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**ANNEX**

of the Commission Implementing Decision on the financing of the individual measure in favour of India  
for 2022

**Action Document for Climate, Energy, Trade and Innovation Support in India**

**ANNUAL INDIVIDUAL MEASURE**

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and Individual Measure in the sense of Article 23(3) of NDICI-Global Europe Regulation.

## 1. SYNOPSIS

### 1.1. Action Summary Table

<b>1. Title</b> <b>CRIS/OPSYS</b> <b>business reference</b> <b>Basic Act</b>	<b>Climate, Energy, Trade and Innovation Support in India</b> CRIS number: NDICI ASIA/2022/043-625 Financed under the Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI-Global Europe)
<b>2. Team Europe Initiative</b>	<b>No</b>
<b>3. Zone benefiting from the action</b>	The action shall be carried out in <b>India</b>
<b>4. Programming document</b>	Regional multi-annual indicative programme for Asia and the Pacific (Regional MIP).
<b>5. Link with relevant MIP(s) objectives/expected results</b>	Relevant specific objectives and expected results from the 2021-2027 Regional MIP: <ul style="list-style-type: none"> <li>• SO 1 – Support India’s sustainable modernisation objectives in line with the EU-India Strategy, implementation of the EU-India Roadmap 2025 and the EU-India Connectivity Partnership.</li> <li>• SO 2 – Support the external dimension of the European Green Deal with India.</li> <li>• SO 3 – Promote good governance and reduce inequalities.</li> <li>• ER 1: Effective implementation of the EU-India Roadmap 2025 and progress on implementation of the EU-India connectivity partnership.</li> <li>• ER 2: Improved environmental, energy and climate policies, supporting India’s increased commitments and engagement under the Paris Agreement, the Convention on Biodiversity (CBD) and other multilateral environmental agreements.</li> <li>• ER 3: More inclusive and participatory decision-making processes of civil society, particularly of underprivileged groups.</li> </ul>
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>	
<b>6. Priority Area(s), sectors</b>	Climate Change, Renewable Energy/Energy Efficiency/Energy Markets, Trade and Investment, International partnerships, Connectivity, SMEs, Innovation and Digitalisation
<b>7. Sustainable Development Goals (SDGs)</b>	Main SDG (1 only): 13 Climate Action Other significant SDGs (up to 9) and where appropriate, targets: SDG 5 Gender Equality SDG 7 Affordable and Clean Energy, SDG 9 Industry, Innovation and Infrastructure, 11 Sustainable Cities and Communities, SDG 17 Partnership for International Goals.

<b>8 a) DAC code(s) <sup>1</sup></b>	23210 - Energy generation, renewable sources – multiple technologies – 40% 33140 - Multilateral trade negotiations – 32% 32182 - Technological research and development – 28%			
<b>8 b) Main Delivery Channel @</b>	60000 - Private sector institution			
<b>9. Targets<sup>2</sup></b>	<input type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input checked="" type="checkbox"/> Biodiversity <input type="checkbox"/> Education <sup>3</sup> <input checked="" type="checkbox"/> Human Rights, Democracy and Governance <sup>4</sup>			
<b>10. Markers <sup>5</sup> (from DAC form)</b>	<b>General policy objective @</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Biological diversity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>Policy objectives</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Digitalisation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

<sup>1</sup> DAC sectors (codes and descriptions) are indicated in the first and fourth columns of the tab 'purpose codes' in the following document: <http://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/dacandcrscodebooks.htm>

<sup>2</sup> Actual contribution to targets will be confirmed ex-post based on a standardised methodology.

<sup>3</sup> This target is specific to INTPA. If the action is marked as contributing to the Education target, please make sure the target on "Social inclusion and Human Development" is also marked.

<sup>4</sup> Thematic target for geographic programmes (at least 15%) in delegated act.

<sup>5</sup> For guidance, see <https://www.oecd.org/development/financing-sustainable-development/development-finance-standards/> (go to "Data collection and resources for reporters", select Addendum 2, annexes 18 (policy) and 19 (Rio) of the reporting directive).

If an action is marked in the DAC form as contributing to one of the general policy objectives or to RIO principles as a principal objective or a significant objective, then this should be reflected in the logframe matrix (in the results chain and/or indicators).

<b>11. Internal markers<sup>6</sup> and Tags<sup>7</sup>:</b>	Tags: digital connectivity digital governance digital entrepreneurship job creation digital skills/literacy digital services		<input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" 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"/>
	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 checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>BUDGET INFORMATION</b>				
<b>12. Amounts concerned</b>	Budget line(s) (article, item): 14.020131- South and East Asia Total estimated cost: EUR 5 000 000 <b>Total amount of EU budget contribution: EUR 5 000 000</b>			
<b>MANAGEMENT AND IMPLEMENTATION</b>				
<b>13. Type of financing<sup>8</sup></b>	<b>Direct management</b> through Procurement.			

## 1.2. Summary of the Action

The “*Climate, Energy, Trade and Innovation Support*” action will bridge imminent funding gaps relating to ongoing initiatives<sup>9</sup> financed under the Partnership Instrument which are about to end in December 2021/ Jan 2022. It will also enable to address new initiatives identified as priority actions following the EU-India Leaders Meeting on 8<sup>th</sup> May 2021. The support aims to ensure continuity and contribute to strengthening cooperation in strategic areas i.e. climate change, clean energy, trade and investment, business cooperation, innovation and digitalisation. This action will (i) reinforce cooperation between EU, EU Member States and India to ensure clean, affordable, reliable energy supply for all, in support of the EU – India Clean Energy and Climate Partnership (ii) strengthen trade and investment relations and (iii) enhance EU-India partnership on innovation and digitalisation. It will further support ongoing policy dialogues, create an enabling environment for new policy dialogues and support technical cooperation in the aforementioned sectors. This initiative will also support India's implementation of its **Nationally Determined Contribution (NDC)** and will contribute to improving resilience to the detrimental impact of climate change in the country. The action is also framed by the EU circular economy action plan which has the potential to offer opportunities to boost the EU’s competitiveness and foster sustainable economic growth. It will contribute to fostering

<sup>6</sup> The internal markers have been created to report on the implementation of the Commission’s own policy priorities in areas where no DAC reporting tool is available. For the sake of consistency and comparability, the methodology is equivalent to the DAC markers, with three possible positions (main target, significant target, not targeted)

<sup>7</sup> Methodology for additional tagging providing granularity on internal markers is under development.

<sup>8</sup> Art. 27 NDICI

<sup>9</sup> Support to the India-EU Clean Energy and Climate Partnership (2018-21)

the interface between green policies and (small) business, as the private sector is to play a pivotal role in the greener and smarter transition.

This action supports the priorities of the EU for India foreseen in the Regional Multi-Annual Indicative Programming document for Asia under three pillars: (i) the Green Deal; (ii) Sustainable and Inclusive Growth (including the digital transition); (iii) Governance, People, Peace, Security, defence of multilateralism. The action aligns as well with the EU Global Gateway in the areas of digital, climate and energy. It is also based on the EU's commitment<sup>10</sup> to support India's sustainable modernisation agenda. Finally this action also supports the implementation of the EU Gender action Plan III.

On the **green agenda**, the proposed action will support a just transition to climate neutrality. This will involve support to research and access to technologies & innovative solutions, exchange on policy and regulatory frameworks, economic diplomacy as well as engagement with the private sector and a continued dialogue of sustainable development, including the enhancement of clean energy deployment and the fight against climate change and biodiversity loss.

With regard to **trade and investment**, the action will contribute to the negotiation and conclusion of a free trade agreement, an agreement on geographical indications and an investment protection agreement. Specifically, the action would provide necessary support notably through sectoral studies and analysis on different negotiating chapters, technical and legal analysis of market access barriers, industry and stakeholder consultations, policy advocacy papers and events, to advise and inform EU negotiators throughout the negotiations process. Also envisaged is public outreach engagement towards industry and civil society in India, including those representing the people living in the most vulnerable and marginalised situations. Support to this initiative seeks to improve access to Indian markets for EU companies by addressing high entry barriers such as tariffs, resolving non-tariff barriers and by addressing market access issues. The action will aim to foster structured engagement of EU businesses based in India through support to the possible creation of an industry-led EU Chamber of Commerce in India, and through the support to its policy advocacy activities, with the aim to secure a level playing field for EU companies in India and improve their market access. The establishment of an EU Chamber of Commerce would also facilitate the EU-India FTA negotiation process and strengthen the capacity of EU business to speak with one voice in India, including promoting human rights due diligence standards among businesses and their supply chains. The action will also support the negotiations and initial stages of the FTA implementation by facilitating and providing for a legal retainer/legal expertise in assessing the Indian legal framework during the negotiations and assisting with the implementation of the future FTA.

Capitalising on the opportunities with India on **innovation and the digital agenda**, the action will aim to establish an EU-India Innovation & Digital Partnership and/or Start-Up Platform to harness the innovation and digital transition potential in EU and India through matching start-ups and SMEs.

The action will also support strategic communication activities designed to raise awareness, understanding and support for the EU's partnership with the country, among specified target audiences.

## 2. RATIONALE

### 2.1. Context

The EU's strategic partnership with India is currently one of its most **critical bilateral relations**. This has been recognised at the EU-India Leaders Meetings in Porto on 8 May 2021, by the fact that a Connectivity Partnership with India has been concluded and adopted. The EU's new Indo-Pacific Strategy is also relevant for the support of multilateralism and the external implementation of the European Green Deal. India has been elected as a non-permanent member of the UN Security Council (2021-2022), of the UN Human Rights Council (2019-2021) and will hold the G20 presidency in 2023. The priorities of the Government of India are well aligned with the SDG agenda, and with most priorities of the European Union. India has linked the SDGs closely with its domestic development motto of "Sabka Saath Sabka Vikas" ("collective effort, inclusive development"). However, India ranks 120 out of 165 countries in the SDG index 2021, and 63rd among 190 countries in WB Ease of Doing Business index, showing mixed progress. India has also set targets under its Nationally Determined Contributions (NDC), which highlight the need to develop international technology partnerships for development and implementation of clean energy and

<sup>10</sup> EU-India Strategy and EU-India Roadmap 2025

climate friendly technologies as well as mitigation and adaptation to climate change. It is on track to achieve its 2015 climate targets for 2030, notably as regards the development of renewable energy sources, but has so far been reluctant to reassess its NDC, despite its objective to reach climate neutrality by 2070, declared at COP 26, but under the condition that sufficient international funding is provided.

The European Green Deal puts **clean energy and climate action** at the top of the EU's domestic and external agenda. In these areas, the objectives of the EU and India strongly converge with both wanting to reduce their dependency on import of fossil fuels, diversify their energy supply and increase their energy efficiency and share of renewable energy. Both are strongly committed to the implementation of the Paris Agreement. With the world's fourth highest greenhouse gas emissions, and half of its grid-connected electricity generated by coal plants, India's transition towards a green and resilient future will be as much important domestically (also given its high vulnerability to climate change) as globally for its overall impact on SDGs achievement. The EU and India are currently closely cooperating on ensuring affordable, clean and secure energy and on climate adaptation and mitigation under the **India-EU Clean Energy and Climate Partnership (CECP)**. This partnership was agreed at the EU-India Summit on 30 March 2016 and later confirmed in a joint statement at the EU-India Summit on 6 October 2017. The cooperation focuses on energy efficiency, renewable energy, smart grids and electricity markets reform, sustainable cooling, financing and the implementation of the Paris Agreement. It aims at **bringing together policy makers, researchers, businesses and stakeholders from India, the EU and its Member States to exchange information, cooperate and learn from each other**. New priority cooperation areas to enable the integration of clean energy include hydrogen and electricity grid inter-connections, as well as just transition.

The EU and India also agreed to re-launch negotiations for a free trade agreement in May 2021, providing a good opportunity to strengthen and enhance trade related engagements between the two sides. In parallel to the FTA negotiations, the Leaders agreed to launch negotiations on a stand-alone investment protection agreement and a separate agreement on geographical indications. It was also agreed that both sides would also seek to address long-standing market access issues in order to create the required positive dynamic for negotiations. The conclusion of an **EU-India FTA** is a long-standing European Commission objective and priority of the EU. The Indian regulatory framework remains broadly inclined towards "import substitution". In recent years there has been an increasing number of regulatory measures with the underlying objective of encouraging domestic manufacturing in India. Most of these measures are supposedly targeted towards China due to India's geo-political frictions with the country. However, while China may be at the origin of these protectionist trade measures, its uniform application is resulting in collateral damage to EU companies. While the size of the domestic market make India an attractive market, its tariffs on many imported products, India specific standards, non-tariff barriers and a general lack of transparency and predictability in the business environment make India a highly complex market for EU companies. The establishment of an EU Chamber of Commerce would also facilitate the EU-India FTA, GI and Investment protection negotiation processes and strengthen the capacity of EU business to speak with one voice in India including promoting human rights due diligence standards among businesses and their supply chains.

The **digital and innovation sector** also offers huge potential considering India's ambition to fully participate in shaping the global agenda on digital transformation. Support provided to trade, digital and innovation sectors will also contribute to increase incomes, growth, standards and will contribute to the equitable access of digital technologies, particularly taking into considering the participation and impact on women. The action supports the EU's strategic interests and priorities in India and the implementation of the 2020-2025 Strategic Roadmap between EU and India, the EU-India Strategy, the Indo-Pacific Strategy, the EU's multilateralism strategy, and the EU-India connectivity partnership. The action is also aligned with the 2030 Agenda and the SDGs, the Paris Agreement and the external dimension of the European Green Deal. The action will contribute to the implementation of the EU Gender Action Plan (GAP III)<sup>11</sup> and to women's economic empowerment in key areas of the green deal, digitalisation agenda and start-up entrepreneurship. In addition, given the EU commitment to promoting gender equality through its trade policy and cooperation on research and innovation, the proposed action will create opportunities to undertake, where relevant, ex-ante impact assessments towards ensuring the trade and investment agreements envisaged include strong provisions on gender equality including compliance with relevant UN/ILO Conventions.

Last but not least, on December 1<sup>st</sup> 2021, the European Commission launched the **Global Gateway**, the new European Strategy to boost smart, clean and secure links in digital, energy and transport and strengthen health, education and research systems across the world. It stands for sustainable and trusted connections that work for people and the

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<sup>11</sup> The draft Country Level Implementation Plan (CLIP) for India foresees addressing the challenges and harnessing the opportunities offered by the green transition and the digital transformation as a thematic priority for promoting gender equality and women empowerment.

planet, to tackle the most pressing global challenges, from climate change and protecting the environment, to improving health security and boosting competitiveness and global supply chains.

The new Multiannual Financial Framework, the EU's strategy on the Indo-Pacific and the Global Gateway Partnerships Joint Communication lay the groundwork for enhanced future cooperation with India on connectivity actions. Trusted connectivity is important for the EU, it already represented 16% of our actions in the previous Financial Framework. For the period 2021-2027, it is expected to increase in line with the EU's Global Gateway strategy. It will take into account hard and soft connectivity and span across different key sectors such as digital, energy, people-to-people and transport.

With this action, the EU will start building important blocks for digital support, climate and energy by strengthening cooperation in the digital sector between India and EU and by fostering policy dialogue and cooperation in the areas of clean energy, energy markets, energy efficiency, just energy transition and climate action.

## 2.2. Problem Analysis

India needs to address a number of challenges, from population growth, increasing urbanisation, energy access and energy security, climate change and biodiversity loss, to persisting deep inequalities. Its population is expected to surpass China's between 2026 and 2028 (with commensurate development issues) and to peak around 2050. Its **energy consumption** is expected to more than double by 2035, with electricity demand predicted to more than triple by 2045. India has set ambitious targets under its Nationally Determined Contributions (NDC), aiming to produce 40% of its total energy needs through renewable resources and reducing emissions intensity by 33-35% by 2030 as compared to 2005 levels. This ambition reinforces the urgency to develop international technology partnerships for development and the implementation of climate friendly energy technologies as well as mitigation and adaptation to **climate change**. Leveraging investments and strategically engaging India at bilateral and global levels through policy dialogue is important in promoting more sustainable development pathways, whether on the human, economic, social or environmental dimensions.

**Trade** between India and the EU has seen a steady increase with almost EUR100 billion in annual bilateral trade at present. Over the years, EU FDI into India has also grown steadily, with the EU accounting for 11% of the total FDI inflows into India in FY2020-21. Having said that, given the size of our respective economies, the untapped potential is much more- in both trade and investment.

The EU's strong position in trade is coming under increasing pressure, from being India's second largest to third largest trading partner in goods. Although India represents one of the fastest growing economies, it has extremely high entry barriers to trade and an ever-increasing list of non-tariff barriers, restricting EU business activity while encouraging transfer of production to India. The barriers include technical barriers to trade (TBT), sanitary and phytosanitary (SPS) measures, deviation from international standards and agreements, as well as discrimination based on legislative or administrative measures by India, affecting a wide range of sectors, including goods, services, investment and public procurement. Alongside the FTA negotiations, the EU is trying to engage India on the resolution of certain trade irritants as confidence building measures. The EU must therefore work towards a sound, transparent, open, non-discriminatory and predictable regulatory business environment for European companies, including SMEs, trading with or investing in India. This includes, for instance, the protection of their investments, securing a level playing field for EU exporters, respect of international standards, including promotion of human rights due diligence standards, and intellectual property.

In the context of increasing complexity of doing business in India, alongside the size of the Indian market, the magnitude of EU interests and the competitive pressure from other third countries, the need for a strong unified business-driven voice advocating for EU companies has become critical to EU interests. Learning from EU experience in India (e.g. the European Business Group - EBG), the region and internationally, an industry-led **EU Chamber of Commerce**, with support from EU Member States' bilateral chambers of commerce, could play the role of a trusted entity that acts as a credible intermediary between government and the EU businesses. Furthermore, a strong and unified voice of EU business can inform EU trade and investment negotiations on a timely basis and inform the implementation of future trade and investment agreements through structured policy advocacy.

In addition to trade and investment India considers **digital transition** as a unique opportunity to support innovative, affordable and good quality public services and business opportunities. With regards to **innovation** and digitalisation, some of the key issues include the lack of a platform where business operators from the EU and India can have practical exchanges and avail of cooperation and business opportunities. In addition, it is imperative to focus on robust

global ethics in digital practices, including focusing on data protection and protecting human values as well as reducing the gender digital divide while conducting businesses and developing policy frameworks.

Regarding **gender equality**, India dropped 28 places to rank 140 out of 156 countries in the World Economic Forum's Global Gender Gap Index 2021, notably due to rising disparity in women's economic participation. Through adequate gender mainstreaming, the action has the potential to positively influence women's economic empowerment opportunities as well as access to services and markets. Given the existing UN/ILO Conventions provisions on gender equality in the world of work and the EU commitment to promoting gender equality through its trade policy, the action will contribute to the implementation of the EU Gender Action Plan (GAP III)<sup>12</sup>, in particular in key areas of the green deal and of the digital transformation agenda.

#### **Main stakeholders:**

The proposed action will target a variety of stakeholders including public entities, private sector and civil society organisations, where relevant. Specific stakeholders include the Government of India, at central and state levels, as well as EEAS and European Commission DGs. Additional stakeholders will include EU MS, (policy makers and regulators), EU MS National Chambers of Commerce, EU private business initiatives, the EU Chamber of Commerce (once established), Indian Trade Federations, trade-related fora, think tanks, private sector organisations and civil society organisations especially those involved in work on clean energy, climate change, biodiversity, circular economy, responsible trade, digitalisation, global challenges or fundamental values of the EU. Participation of women and youth organisations will also be particularly fostered, where possible.

### **3. DESCRIPTION OF THE ACTION**

#### **3.1. Objectives and Expected Outputs**

The **Overall Objective** (Impact) - Reinforced EU-India cooperation on sustainable modernisation, clean energy, climate action, trade and investment in line with mutually agreed priorities, including digitalisation, circular economy and innovation.

The **Specific Objectives** (Outcomes) of this action:

1. Policy dialogue and cooperation in the areas of clean energy, energy markets, energy efficiency, just energy transition and climate action promoted, particularly through the India-EU Clean Energy and Climate Partnership.
2. EU-India Free Trade Agreement, EU India Geographical Indications Agreement and an EU India Investment Protection Agreement negotiations supported and their implementation facilitated.
3. Innovation and inclusive digitalisation ecosystem supported through Start-up Networks and/or an EU-India Innovation & Digital Platform.

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

- 1.1 Policy Dialogue between EU and India in the areas of clean energy, energy markets, energy efficiency, just energy transition and climate change strengthened.
- 1.2 Cooperation portfolio (including research and innovation) between India, EU, EU Member States and key stakeholders is strengthened in the areas of clean energy, energy markets, energy efficiency and climate change.
- 2.1 EU-India comprehensive FTA, Geographical Indications (GIs) and Investment Protection Agreements negotiations successfully concluded/launched/implemented.
- 2.2. Self-sustaining industry-led EU Chamber of Commerce created.

<sup>12</sup> The draft Country level Implementation Plan (CLIP) for India foresees addressing the challenges and harnessing the opportunities offered by the green transition and the digital transformation as a thematic priority for promoting gender equality and women empowerment.

- 3.1 Cooperation in digital and innovation sectors between India, EU and EU Member States with SMEs and start-ups (including women-led SMEs) is strengthened.
- 3.2 EU-India Innovation & Digital Platform and/or EU-India Start-up Network set up.

### 3.2. Indicative Activities

Indicative list of activities related to:

#### **Output 1.1- Policy Dialogue between EU and India in the areas of clean energy, energy markets, energy efficiency, just energy transition and climate change strengthened.**

- 1.1.1 Provide coordination services for the Clean Energy and Climate partnership (CECP).
- 1.1.2 Support exchanges between EU and India policymakers and regulators in the areas of renewable energy, energy efficiency, smart grids, energy markets, green hydrogen and renewable gases, energy system integration.
- 1.1.3 Support the identification of key priority areas to be addressed including in support of the EU – India Energy Panel and its Joint Working Groups.
- 1.1.4 Support exchange of experiences, views and positions between EU and Indian stakeholders in the areas of implementing the NDCs and related climate mitigation and adaptation initiatives, including clean energy, energy efficiency, energy markets, just energy transition; implementing the transparency and accountability framework for climate action; strategies for sustainable patterns of consumption and production, inclusive and sustainable management of natural resources. Gender responsive strategies will be promoted across the various targeted sectors.
- 1.1.5 Further develop conditions for an India-EU climate change dialogue, and provide subsequent support through working group meetings and events, encouraging women participation in meetings/events/other project events.

#### **Output 1.2- Cooperation portfolio (including research and innovation) between India, EU, EU MS and key stakeholders is strengthened in the areas of clean energy, energy markets, energy efficiency and climate change.**

- 1.2.1 Support policy development and implementation, and capacity building of Indian stakeholders through training, speakers' events, gender sectoral analysis, webinars, workshops and study tours presenting EU best practices in fields such as mitigation and adaptation initiatives, accountability framework for climate action, sustainable patterns of consumption and production and climate adaptation.
- 1.2.2 Support policy development and implementation, and capacity building of Indian stakeholders through studies, training, speakers events, webinars, workshops and study tours presenting EU best practices in fields such as energy efficiency in buildings and industry, development and deployment of renewable energy sources, including solar energy, offshore wind energy, smart grid applications, energy markets, environmental monitoring, standards, circular economy, green hydrogen and renewable gasses, energy system integration and cooperation aiming at increasing access to modern energy.
- 1.2.3 Support to the integration of research and innovation activities into the Clean Energy and Climate Partnership, including identification of innovative European solutions applicable to India, matching them with identified Indian demand, identification of instruments for financing and promoting their uptake in the Indian context.
- 1.2.4 Develop and implement a nation-wide strategic communication campaign on clean energy and climate.
- 1.2.5 Develop, organise and support high level visibility events (India-EU Energy and Climate Week, EU-India Green Energy Business Initiative) and ensure representation in national and international events to increase EU and EU MS visibility.

#### **Output 2.1 EU-India comprehensive FTA, Geographical Indications (GIs) and Investment Protection Agreements negotiations successfully concluded/launched/ implemented.**

- 2.1.1 Undertake studies/sector analysis and policy briefs, including on social and environmental dimensions, to inform EU negotiators to define EU positions and negotiating strategy. The negotiations will be supported notably through developing an understanding of the details of the functioning of selected sectors in India, their potential, limitations, sensitivities and market players' analysis (domestic and international etc.).
- 2.1.2 Organise stakeholders' consultations to facilitate the FTA, GIs and Investment Protection agreement negotiation processes while ensuring voices of people living in the most vulnerable and marginalised situations are included.



- 2.1.3 Prepare policy papers/briefs, especially on key market access issues to support EU negotiators in defining EU positions and negotiating strategy on FTA, GI's and Investment Protection.
- 2.1.4 Support the development of communication plans for overall and targeted outreach as well as on the FTA and two other agreements i.e. information material, outreach/branding, publicity materials, visuals, marketing and promotion tools as appropriate, organising events/ workshops / roundtables.
- 2.1.5 Support to the FTA implementation (e.g. analysing legislative changes in India and how speedily they are addressed, establishing a helpdesk for EU companies interested in benefitting from the FTA to enter the Indian market, etc.).
- 2.1.6 Provide Legal retainer /legal expertise in assessing the Indian legal framework during the negotiations and assistance in the implementation of the future FTA.

**Output 2.2 Self-sustaining industry led EU Chamber of Commerce created.**

- 2.2.1. Facilitate the establishment of an industry led, self-sustaining EU Chamber of Commerce in India by providing policy advocacy support.
- 2.2.2 Support to the EU Chamber in its initial phase to organise targeted, high profile events that allow it to build a reputation of policy advocacy excellence.
- 2.2.3 Support to the Chamber in the conceptualisation, design and implementation of a targeted outreach and communications plans, including information material, outreach/branding materials, visuals, marketing and promotion tools as appropriate.
- 2.2.4 Organize events/ workshops / roundtables / policy discussions as per the agreed work plan.

**Output 3.1 Cooperation in digital and innovation sectors between India, EU and EU Member States with SMEs and start-ups (including women-led SMEs) is strengthened.**

- 3.1.1 Identify market needs in India and match with available EU innovative technologies and services in priority sectors, including enhancing equitable access to technologies.
- 3.1.2 Support networking of EU and India Innovators through events like workshops, matchmaking and pitching events.
- 3.1.3 Provide mentoring and capacity building that suit the needs of European SMEs at large, including incubators and accelerators for assessing and accessing Indian market.
- 3.1.4 Launch thematic challenges that facilitate the co-creation and co-development between European start-ups and SMEs.
- 3.1.5 Facilitate corporate scouting/identification by corporates interested in investing in innovative and digital driven products, technologies and services, investors ready to enhance their role in the innovation ecosystem.

**Output 3.2 EU-India Innovation & Digital Platform and/or EU-India Start-up Network set up.**

- 3.2.1 Compile and analyse the practical tools and resources developed in India and EU facilitating the uptake of digital technologies and innovations developed by businesses, SMEs, Start-ups (including those led by women), in view of proposing connections and business opportunities across the two ecosystems.
- 3.2.2 Identify and propose the most effective means of setting up a gender-responsive and sustainable EU-India Innovation & Digital and /or start-up online platform allowing exchanges among start-ups, innovative SMEs and incubators.
- 3.2.3 Encourage start-up participation in relevant conferences and events in both regions.
- 3.2.4 Prepare a toolkit for access to Indian market that can be readily available for start-ups and SMEs. Regarding IP protection, use should be made of the existing India IP SME Helpdesk.
- 3.2.5 Establish a start-up help desk for internationalisation and new market entry.
- 3.2.6 Share on regular basis information on various cross-border funding and support opportunities with both European and Indian investors/businesses/SMEs.
- 3.2.7 Analyse, foster and promote business opportunities and co-investment mechanisms between relevant Indian and European actors. To this aim, use can be made of current EU SMEs networks such as the Enterprise Europe network (EEN) and the European Cluster cooperation platform (ECCP).
- 3.2.8 Launch thematic challenges that allow EU businesses to promote their solution and connect to possible Indian innovative technology adopters (e.g. governmental agencies, sectoral administrations, smart cities, investors).
- 3.2.9 Offer a Platform to share information on other existing EU actions and programmes aiming at fostering innovation, digitalisation and business opportunities for Europe to India, and in particular IPR Desk for India, European Enterprise Network (EEN), Horizon Europe and Eureka.

Gender will be mainstreamed throughout the Action with gender specific, including sex disaggregated indicators. These will be identified across all three specific aims to capture increased women participation in project activities

as well as to ensure adequate inclusion of women needs and priorities in the various sectors of intervention. Specific indicators have been identified in the log- frame section 3.6.

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

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

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

The proposed action directly aims at influencing positively India's climate resilience and transition to carbon neutrality through supporting an EU-India policy dialogue in areas related to the green transition and sustainable development: clean energy, energy efficiency and climate change. In addition, the action will support the negotiations of trade and investments agreement which will allow for environmental and social concerns to be adequately addressed/taken into account during the negotiations. The initiative will also reinforce the EU Circular Economy Action Plan particularly in terms of contributing to the reduction of harmful environmental and health practises/impacts. Finally, the enhanced cooperation on innovation and digitalisation will directly contribute to promoting more efficient technologies and processes in sectors related to the green transition.

#### **Gender equality and empowerment of women and girls**

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that Gender equality is an important and deliberate objective, but not the principal reason for undertaking the programme. On one hand it will promote the participation of women from relevant ministries, private sector organisations and networks, and CSOs in workshops and events to ensure equal opportunity is provided to women stakeholders to learn and contribute to the various policy discussions. On the other hand, the project will encourage and support EU's line DGs, India's ministries (Energy; Environment, Forest and Climate Change; Commerce and Industry) and local stakeholders to undertake specific gender analysis (impact of international trade on gender equality in the context of trade negotiation e.g.), foster gender-transformative policies and identify specific gender equality activities.

#### **Human Rights**

The proposed action will emphasise and promote compliance with UN/ILO convention and EU fundamental values including that of "no one is left behind". The action will reinforce active engagement with CSOs and private sector organisations in policy dialogue and development processes, advocating a participatory and inclusive approach. Efforts will be made to include representatives of the populations living in the most vulnerable and marginalised situations. This will be of particular relevance in terms of consultations on climate change, energy but also on trade and investment. The action will also aim to promote human rights due diligence standards among businesses and their supply chains.

#### **Disability**

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0. This implies that the action does not have a focus on disability, at main or significant objective level. However as the action promotes inclusive development and adopts 'no one leave behind approach', people affected by disability will indirectly benefits from the action and will not be discriminated on any grounds.

#### **Democracy**

There is no foreseen impact on elements related to democracy or rule of law. However, it has been noted that the space for green deal/climate change advocates has recently been further constrained (some India and International

civil society organisations, including EU agencies, are now required to obtain “prior approval” in order to transfer funds to India). Hence, issues relating to the quality of the democratic debate, and the quality of the (FTA) negotiation, may be raised.

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

Inequality in India has grown at a significant rate<sup>13</sup>, with India ranked 147<sup>th</sup> place (out of 157) in Oxfam’s ‘Commitment to Reducing Inequality’ Index. India is home to a third of the world’s absolute poor, occupying 130<sup>th</sup> place on the Human Development Index. Through influencing the climate for domestic and EU/foreign investments, and addressing climate vulnerabilities, the action is expected to help tackling inequalities and build the resilience of sectors (e.g. energy) and people/communities living in vulnerable situations.

#### **Disaster Risk Reduction**

By fostering the policy dialogue and exchange of experience on climate change adaptation, the action is expected to contribute to Disaster Risk Reduction. Hence the action will indirectly contribute to the implementation of the Sendai Framework for Disaster Risk Reduction 2015-2030.

#### **Other considerations if relevant**

n/a

### **3.4. Risks and Lessons Learnt**

<b>Category</b>	<b>Risks</b>	<b>Likelihood (High/ Medium/ Low)</b>	<b>Impact (High/ Medium/ Low)</b>	<b>Mitigating measures</b>
External environment	National and State Governments support to the Action decreases over time.	Low	High	This risk is considered to be low given the obvious need for the initiative, the commitment previously expressed by the Indian administration and the close cooperation which has been established so far. Ongoing communication and discussions in the framework of policy dialogues with relevant Government of India (GoI) stakeholders will contribute to mitigating this risk further.
External environment	EU Member States would prefer to implement bilateral cooperation activities rather than being involved in a EU-wide initiative	Medium	Medium	Dialogue and coordination will be important aspects of this action. Strengthening buy-in through piloting practical, sub-projects/initiatives that bring forward a common understanding on climate, energy, trade, and investment, will pave the way for more engagement.
Planning, processes and systems;	The activities concern a large number of authorities in India at national, State and municipal level, and a potential risk exists that not all of them are adequately involved.	Medium	Low	This risk will be mitigated by ensuring that the intervention maintains close contact with both national and State level authorities and that effective mechanisms are developed to ensure that the national level actors are involved in the coordination and implementation of activities. By promoting a sense of collaboration and ownership, including through leveraging the goodwill garnered thus far, it is envisaged that there will be active engagement at the national level which will penetrate to all levels of the

<sup>13</sup> The GINI coefficient of wealth in India (2017) is of 0.83, which puts it among the countries with the highest inequality rate.

				governments including at State and municipal levels.
Planning, processes and systems;	The EU Chamber of Commerce is likely to face some initial resistance, especially from the existing national chambers of commerce until the complementarity, the different competences and roles are clearly defined in the Chamber set up and understood by the stakeholders.	Medium	Medium	This risk will be addressed by getting a buy-in from all EUMS on the scope of what the Chamber of Commerce will be expected to do. A clear division of competence between the EU Chamber (policy advocacy) and National Chambers (trade promotion, b2B, etc.) is expected to substantially mitigate this risk.
People and the organisation	The FTA negotiations may take longer to conclude than anticipated.	Medium	Low	The studies, analysis, research, workshops and consultations carried out by the action, will provide key information which will ensure that importance of foreign investment as a driver of economic integration is highlighted to the Indian counterparts. Continuous engagement and dialogue with Indian interlocutors will further mitigate risks to the extent possible.
Legality and regularity	Market access barriers might discourage EU business from seeking a more active involvement in India	Medium	Medium	Reports offering a detailed analysis of the types of barriers causing most challenges to EU's companies and analysis on the way forward, including through raising issues on common platform, will be investigated. This will also serve as encouragement to EU businesses due to collective raising of issues, including information on the potential way forward.
Communication and information	The way the EU is perceived and the way the EU negotiator is perceived to be negotiating may influence the process of FTA negotiations negatively	Medium	High	An FTA negotiation communication strategy will be formulated and implemented for both EU and India target groups early in the process and will constantly have to adjust to ongoing and emerging reactions.

#### Lessons Learnt:

Past and on-going initiatives in the **clean energy** sectors have shown the importance of giving a continuous support to India in addressing the present challenges the country is facing, and of keeping up a strategic cooperation with the country. The existing energy dialogue and cooperation with India have clearly demonstrated the importance of good working relations with India's various energy related ministries. The present action aims at developing these relations further and giving them a durable character in the climate action as well as trade domains.

The ongoing CECP project continues to draw interest at the highest level both in India and the EU. It is aligned with the position of the Government of India as regard promotion of clean energy and achieving the Indian INDC. The EU Delegation and the European Commission have regular interaction with the Ministry of New and Renewable Energy

(MNRE), the Ministry of Power (MoP), the Ministry of Petroleum and Natural Gas (MoPNG), the Ministry of Environment, Forest & Climate Change (MoEFCC), the Bureau of Energy Efficiency (BEE) and state governments together identifying priorities where joint actions and policy support from the EU can be relevant. The key deliverables of the CECF in its first phase have included:

- Smart-grid application collaborations with India Smart Grid Forum.
- Supporting Energy Efficiency Building codes in India together with Bureau of Energy Efficiency.
- Creating the Financing Investment in Clean Energy Platform (FICEP).
- Support to the EU-India Energy Panel.

As regards the launch of **FTA, IPA and GI negotiations**, we have seen from our experience that the negotiations may take much longer than anticipated. As such addressing some of the key trade barriers that affect EU-India trade would send a positive signal to EU stakeholders. The sectoral studies/ policy briefs will be key in this regard in addressing the key trade irritants as well as for feeding into the trade and investment negotiations. For the establishment of an EU Chamber of Commerce, existing EU business bodies have only partially succeeded in servicing the member companies. They have engaged in extremely modest policy advocacy. Their outreach among EU companies as well as among government stakeholders remains limited in comparison to the US or even the UK. The modest performance and consequently low recognition amongst the policy makers results in low membership and financial concerns. Furthermore, much of the activities of these entities are focused on the organisation of events/roundtables with questionable results/impact, rather than a focus on the core function of policy advocacy, underpinned by regular publication of policy papers and recommendations that demonstrate expertise on the market access concerns/issues. This is a critical service that is missing in the Indian landscape. Furthermore this assessment is also shared by EU MS on ground in Delhi and confirmed in recent EU Heads of Mission meetings.

In addition, EU supported actions focusing on establishing such an **EU level Chamber of Commerce**, i.e. the setting of the European Business and Technology Centre in 2008, supported by the European Parliament under EU's Preparatory Action, was not able to meet the envisaged objectives of strengthening EU level policy advocacy in India. It was learnt that an EU-level Chamber should be industry driven and steered by EU businesses rather than the EU itself. Building on the lessons learnt from this action, it is now proposed to push for an industry driven Chambers, which will support EU priorities in India, notably to enhance EU-India trade relations.

With regard to **Innovation and Digitalisation**, in preparation of an EU-India High level Digital Invest Forum, a Roundtable was organised on 23 July 2021, bringing policymakers, incubators, start-ups, investors, corporates, SMEs, and organisations together aiming at building bridges between India and the EU for digital investment. The main objective of this event was to stimulate a dialogue among key stakeholders on investment climate, challenges, and opportunities to collect analytical elements and suggestions helpful to boost business and investment growth driven by digital transformation. The scope of discussion encompassed elements of market access and investment (tools and resources, market and opportunities knowledge, investigation and prospective, support, facilitation schemes, collaboration, partnership and co-creation, regulatory framework, infrastructure, skills, access to finance, upscaling possibilities, transparency, predictability, security, privacy, human and financial mobility, etc.) specific to the digital universe. Some of the key recommendations were: (i) Support connecting the European and Indian innovation ecosystem, by targeting SMEs and start-ups, to co-create and co-develop in view of finding innovative and technology-driven solutions to connectivity challenges. (ii) Encourage private sector cooperation between both sides through EU and Indian business networks for enabling private investment and developing global and regional value chains; (iii) Connect the Unconnected; EU-India should collaborate to scale digital literacy.

From April 2018 to end 2020, a successful pilot initiative called 'Europe-India Innovation Partnership (EIIP)' was conducted with budget support from DG RTD, aiming at fostering the innovation dimension of the EU-India partnership on research and innovation. The Platform allowed for a much better understanding of each other's innovation ecosystems through matchmaking between key incubators from Europe and India. The Platform also allowed for connecting directly start-ups to corporates and investors and offering a platform to share opportunities and difficulties in penetrating new international markets. At the end of the 30 months pilot project, several corporates welcomed possibility to find partners through the Platform (taking advantage of some pre-selection done through prior matchmaking) but the time was too short to make it happen or at least support that connection. All stakeholders also underlined importance to get support in navigating through the Indian market (notably on IPR) and find partners. This new action could take his up by connection European and Indian innovators to other existing EU support actions (IPR Helpdesk for India; EEN; Horizon Europe programme).

### 3.5. The Intervention Logic

With regard to the **Clean energy and climate change**, the intervention will strengthen the quality of policy dialogue between EU and India in the areas of clean energy, energy efficiency, energy markets, just energy transition and climate change. This will be ensured through the provision of coordination services, implementation and monitoring of a work plan, gender sectoral analysis, exchange of experiences, views and positions between EU and Indian stakeholders in relevant areas as well as further development of the pre-dialogue conditions for an impactful India-EU climate change dialogue. This will also be ensured, among other core activities, via capacity building of Indian stakeholders through training, speakers' events, webinars, workshops, high level visibility events as well as study tours presenting EU best practices in fields such as mitigation and adaptation initiatives, accountability framework for climate action, sustainable patterns of consumption and production and climate adaptation. The engagement and commitment of key stakeholders, and the quality of the trainers and facilitators, will be key.

With regard to the **Trade and investment**, the intervention will assist, advise and support EU negotiators in their FTA negotiations with India and will provide the EU with an in-depth understanding of India's legislative and regulatory developments, in order to support the EU's economic interests in the country. The problem currently faced is the complex task of identifying and removing or reducing trade barriers affecting EU economic operators in India. The challenge is fuelled by the applicable trade regime and regulatory environment that remains restrictive. The action will address technical barriers to trade (TBT), sanitary and phyto-sanitary (SPS) measures, deviation from international standards and agreements, as well as discrimination based on legislative, regulatory and/or administrative measures by India, which affect a wide range of sectors, including for instance goods, services, investment and public procurement, intellectual property etc. An **EU Chamber of Commerce**, led by EU businesses, is expected to have a significant impact on the successful outcome of the FTA and other trade negotiations. The EU Chamber of Commerce, once operational, will also provide opportunities to leverage existing EU CSR funds in India which are contributing to India's SDG's in social sectors including gender, water, health, education and digitalisation. This is expected to feed into new policy dimensions for a strengthened EU-India development partnership. The production of quality outputs, including communication outputs, will be critical.

With regard to the **Innovation and digitalisation**, the intervention will aim at enhancing cooperation on innovation and digitalisation between India, EU, EU member states, in sectors of EU-India mutual interest in line with EU-India Roadmap 2025. It will help identify market needs in India and match with available EU innovative technologies and services in priority sectors, support networking of EU and India innovators, provide mentoring and capacity building for incubators and accelerators. This will therefore require a well-connected, dynamic team, having high-quality networking skills, tools and processes as well as an in-depth knowledge of the innovation and digital ecosystems and stakeholders both in Europe and India. The ability to promote partnerships and joint ventures that benefit both the EU and Indian counterparts, as well as the targeted sectors and the populations of EU and India at large, will be important. The intervention will also require practical and analytical expertise, since it will have to both: (i) compile and analyse the practical tools and resources developed in India and EU facilitating the uptake of digital technologies and innovations developed by businesses, SMEs and Start-ups, in view of proposing connections across the two ecosystems and, (ii) analyse, foster and promote co-investment mechanisms between relevant Indian and European actors and (iii) ensure adaptability and affordability.

### 3.6. Logical Framework Matrix

This indicative logframe constitutes the basis for the monitoring, reporting and evaluation of the intervention.

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

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

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

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

Results	Results chain (a): Main expected results (maximum 10)	Indicators (a): (at least one indicator per expected result)	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
<b>Impact</b>	Reinforced EU-India cooperation on sustainable modernisation, clean energy, climate action, trade and investment in line with mutually agreed priorities, including digitalisation, circular economy and innovation.	1.) No. of Cooperation projects supported by EU related to clean energy, energy efficiency, energy markets, circular economy, climate action. Innovation and digitalisation.  2.) EU-India trade cooperation statistics increase by at-least 10% by 2025. (TBC)	1.) EU-India Summit- 2018  2.) Existing Trade figures (TBC)	1.) EU-India Roadmap 2025.  2.) 10% increase in trade volume between EU and India by 2025.	1.) EU-India Joint Statements  2.) Trade related official statistics	<i>Not applicable</i>
<b>Outcome 1</b>	1. Policy dialogue and cooperation in the areas of clean energy, energy markets, energy efficiency, just energy transition and climate action promoted, particularly through the India-EU Clean Energy and Climate Partnership.	1.1 No. of high-level as well as technical and multi stakeholder EU-India policy dialogues held.	1.1 At least one EU-India policy dialogue held every year. (TBC)	1.1 At least one EU-India policy dialogue maintained and reinforced. (TBC)	1.1 Minutes of the meeting(s); Joint Statement(s).	
<b>Outcome 2</b>	2. EU-India Free Trade Agreement, EU India Geographical Indications Agreement and an EU India Investment Protection Agreement negotiations supported and their implementation facilitated.	2.1 EU-India FTA Agreement agreed and implementation started.  2.2 EU India negotiations on GIs and Investment protection facilitated,	2.1 No FTA in place currently.  2.2 No GI or Investment protection Agreement in place currently.	2.1 EU-India FTA concluded.  2.2 GI and Investment protection discussions launched.	2.1 FTA Agreement.  2.2 Minutes of the meeting(s).	
<b>Outcome 3</b>	3. Innovation and inclusive digitalisation ecosystem supported through Start-up Networks and/or an EU-India Innovation & Digital Platform.	3.1 Increased coordination in joint activities; regular meetings as well as enhanced online and public presence of EU- India innovators/start-ups.	3.1 No existing Start-up Network and/or an EU-India Innovation	3.1 One Start-up Network and/or an EU-India Innovation	3.1 One Online platform operational and running.	



			Platform operational.	Platform established.		
<b>Output 1 related to Outcome 1</b>	1.1 Policy Dialogue between EU and India in the areas of clean energy, energy markets, energy efficiency, just energy transition and climate change strengthened.	1.1.1 No. of priorities identified in the field of clean energy, energy efficiency and climate change.	1.1.1 Five priorities (TBC)	1.1.1 At least Five priorities (new or existing) identified and/or strengthened.	1.1.1 Meeting reports; studies concluded; analysis finalised.	
<b>Output 2 related to Outcome 1</b>	1.2 Cooperation portfolio (including research and innovation) between India, EU, EU Member States and key stakeholders is strengthened in the areas of clean energy, energy markets, energy efficiency and climate change.	1.2.1 Activities implemented in the CECP work plan. . (% of women participation to project events/ technical meetings).  1.2.2 No. of specific sectors where EU-India cooperation is strengthened.	1.2.1 Ten activities completed in the CECP work plan ( 2019-2021) (TBC)	1.2.1 At-least ten new activities agreed and implemented.	1.2.1 CECP work plan.	
<b>Output 1 related to Outcome 2</b>	2.1 EU-India comprehensive FTA, Geographical Indications (GIs) and Investment Protection Agreements negotiations successfully concluded/launched/implemented.	2.1.1 No. of technical sectoral studies, analyses produced which also take into account gender considerations (i.e. participation/impacts). as well as gender sectoral analyses.  2.1.2 Increased/Improved market access information for and from EU businesses.	2.1.1 Baseline Zero.  2.1.2 Baseline Zero.	2.1.1 Ten Studies.  2.1.2 Six advocacy and information campaigns.	2.1.1 Studies Concluded.  2.1.2 Advocacy & Information material developed.	
<b>Output 2 related to Outcome 2</b>	2.2. Self-sustaining industry-led EU Chamber of Commerce created.	2.2.1 Increased coordination meetings of EU/ EU Member States and businesses supporting FTA negotiations.	2.2.1 Baseline three per year. (TBC)	2.2.1 Six per year. (TBC)	2.2.1 Minutes of the meeting(s).	

<b>Output 1 related to Outcome 3</b>	3.1 Cooperation in digital and innovation sectors between India, EU and EU Member States with SMEs and start-ups (including women-led SMEs) is strengthened.	3.1.1 Number of formal dialogues on innovation and digitalisation between EU, EU Member States and India.(% of dialogues which include gender issues).	3.1.1 Not Available (TBC)	3.1.1 Three Dialogues (min. one per year) (TBC)	3.1.1 Minutes of the meeting(s); reports produced.	
<b>Output 2 related to Outcome 3</b>	3.2 EU-India Innovation & Digital Platform and/or EU-India Start-up Network set up.	3.2.1 Online EU-India Innovation Platform and/or EU-India Start-up Network is operational.  3.2.2 Number of women/women owned enterprises having received supports (financial or/and technical) through the platform to engage into economic activities  3.2.3 No. of registered members/ traffic on online platform (sex disaggregated).	3.2.1 Baseline Zero  3.2.2 Baseline Zero	3.2.1 One Platform created  3.2.2 Two hundred members	2.2.1 Website address  3.2.2 Members database.	

## 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 60 months, from the date of adoption by the Commission of this Financing Decision.

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

### 4.3. Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures<sup>14</sup>.

#### 4.3.1. Direct Management (Procurement)

All three specific objectives will be achieved through the procurement of the relevant services for the amount indicated in section 4.5.

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

##### Indirect Management with a pillar assessed entity

In case a part or an entire action cannot be implemented via the procurement envisaged in section 4.3.1 due to circumstances outside of the European Commission's control, the alternative implementation modality will be indirect management with one or more entities, which will be selected by the Commission's services using the following criteria:

- experience in working with public authorities;
- experience in promoting alignment of EU interests, policies and values in partner countries;
- expertise in providing advisory services, capacity building and/or technical assistance to public and private sector;
- knowledge of the Indian context;
- capacity to work in partnership with key bodies of the Indian Government relevant to the targeted sectors and to facilitate SDG-related policy dialogues.

The implementation by this/these entity/ies would entail implementing all or part of the indicative activities listed in section 3.2 and contributing to achieving the corresponding objectives/results 1, 2 and 3 listed in section 3.1.

### 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.

<sup>14</sup> [www.sanctionsmap.eu](http://www.sanctionsmap.eu). Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

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

<b>Indicative Budget components<sup>15</sup></b>	<b>EU contribution (amount in EUR)</b>
<b>Implementation modalities</b> – cf. section 4.3	
<b>Outcome 1, 2 and 3</b> composed of	
<b>Procurement (direct management)</b> – cf. section 4.3.1	<b>5 000 000</b>
<b>Evaluation</b> – cf. section 5.2 <b>Audit</b> – cf. section 5.3	will be covered by another Decision
<b>Contingencies</b>	<b>NA</b>
<b>Total</b>	<b>5 000 000</b>

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

Specific expertise will be mobilised in the specific thematic areas subject of this Action. EUDEL will constantly monitor and ensure the effectiveness and quality of the different policy and technical outputs requested and equally ensure the institutional interactions with the India authorities. Dedicated steering committees chaired by the EU, will be established to act as advisory and reporting mechanism in order to provide the strategic and policy guidance needed to ensure smooth project implementation for each of the designated focus of the Action. The steering committee should meet at least twice a year and will define the EU-India priority work streams to be addressed. The Committee 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 Steering Committee(s), whose composition will be further detailed, will comprise of relevant sections of the Delegation representing DG INTPA, ENER, CLIMA, TRADE, GROW, CONNECT, RTD, etc. Participation of EU HQs will be encouraged through virtual platforms. Private Sector organisations and networks, civil society, including women organisations, will be consulted and involved in the implementation of the action, as appropriate. The outcomes of these meetings and key implementation results will feed in the relevant EU-India Joint Working Committees and support India-EU Strategic Policy Dialogue in the focal areas of the green transition, digital transformation, Trade and Investment. A coordination mechanism composed of DG INTPA, NEAR, EEAS, FPI will oversee strategic communication aspects. The steering, policy dialogue and management of outcome 1 will follow the same structure as in the ongoing CECP project. Full synergy will be established between CECP 1 and Outcome 1 considering this will be a continuation of CECP 1. 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 a final report. 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 log frame matrix.

<sup>15</sup> 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.

The Commission may undertake 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).

Indicators shall be disaggregated at least by sex. All monitoring and reporting shall assess how the action is taking into account the human rights based approach and gender equality.

Roles and responsibilities for data collection, analysis and monitoring: The implementing entity(s) for each of the designated outcomes will be responsible for day to day monitoring and reporting based on the agreed indicators in the log frame. Adjustments to the agreed indicators will be subject to a discussion and approval of the steering committees. The contracting authority will be responsible for the approval of progress and final reports.

## 5.2. Evaluation

Having regard to the importance of the action, a mid-term and final evaluation may be carried out for this action or its components via independent consultants contracted by the Commission. It will be carried out for problem solving and learning purposes, in particular with respect to scope new actions.

A 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 Action covers a wide and complex range of issues implemented with a strategic trade, investment and development partner.

All evaluations shall assess to what extent the action is taking into account the human rights-based approach as well as how it contributes to gender equality and women's empowerment.

The Commission shall inform the implementing partner at least 3 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 dissemination<sup>16</sup>. 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<sup>17</sup>

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 will, in principle, be consolidated in Support Facilities, allowing Delegations to plan and execute multiannual strategic communication actions with sufficient critical mass to be effective on a national scale.

<sup>16</sup> See best [practice of evaluation dissemination](#)

<sup>17</sup> The title of this section has been updated to reflect the fact that public diplomacy activities are not covered by this Action, which are funded and managed by the Service for Foreign Policy Instruments via a dedicated allocation.

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 and cover the following main elements:

1. Audiences targeted
2. The principal objective(s)
3. The core narrative
4. Preliminary suggestions for content, partnerships and channels

Communication activities foreseen under the current action will be fully in line with this strategic communication plan. Activities will be funded by the support facilities and, if necessary, will optimise communication and visibility resources of the three components of this action.

It remains a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states. The implementing entity(s) shall also provide any content requested by the EU Delegation to support their own communication activities, including by giving full access to relevant audio, photo and video material that the entity(s) has the rights to.

Public diplomacy activities will be funded and managed by the Service for Foreign Policy Instruments via a dedicated allocation.

## APPENDIX 1 REPORTING IN OPSYS

An Intervention (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.

The present Action identifies as:

Action level		
<input checked="" type="checkbox"/>	Single action	Present action: all contracts in the present action