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## **PROPOSAL**

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From: Secretary-General of the European Commission,  
signed by Mr Jordi AYET PUIGARNAU, Director

date of receipt: 14 June 2018

To: Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of  
the European Union

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No. Cion doc.: COM(2018) 460 final - ANNEXES 1 to 7

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Subject: ANNEXES to the Proposal for a REGULATION OF THE EUROPEAN  
PARLIAMENT AND THE COUNCIL establishing the Neighbourhood,  
Development and International Cooperation Instrument

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Delegations will find attached document COM(2018) 460 final - ANNEXES 1 to 7.

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Encl.: COM(2018) 460 final - ANNEXES 1 to 7



Brussels, 14.6.2018  
COM(2018) 460 final

ANNEXES 1 to 7

**ANNEXES**

**to the**

**Proposal for a  
REGULATION OF THE EUROPEAN PARLIAMENT AND THE COUNCIL  
establishing the Neighbourhood, Development and International Cooperation  
Instrument**

{SEC(2018) 310 final} - {SWD(2018) 337 final}

**ANNEX I**  
**LIST OF COUNTRIES AND TERRITORIES IN THE NEIGHBOURHOOD AREA**

Algeria  
Armenia  
Azerbaijan  
Belarus  
Egypt  
Georgia  
Israel  
Jordan  
Lebanon  
Libya  
The Republic of Moldova  
Morocco  
occupied Palestinian territory  
Syria  
Tunisia  
Ukraine

Union support under this area may also be used for the purpose of enabling the Russian Federation to participate in cross-border cooperation programmes and in other relevant multi-country programmes.

**ANNEX II**  
**AREAS OF COOPERATION FOR THE GEOGRAPHIC PROGRAMMES**

**A. *For all geographic regions***

**PEOPLE**

**1. Good governance, democracy, rule of law and human rights**

- (a) Strengthening democracy and democratic processes, governance and oversight, including transparent and credible electoral processes;
- (b) Strengthening the protection of human rights and fundamental freedoms;
- (c) Promoting the fight against discrimination in all its forms, and the principle of equality, in particular gender equality and the rights of persons belonging to minorities;
- (d) Supporting a thriving civil society and its role in reform processes and democratic transformations, and promoting an enabling space for civil society and citizens' engagement in political decision-making;
- (e) Improving the pluralism, independence and professionalism of a free and independent media;
- (f) Building resilience of states, societies, communities and individuals to political, economic, environmental, food, demographic and societal pressures and shocks;
- (g) Strengthening the development of democratic public institutions at national and sub-national levels, including an independent, effective, efficient and accountable judicial system, the promotion of rule of law, and access to justice for all;
- (h) Supporting public administration reform processes, including through using citizen centred eGovernment approaches, strengthening legal frameworks and institutional set up, national statistical systems, capacities, sound public finance management, and contributing to the fight against corruption;
- (i) Promoting inclusive, balanced and integrated territorial and urban policies through strengthening public institutions and bodies at the national and sub-national levels and supporting efficient decentralisation and state restructuring processes;
- (j) Increasing transparency and accountability of public institutions, strengthening public procurement and public finance management, developing eGovernment and strengthening service delivery;
- (k) Supporting the sustainable, accountable and transparent management of natural resource sectors and related revenues, and reforms to ensure fair, just and sustainable tax policies.

**2. Poverty eradication, fight against inequalities and human development**

- (a) Eradicating poverty in all its dimensions, tackling discrimination and inequalities and leaving no-one behind;
- (b) Enhancing efforts for the adoption of policies and appropriate investment to promote women and young people's rights, to facilitate their engagement in social, civic and

economic life, and to ensure their full contribution to inclusive growth and sustainable development;

- (c) Promoting the protection and fulfilment of women's and girls' rights, including economic, labour and social rights, and sexual and reproductive health and rights, and preventing sexual and gender-based violence in all forms;
- (d) Giving special attention to those who are disadvantaged, vulnerable and marginalised, *inter alia* children, older persons, persons with disabilities, LGBTI persons and indigenous peoples. This includes promoting the transition from institutional to community-based care for children;
- (e) Promoting an integrated approach to supporting communities, particularly the poorest, in improving access to basic needs and services;
- (f) Supporting the provision of a safe, nurturing environment for children as an important element for fostering a healthy young population able to reach its full potential;
- (g) Supporting universal access to sufficient, affordable, safe and nutritious food, particularly for those in the most vulnerable situations, and strengthening food security and nutrition, particularly in countries facing protracted or recurrent crises
- (h) Supporting universal access to safe and sufficient drinking water sanitation, and hygiene, and sustainable and integrated water management;
- (i) Achieving universal health coverage, with equitable access to quality and affordable health services, including through supporting the building of strong, quality and resilient health systems, and enhancing capacity for early warning, risk reduction, management and recovery;
- (j) Supporting universal and equitable social protection and strengthening social safety nets to guarantee basic income, prevent lapses into extreme poverty and build resilience;
- (k) Promoting inclusive sustainable urban development to address urban inequality, focusing on those most in need.
- (l) Supporting local authorities to improve at city level the delivery of basic services and equitable access to food security, accessible, decent and affordable housing and the quality of life, in particular for those living in informal settlements and slums.
- (m) Promoting inclusive and equitable quality formal, informal and non-formal education for all, at all levels and including technical and vocational training, including in emergency and crisis situations, and including through the use of digital technologies to improve education teaching and learning;
- (n) Supporting actions of capacity building, learning mobility to, from or between partner countries, as well as of cooperation and policy dialogue with institutions, organisations, local implementing bodies and authorities, from those countries;
- (o) Promoting cooperation in the areas of science, technology and research, and open data and innovation;
- (p) Stepping up coordination amongst all relevant actors to help the transition from an emergency situation to the development phase;

- (q) Promoting intercultural dialogue and cultural diversity in all its forms, and preserve and promote cultural heritage, and unlocking the potential of creative industries for sustainable, social and economic development;
- (r) Promoting the dignity and resilience of long-term forcibly displaced persons and their inclusion in the economic and social life of host countries and host communities.

### **3. Migration and mobility**

- (a) Strengthening partnerships on migration and mobility based on an integrated and balanced approach, covering all aspects of migration including assistance in implementing Union bilateral or regional agreements and arrangements, including, mobility partnerships;
- (b) Supporting sustainable reintegration of returning migrants;
- (c) Addressing and mitigating root causes of irregular migration and forced displacement;
- (d) Tackling irregular migration, trafficking in human beings, smuggling of migrants, stepping up cooperation on integrated border management;
- (e) Strengthening scientific, technical, human and institutional capacity for the management of migration;
- (f) Supporting effective and human rights based migration policies including protection programmes;
- (g) Promoting conditions for facilitating legal migration and well-managed mobility, people-to-people contacts, maximising the development impact of migration;
- (h) Ensuring protection of migrants and forcibly displaced persons;
- (i) Supporting development-based solutions for forcibly displaced persons and their host communities;
- (j) Supporting diaspora engagement in countries of origin;
- (k) Promoting faster, cheaper and safer remittance transfers in both source and recipient countries, thus harnessing their potential for development.

## PLANET

### **4. Environment and climate change**

- (a) Strengthening scientific, technical, human and institutional capacity for climate and environmental management, mainstreaming and monitoring; Strengthening regional and national climate governance.
- (b) Contributing to partners' efforts to pursue their commitments on climate change in line with the Paris Agreement on Climate Change, including the implementation of Nationally Determined Contribution (NDCs) and mitigation and adaptation plans of action including synergies between adaptation and mitigation;
- (c) Developing and/or strengthening sustainable green and blue growth in all economic sectors;

- (d) Strengthening sustainable energy cooperation. Promoting and increasing cooperation on energy efficiency and the use of renewable energy sources;
- (e) Improving local, national regional and continental multi-modal transport networks and services to strengthen further opportunities for sustainable climate-resilient economic development and job creation, in view of low-carbon, climate resilient development. Strengthening transport facilitation and liberalisation, improve sustainability, road safety and resilience of transport domains;
- (f) Strengthening the involvement of local communities in climate change responses, conservation of ecosystems and the governance of natural resources. Promoting sustainable urban development and resilience in urban areas;
- (g) Promoting the conservation, sustainable management and use, and restoration of natural resources, healthy ecosystems and halting biodiversity loss, and protecting wildlife;
- (h) Promoting integrated and sustainable management of water resources and transboundary water cooperation;
- (i) Promoting conservation and enhancement of carbon stocks through sustainable management of land use, land-use change, and forestry and combatting environmental degradation, desertification and land degradation;
- (j) Limiting deforestation and promoting forest law enforcement, governance and trade (FLEGT), and combating illegal logging, trade of illegal timber and wood products;
- (k) Supporting ocean governance, including the protection and restoration preservation of coastal and marine areas in all its forms, including ecosystems, the fight against marine litter, the fight against illegal, unreported and unregulated (IUU) fishing and the protection of maritime biodiversity;
- (l) Strengthening regional disaster risk reduction (DRR) and resilience, in synergy with climate change adaption policies and actions;
- (m) Promoting resource efficiency and sustainable consumption and production, including tackling pollution and a sound management of chemicals and waste;
- (n) Supporting efforts to improve sustainable economic diversification, competitiveness and trade, private sector development with a particular focus on low-carbon climate-resilient green growth, microenterprises and SMEs and cooperatives, taking advantage of existing trade agreements with the EU.

## PROSPERITY

### **5. Inclusive and sustainable economic growth and decent employment**

- (a) Supporting entrepreneurship, decent employment and employability through the development of skills and competences, including education, the improvement of labour standards and working conditions, and the creation of opportunities particularly for the youth;
- (b) Supporting national development paths that maximise positive social outcomes and impacts and promoting progressive taxation and redistributive public policies;
- (c) Improving the business and investment climate, creating an enabling regulatory environment for economic development and supporting companies, in particular MSMEs, in expanding their business and creating jobs;

- (d) Strengthening social and environmental sustainability, corporate social responsibility and responsible business conduct throughout the entire value chains;
- (e) Increasing effectiveness of public spending and promoting more strategic use of public finance, including through blending instruments to crowd in additional public and private investment;
- (f) Boosting the potential of cities as hubs for sustainable and inclusive growth and innovation;
- (g) Promoting internal economic, social and territorial cohesion, forging stronger links between urban and rural areas and facilitating the development of the tourism sector as a leverage for sustainable development;
- (h) Boosting and diversifying agricultural and food value chains, promoting economic diversification, value addition, regional integration competitiveness and trade, and strengthening sustainable, low-carbon and climate-change-resilient innovations;
- (i) Supporting sustainable fisheries management and sustainable aquaculture;
- (j) Fostering universal access to sustainable energy, promoting a low-carbon, climate resilient resource efficient and circular economy in line with the Paris Agreement on Climate Change;
- (k) Promoting smart, sustainable, inclusive, safe mobility, as well as improving transport connectivity with the Union;
- (l) Promoting affordable, inclusive and reliable digital connectivity and strengthening the digital economy;
- (m) Developing and strengthening markets and sectors in a way that would bolster inclusive and sustainable growth;
- (n) Supporting the regional integration agenda and optimal trade policies, and supporting the consolidation and implementation of trade agreements between the EU and its partners;
- (o) Promoting cooperation in the areas of science, technology and research, and open data and innovation;
- (p) Promoting intercultural dialogue and cultural diversity in all its forms, and preserve and promote cultural heritage;
- (q) Empowering women to take up a greater economic role and in decision-making;
- (r) Improving access to decent work and creating more inclusive and well-functioning labour markets and employment policies directed towards decent work for all, especially the youth;
- (s) Promoting fair, sustainable and undistorted access to extractive sectors.

## PEACE

### **6. Security, stability and peace**

- (a) Contributing to peace and stability through building resilience of states, societies, communities and individuals to political, economic, environmental, demographic and societal pressures and shocks;

- (b) Supporting conflict prevention, early warning and peacebuilding through mediation, crisis management, and stabilisation;
- (c) Supporting security sector reform that gradually provides individuals and the state with more effective and accountable security for sustainable development;
- (d) Supporting capacity-building of military actors in support of development and security for development (CBSD);
- (e) Supporting regional and international initiatives contributing to security, stability and peace;
- (f) Preventing and countering radicalisation leading to violent extremism and terrorism;
- (g) Fighting against any form of violence, corruption and organised crime and money laundering;
- (h) Promoting transboundary cooperation regarding the sustainable management of shared natural resources;
- (i) Cooperating with third countries in the peaceful use of nuclear energy, notably through capacity building and infrastructure development in third countries in the areas of health, agriculture and food safety; as well as supporting social actions addressing the consequences on the most vulnerable population exposed to any radiological accident and aiming at improving their living conditions; promoting knowledge-management, training and education in nuclear-related fields;
- (j) Enhancing maritime security to allow for safe, secure, clean and sustainably managed oceans;
- (k) Supporting capacity-building in cyber security, resilient digital networks, data protection and privacy.

## PARTNERSHIP

### **7. Partnership**

- (a) Enhancing country ownership, partnership and dialogue, in order to contribute to greater effectiveness of development cooperation in all its dimensions (giving special consideration for the specific challenges of Least Developed Countries and countries affected by conflict, as well as specific transitional challenges of more advanced developing countries);
- (b) Deepening political, economic, social, environmental and cultural dialogue between the Union and third countries and regional organisations, and supporting implementation of bilateral and international commitments;
- (c) Encouraging good neighbourly relations, regional integration, enhanced connectivity, cooperation and dialogue;
- (d) Promoting an enabling environment for civil society organisations, including foundations, enhancing their meaningful and structured participation in domestic policies and their capacity to perform their roles as independent development and governance actors; and strengthening new ways of partnering with civil society organisations, promoting a substantive and structured dialogue with the Union and the effective use of country roadmaps for EU engagement with civil society;
- (e) Engaging with local authorities and support their role as policy and decision-makers to boost local development and improved governance;

- (f) Engaging more effectively with citizens in third countries, including by making full use of economic, cultural and public diplomacy;
- (g) Engaging industrialised and more advanced developing countries on the implementation of the 2030 Agenda, global public goods and challenges, including in the area of South-South and triangular cooperation;
- (h) Encouraging regional integration and cooperation, in a result-oriented way through support for regional integration and dialogue.

**B. *Specific for the Neighbourhood area***

- (a) Promoting enhanced political cooperation;
- (b) Supporting the implementation of association agreements, or other existing and future agreements, and jointly agreed association agendas and partnership priorities or equivalent documents;
- (c) Promoting a strengthened partnership with societies between the Union and the partner countries, including through people-to-people contacts;
- (d) Enhancing regional cooperation, in particular in the framework of the Eastern Partnership, the Union for the Mediterranean, and European Neighbourhood-wide collaboration as well as cross-border cooperation;
- (e) Achieving progressive integration into the Union internal market and enhanced sectoral and cross-sectoral cooperation, including through legislative approximation and regulatory convergence towards Union and other relevant international standards, and improved market access including through deep and comprehensive free trade areas, related institution building and investment.

**ANNEX III**  
**AREAS OF INTERVENTION FOR THEMATIC PROGRAMMES**

**1. AREAS OF INTERVENTION FOR HUMAN RIGHTS AND DEMOCRACY**

- Contributing to advancing the fundamental values of democracy, the rule of law, the universality and indivisibility of human rights, respect for human dignity, the principles of non-discrimination, equality and solidarity, and respect for the principles of the United Nations Charter and international law.
- Allowing for cooperation and partnership with civil society on human rights and democracy issues, including in sensitive and pressing situations. A coherent and holistic strategy at all levels shall be developed to achieve the below objectives.
- Upholding human rights and fundamental freedoms for all, contributing to forging societies in which participation, non-discrimination, tolerance, justice and accountability, solidarity and equality prevail. Respect for and observance of human rights and fundamental freedoms for all shall be monitored, promoted and strengthened in accordance with the principles of universality, indivisibility and interdependence of human rights. The scope of the programme includes civil, political, economic, social and cultural rights. Human rights challenges shall be addressed while invigorating civil society and protecting and empowering human rights defenders, also in relation to shrinking space for their actions.
- Developing, enhancing and protecting democracy, comprehensively addressing all aspects of democratic governance, including reinforcing democratic pluralism, enhancing citizen participation, and supporting credible, inclusive and transparent electoral processes. Democracy shall be strengthened by upholding the main pillars of democratic systems, including the rule of law, democratic norms and values, independent media, accountable and inclusive institutions including political parties and parliaments, and the fight against corruption. Election observation plays a full part in the wider support for the democratic processes. Within this context, EU election observation shall continue to be a major component of the programme as well as the follow-up to recommendations of EU election observation missions.
- Promoting effective multilateralism and strategic partnership, contributing to reinforcing capacities of international, regional and national frameworks in promoting and protecting human rights, democracy and the rule of law. Strategic Partnerships shall be boosted, with a particular attention to the Office of the High Commissioner for Human Rights (OHCHR), the International Criminal Court (ICC) and relevant regional and national human rights mechanisms. Furthermore, the programme shall promote education and research on human rights and democracy, including through the Global Campus for Human Rights and Democracy.

## **2. AREAS OF INTERVENTION FOR CIVIL SOCIETY ORGANISATIONS**

### **1. Inclusive, participatory, empowered and independent civil society civic space in partner countries**

- (a) Creating an enabling environment for citizen participation and civil society action, including through foundations;
- (b) Building the capacity of civil society organisations, including foundations, to act as both actors of development and governance;
- (c) Increasing the capacity of partner countries' civil society networks, platforms and alliances.

### **2. Dialogue with and between civil society organisations on development policy**

- (a) Promoting other inclusive multi-stakeholder dialogue fora, including interaction between citizens, civil society organisations, local authorities, member states, partner countries and other key development stakeholders;
- (b) Enabling cooperation and exchange of experience between civil society actors;
- (c) Ensuring a substantive and continued structured dialogue and partnerships with the EU.

### **3. Awareness, knowledge and engagement of European citizens about development issues**

- (a) Empowering people to increase their engagement;
- (b) Mobilising public support in the Union, candidate countries and potential candidates for sustainable and inclusive development strategies in partner countries.

## **3. AREAS OF INTERVENTION FOR STABILITY AND PEACE**

### **1. Assistance for conflict prevention, peace-building and crisis preparedness**

The Union shall provide technical and financial assistance covering support for measures aimed at building and strengthening the capacity of the partners to prevent conflict, build peace and address pre- and post-crisis needs in close coordination with the United Nations and other international, regional and sub-regional organisations, and State and civil society actors, in relation to their efforts mainly in the following areas, including specific attention to women participation:

- (a) early warning and conflict-sensitive risk analysis; confidence-building, mediation, dialogue and reconciliation measures;
- (b) post-conflict recovery as well as post-disaster recovery;
- (c) peace-building and state-building support actions;
- (d) conflict prevention and crisis response;
- (e) Capacity Building for Security and Development (CBSD).

## **2. Assistance in addressing global and trans-regional threats and emerging threats**

The Union shall provide technical and financial assistance to support partners' efforts and Union actions addressing global and trans-regional threats and emerging threats mainly in the following areas:

- (a) threats to law and order, and to the security and safety of individuals including terrorism, violent extremism, organised crime, cyber-crime, hybrid threats, illicit trafficking, trade and transit;
- (b) threats to public spaces, critical infrastructure, cybersecurity, to public health or to environmental stability, maritime security threats, threats deriving from climate change impacts;
- (c) mitigation against risks, whether of an intentional, accidental or natural origin, related to chemical, biological, radiological and nuclear materials or agents and risks to related installations or sites;
- (d) Capacity Building for Security and Development (CBSD).

## **4. AREAS OF INTERVENTION FOR GLOBAL CHALLENGES**

### **A. PEOPLE**

#### **1. Health**

- (a) Developing crucial elements of an effective and comprehensive health system that are best addressed at a supra-national level to secure equitable access to health services and sexual and reproductive health and rights;
- (b) Reinforcing global initiatives that are key enablers of universal health coverage through global leadership on a 'health in all policies' approach with a continuum of care, including health promotion, from prevention to post-treatment;
- (c) Addressing global health security through communicable diseases research and control, translate knowledge into products and policies that tackle the changing disease burden (non-communicable diseases, all forms of malnutrition and environmental risk factors), and shape global markets to improve access to essential health commodities and healthcare services, especially for sexual and reproductive health.

#### **2. Education**

- (a) Promoting joint global efforts for inclusive and equitable quality education and training at all levels, including in emergency and crisis situations;
- (b) Strengthening knowledge, skills and values through partnerships and alliances, for active citizenship and productive, inclusive and resilient societies;

- (c) Supporting global action on reducing all dimensions of inequalities, such as the gaps between girls/women and boys/men, to ensure that everyone has equal opportunity to take part in economic and social life.

### **3. Women and children**

- (a) Leading and supporting global efforts, partnerships and alliances to eliminate all forms of violence against women and girls; this includes physical, psychological, sexual, economic and other types of violence and discrimination, including exclusion that women suffer in the different areas of their private and public lives;
- (b) Promoting new initiatives to build stronger child protection systems in third countries, ensuring that children are protected in all areas from violence, abuses and neglect, including by promoting the transition from institutional to community-based care for children.

### **4. Migration and forced displacement**

- (a) Ensure continued EU leadership in shaping the global agenda on migration and forced displacement governance in all its dimensions;
- (b) Steering and supporting global and cross-regional policy dialogues, including exchange and cooperation on migration and forced displacement;
- (c) Supporting the implementation of international and EU commitments on migration and forced displacement, including as a follow-up to the Global Compact on Migration and the Global Compact on Refugees;
- (d) Improving the global evidence base, including on the migration/development nexus, and initiate actions of pilot character aiming at developing innovative operational approaches in the area of migration and forced displacement.

### **5. Decent work, social protection and inequality**

- (a) Shaping the global agenda and support initiatives on the integration of a strong pillar on equity and social justice in accordance to European values;
- (b) Contributing to the global agenda on decent work, in particular in global value chains, and enhancing knowledge on effective employment policies that respond to labour market needs, including VET and life-long learning;
- (c) Supporting global initiatives on universal social protection that follow the principles of efficiency, sustainability and equity; including support to address inequality and ensure social cohesion;
- (d) Continuing global research and development through social innovation that enhances social inclusion and addresses the needs of the most vulnerable sections of society.

### **6. Culture**

- (a) Promoting initiatives for cultural diversity and intercultural dialogue for peaceful inter-community relations;
- (b) Supporting culture as an engine for sustainable social and economic development and reinforcing cooperation on cultural heritage.

## ***B. PLANET***

### **1. Ensuring a healthy environment and tackling climate change**

- (a) Strengthening global climate and environmental governance, the implementation of the Paris Agreement on Climate Change, the Rio Conventions and other multilateral environmental agreements;
- (b) Contributing to the external projection of the Union's environment and climate change policies;
- (c) Integrating environment, climate change and disaster risk reduction objectives in policies, plans and investments including through improved knowledge and information;
- (d) Implementing international and EU initiatives to promote climate change adaptation and mitigation and climate resilient low-emission development, including through the implementation of the Nationally Determined Contributions (NDCs) and low emission climate resilient strategies, promoting disaster risk reduction, address environmental degradation and halting biodiversity loss, promoting the conservation and sustainable use and management of terrestrial and marine ecosystems and renewable natural resources -including land, water, oceans, fisheries and forests, addressing deforestation, land degradation, illegal logging and wildlife trafficking, tackling pollution and ensuring a healthy environment, addressing emerging climate and environmental issues, promoting resource efficiency, sustainable consumption and production and the sound management of chemicals and waste and supporting the transition to low emission, climate resilient green and circular economies.

### **2. Sustainable Energy**

- (a) Supporting global efforts, commitments, partnerships and alliances, including sustainable energy transition;
- (b) Encouraging partner governments to embrace energy sector policy and market reforms so to establish a conducive environment for investments increasing access to energy services that are affordable, modern, reliable and sustainable, with a strong focus on renewable energy and energy efficiency;
- (c) Exploring, identifying, mainstreaming globally and supporting financially sustainable business models with scalability and replicability potential providing innovative and digital technologies through innovative research ensuring increased efficiency in particular for decentralised approaches providing energy access through renewable energy including in areas where the local market capacity is limited.

## ***C. PROSPERITY***

### **1. Sustainable and inclusive growth, decent jobs and private sector engagement**

- (a) Promoting sustainable private investment through innovative financing mechanisms and risk-sharing;

- (b) Improving business environment and investment climate, supporting enhanced public-private dialogue, and building capacities of Micro, Small and Medium Enterprises,
- (c) Supporting the Union trade policy and trade agreements and the implementation thereof; and improving access to partner country markets and boosting trade, investment and business opportunities for companies from the Union while eliminating barriers to market access and investment
- (d) Promoting an effective policy mix supportive of economic diversification, value addition, and regional integration and sustainable green and blue economy;
- (e) Fostering access to digital technologies, including promoting access to finance and financial inclusion;
- (f) Promoting sustainable consumption and production and innovative technologies and practices for low-carbon, resource efficient and circular economy.

## **2. Food and nutrition security**

- (a) Supporting and influencing international strategies, organisations, mechanisms and actors that roll-out major global policy issues and frameworks around food and nutrition security;
- (b) Improving global public goods pursuing an end to hunger and malnutrition; tools like the Global Network on Food Crises enhance the capacity to adequately respond to food crises and nutrition in the context of the humanitarian-development-peace nexus (hence assist in mobilising pillar 3 resources);
- (c) Reaffirming at global level the central role of sustainable agriculture and fisheries and aquaculture for increased food security, poverty eradication, job creation, mitigating and adapting to climate change, resilience and healthy ecosystems;
- (d) Providing innovations through international research and reinforce global knowledge and expertise, in particular related to climate change adaptation and mitigation, agrobiodiversity, global and inclusive value chains, food safety, responsible investments, governance of land and natural resource tenure.

## **D. PARTNERSHIPS**

### **1. Strengthen the role of Local Authorities as actors of development through:**

- (a) Increasing the capacity of European and Southern local authority networks, platforms and alliances to ensure a substantive and continued policy dialogue in the field of development and to promote democratic governance, notably through the Territorial Approach to Local Development;
- (b) Increasing interactions with European citizens on development issues (awareness raising, knowledge sharing, engagement), notably in relation to the related to the Sustainable Development Goals, including in the Union and candidate countries and potential candidate countries.

- 2. Promote inclusive societies, good economic governance, including fair and inclusive domestic revenue mobilisation, transparent public finance management and effective and inclusive public spending.**

**ANNEX IV**  
**AREAS OF INTERVENTION FOR RAPID RESPONSE ACTIONS**

**1. Actions contributing to stability and conflict prevention in situations of urgency, emerging crisis, crisis and postcrisis**

Rapid response actions referred to in point a) of Article 4 (4) shall be designed for an effective Union response to the following exceptional and unforeseen situations:

- (a) a situation of urgency, crisis, emerging crisis or natural disasters;
- (b) a situation posing a threat to democracy, law and order, the protection of human rights and fundamental freedoms, or the security and safety of individuals, in particular those exposed to gender-based violence in situations of instability;
- (c) a situation threatening to escalate into armed conflict or to severely destabilise the third country or countries concerned.

**2. Actions contributing to strengthening resilience and linking humanitarian aid and development action**

Rapid response actions referred to in point b) of Article 4(4) shall be designed to effectively strengthen resilience and to link humanitarian aid and development actions, which cannot be swiftly addressed through geographic and thematic programmes.

These actions may cover the following:

- (a) strengthen resilience by supporting individuals, communities, institutions, and countries to better prepare for, withstand, adapt to and quickly recover from political, economic, and societal pressures and shocks, natural or man-made disasters, conflicts and global threats; including by reinforce the capacity of a state - in the face of significant pressures to rapidly build, maintain or restore its core functions, and basic social and political cohesion and of societies, communities and individuals to manage opportunities and risks in a peaceful and stable manner and to build, maintain or restore livelihoods in the face of major pressures;
- (b) mitigate the short-term adverse effects resulting from exogenous shocks creating macroeconomic instability and aims at safeguarding socioeconomic reforms and priority public expenditure for socio-economic development and poverty reduction;
- (c) carry out short-term rehabilitation and reconstruction to enable the victims from natural or man-made disasters, conflicts and global threats to benefit from a minimum of socio-economic integration and, as soon as possible, create the conditions for a resumption of development on the basis of long-term objectives set by the countries and regions concerned; this includes addressing the urgent and immediate needs arising from the displacement of people (refugees, displaced persons and returnees) following natural or man-made disasters; and
- (d) assist the state or region in setting up short term disaster prevention and preparedness mechanisms, including for prediction and early warning, with a view to reducing the consequences of disasters.

**3. Actions addressing foreign policy needs and priorities**

Rapid response actions to support the objectives set out in point c) of Article 4 (4) shall support Union foreign policy across political, economic and security issues. They shall enable the Union to act where there is an urgent or imperative foreign policy interest, or a window of opportunity to achieve its objectives, requiring a rapid reaction and which are difficult to address by other means.

These actions may cover the following:

- (a) support for the Union's bilateral, regional and inter-regional cooperation strategies, promoting policy dialogue and developing collective approaches and responses to challenges of global concern including migration and security issues, and exploiting windows of opportunity in this regard;
- (b) support for Union trade policy and trade agreements and the implementation thereof; and for improving access to partner country markets and boosting trade, investment and business opportunities for companies from the Union, in particular SMEs, while eliminating barriers to market access and investment, by means of economic diplomacy, business and regulatory cooperation;
- (c) contributions to the implementation of the international dimension of internal Union policies such as inter alia environment, climate change, energy, and cooperation on management and governance of the oceans;
- (d) promotion of widespread understanding and visibility of the Union and of its role on the world scene, by means of strategic communication, public diplomacy, people-to-people contacts, cultural diplomacy, cooperation in educational and academic matters, and outreach activities to promote the Union's values and interests.

These actions shall implement innovative policies or initiatives, corresponding to current or evolving short- to medium-term needs, opportunities and priorities, including with the potential of informing future actions under geographic or thematic programmes. They shall focus on deepening the Union's relations and dialogue and building partnerships and alliances with key countries of strategic interest, especially those emerging economies and middle-income countries who play an increasingly important role in world affairs, global governance, foreign policy, the international economy, and multilateral fora.

**ANNEX V**  
**PRIORITY AREAS OF THE EFSD+ OPERATIONS COVERED BY THE**  
**EXTERNAL ACTION GUARANTEE**

The EFSD+ operations eligible for support through the External Action Guarantee shall in particular aim at the following priority areas:

- (a) provide finance and support to private and cooperative sector development compliant with the conditions set out in Article 209(2) of the [Financing Regulation], with a particular focus on local companies and micro, small and medium-sized enterprises, on promoting decent job creation and encouraging the contribution of European companies to the EFSD+ purpose;
- (b) address bottlenecks to private investments by providing financial instruments, which may be denominated in the local currency of the partner country concerned, including first loss guarantees to portfolios, guarantees to private sector projects such as loan guarantees for small and medium-sized enterprises, and guarantees for specific risks for infrastructure projects and other risk capital;
- (c) leverage private sector financing, with a particular focus on micro, small and medium-sized enterprises, by addressing bottlenecks and obstacles to investment;
- (d) strengthen socioeconomic sectors and areas and related public and private infrastructure and sustainable connectivity, including renewable and sustainable energy, water and waste management, transport, information and communications technologies, as well as environment, sustainable use of natural resources, sustainable agriculture and blue economy, social infrastructure, health, and human capital, in order to improve the socioeconomic environment;
- (e) contribute to climate action and environmental protection and management;
- (f) contribute by promoting sustainable development, to addressing specific root causes of irregular migration, as well as fostering the resilience of transit and host communities, and contributing to the sustainable reintegration of migrants returning to their countries of origin, with due regard to the strengthening of the rule of law, good governance and human rights.

**ANNEX VI**  
**GOVERNANCE OF THE EFSD+**

**1. Structure of the EFSD+**

1. The EFSD+ shall be composed of regional investment platforms established on the basis of the working methods, procedures and structures of the existing external blending facilities of the Union, which may combine their blending operations and External Action Guarantee operations under the EFSD+.
2. The management of the EFSD+ shall be ensured by the Commission.

**2. Strategic board of the EFSD +**

1. In the management of the EFSD+ the Commission shall be advised by a strategic board, except in the case of the operations covering the EU Enlargement policy and financed by [IPA III], which shall have its strategic board ensured under the Western Balkans Investment Framework (WBIF).
2. The strategic board shall advise the Commission on the strategic orientation and priorities of External Action Guarantee investments under the EFSD+ and contribute to their alignment with the guiding principles and objectives of the Union's external action, development policy, European Neighbourhood policy, as well as with the objectives set out in Articles 3 of this Regulation and the purpose of the EFSD+ as set out in Article 26. It shall also support the Commission in setting overall investment goals as regards the use of the External Action Guarantee to support EFSD+ operations and monitor an appropriate and diversified geographical and thematic coverage for investment windows.
3. The strategic board shall also support overall coordination, complementarity and coherence between the regional investment platforms, between the three pillars of the European Investment Plan, between the European Investment Plan and the Union's other efforts on migration and on the implementation of the 2030 Agenda, as well as with other programmes set out in this Regulation.
4. The strategic board shall be composed of representatives of the Commission and of the High Representative, of all Member States and of the European Investment Bank. The European Parliament shall have observer status. Contributors, eligible counterparts, partner countries, relevant regional organisations and other stakeholders may be given observer status, where appropriate. The strategic board shall be consulted prior to the inclusion of any new observer. The strategic board shall be co-chaired by the Commission and the High Representative.
5. The strategic board shall meet at least twice a year and, when possible, adopt opinions by consensus. Additional meetings may be organised at any time by the chair or at the request of one third of its members. Where consensus cannot be reached, the voting rights as agreed during the first meeting of the strategic board and laid down in its rules of procedure shall apply. Those voting rights shall take due account of the source of financing. The rules of procedure shall set out the framework regarding the role of observers. The minutes and agendas of the meetings of the strategic board shall, following their adoption, be made public.
6. The Commission shall report annually to the strategic board about the progress made in respect of the implementation of the EFSD+. The strategic board of the WBIF shall provide progress made on the implementation of the guarantee instrument for the Enlargement region to complement the above mentioned reporting. The strategic

board shall regularly organise a consultation of relevant stakeholders on the strategic orientation and implementation of the EFSD+.

7. The existence of the two strategic boards does not bear influence on the need to have a single, unified EFSD+ risk management framework.

### **3. Regional operational boards**

The operational boards of regional investment platforms shall support the Commission at the implementation level in defining regional and sectoral investment goals and regional, sectoral and thematic investment windows and shall formulate opinions on blending operations and on the use of the External Action Guarantee covering EFSD+ operations.

**ANNEX VII**  
**LIST OF KEY PERFORMANCE INDICATORS**

In coherence with the Sustainable Development Goals, the following list of key performance indicators shall be used to help measure the Union's contribution to the achievement of its specific objectives.

- (1) Rule of Law score
- (2) Proportion of population below the international poverty line
- (3) Number of women of reproductive age, adolescent girls, and children under 5 reached by nutrition programmes with EU support
- (4) Number of 1-year olds fully immunised with EU support
- (5) Number of students enrolled in primary and/or secondary education and training with EU support
- (6) Greenhouse gas emissions reduced or avoided (Ktons CO<sub>2</sub>eq) with EU support
- (7) Area of marine, terrestrial and freshwater ecosystems protected and/or sustainably managed with EU support
- (8) Leverage of investments and multiplier effect achieved
- (9) Political stability and absence of violence indicator
- (10) Number of processes related to partner country practices on trade, investment and business, or promoting the external dimension of EU internal policies, which have been influenced

All indicators shall be sex disaggregated whenever relevant.