU Strategy for Cooperation in the Indo-Pacific, the new European Consensus on development, the external dimension of the European Green Deal, including its sustainable finance and green bond chapters, the other main priorities of the European Commission, as well as the priorities of **Indonesia's Medium-term National Development Plan (RPJMN) 2020-2024**. It will contribute in particular to **SDG 17 Partnerships for the Goals**. A focus will additionally be on SDGs 7 (clean energy), 12 (sustainable production and consumption), 13, 14, 15, 16 (climate action, life below water and on land and peace, justice and strong institutions), and 8 (decent work and economic growth) but also SDG 5 (gender equality).

The action contributes to the consequent fulfilment of economic and social rights, and gender equality, in line with Indonesia's international human rights commitments. Moreover, it contributes to the **EU Gender Action Plan (GAP) III** thematic areas of engagement 1) Promoting economic and social rights and empowering girls and women; and 2) Addressing the challenges and harnessing the opportunities offered by the green transition and the digital transformation.

The Cooperation Facility will allow for an **enhanced coordinated approach**, promoting synergies with other EU policies, including on digitalisation. The Action complements ongoing programmes financed under the Foreign Policy Instrument, as well as ongoing and planned regional programmes and potential Team Europe Initiatives on the Green Agenda and connectivity.

It is expected that strengthened EU coordination on the Green Agenda will **lead to a Team Europe Initiative (TEI) supporting European cooperation with Indonesia in all relevant areas covered by the EU Green Deal** including the areas of sustainable energy, circular economy, as well as terrestrial and marine biodiversity (being prepared with EU Member States and European development finance institutions). The commitment of the EU's contribution to the Team Europe Initiative(s) foreseen under this annual action plan will be subject to the prior formal confirmation of the respective partners' contribution.

The programmes of European development banks (European Investment Bank (EIB), Agence française de Développement (AfD), Kreditanstalt für Wiederaufbau (KfW) on climate change mitigation and green investments in the region are aligned with the proposed action. Complementary blending would further strengthen the value of this action through its leverage effect and further promote the Team Europe approach of this action and in the region, in order to ensure the EU's credibility as dialogue partner for Indonesia and other development partners.

2. RATIONALE

2.1. Context

Indonesia is a crucial partner for the EU for the implementation of the SDGs, climate change and environment, as well as regional stability and regionalism. Its strategic relevance stems from its population and growing market size, unique biodiversity, as well as regional relevance.

Indonesia is the world's **third largest democracy, fourth most populated country, a G20 member, and a heavyweight within ASEAN** (37% of population and GDP) – an EU strategic partner. Following the upgrade of EU-ASEAN relations to the level of strategic partners, strengthening the EU's relationship with Indonesia will contribute to reinforce EU's role and presence in the broader ASEAN region. Cooperation with Indonesia will be instrumental to the implementation of the **EU Strategy for Cooperation in the Indo-Pacific**, and its focus on responding to emerging regional dynamics, including in response to Chinese influence in the region.

Indonesia is on the path to become one of the world's **top five largest economies by 2040**, but the **COVID-19 pandemic has slowed economic growth and increased inequalities** across the country-also resulting in Indonesia going back to lower-middle income status. Yet, its growing middle class, strong domestic demand, large and youthful population, fast rate of digitalisation, and need for new infrastructure make it an important potential market for trade and investment, which would be boosted through the **Comprehensive Economic Partnership Agreement (CEPA)** once completed and providing access for EU companies.

Indonesia is home to one of the **largest rainforest, mangrove and peatland areas** in the world. However, Indonesia also has the third largest coal pipeline in the world and the government's National Recovery Programme does not support low-carbon options; instead, it bails out coal-heavy electric utilities. Indonesia's **climate vulnerability and greenhouse gas emissions** thus make it a **prime partner for EU climate policies and the external dimension of the European Green Deal**.

To strengthen cooperation in this area, the **EU-Indonesia Joint Green Agenda** is being developed with line DGs (notably CLIMA, ENV and MARE) and with the Indonesian Government as a framework to give a new impetus to cooperation and exchange of know-how and experience in this area. For this reason, the Facility includes a specific component on "Technical Assistance supporting the Green Agenda".

Indonesia is a **functioning democracy and has improved its track record on human rights**, with pluralism, fundamental freedoms, vibrant and diverse media and civil society, as well as independent institutions. Yet, Indonesia – the largest Muslim country in the world - has to cope with the erosion of tolerance and pluralism among its multi-ethnic and multi-religious population. Indonesia is a crossroad for migration within Southeast Asia, ensuring safe, regular and orderly migration remains a challenge.

Indonesia has shown **strong commitment to implementing the SDGs**, which are mainstreamed in its Medium-term National Development Plan (RPJMN) 2020-2024. The Cooperation Facility is aligned with the priorities of the RPJMN, such as increasing Indonesia's competitiveness through policy cooperation.

EU-Indonesia relations are based on the **Partnership and Cooperation Agreement** (in force since 2014 and the first with an ASEAN country), which serves as a platform for dialogue on Political Affairs, Trade, Security, Human Rights, Environment/Climate Change, and Development.

This context is reflected in the priority areas for cooperation with Indonesia, which have been identified as **trade, investment and connectivity, green inclusive development, and good governance** (including anti-corruption and rule of law), **human rights and security** (in particular preventing and countering violent extremism in the country assessment and Multi-Annual Indicative Programme).

These political objectives are also strongly **linked to our ASEAN interests and cooperation**. This Facility and the funding from the regional instruments, under the framework regional TEIs, will be mutually reinforcing.

2.2. Problem Analysis

Short problem analysis:

While Indonesia has made progress in governance and issues of gender equality, **corruption** remains a challenge, there is a **risk of democratic backsliding in some areas, women are affected by discriminatory laws and justice (including by-laws and customary justice), and still lack opportunities** to participate in the economy and politics.

Indonesia is a destination country for labour migrants from the region, which are vulnerable to trafficking in human beings and exploitation. Further security issues include (cyber)crime, and the risk of terrorist threats.

Indonesia faces major **challenges balancing nature conservation with economic growth**, and the COVID-19 pandemic has slowed economic growth and increased inequalities across the country. Ensuring quality of growth and availability of decent jobs, while achieving greenhouse gas emission reduction targets and protecting maritime and terrestrial biodiversity, including forestry are key to foster sustainable socio-economic development.

Indonesia's Nationally Determined Contributions (NDCs) established under the Paris Agreement envisage a pledge to reduce emissions by 29 percent independently – or 41 percent with international assistance – by 2030. Indonesia's emissions remain to date on an upwards trajectory. The **effect of COVID-19** is prominent in the short term. The government's National Recovery Programme does not support low-carbon options; instead, it bails out coal-heavy electric utilities. Indonesia's emissions in 2020 are expected to decrease exclusively due to the economic downturn, as a result of the pandemic. **Bolder actions from the government are needed to advance on structural reforms and put Indonesia on a green growth path.**

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 supporting the Green Agenda will **address the gaps to realise Indonesia's policy objectives for sustainable green growth.**

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

The Cooperation Facility will maintain an **open approach to engage and benefit a wide range of stakeholders** as appropriate. The Facility will be able to respond to requests for support from a variety of stakeholders such as the **Government of Indonesia** (e.g. Ministry of National Development Planning, Ministry of Trade, Ministry of Environment and Forestry, Ministry of Women and Child Affairs, etc.), **International Financing Institutions**, in particular European Development Financing Institutions (DFIs), **local authorities**, and **civil society** organisations (including trade unions and women's business associations).

Organisations involved in work on global challenges or fundamental values of the EU, as well as the **private sector**, both Indonesian and European, will play a key role across all priority areas. CSOs will participate also in monitoring of the action.

The Action aims to **create partnerships between European and Indonesian businesses**, and **leverage green catalytic investments** through the strong involvement of development banks including the European Investment Bank, the World Bank Group and other International Finance Institutions.

The rights-holders of the action are people (including and particularly women, and groups living in vulnerable situations such as indigenous peoples, other ethnic and religious minorities, people living in remote areas (incl. remote islands), female-headed households and persons with disabilities) who are mostly affected by natural and environmental hazards and climate change in their daily lives. They will have their voices heard through CSOs and community representatives (both women and men in all their diversity) representing their rights.

3. DESCRIPTION OF THE ACTION

3.1. Objectives and Expected Outputs

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

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

1. Continue and reinforce EU-Indonesia relations and policy dialogue;
2. Promote an increased alignment between EU-Indonesia interests, principles, policies, and values, including human rights and gender equality, with a particular focus on the 2030 Agenda and the Sustainable Development Goals (SDGs);
3. Build increased understanding and awareness of the EU and its role in Indonesia, the region and the world;
4. Enhance climate, biodiversity and environmental management, mainstreaming and monitoring, as well as conservation, sustainable, management use and restoration of natural resources.

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

- 1.1. Contributing to Outcomes 1: A Partnership and Cooperation Agreement Facility is established.
- 2.1. Contributing to Outcomes 2: Strategic partnership on EU-Indonesia interests.
- 3.1. Contributing to Outcomes 3: Strategic Communication and Public Diplomacy activities will be put in place.
- 4.1. Contributing to Outcome 4: Technical Assistance is established supporting the Green Agenda structured along the main areas of the Green Deal.

3.2. Indicative Activities

Activities related to **Output 1.1.: The Partnership and Cooperation Agreement Facility** is established to facilitate:

- A. Policy Dialogues (including under the PCA), such as on:
 - a. Political affairs, trade, investment and connectivity, security, gender equality and women and youth empowerment, environment/climate change, development and SDGs, good governance, human rights, rule of law, science and research.
 - b. The external dimension of the Green Deal to mainstream and strengthen climate, biodiversity and natural resources monitoring, protection and restoration, sustainable management and use.
- B. Support to CEPA negotiation and implementation (including on economic governance, business-friendly climate, decent work and sustainable supply chains), in particular in view of the “Do No Significant Harm”-principle.

Activities related to **Output 2.1.: Strategic partnership on EU-Indonesia interests**, linked to the PCA Facility

- A. Policy commitments to deliver the SDGs and objectives of other international agreements and initiatives, including the Paris Agreement and the Integrated National Financing Framework to develop sustainable financial strategies, scaling up of European Sustainable Finance strategy, Green Bonds, debt relief under the EU Green Recovery Initiative, or governance issues including anti-corruption and any other relevant issues.
- B. Cooperation between European and Indonesian businesses, e.g. through the EU Chamber of Commerce, so to strengthen linkages with local businesses and help create enabling conditions for the possible set up of an EU trade and investment help desk at the Investment Ministry (BKPM).
- C. Structured dialogues with civil society organisations and Local Authorities, youth organisations and women’s organisations, and including people and groups living in marginalized and in the most vulnerable situations and other relevant stakeholders, which will also ensure the mainstreaming of cross-cutting issues and the implementation of the GAP III and the Human Rights and Democracy Strategy in Indonesia.
- D. Promotion of regulatory cooperation, standards, market access and other relevant policies in the trade, digital, connectivity and economic diplomacy areas, including decent work and sustainable supply chains, business and human rights, including labour rights, indigenous people and people living in remote areas (incl. remote islands).

Activities related to **Output 3.1.: Strategic Communication and Public diplomacy** activities, linked to the Facility:

- A. Design and roll out at national level of (a) major public campaign(s) aimed at ordinary citizens, primarily in the 18-35 age cohort, with the objective of measurably increasing the profile, awareness, understanding and approval of the EU’s partnership with the country. All such campaigns will be data-driven, rigorously tracking hard Key Performance Indicators (KPIs) that will allow content to be constantly adjusted in line with evidence of the material and approaches that resonate most successfully with the audience.
- B. Promote understanding and awareness of the Union's values, interests and specific policies, including human rights, foreign and security policy, science and research, gender equality, fight against disinformation, as well its multilateral agenda.
- C. Strengthen networks and long-term relationships with key target audiences and partners (e.g. youth, students, academics, think tanks, CSOs, business, creative industries), including leveraging existing EU programmes, in order to facilitate future cooperation across policy areas.

Activities related to **Output 4.1.: Technical Assistance supporting the Green Agenda** structured along the main areas of the Green Deal, including:

- A. Sector reform support in renewable energy and energy efficiency, including on approaches to support the out of coal transition.
- B. Support the transition to a Circular Economy, Zero Pollution and including reduction of marine litter.

- C. Sustainable landscape and resource management, including linking “farm to fork”, including agri-food systems, nutrition and food security, sustainable palm oil, marine and terrestrial biodiversity preservation and restoration, as well as combatting illegal logging and deforestation.
- D. Ensuring a human rights based approach and gender mainstreaming. A sectoral gender analysis (incl. capacity gap analysis of duty-bearers and rights-holders) will be established to give inputs to the implementation of specific activities and dialogues under the Technical Assistance.
- E. Dialogue and cooperation that ensures equal participation for women on other areas of the Green Deal, sustainable consumption and production, green jobs, green transition through gender-responsive digital innovation and technologies, National Determined Contributions (NDCs), emission trading, carbon pricing, etc.
- F. Help accelerate financial flows to sustainable activities through the development of sound enabling frameworks and innovative financial instruments (such as green bonds)
- G. Support to other relevant issues with the goal of strengthening the Green Agenda and addressing gaps to realise Indonesia’s policy objectives for sustainable green growth.

3.3. Mainstreaming

Environmental Protection & Climate Change

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

The Strategic Environmental Assessment (SEA) screening concluded that no further action was required.

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

The EIA (Environment Impact Assessment) screening classified the action as Category C (no need for further assessment).

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

The Climate Risk Assessment (CRA) screening concluded that this action is no or low risk (no need for further assessment).

The impacts of climate change and environmental protection are included in several activities of the proposed intervention and will be in particular addressed through Technical Assistance supporting the Green Agenda.

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. The Facility will be used to implement the GAP III in Indonesia, along with other instruments to address the thematic priority areas as identified in the Country-Level Implementation Plan for Indonesia.

Gender equality, human rights and human rights based approach will also be integrated in relevant (capacity building) activities, documents (i.e. ToRs etc.), as minimum requirements of expertise. Gender analysis and recollection of sex-disaggregated data will be a promoted practice for actions of the Delegation.

Human Rights

Respect for human rights is a fundamental value of the European Union. Strengthening the human rights dialogue with Indonesia, and aligning the legal framework (ratification of international human rights treaties) and promoting the implementation of priorities under the Country Strategy for Human rights and Democracy for Indonesia are key activities under the Strategic Communication and Public Diplomacy activities of the PCA Facility. The design and implementation of the program will give attention to those who are most marginalised, excluded or discriminated against and living in vulnerable situations.

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

Indonesia is a functional democracy. All activities, including policy dialogues with the Government of Indonesia will aim at strengthening the democratic system to mitigate the risk of democratic backsliding. This is also supported by a strengthening of the inclusiveness of the dialogue as well as a focus on good governance, transparency, anti-corruption and the importance of the rule of law.

Conflict sensitivity, peace and resilience

A Security Dialogue is held on annual basis covering a range of issues encompassing CSDP policy, countering terrorism and preventing and countering violent extremism, maritime security, cyber security, non-proliferation, organised crime (drugs) and disaster management. Building resilience and preventing conflicts are in addition relevant in Indonesia for conflicts linked to environmental resources and territorial disputes. A conflict-sensitive approach will be ensured in relevant actions under the Facility.

Disaster Risk Reduction

Building resilience and preventing disasters are primarily relevant in Indonesia in the context climate-induced and natural disasters. A regional project on humanitarian aid and disaster management also strongly benefits Indonesia. The element of resilience to climate-induced disasters is addressed through climate change mitigation and adaptation measures under the Facility. 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: Digitalisation and minorities

The promotion of digital solutions and technologies will be promoted throughout the Action, e.g. to support the green transition.

Inclusivity of marginalised communities, minorities, the poorest, indigenous peoples, peoples with disabilities and people living in severe poverty, vulnerable women, children and youth will be taken into account when designing specific activities.

3.4. Risks and Lessons Learnt

Category	Risks	Likelihood (High/Medium/Low)	Impact (High/Medium/Low)	Mitigating measures
External environment	Instability of the political environment	Low	medium	Flexibility under the Cooperation Facility will allow the EU to respond to these changes, and to include new or rapidly expanding areas of cooperation.
	Risk of Human Rights violations (e.g. committed by private sector or other actors involved)	low	medium	Efforts made to ensure private sector will abide by the UN Guiding Principles on Business and Human Rights. Human rights and gender equality impact assessment will be conducted during the inception phase.
Planning, processes and systems	Challenge to build stable relations which enable a functional policy dialogue.	Low	high	Base interventions on existing structures and entry points; and develop potential activities based on joint interest and as an opportunity for peer-to-peer exchanges and mutual learning. The existing platforms and dialogue will be strengthened, and key stakeholders empowered.

				<p>All key stakeholders will be meaningfully consulted and heard prior to the activities and will participate in monitoring of the action.</p> <p>Particular attention on promoting participation and capacity of the national/state institutions and bodies promoting gender equality.</p>
People and the organisation	Stakeholders disengage in the dialogue due to shifting priorities and changes of counterparts/leadership	Medium	medium	A pipeline of mutual priorities and strategic initiatives will be developed to ensure the authorities' involvement and engagement.
	The TEI under discussion cannot materialise due to lack of commitment of EU MS	Low	medium	Clarify expectations and modalities, maintain an open but realistic approach.
Communication and information	Actions including public campaigns, policy dialogue, public diplomacy and technical assistance lack credibility	Low	medium	Actions and outreach to be designed and implemented in partnership and consultation with Indonesian actors. Engaging with young people and establishing a youth sounding board will additionally facilitate the cooperation and increase the EU's recognition.

Lessons Learnt:

The experience of the MFF 2014-2020, where Indonesia as a graduated country did not receive a bilateral envelope shows that leveraging funds through blending as well as funding for CSOs is highly appreciated, but policy dialogue is more effective when accompanied by technical assistance. The Cooperation Facility should remain flexible to be able to adapt to needs but funding should not be spread too thin across thematic areas. A meaningful amount of funding is needed to ensure credibility as dialogue partner for Indonesia and other development partners. Thus, additional predictable funds from thematic and regional programmes and blending facilities are required.

Consultations in the context of the MIP preparation indicate that the direction of cooperation in the areas of climate change, circular economy, and renewable energy as well as continued funding for CSOs are highly appreciated by the Government. In view of the limited funding available discussions on initiatives that can leverage innovative forms of funding are especially encouraged.

3.5. The Intervention Logic

The underlying intervention logic for this action is that it intends to enhance the EU-Indonesia partnership. The Cooperation Facility will enable the EU to pursue strategic interests, in a coherent policy outreach and dialogue with the Government of Indonesia and other key stakeholders. It will provide funding to foster meaningful engagement in a flexible manner by promoting dialogues, increased convergence and approximation of standards and by improving the understanding and visibility of the EU.

Targeted Technical Assistance supporting the Green Agenda will underpin the policy dialogue and EU-Indonesia Joint Green Agenda, a framework that has been developed with line DGs (notably CLIMA, ENV and MARE) and with the Indonesian Government in order to give a new impetus to cooperation and exchange of know-how and experience in this area.

It is expected that activities creating opportunities for effective multilateralism, dialogue, strategic partnership, including on EU and joint agendas, as well as increased interaction with and strengthened capacities of civil society organisations, public entities, private sector, and other relevant actors will reinforce EU-Indonesia relations and dialogue, while at the same time increasing alignment between EU-Indonesia interests, principles, policies, and values, including human rights and gender equality. By targeting general public through strategic communication, we can measurably increase awareness, understanding and approval of the EU's partnership with the country, as well as its role in the region and world. By doing so, we build support for priorities identified under the EU-Indonesia partnership. Similarly, it is expected that strengthening capacities, raising awareness and improving access to knowledge and information on the Green Agenda, and promoting innovation in this field, will lead to more inclusive climate, biodiversity and environmental management, mainstreaming and monitoring, as well as conservation, sustainable, management use and restoration of natural resources.

Such increased and coherent engagement will allow leveraging additional funding from EU Member States and European financial 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

At action level, the indicative logframe should have a maximum of 10 expected results (Impact/Outcome(s)/Output(s)).

It constitutes the basis for the monitoring, reporting and evaluation of the intervention.

On the basis of this logframe matrix, a more detailed logframe (or several) may be developed at contracting stage. In case baselines and targets are not available for the action, they should be informed for each indicator at signature of the contract(s) linked to this Action Document, or in the first progress report at the latest. New columns may be added to set intermediary targets (milestones) for the Output and Outcome indicators whenever it is relevant.

- At inception, the first progress report should include the complete logframe (e.g. including baselines/targets).
- Progress reports should provide an updated logframe with current values for each indicator.
- The final report should enclose the logframe with baseline and final values for each indicator.

The indicative logical framework matrix may evolve during the lifetime of the action depending on the different implementation modalities of this action.

The activities, the expected Outputs and related indicators, targets and baselines included in the logframe matrix may be updated during the implementation of the action, no amendment being required to the Financing Decision.

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) ²	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	To enhance the EU-Indonesia partnership	1. Signed FTA Agreement (CEPA) 2. Progress of SDG implementation in Indonesia	1. FTA not signed 2. SDG Index Score 66.3 (2021)	1. FTA signed	1. Signed and ratified CEPA 2. Sustainable development report and dashboard	<i>Not applicable</i>
Outcome 1	Continue and reinforce EU-Indonesia relations and policy dialogue	1.1 Number of annual policy dialogues with the government of Indonesia, including high-level dialogues on Gender Equality and Women's Empowerment per year 1.2 Number of annual policy dialogues with non-state actors, including with CSOs ensuring the inclusion of women's and girls' organization 1.3 Number of joint statements with the Government of Indonesia	1.1 7 in 2021 1.2 4 in 2021 1.3 x in 2021	1.1 +10 in 2027 1.2 +5 in 2027 1.3 +x in 2027	1.1 Minutes of meetings 1.2 Minutes of meetings 1.3. Official joint statements and documents	
Outcome 2	Increased alignment between EU-Indonesia interests, principles, policies, and values, including human rights and gender equality, with a particular focus on the 2030 Agenda and the Sustainable Development Goals (SDGs)	1.4 Indonesia signs relevant international treaties/conventions. 1.5 Indonesia adopts relevant EU standards	2.1 0 2.2 0	1.1 +10 in 2027 1.2 +15 in 2027 1.3	2.1. International treaties and conventions 2.2. EU Standards 2.3.	
Outcome 3	Increased public awareness, understanding and approval of the EU and its role in Indonesia, the region and the world	EU awareness, brand recognition and approval rates among target public	Baseline survey 2022	+ 20%	Opinion survey 2027	
Outcome 4	Enhanced climate, biodiversity and environmental management, mainstreaming and monitoring, as well as conservation, sustainable, management use and restoration of natural resources	3.1. EU-Indonesia Joint Green Agenda is agreed and implemented 3.2. Greenhouse gas emissions are reduced 3.3. Number of gender-responsive policies approved by partner government in the green or circular economy sectors	3.4. 0 3.5.	4.1. Agreed and implemented in 2027 4.2 41% emission reduction with international support, relative		

				to a BAU by 2030		
Output related to Outcome 1	1.1. A Partnership and Cooperation Agreement Facility is established	1.1.1. Number of events, workshops and other activities with government counterparts	1.1.1 0		1.1.1 1.1.2	
Output related to Outcome 2	1.2. Building a strategic partnership committed to mutual interests	1.2.1. Number of events, workshops and other activities with government counterparts				
Output related to Outcome 3	1.3 A Strategic Communication and Public Diplomacy plan is developed and implemented,, reaching new audiences	1.3.1 Reach 1.3.2 Engagement 1.3.3 Follower growth 1.3.4 Click through rate ³	N/A			
Output related to Outcome 4	1.4. Strengthened capacities, awareness raised and improved access to knowledge and information on the Green Agenda and innovation promoted in this field	1.4.1.Number of people with increased training, financial resources, technology or other resources for sustainable and safe food production, sustainable energy, sustainable transport, clean water sources, or similar (disaggregated by sex)	1.1.1 0	1.1.1	1.1.1 1.1.2	

² Indicators will be disaggregated by sex where applicable.

³ Detailed indicators, baselines and targets will be defined in the Strategic Communication and Public Diplomacy strategic plan, to be developed.

4. IMPLEMENTATION ARRANGEMENTS

4.1. Financing Agreement

In order to implement this action, it is not envisaged to conclude a 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 48 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 measures⁴.

4.3.1. Direct Management (Grants)

Grants: (direct management)

(a) Purpose of the grant(s)

It is possible that grants will be signed to support the achievement of outcome 2.

(b) Type of applicants targeted

In order to be eligible for a grant, applicants must:

- be legal entities, public and private sector operators, international organisations and economic operators such as SMEs
- be an organisation with the ability to be based in Indonesia or in the EU, well established and active in the field of the intervention, so that it will be in a position to bring added value to the EU-Indonesia partnership and dialogues.

4.3.2. Direct Management (Procurement)

In order to achieve the objectives under section 3.1, service contracts will be signed to implement outcomes 1, 2 and 3 through Strategic Communication and Public Diplomacy activities linked to the PCA Facility, and to implement outcome 4 through Technical Assistance supporting the Green Agenda. Should a call for tenders fail to result in the award of a service contract to implement outcome 4, then the alternative implementing modality would be a contribution agreement in indirect management with a pillar-assessed entity selected according to the criteria described under section 4.3.3.

4.3.3. Indirect Management with a Member State Organisation or an international organisation

Further to section 4.3.2., as alternative implementing modality a part of this action may be implemented in indirect management with a pillar-assessed entity, which will be selected by the Commission's services using the following criteria:

- (1) experience in working with public authorities

⁴ 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.

- (2) experience in promoting alignment of EU interests, policies and values in partner countries
- (3) expertise in providing advisory services, capacity building and/or technical assistance to public and private sector;
- (4) knowledge of the Indonesian context, and
- (5) capacity to work with key bodies of the Indonesian Government enabling smooth facilitation of one or more policy dialogues.

The implementation by this entity entails stronger results on outcomes 4.

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

In case of exceptional circumstances outside of the Commission's control, the implementation modality could be changed from indirect management to direct management through the award of grants and procurement as described in sections 4.3.1 and 4.3.2.

4.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.5. Indicative Budget

Indicative Budget components⁵	EU contribution (amount in EUR)	Third party contribution
Objectives 1, 2 & 3 PCA Facility and Strategic Communication and Public Diplomacy activities composed of	6 000 000	
Grants (direct management) – cf. section 4.3.1.	N.A	N.A
Procurement (direct management) – cf. section 4.3.2.	6 000 000	N.A
Strategic Communication and Public Diplomacy, as part of procurement – cf. section 6	2 500 000	N.A.
Objective 4 Technical Assistance supporting the Green Agenda composed of	6 000 000	
Procurement (direct management) – cf. section 4.3.2	6 000 000	N.A
OR Indirect management with MS Organisation or international organisation – cf. Section 4.3.3	N.A.	N.A.
Procurement – total envelope under section 4.3.2	12 000 000	N.A.

⁵ N.B: The final text on audit/verification depends on the outcome of ongoing discussions on pooling of funding in (one or a limited number of) Decision(s) and the subsequent financial management, i.e. for the conclusion of audit contracts and payments.

Evaluation – cf. section 5.2	will be covered by another Decision ⁶	
Audit – cf. section 5.3		
Contingencies ⁷	N.A.	
Totals	12 000 000	0

4.6. 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 Delegation.

Sub-groups of the advisory mechanism group may be set-up for specific areas of the Cooperation facility, such as, but not necessarily limited to, strategic communication and public diplomacy, as well as the Technical Assistance supporting the Green Agenda.

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. Civil society, including women organisations, will be consulted and involved in 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).

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.

Monitoring and evaluation will assess gender equality results and the implementation of the human rights based approach working principles (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). Monitoring and evaluation will be based on indicators that are disaggregated by sex, age and disability when applicable.

⁶ Where the action is not covered by a financing agreement (see section 4.1), but 'will be covered by another Decision' as it is unlikely that evaluation and audit contracts on this action would be concluded within N+1. These contracts have to be authorised by another Financing Decision.

⁸ See best [practice of evaluation dissemination](#)

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.

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 dissemination⁸. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

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

5.3. 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 objective is to engage in meaningful and effective communication with selected target audiences in order to enhance the widespread understanding and awareness of the European Union in Indonesia and its role in the region and the world.

Goals:

- Enhance the image of the EU as a values-based organisation grounded in the respect for human dignity and human rights, freedom, democracy, equality and the rule of law.
- Promote a unified picture of the EU and its Member States and strengthen the understanding of the EU as a global actor.
- Promote EU and Indonesian partnership and highlight our engagement in Indonesia.
- Advocate for a rules-based order and connectivity in the international community, and emphasise our joint efforts with Indonesia in the global community.

Target audiences:

- Policy influencers and opinion shapers: Influential groups, organisations and individuals that are able to shape both the public as well as the official government opinions on important and specifically sensitive issues
- Policy makers: politicians and governmental counterparts at different hierarchical levels
- Multipliers: print, audio-visual and online (especially social) media – journalists, editors, media owners and media associations, civil society, social partners, academia, cultural organisations and operators, Erasmus+ Alumni, EU Member States, EUVP, Jean Monnet Centres of Excellence
- Next generation & Youth: future policymakers and policy influencers who can shape the future of EU-Indonesia relations
- General public

Approach:

1. Develop a brand that promotes our values, goals, and overall objective and clarifies the identity of the EU in Indonesia
2. Engage in social media to directly reach target audiences

⁸ See best [practice of evaluation dissemination](#)

3. Use EU projects for creating EU visibility and link it to public diplomacy messages
4. Spread EU awareness through cultural diplomacy

Strategic Communication and Public Diplomacy will be covered under the Strategic Communication, Public Diplomacy and PCA Facility through the procurement envisaged for these objectives (cf. 4.3.2).

APPENDIX 1 REPORTING IN OPSYS

An Intervention⁹ (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 4.6, Indicative Budget.

Option 1: Action level		
<input 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) #>

⁹ [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](#).

