

SUMMARY

2009 Annual Action Programme for Non-State Actors and Local Authorities in Development

Part II: Targeted projects

1. IDENTIFICATION

Budget headings	21.03.01 – Non State Actors in Development 21.03.02 – Local Authorities in Development
Total cost	EC contribution: €3,120,000 (BL 21.03.01) €0 (BL 21.03.02) TOTAL €3,120,000
Legal basis	Regulation (EC) N° 1905/2006 of the European Parliament and of the Council establishing a financing instrument for development cooperation (DCI) (OJ L 378 of 27 December 2006, pp. 41-71), see Articles 11, 14 and 22.

2. THEMATIC BACKGROUND

The European Commission has a long-standing relationship with non-governmental and other civil society organisations, as well as local and decentralised authorities, in the area of development. In 1976 a first actor-oriented budget line specifically supporting actions with European Non-Governmental Organisations (NGOs) was created, and since 1992 a Decentralised Co-operation budget line has been added as another key channel of cooperation with non-state actors and decentralised authorities in the area of development.

The thematic programme 'Non State Actors and Local Authorities in Development', which succeeds former budget lines 'NGO Co-financing' and 'Decentralised Co-operation', aims at supporting small scale initiatives proposed and/or carried out by civil society organisations and local authorities originating from the Community and partner countries in the area of development. This thematic programme recognises the very important role non-state actors and local authorities play in each country's development policies and strategies. Its principal objectives are in line with the Commission Communication on the Thematic Programme 'Non State Actors and Local Authorities in Development'¹ approved in the context of the EC Financial Perspectives for the period 2007-2013.

The programme's three main objectives are:

- 1) To support development actions, implemented by non-state actors or local authorities in close cooperation with the local communities and most vulnerable population groups,

¹ COM(2006)19, 25.01.2006

aimed at promoting an inclusive and empowered society in partner countries and more specifically at improving populations' access to social services, increasing their participation in policy-making processes, strengthening the capacity of civil society organisations and local authorities in partner countries to participate in poverty reduction and sustainable development strategies, facilitating interaction between state and non-state actors in different contexts and supporting an increased role for local authorities in decentralisation processes. These actions should take place in partner countries and consist in small-scale local development activities, covering a wide range of sectors and themes, including economic development, health, education, capacity building and institutional support or rural development. Their overarching objective should be the strengthening of civil society in the partner countries as a pre-condition for a more equitable, open and democratic society.

2) To support small-scale actions in the EU and acceding countries aimed at raising public awareness of development issues and promoting education for development, to mobilise greater public support for action against poverty and fairer relations between developed and developing countries. These actions should take place in Europe and consist mainly in campaigns, publications, information events and conferences, workshops or seminars, where development themes are openly discussed. The targeted groups are not only the population in general but also policy makers at international and national level.

3) To support actions aimed at achieving more efficient cooperation, fostering synergies and facilitating a structured dialogue in the area of development between civil society networks and local authority associations from the EU and acceding countries, within their organisations and with EU institutions. These actions should take place in Europe and consist mainly in seminars, workshops, training sessions, conferences and other capacity building and networking activities targeting the above-mentioned organisations.

The Commission adopted on 21 June 2007 this thematic programme's multi-annual strategy for the period 2007-2010.

The 2009 Annual Action Programme - Part II: Targeted projects presented below complies with the priorities established in this multi-annual strategy paper and takes into account the comments of the EU Member States and the European Parliament on that strategy.

3. SUMMARY OF THE ACTION PROGRAMME²

Complementing the Annual Action Programme – Part I: Calls for Proposals; the following grants for activities corresponding to the three objectives of the programme will be directly awarded to actions identified and selected outside the system of calls for proposals. Those grants are awarded respectively for:

- The project '**The EU as a Global Actor - Civil Society Organisations' Challenges during the 2009 Swedish Presidency of the EU**', aimed at strengthening civil society and raising public awareness of poverty reduction and policy coherence for development in all areas and at all levels and increasing the participation of Swedish policy makers in EU Development policy, in order to guarantee the EU's commitment to reach the Millennium Development Goals (MDGs). The project is co-financed with CONCORD Sweden, the Swedish platform of development NGOs.

² See also the action fiches joint to this programme

The project will cost a total of €266,323 and the EC contribution amounts to €200,000, corresponding to 75% of the total project's costs.

- An **operating grant to CONCORD**, (European Confederation of Relief and Development Non Governmental Organisation). Duration: 12 months. EC maximum contribution: €720,000 (60% of total cost of CONCORD action plan for 2009).
- The project '**Consolidating and Strengthening Cuban Managerial Capabilities**', aimed at supporting the transition of the Cuban economy and improving the efficiency of its companies, by providing training in management techniques currently used in Europe, ensuring capacity building of non state actors from the private sector and thus strengthening their participation in poverty reduction in the context of sustainable development. The project is implemented by the EFMD, as leader of the EFMD/ESADE consortium, and it will cost a total of €2,390,000, of which €2,200,000 is covered by the EC.

Community support for the above-mentioned actions will, as a rule, take the form of grants for projects. Without prejudice to the provisions of Article 169 of the Financial Regulation, these grants will generally consist of a contribution covering only a proportion of the project's budget.

Basic eligibility rules are laid down in Articles 14 and 24 of the DCI Regulation. More specific eligibility criteria for each of the programme's objectives are detailed in the respective Action Fiches.

The Action Fiches attached to this Annual Action Programme show the indicative allocations for each of the actions of the programme to be financed from the 2009 budget.

Mainstreaming

Whenever possible, mainstreaming of human rights, gender equality, children's and older people's rights, rights of persons with disabilities, the environment and climate change, as well as the fight against HIV/AIDS, will be ensured in projects under all objectives. All projects will need to show, whenever relevant, how these issues are taken into account in the design, implementation and monitoring of their activities. Principles such as empowerment, participation, non-discrimination of vulnerable groups and accountability will be adequately taken into account.

Expected results

Considering the nature of this programme, which encompasses a wide range of activities and sectors, the results to be expected from these actions are very diverse. However, the following could be mentioned as examples of expected results: strengthening of the capacity of non-state actors and local authorities to participate in poverty reduction and sustainable development strategies, agreement by governments to mainstream institutional support and capacity building provisions for local development structures, an increased number of trans-national exchanges, confidence building, networking and coordination activities between non state actors and local authorities, increased public awareness on global interdependencies between the EU and developing countries and support for action against poverty and more equitable North-South relations, in a better integration of development issues into formal and

non-formal education systems in Member States and acceding countries, or strengthening of non state actors and local authority networks and platforms in Europe and acceding countries.

4. PAST EC ASSISTANCE AND LESSONS LEARNT

According to the last evaluation of the former thematic programme 'NGO co-financing', dating from 2000, in general the actions supported through this instrument succeeded in delivering the planned outputs and reached their immediate objectives. Their success rate, in terms of immediate results, was higher than most other cooperation instruments, which seems to confirm the advantage of working with civil society organisations and their added value when it comes to actions targeting directly the most vulnerable groups. However, the evaluation also highlighted the fact that the programme lacked strategic focus and needed to be better targeted on the poorest countries and to define the thematic priorities more clearly.

The new thematic programme 'Non-State Actors and Local Authorities in Development' builds on experience of the two former budget lines "Co-financing with European NGOs" and "Decentralised Co-operation", and the recommendations made in their most recent evaluations. It aims at a better geographic and thematic focus and better complementarity and subsidiarity with other EC cooperation instruments.

An evaluation of 'EC aid delivery through civil society organisations' was concluded in 2008 and highlighted the added value of combining different instruments and approaches in delivering aid to support civil society. The combination of geographic and thematic instruments and of different approaches (project, sector, macro), as well as the complementarity of the various channels (government, civil society), is regarded as an opportunity to increase the effectiveness and efficiency of EC support for civil society. In this respect, the NSA & LA thematic programme should be implemented having due regard to its complementarity with existing programmes.

The action programme proposed for 2009 builds also on the experience acquired so far with the implementation of the 2007 and 2008 AAP. A general evaluation of the awareness raising/development education activities was completed by the end of 2008 and confirmed also the high importance of this component of the programme and the need to step up support for these activities, with a special focus on actions in new EU Member States and a few 'old' Member States, as well as actions aimed at increasing coordination of such activities at EU level. The conclusions and recommendations of this evaluation will be duly taken into account in the mid-term review of this thematic programme scheduled to start by the end of 2009. This mid-term review will be fundamental for framing the strategy for the second period (2011-2013) of the programme.

5. COMPLEMENTARY ACTIONS

Actions included in this AAP complement the various EC cooperation instruments, both geographic and thematic, and in particular actions supported through the European Instrument for Democracy and Human Rights (EIDHR). Other thematic programmes under the DCI instrument also offer numerous opportunities for engagement of both non state actors and local authorities in development activities (Food Security, Environment and Natural Resources, Migration and Asylum and Investing in People, including Health, Education, Gender Equality, Culture, Employment and Social Cohesion and Youth and Children). The Commission Delegations ensure that complementarity with geographic and other thematic programmes is screened at local level.

6. DONOR CO-ORDINATION

Co-ordination and regular consultation with Member States are ensured through the various political channels and committees at central level as well as at local level through the relevant European Commission Delegations.

In this context, reference should be made to the ongoing project DECIM (Donor exchange, coordination & information mechanism), funded under the former NGO Co-financing budget line, which is entering its third and final year of implementation. EU Member States are closely involved in this project, which is aimed precisely at supporting a donor exchange, coordination and information mechanism to enhance the effectiveness of donors in attaining their goals in the area of civil society development.

7. COMMUNICATION AND VISIBILITY

A special effort has been made in 2008 to further develop the communication and visibility of the thematic programme 'Non State Actors and Local Authorities in Development' in particular by updating the website in accordance with a common new AIDCO template and by producing videos, leaflets and brochures presenting this thematic programme. The EuropeAid website contains the pages concerning the 'Non State Actors and Local Authorities in Development' programme, including all working documents as well as overviews of ongoing activities. Such efforts will be pursued in 2009, by increasing European Commission participation in seminars and conferences organised by our partners and through better dissemination of the different materials related to the programme.

Attention will continue to be paid to compliance with visibility and communication rules for each action supported through this programme.

8. COST AND FINANCING

	BL 21 03 01 (€)	BL 21 03 02 (€)	TOTAL (both BLs) (€)
Objective 2 and 3 - Grants directly awarded to actions identified and selected outside the system of calls for proposals aiming at fulfilling objectives 2 and 3 of the programme (Operating grant to CONCORD and EU Presidency project co-financed with CONCORD Sweden).	€20,000		€20,000
Objective 1 – Grant directly awarded to EFMD for the project 'Consolidating and Strengthening Cuban Managerial Capabilities'.	2,200,000		2,200,000
GLOBAL AMOUNT	3,120,000	0	3,120,000

Within the maximum indicative budget of all the specific actions, the authorising officer may adopt, in accordance with the principles of sound financial management, cumulated changes in this Annual Action Programme (within and between Part I - Calls for proposals and Part II - Targeted projects) not exceeding 20% of the maximum contribution of the Community (not considered to be substantial provided that they do not significantly affect the nature and objectives of the Annual Action Programme).

ANNEX I TO AAP 2009 – PART II: TARGETED PROJECTS

ACTION FICHE II.1

NON STATE ACTORS & LOCAL AUTHORITIES IN DEVELOPMENT

DEVELOPMENT EDUCATION / COORDINATION, COOPERATION AND NETWORKING ACTIVITIES

1. IDENTIFICATION

Title	<p><u>Objective 2</u> - Raise public awareness of development issues and promote education for development in the EU and acceding countries, to mobilise greater public support for action against poverty and fairer relations between developed and developing countries.</p> <p><u>Objective 3</u> - Actions aiming at achieving more efficient cooperation, foster synergies and facilitate a structured dialogue in the area of development between civil society networks and local authorities associations from the EU and acceding countries, within their organisations and with EU institutions.</p>		
Total cost	EC contribution - €20,000		
Method/Management mode	Project approach – <u>Direct award of 2 grants to CONCORD and CONCORD Sweden</u> - <i>Centralised management (direct)</i>		
DAC-code, if applicable	15150	Sector	Strengthening of civil society

2. RATIONALE

This Action Fiche concerns the direct award of 2 grants to actions proposed by NGO platforms whose activities correspond to objectives 2 and 3 of the programme.

2.1. Lessons learnt

The European Community has for a long time, under the former NGO Co-financing budget line, supported actions aiming at reinforcing the cooperation and coordination between NGOs from the Member States and between NGOs from the Member States and the EU Institutions.

This support has essentially taken the form of an annual operating grant to CONCORD, the European NGO Confederation for Relief and Development, which comprises the national platforms of 22 Member States, 18 networks and families of humanitarian and development NGOs representing more than 1600 European NGOs.

Besides, support has also been provided under this same budget line to NGOs platforms and umbrella organisations from the EU Member States, in particular through grants to projects implemented by those NGO national platforms aiming at, during each six-monthly Presidency of the EU, both raising the public awareness of development issues in their respective Member States and strengthening the co-operation among national development NGOs, between the government and its national NGOs, as well as with the European Union and European NGOs in general.

This long term support to EU NGO platforms has in general been positively assessed. It is envisaged now to, under the thematic programme "Non State Actors and Local Authorities in Development", pursue such support and enlarge it to other types of European and acceding countries non-state actors and local authorities.

2.2. Complementary actions

Complementarities will be sought with other actions implemented in the framework of EU presidencies, as well as other types of support to national or European platforms or umbrella organizations. Besides, complementarities will also be sought with development education actions which take also place in Europe and very often are closely associated with the activities pursued in the two actions presented below.

3. DESCRIPTION

3.1. Objectives

According to its multi-annual Strategy Paper 2007-2010 adopted on 21 June 2007, the priorities for objective 2 and 3 of the programme are the following:

Objective 2: (i) Public support for the MDG agenda, with a particular focus on sub-Saharan Africa; (ii) Coherence for development, with a particular focus on areas of public interest where common goals such as migration, trade, security, human rights, social dimension of globalisation and decent work, environment, and HIV/AIDS in relation with development are important; (iii) Media and development.

These activities will be supported through formal and informal channels promoting education for development. Besides, special attention will be paid to awareness raising and development education in the newer Member States.

Objective 3: (i) Information networks and exchange of best practices within and among their organisations; (ii) Dialogue and exchange of best practice between different types of stakeholders, including between non state actors and local authorities; (iii) Interaction of such organisations or networks with the EU institutions.

The 2 actions presented below comply with these priorities, and, due to their specific characteristics, they can only be performed by CONCORD and CONCORD Sweden, the European Platform of Development NGOs and the Swedish Platform of Development NGOs, respectively, on account of their unique technical competence and administrative power to develop the respective actions. Attribution of these grants will therefore be done directly (outside the scope of a call for proposals), in the light of the Financial Regulation³ and its Implementing rules⁴.

³ Article 110, paragraph 1, reads: "Grants shall be subject to an annual programme, to be published at the start of the year, with the exception of crisis management aid and humanitarian aid operations. This work programme shall be implemented through the publication of calls for proposals save in duly substantiated exceptional cases of urgency or where the characteristics of the beneficiary leave no other choice for a given action."

⁴ Article 168, paragraph 1, of the Commission Regulation N° 2342/2002 of 23 December 2002 "laying down detailed rules for the implementation of Council Regulation No 1605/2002", as amended by Commission Regulation No 478/2007 of 23 April 2007, establishes the cases in which grants may be awarded without a call for proposals, and being, among others, "for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power, on condition that the actions concerned do not fall within the scope of a call for proposals."

The actions are the following:

Action 1

Operating grant to CONCORD (European Confederation of Relief and Development Non Governmental Organisation) / Duration: 12 months / EC maximum contribution: €720,000 (60% of total cost of CONCORD action plan for 2009)

CONCORD action plan for 2009 has the following objectives:

1. To influence policies and practices of the EU to contribute to real improvements for the rights of people living in poverty in the world.
2. To promote the rights and responsibilities of citizens and civil society organizations so that they can influence their governments and European institutions and act in solidarity with those living in poverty.

The main expected results of this action are: (i) The generation of expertise among the members of CONCORD on the European agenda; (ii) The implementation of dynamic participatory work among its members and strengthening their capacity; (iii) Elaboration of joint position papers and strategies on issues of common interest to the Confederation; (iv) Strengthening of the institutional and policy dialogue of European Development NGOs with European actors / decision-makers; (v) The strengthening of the partnership with the European institutions on development issues of development; (vi) A better understanding, by the European public, of international issues and the role of the EU in the world. It should be noted that 2009 is a pivotal year for CONCORD. It marks the first year of its new strategic plan (2009-2015) and will also be an election year in Europe.

CONCORD is the sole and uncontested organisation representative of European NGOs active in the area of development and relief. It groups 22 national associations and 19 international networks representing some 1800 European NGOs, and constitutes therefore the natural partner of the European Community in pursuance of dialogue with those NGOs. The operating grant to CONCORD, therefore, will permit to reach the above objectives.

Action 2

Action grant to CONCORD Sweden to implement the project "The EU as a Global Actor – Civil Society Organisations' challenges during 2009 Swedish Presidency of the EU" / Duration: 12 months / EC maximum contribution: €200,000 (75% of total project's cost)

The overall objective of the project is to strengthen civil society and increase public awareness on poverty reduction and policy coherence for development in all areas and at all levels, as well as increase the participation of Swedish policy makers in the EU Development policy, in order to guarantee the commitment of the EU to reach the Millennium Development Goals (MDGs) during the period in which Sweden will hold the Presidency of the EU (second semester of 2009). More specifically, the project aims at increasing the capacity, role and influence of civil society organisations (CSOs) in an enhanced Swedish and EU development policy and an increased policy coherence in the pursuit of MDGs and other EU development goals. At the same time, the project

intends to increase CSOs networking at a national and at a European level, and to raise awareness within the general public regarding EU development policy.

The main expected results of the project are the following: (i) The view of CSOs on development policies are taken into account by Swedish and European decision makers to a larger extent; (ii) Increased coordination of advocacy and information activities within and between Swedish CSOs on EU development policy; (iii) Increased collaboration and strengthened networks regarding advocacy work between Swedish and European CSOs; (iv) Increased public awareness of the EU as a development actor and the need for Sweden to be actively involved at the European level.

CONCORD Sweden is the Swedish Platform of Development NGOs and it performs this role in the main European NGOs network (CONCORD). It is the only organisation in Sweden widely recognised by the national NGO community to be their representative platform, and the only to have the capability and expertise to implement this project, with the ambition of a strong political impact during the Swedish Presidency of the EU.

3.2. Stakeholders

Target beneficiaries are mainly non-State actors from the EU and acceding countries. Through these projects, cooperation with local authorities will certainly be also strengthened, since they are among the organisations invited to participate in many of both projects' activities.

3.3. Crosscutting Issues

Crosscutting issues like democracy and human rights, gender, child protection, empowerment and support to disabled persons, age related issues, environment, and climate change are always well covered under this type of activities.

4. IMPLEMENTATION ISSUES

4.1. Implementation method

As mentioned above, these 2 grants are directly awarded pursuant to Article 168 (1) (f) of the Regulation⁵ laying down the Financial Regulation implementing rules. .

4.2. Procurement and grant award procedures

These actions are implemented in accordance with the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question.

4.3. Budget

The funds available to fund these actions, under budget line 21 03 01 budget for 2009, amount to a total of €20,000.

⁵ Commission Regulation N° 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of Council Regulation No 1605/2002, as amended by Commission Regulation No 478/2007 of 23 April 2007

4.4. Performance monitoring

The actions will be monitored according to standard procedures. Project monitoring and evaluation will be based on periodic assessment of progress on delivery of specified project results and towards achievement of project objectives.

4.5. Evaluation and audit

Evaluations and audits will respect standard procedures.

4.6. Communication and visibility

Visibility of EU funded actions will be ensured according to the EU Visibility Guidelines.

ANNEX I TO AAP 2009 – PART II: TARGETED PROJECTS

ACTION FICHE II.2
NON-STATE ACTORS & LOCAL AUTHORITIES IN DEVELOPMENT

OBJECTIVE 1
IN-COUNTRY INTERVENTIONS

1. IDENTIFICATION

Title	Promotion of an inclusive and empowered society in partner countries to facilitate non-state actor and local authority participation in poverty reduction and sustainable development strategies - Support to in-country interventions (actions taking place in a single partner country).		
Total cost	EC contribution: €2,200,000 (BL 21.03.01) Beneficiaries' contribution: €190,000 TOTAL €2,390,000		
Method/Management mode	Project approach – Direct award of one grant (<i>managed by European Commission Delegation in Cuba</i>) to the European Foundation for Management Development (EFMD) – "Consolidating and Strengthening Cuban Managerial Capabilities"		
DAC-code, if applicable	11430	Sector	Advanced technical and Managerial training

2. RATIONALE

2.1. Sector context

During the 1960's, 70's and 80's Cuba benefited from very preferential trade conditions with the Soviet Union and the Socialist Bloc. That trade system collapsed with the fall of the Soviet Union, and Cuba's economy endured very difficult times in the early 1990's. While today the situation is improving through expanded trade with Venezuela and several other Latin American countries and China, it is still in the recovery stage.

A debate is currently taking place at different levels over potential reforms aimed at addressing the island's severe economic problems and at enhancing living conditions for the population. It is expected that the demand for managers trained in Western skills and knowledge will strongly increase, accompanying the transition towards a more open and eventually market economy.

Education in Cuba is extremely subsidised at all levels. In 1961, the government nationalised all the private educational institutions and introduced a state-directed education system. No

tuition fees are paid by students in school or university and private schools or private universities are not permitted. Although education is free to Cuban citizens, foreign students wishing to study in Cuba pay tuition fees of between US\$4,000-7,000. Historically, Cuba had some of the highest rates of education and literacy in Latin America; although the levels and quality standards achieved are not comparable to those of Europe, education in management is virtually non-existent at higher education level.

The western world attributes a key role to business schools in terms of the advancement of its business sector. The Cuban authorities also recognise this and are aware that some of the difficulties facing Cuba's economy in general – and businesses in particular – are due to executive's inadequate business and management training. Various attempts have been made in Cuba to address this problem. Some of these initiatives involved a 'business improvement' programme aimed at the business sector, which was intended to introduce modern management methods. Others aimed directly at training business executives in management techniques. This task was assigned to the Ministry of Higher Education, which acts directly through so-called 'branch schools', located on university campuses or in government ministries. Despite of these efforts, serious shortcomings remain, primarily due to a lack of knowledge regarding modern management techniques, the lack of an entrepreneurial spirit at all levels and, above all, the lack of teachers capable of combining theoretical knowledge with practice. These deficiencies are becoming much more obvious as the Cuban economy and the economy of its business sector open up.

The Commission has contributed in the past to the tentative process of opening up the Cuban economy, notably through the successful EC-funded D(E)ADE programme (Diplomado Europeo en Administración y Dirección de Empresas - 1996-2005). Managers and directors of Cuban companies recognised in D(E)ADE a unique opportunity to access knowledge which has been successfully used by European companies. In return, the Programme made it possible to strengthen ties with economically influential institutions and businesses in Europe.

Now, at a time when a major shift can be seen in the direction of the Cuban economy, another opportunity is presented by the European Commission to influence developments as well as to strengthen the Cuban economy through, firstly, consolidating and lending continuity to previous successful measures and through exploring the possibility of creating a unique centre that could become a benchmark in the region.

The project therefore aims at enhancing and strengthening the role of Universities, as main players of civil society as recognised by article 24.2 of the DCI Regulation⁶.

2.2. Lessons learnt

The project is intended as a development and extension of the previous programme DEADE which took place from 1996 to 2005. Due to the evolution of the Cuba-EU relationship, the renamed DADE programme was conducted by a consortium led by ESADE and funded by the EC.

⁶ Regulation N° 1905/2006 of the European Parliament and the Council, establishing a financing instrument for development cooperation.

From the very start, the programme has shown excellent results. Evaluations and monitoring reports have underlined the success and the achievements of the D(E)ADE, inter alia:

- More than 450 Cuban executives holding up top management functions in Cuban firms or joint-ventures have received management training.
- 120 Cuban professors have been trained through the D(E)ADE programme, and in some cases, have followed further training in Europe.
- A network of roughly 50 companies (national companies and joint ventures) has expressed commitment towards the D(E)ADE programme.
- A network of Cuban higher education institutions which have participated in the D(E)ADE programme, including the University of La Habana, the Instituto Superior Politécnico Juan Antonio Echevarría, the University of Santa Clara, the University of Oriente, the University of Camagüey and the University of Holguín have also expressed their interest in the continuation and development of the project.

The D(E)ADE project has been very successful and recognition of its positive impact on Cuban society has been acknowledged by all the partners.

2.3. Complementary actions

EC-Cuba cooperation was suspended by Cuba in 2003, following the adoption of diplomatic measures by the EU. These measures were lifted by Council conclusions of 23 June 2008, and a declaration resuming EC – Cuba cooperation was signed by the Commissioner for Development Louis Michel and the Cuban Minister for Foreign Affairs on 23 October 2008. Given the fact that no programming framework has been defined at this stage, parties have agreed to jointly identify priorities for future co-operation, based on respective development policy priorities and coordination with other development partners in Cuba. Besides this programme, areas of intervention include notably cultural heritage, environment, food security and post-hurricane emergency and rehabilitation.

The present project will be financed through the DCI Thematic Programme "Non State Actors".

In parallel to this programme, the EC Delegation in Cuba will launch a local call for proposals, which will be targeted at NGO's for implementation of activities under the NSA Thematic Programme.

2.4. Donor coordination

Some Member States represented in Havana, notably the cooperation agencies of France, Italy and Spain, have expressed interest in cooperating in the project's continued development and expansion. Opportunities for future co-financing with EU Member States through transfer agreements will therefore be examined in due course. The project includes measures designed to attract the cooperation of private companies in both Europe and Cuba.

3. DESCRIPTION

3.1. Objectives

The overall objective of the project is to support the transition of the Cuban economy and to improve the efficiency of its companies, by providing training in the management techniques currently used in Europe.

By presenting the model of open market economy, the project will contribute to strengthening the role of Cuban Universities as fora for open discussions and debate on change in Cuba and to initiate discussions amongst student organisations, professors and academici on an alternative model of society. Discussions on the economic model could indeed constitute the entry point for more fundamental debate on overall change in Cuba.

Training responsible managers is a key element for ensuring capacity building of Non State Actors from the private sector strengthening thus their participation in poverty reduction through improving the growth of the Cuban economy in the context of sustainable development.

It is expected that such a project will foster changes in government policy toward private sector NSA and open space for dialogue with NSA in the field of education.

3.2. Expected results and main activities

The design of the programme is based on a phased approach:

- first building on the results and achievements of the D(E)ADE programme, thereby enabling the Commission to provide a rapid response to the immediate needs of the Cuban economy for trained managers;
- in parallel, preparing the establishment of a Cuba-Europe International School of Management, which aims at establishing long-term cooperation with Cuba, in order to develop a permanent higher education structure.

The present programme aims at completing the first phase and preparing for the second phase, through the following expected results and activities.

The expected results are:

- Consolidation of the Alumni network of the D(E)ADE programme as a cohesive group of over 600 senior executives familiar with European techniques of management.
- Cuban senior executives have been trained (over 150).
- A consolidated and updated group of 120 Cuban management professors who have participated in D(E)ADE.
- A trained group of more than 30 Cuban professors. Some of them (6-8) should be able to join the future Cuba-Europe International School of Management, and, in any case, the Cuban management education system.

- Consolidated, strengthened and expanded education ties with companies and Cuban educational institutions.
- A strategy, an implementation plan and an agreement with the Cuban Government for the establishment of the Cuba-Europe International School of Management.

The activities are:

1. Consolidation of the D(E)ADE network

- Consolidation of the Alumni network through the organisation of annual meetings and refresher seminars for the 450+ alumni of the D(E)ADE programme.
- Development and animation of a group of companies, academic institutions, and administration willing to support the D(E)ADE programme.
- Organisation of seminars in each of the universities having participated in the D(E)ADE programme (Santiago de Cuba, Villaclara, Camaguey and Holguín) in order to strengthen their links and to train middle-managers in the provinces.

2. Continuation and intensification of the D(E)ADE programme

- Organisation of the annual edition of the D(E)ADE programme and gradual transformation of this programme into an Executive MBA consistent with international and European standards. Besides, the components related to private sector management as such, the Master will also include components related to public sector and social aspects, such as Public Administration Management, Public Finance Management, Economics and cooperation between developing and developed countries, Corporate Social Responsibility etc. The Cuban professors, students and the Cuban Universities will be provided with extensive teaching materials and references to relevant events and conferences.
- Organisation of seminars in different Cuban universities, in order to associate them to the development of the programme.
- Organisation, under the scheme of the D(E)ADE Programme of specifically designed courses for management professors.
- Organisation of a teachers training programme for a group of 6-8 Cuban professors, both in Cuba and in Europe.

It should be noted that no fee would be charged for Cuban students attending, or Cuban teachers coming to Europe for training. The project does not include any direct financial support to Cuban universities or State entities.

3. Preparation of the launch of the Cuba-Europe International School of Management

- EFMD will take advantage of its experience in creating CEIBS (China Europe International Business School) in Shanghai. Together with its consortium partners, EFMD will meet the Cuban and European stakeholders, will survey the needs of the Cuban stakeholders and design the characteristics and scope of action of the Cuba-Europe International School of Management. It is expected that a decision on the launch of the institution will be taken at the end of year 2.

3.3. Risks and assumptions

It is assumed that Cuba will continue its evolution towards a market economy. There is a risk however, that the country could decide not to do so.

The educational system has been and still is totally under the state control. In this regard, there may be reluctance towards joint initiatives such as the projected School of Management, even if the Cuban authorities will remain closely associated with the governance of the institution.

Access to free education is considered as one of the main successes of the regime in Cuba. Any deviation from this model appears difficult to propose. This factor has to be taken into account when building the School model. The active participation in the project of the Cuban authorities and of the Cuban Ministry of Higher Education will mitigate these risks. In this regard, the experience gained through the D(E)ADE programme will be extremely helpful.

In case the Cuban evolution to a market economy moves extremely slowly, the sustainability of the Cuba-Europe International School of Management, based on its own funds, may be affected, resulting in the need for continued EU funding and sponsorship. However, the other benefits of the programme will remain, for beneficiaries in both Cuba and Europe.

The size and the visibility of this project could make it vulnerable to any deterioration in the Cuba-EU relationship. In the past, political tensions delayed the completion of the D(E)ADE project and caused some modifications of the programme.

In order to ensure the quality of the students and participants in the different seminars and activities, a transparent selection procedure will be established and presented to the Management Committee and the Commission for approval. The procedure should include *inter alia* clear and weighted selection criteria, minimum thresholds for admission, documents to be submitted together with the application form and clause to guarantee equal treatment. Very strict admission rules must be determined in order to guarantee that participants are selected solely on the basis of their qualities and potential. All orientation decisions should be taken by the Project Management Committee which will include representatives of the Cuban Authorities, the implementing partners (EFMD, ESADE) and, where appropriate, the European Commission Delegation to Cuba and relevant stakeholders' representatives.

3.4. Crosscutting Issues

Gender equality, development of good governance and corporate social responsibility (CSR) have been integrated in the approach. As far as gender is concerned, the programme will enhance as much as possible the participation of women in this programme. EFMD as well as ESADE are active members and supporters of many CSR activities. The strong commitment to and involvement in social responsibility of both EFMD and ESADE will be reflected in all activities and the general management of the project.

3.5. Stakeholders

This programme will involve the most relevant non-state actors: universities (which are defined as Non-State actors in Article 24.2 of the DCI Regulation) and the relevant alumni as well as Cuban groups or organisations of teachers, students, managers and entrepreneurs.

DEADE alumni and participants

The first group of beneficiaries will be the former participants and alumni of the D(E)ADE programme. They will benefit from the updating and development of the network and also from a new series of seminars.

Cuban students and managers

The main target and beneficiaries of the training cycle and the creation of a Cuba-Europe International School of Management are obviously the Cuban students and managers. They will be offered the possibility to follow world class training in management, delivered in Cuba by a team of European and Cuban professors trained in Europe.

Cuban professors and administrators

The project proposes to train a significant number of Cuban professors in Europe. These faculty members will be chosen through a transparent selection process and will greatly benefit from exposure and contacts with their European counterparts that should allow them to actualise and improve their course and teaching materials and provide them with the opportunity to be involved in international research and educational networks.

Similar exchanges and training will be organised for the administrators and managers of the Cuba-Europe International School of Management

Academic Institutions and Cuban Enterprises

The project covers a great range of different activities designed especially to strengthen different Cuban academic institutions and facilitate their contacts with their European counterparts.

The project directly favours the Cuban enterprises by the education and training of their managers and their integration into a collective of enterprises that is structured around the D(E)ADE Programme.

4. IMPLEMENTATION ISSUES

4.1. Method of implementation

The project will be implemented as a targeted project under centralised management, through the signature of a grant agreement between the EC and EFMD, as leader of the consortium EFMD/ESADE.

Within the consortium, the Escuela Superior de Administración y Dirección de Empresas (ESADE) will implement the two first components of the programme related to the consolidation and continuation of the former DEADE Programme. EFMD will implement the component of the programme related to the preparation of the launching of the Cuba-Europe International School of Management and will ensure coordination and management of the programme as leading partner of the consortium.

The Cuban Government will be represented through the Ministry of Foreign Investment and Economic Cooperation (MINVEC). The Ministry of Higher Education will take charge of academic management from the Cuban side.

In accordance with Article 168 (1) (f) of Regulation N° 2342/2002⁷, the direct award of the grant is justified by the fact that the specific characteristics of the action require a particular implementing body on account of its technical competence, and its high degree of specialisation and its administrative power. .

The direct award to EFMD (as the leader of the Consortium EFMD-ESADE) is based on the following elements:

- EFMD is the only European and international network in the field of management development which covers over 700 institutional members and 480 business schools members (310 business schools from Europe and 170 from outside of Europe). It detains a unique position as the accreditation body for European Business Schools (EQUIS) and programmes (EPAS). Moreover, EFMD is a founding partner of the China Europe International Business School (CEIBS) in Shanghai, and is as such the only partner capable of implementing the third component related to the preparation of the launch of the Cuba-Europe International School of Management, as the concept and set up of this school is entirely based on the Shanghai model.
- ESADE has implemented all former editions of the DEADE programme, as leader of a consortium of European universities. The successive service contracts with ESADE were all awarded by negotiated procedure without a prior call for tender. Given the fact that in the context of the present project, activities under components 1 and 2 are intended as a consolidation, continuation and intensification of the former DEADE programme, ESADE is the only possible implementing partner having the required network of Alumni and Universities and the knowledge and expertise of the complex and sensitive context in Cuba.

Based on previous experience with the D(E)ADE programme, the following management scheme is proposed:

EFMD as leader of the consortium will appoint the European co-Director of the project, whose nomination should be approved by European Commission. This co-Director will be in charge of the general management of the project, including taking all the decisions necessary for its successful execution. In particular, he/she will also be responsible for the financial management and will have the right to sign for the bank account.

The European co-Director will be assisted by a Deputy Director. Appointed by ESADE, he/she will be in charge of the academic management and the implementation of the first three phases of the project.

Cuba will appoint a Cuban co-Director. This co-Director will be part of the Management Committee of the project and of the DEADE programme.

The Project Management Committee will be composed of:

- European co-Director
- Cuban co-Director

⁷ Commission Regulation N° 2342/2002 of 23 December 2002, laying down detailed rules for the implementation of the Financial Regulation (Council Regulation N° 1605/2002), as amended by Commission Regulation N° 478/2007 of 23 April 2007.

- Deputy Director
- Representative from Cuban authorities
- Representative from Ministry of Higher Education
- Representative from the European Commission delegation in Cuba
- Representative from the D(E)ADE alumni association

Relevant stakeholders' representatives could be involved on an ad hoc basis, as appropriate.

A group of European Universities from the EFMD membership will provide the lecturers and professors. This group will be led by ESADE and preferably will incorporate institutions that were part of the D(E)ADE programme, as well as other institutions. Each participating institution will appoint a professor to be the contact point for this institution.

The Project Management Committee, in close cooperation with all the partners and in particular the Cuban authorities, will prepare a detailed work plan to be submitted to European Commission Delegation for approval.

4.2. Procurement and grant award procedures

All contracts implementing the action must be awarded and implemented in accordance with the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question.

4.3. Budget and calendar

The total cost of the project amounts to €2,200,000 (budget line 21.0301 for 2009).

Activity	€
1. Consolidation of the D(E)ADE network	483,730
2. Continuation and intensification of the D(E)ADE programme	1,372,635
3. Preparation of the launch of the Cuba-Europe International School of Management	410,000
4. Evaluation	40,000
5. Audit	40,000
6. Visibility	43,635
TOTAL COST	2,390,000
Beneficiaries' contribution	190,000
EC contribution	2,200,000

The operational duration of the project is expected to be 42 months. The total period of execution is estimated at 66 months, as from the signature of the grant agreement. An indicative timetable is attached in Annex 1.

4.4. Performance monitoring

The Project Management Committee will be responsible for the overall project monitoring and control. The project management and coordination of the consortium will be done by EFMD through the European Project Director and Coordinator. They will be also the contact persons for the European Commission. EFMD will prepare and assess progress reports and deliverables, will manage the project budget and chair project meetings. EFMD will be also responsible for the project controlling, in particular for the administrative and financial reporting, the time controlling, and the technical and coordination issues. EFMD will rely on its vast experience in project management and coordination to ensure the smooth running of the project.

The selection criteria for candidates and the course content will be defined by the implementing partners, in agreement with the EC Delegation in Havana. The transparent selection procedure with its strict admission rules will guarantee the quality of the applicants and that participants are selected solely on the basis of their qualities and potential. To ensure the quality of the project results, a set of criteria will be developed. Key indicators will be used such as:

- Number of participants enrolled
- Number of alumni involved in the consolidated Alumni network
- Number of professors trained
- Number of companies interested to cooperate, etc.

Additional monitoring measures will be developed for the progress of each activity (status, warnings, risks, etc.). If necessary, corrective measures will be taken to enhance the level of quality.

4.5. Evaluation and audit

A detailed work plan for the initial three-month phase will be prepared. This plan should have the prior agreement of all the parties involved and, in particular, the Cuban authorities, before being submitted to the European Commission for approval.

An initial report will be submitted to the Commission 18 months after the project's commencement, following completion of the activities planned for the first year.

A second report will be submitted 30 months after completion of the activities planned for the second year. In particular, this report will present the completed project and negotiations conducted with the Cuban authorities aimed at setting up the Cuba Europe International School of Management.

A third and final technical report, in addition to a financial report, will be submitted upon the project's completion.

The Programme will undergo three assessments. The first of these will be carried out immediately following the presentation of the first report by the project director and will refer to the first two lines of activities. The second assessment will be carried out after the presentation of the second report: it will refer to the three lines of activities and will deliver an opinion with regard to the third of these lines, in particular, the Cuba Europe International

School of Management project. The last general assessment will be carried out at the end of the project.

4.6. Communication and visibility

The project management will ensure full transparency in all actions undertaken related to the project. In particular, all necessary means will be provided to guarantee that the benefits of the programme reach the best candidates, without discrimination on the grounds of race, ethnicity, disability, religion and belief, age, gender or sexual orientation.

Through public relations and advertising initiatives carried out in collaboration with the Commission and the Cuban authorities, the project management will also ensure the necessary visibility of the Programme in order to publicise all the areas involved: academic, economic and business, European and Cuban, the European origins and the nature of the actions, their relevance and value.