

## Annex

of the Commission Decision on the individual measure in favour of Tanzania to be financed  
from the 11<sup>th</sup> European Development Fund

### Action Document for “11<sup>th</sup> EDF Support to the Office of the NAO”

#### 1 IDENTIFICATION

Title/Number	11 <sup>th</sup> EDF Support to the Office of the NAO CRIS No. TZ/FED/037-473		
Total cost	Total estimated cost: EUR 7 200 000 Total amount of EDF contribution: EUR 5 200 000 (A envelope) This action is co-financed in parallel by The United Republic of Tanzania for an amount of EUR 2 000 000		
Aid method / Method of implementation	Project approach Indirect management with the United Republic of Tanzania		
DAC-code	15110	Sector	Public sector policy and administrative management

#### 2 RATIONALE AND CONTEXT

##### 2.1 Summary of the Action and its Objectives

To support the Government in achieving its growth and poverty reduction objectives, the European Union (EU) has allocated EUR 626 million under the 11<sup>th</sup> European Development Fund (EDF) National Indicative Programme (NIP). The magnitude of the allocation confirms the EU as one of the most strategic development partners in Tanzania. Three focal sectors have been retained under the 11<sup>th</sup> EDF: (i) Good Governance and Development through General Budget Support and accompanying measures; (ii) Sustainable Agriculture and (iii) Energy.

The NIP also foresees as a Support Measure to these focal sectors, a specific envelope to support operations of the Office of the National Authorising Officer (ONAO). Indeed, a well-organised support function to the NAO has been developed over time in Tanzania, which has been traditionally supported through the EDF, with some government funding. Under the 11<sup>th</sup> EDF, the ONAO will continue to implement the EDF, yet more strategically and efficiently. It will start divesting part of its responsibilities to technical ministries, to ensure ownership and sustainability of programmes. The Government will, as foreseen, increase substantially its financial contribution to the Office. This improved EDF support to the NAO functions would therefore be fully consistent with the commitments made by the EU in the Paris Declaration and the Accra Agenda which led the European Commission to develop its new framework strategy for technical cooperation. This project will focus on improving the participation and coordination of all key stakeholders of cooperation, including state and non-state actors (NSAs).

##### 2.2 Context

###### 2.2.1 Country Context

###### 2.2.1.1 Economic and social situation and poverty analysis

Tanzania has managed to maintain the relative macroeconomic stability of the past decade. The economy has been growing at an average annual rate of 7% over the past decade and growth prospects remain strong. However, this economic growth has not yet translated into reduction of poverty as over 28% of the population continues to live under the national poverty line<sup>1</sup>, while the level of inequality is relatively high and

<sup>1</sup> Household Budget survey 2001,2007 and 2012

increasing<sup>2</sup>. Regarding the Millennium Development Goals (MDGs), the country should be in a position by 2015 to achieve goals of primary education, gender equality, reduction of infant mortality and fight against HIV and AIDS, malaria and others diseases. However, goals related to the eradication of extreme poverty and hunger, maternal health and access to safe drinking water and sanitation are likely not to be met.

### **2.2.1.2 National Development Policy**

The Government of the United Republic of Tanzania - in its pursuit to accelerate economic growth and reduction of poverty - is implementing National Strategies for Growth and Poverty Reduction (MKUKUTA for Tanzania Mainland and MKUZA for Zanzibar) as well as Five Year Development Plans (FYDPs). MKUKUTA/MKUZA strategies are centred on the MDGs and encompassed general governance reforms and crosscutting issues will continue to be used as guiding overall development strategies. The Strategies are more focused on poverty reduction whereas the FYDP focus on economic growth. In the short term the Government is implementing these policies through a results-oriented agenda focussing on a few areas where impacts are expected to be achieved quickly (the "Big Results Now" initiative). Going forward – after end of implementation of MKUKUTA and FYDP in 2016 - the Government intends to prepare one policy document which will focus on both poverty reduction and growth.

### **2.2.2 Sector Context: policies and challenges**

The Cotonou Partnership Agreement (Annex IV, Article 35) provides for appointment and the functions of the National Authorizing Officer (NAO) for the EDF (who, in the case of Tanzania, is the Permanent Secretary of the Ministry of Finance). The NAO represents the Government in all its operations financed by the EU. The EU provides support to run a unit assisting the NAO to implement projects funded by the European Commission (this unit is called the Office of the NAO - ONAO). The technical roles and responsibilities of NAOs and EU Delegations are stipulated in the Cotonou Agreement. Some provisions of the Agreement allot slightly more responsibility to partner countries e.g. in preparing financing proposals, evaluating tenders, authorising payments, and monitoring and evaluation. The Office is the interlinking unit between ministries and other entities that are implementing projects funded by the European Commission.

The 11<sup>th</sup> EDF Support to the ONAO aims at ensuring EU's aid effectiveness through timely programming and efficient implementation of projects and therefore contributes to growth and reduction of poverty as stipulated in the MKUKUTA/MKUZA, the Five Year Development Programme (FYDP) and accompanying the Big Results Now (BRN) Initiative. In the Paris Declaration, the Accra Agenda and Busan Partnership, the United Republic of Tanzania - as a developing country - has pledged to strengthen its systems and its development partners have committed to use those systems to the greatest extent possible.

Analysis of previous EU support to the NAO support units in various countries concluded that these units should be more rooted in the line ministries, i.e. that they should operate at more decentralized levels across the government in order to support more effective implementation of projects. The proposed action is therefore building on this analysis, and geared towards increasing the involvement of Line Ministries and other beneficiaries – including civil society and private sector - in programming and implementing programmes in order to ensure ownership and alignment of the EU support to the country's strategies and plans. This is also important for joint programming for greater development impact as well as joint monitoring of the cooperation's impact, in line with the objective of managing for results which is critical for the government's BRN Initiative and EU's Agenda for Change.

This project is fully consistent with the aid effectiveness commitments made by the EU and its new framework strategy for technical cooperation.

## **2.3 Lessons learnt**

Notwithstanding shortcomings and constraints of the current set-up of the support to the ONAO mentioned in a recent independent analysis report<sup>3</sup>, this set-up is considered as the most effective option – compared to set-ups in other countries that were reviewed - mainly with regard to implementation of the Project Cycle

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<sup>2</sup> Gini index estimated at 0,346 in 2000 and at 0,376 in 2007

<sup>3</sup> Advisory Services for Implementation of an Exit from EU Support to the NAO Function in Tanzania, September 2013 – Specific Contract 2013/313927

Management. One of the key conclusions in the report is that the present set-up has therefore to be maintained, albeit with specific operational improvements, in order to avoid any possible disruption to EU-Tanzania Cooperation in terms of EDF implementation. It also concludes that there should be a better balance of EU versus Government funding of the ONAO, for increased ownership and sustainability. The current action reflects the requirement for increased co-funding by the Government of Tanzania, notably with regards to staffing. The EU funding to the ONAO is proposed to be gradually reduced each year, so that the Government is better prepared to integrate all its functions by the end of the implementation period.

Another main finding is the need for more direct involvement of technical line Ministries, Departments and Agencies and other beneficiary entities to improve the quality of projects, their coherence with the country's policies, as well as the dialogue between the EU and the Government of Tanzania on these policies. One of the main objectives of the proposed action is therefore to delegate some of the functions so far essentially handled by the ONAO to the relevant Ministries, Departments and Agencies (ref. Result 2). This increase in ownership and capacity building would result in economies of scale that can benefit the government.

An additional important element of the Advisory Report<sup>4</sup> relates to the need to improve monitoring and evaluation systems for EU funded projects in Tanzania. The report calls for reinforcement of internal monitoring and evaluation tools and devices as well as communication and visibility of the projects. Therefore monitoring and evaluation will be given paramount priority under the proposed action (under Result 4).

With regards to the strategic positioning of the ONAO as recommended in the ECDPM (European Centre for Development Policy Management) Discussion Paper<sup>5</sup>, the Office is proposed to remain positioned at the Ministry of Finance under the Department which is in charge of management of external resource mobilization.

With regards to EU-funded regional programmes, the current action takes into account the recommendation for an increased role of the NAO in the implementation of such programmes, as highlighted in the Regional Indicative Programme (RIP) of the 11<sup>th</sup> EDF. The new provisions for regional cooperation make it possible for an NAO to assume the responsibility of Regional Authorizing Officer (RAO). Result 5 caters therefore for the participation of the ONAO in the management of regional projects.

## **2.4 Complementary actions**

Several complementary initiatives will ensure that this action is appropriately supported and that its results are fully leveraged and rendered sustainable: a) with regards to technical and policy dialogue, the ONAO can rely on the support of various existing Development Partners and Government secretariats (notably General Budget Support - GBS, Public Finance Management, but also others), for communication and organisation purposes; b) the various technical assistance support provided to Ministries, Departments and Agencies under other EDF programmes, notably in Transport, Energy, Agriculture, will help build the capacity of these Ministries, Departments and Agencies to achieve the mandate to be elaborated under Result 2 of this action; c) the accompanying measures foreseen under future general and sector budget support operations are also meant to reinforce key stakeholders in EU-funded cooperation, therefore reinforcing the objectives of this action; d) the 10<sup>th</sup> EDF Zanzibar Non-State Actors Support Programme (ZANSASP) will cater to increase the capacity of these important players in order to allow them to play an increasing role in EU-funded cooperation, as foreseen under result 3; e) the 10<sup>th</sup> and 11<sup>th</sup> Technical Cooperation Facilities will be used to support the ONAO and the Government of Tanzania more generally with diagnostic and feasibility studies, the identification, formulation and evaluation of projects, as well as capacity building measures when required.

## **2.5 Donor coordination**

The EU development cooperation support to Tanzania is embedded in a comprehensive donor coordination framework, which has been developed under the Joint Assistance Strategy for Tanzania (JAST). The JAST was, until end 2012, the central articulation of the aid effectiveness process. A new Development Cooperation Framework is in the making since early 2013 and is yet to be endorsed by the Government and Development Partners.

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<sup>4</sup> Advisory Services for Implementation of an Exit from EU Support to the NAO Function in Tanzania, September 2013 – Specific Contract 2013/313927

<sup>5</sup> Discussion paper No. 73 "Striking the right balance: the Future of NAOs in ACP-EU Cooperation

The programme will comply with Development Partners –Government of Tanzania agreements on aid effectiveness and value for money in terms of reduction in use of excessive allowances and no payments of top ups to civil servant in order to make technical cooperation more effective.

Through the budget support interim services foreseen during the period in which the EU assumes the chairmanship of budget support operations, the ONAO will be strengthened to be able to take a stronger coordinating role for EU and other Development Partners' budget support operations through a reinforced team dedicated to monitoring activities, policy assessment, coordination with Ministries, Departments and Agencies and other administrative tasks. This will also serve the implementation of the sector budget operations under the 10<sup>th</sup> EDF (Roads) and 11<sup>th</sup> EDF (Energy, to be confirmed).

### **3 DETAILED DESCRIPTION**

#### **3.1 Objectives**

The overall objective of the present project is to contribute to growth and poverty reduction in Tanzania (as outlined in the National Strategies for Growth and Poverty Reduction; the Five Year Development Plan; and the Big Results Now Initiative), through effective delivery of EU cooperation in line with the Paris Declaration, the Accra Agenda and the Busan Partnership.

The specific objective is to contribute to efficient and effective programming and implementation of EU funded projects and programmes through a greater integration of the NAO functions into the national system and involvement of Government Ministries, Departments and Agencies, in line with the Cotonou Partnership Agreement, EDF or other relevant procedures and the Tanzania Development Cooperation Framework (DCF).

#### **3.2 Expected results and main activities**

##### **Result 1: The role of the ONAO, including in Zanzibar, as coordinator of stakeholders for the programming and implementation of EU-funded cooperation, as well as for policy dialogue is enhanced**

Under the proposed project, activities of the ONAO will continue to focus on programming and implementation of EU funding. It will increasingly ensure a role of coordinator between the EU Delegation, the technical line Ministries, Departments and Agencies and Government representatives in general, as well as other beneficiaries in all matters related to EU-supported cooperation. It will ensure that relevant technical and policy dialogues, including gender and climate change, take place regularly and constructively. It will ensure proper visibility of the cooperation between the EU and the Government of Tanzania. The ONAO will ensure gender related issues, including women empowerment, are integrated in the on-going and future EU funded programmes and projects.

During the identification, formulation and implementation stages of EU programmes, the ONAO will ensure that national development objectives and policies are reflected in order to contribute into the country's development agenda. Also, in order to improve management of EU resources with the principle of value for money, the following will be ensured: effective utilization of Monitoring and Evaluation system; utilization of financial management and Human Resource manuals; and utilization of NAO's Management Information System.

Particular attention will be given to the implementation, monitoring and evaluation of EU's budget support operations as well as to other Development Partners' budget support programmes within the framework of the wider budget support group. The ONAO will be strengthened in its coordinating role with the Ministry of Finance, Ministries, Departments and Agencies, oversight bodies, Development Partners and NSAs, through the temporary placement of budget support interim services in the ONAO. These services should also ensure the expertise and provision of tools to the ONAO in order to allow the Development Partners-Government of Tanzania's Partnership Framework Memorandum for budget support to be implemented effectively and with the right visibility. Similarly, it will support the ONAO with data-collection, treatment of information, as well as reporting for budget support disbursement requests.

##### **Result 2: Capacities of Ministries, Departments and Agencies in relation to EU-funded cooperation are strengthened**

The ONAO intends to profile itself more as a helpdesk towards guiding the Ministries, Departments and Agencies to effectively become empowered interlocutors to the EU and be able to manage directly certain elements of the project cycle as well as be the lead for policy dialogue. To address the currently limited capacity in the Ministries, Departments and Agencies in this regard, a capacity building strategy is being prepared and will be finalised before the effective start of the proposed action. Notably, the Office will make sure that representatives of the Ministries, Departments and Agencies are actively involved in all evaluation committees, steering committees and at all other relevant stages of the project cycle management.

It is foreseen that a dedicated focal point in selected Ministries, Departments and Agencies cooperating with the EU (e.g. Agriculture, Transport, Energy) will be assigned to increase ownership. The action foresees organising introductory meetings and consistent follow up with the relevant Ministries, Departments and Agencies to explain all organisational and technical aspects of EDF project management to relevant decision-makers in these organisations. During implementation of the action, detailed mapping of activities will take place to establish those that can best be transferred to the line Ministries, Departments and Agencies in order to increasingly mainstream the management of EU-funded cooperation in the Government of Tanzania, and not restrict this to the ONAO. Memoranda of understanding between key Ministries, Departments and Agencies and the ONAO are envisaged to be developed to make the gradual division of labour effective.

### **Result 3: NSAs' involvement in policy dialogue is facilitated.**

As part of the coordination, implementation, monitoring and evaluation of EU-funded programmes, as well as for policy dialogue, including gender and climate change, the ONAO will facilitate the participation of NSAs where relevant. This should reinforce the demand side for accountability of these policies and programmes. It will also ensure complementarity between budget support actions or other actions supporting directly the government, and the projects implemented by NSAs directly. The interim budget support services should provide the ONAO with dedicated expertise to reinforce this cooperation with NSAs. Finally, the ONAO will support the EU Civil Society Roadmap for better engagement with NSAs.

### **Result 4: Results-oriented monitoring and reporting as well as Gender inclusive programming are strengthened.**

In order to ensure that EU-funded cooperation in Tanzania is in line and can contribute to the broader EU results framework in the making, it is foreseen that the ONAO focuses increasingly on results-oriented monitoring and reporting. One envisaged means is to develop results –based monitoring tools and prepare a joint monitoring framework, that systematically includes relevant gender and environment/climate change targets and indicators, for the EU Delegation and the Office and to ensure its systematic implementation.

Through dedicated expertise provided through the interim budget support services, the ONAO will ensure a key role in the identification of performance indicators for budget support Performance Assessment Frameworks (PAFs) as well as the setting-up of monitoring and evaluations mechanisms for public policies, in close coordination with Ministries, Departments and Agencies and Development Partners.

### **Result 5: Participation of the ONAO in the management of EU funded regional projects is increased.**

As stipulated in the EU's 11<sup>th</sup> EDF RIP Guidelines, NAOs will act, if necessary, as Regional Authorising Officers (RAOs) in the implementation of some regional projects linked with a regional strategy and inform the Regional Steering Committee on the implementation of the regional integration commitments at national level and the projects for which they are RAOs.

## **3.3 Risks<sup>6</sup> and assumptions<sup>7</sup>**

**Risks:** The high staff turn-over in government ministries and agencies may bring challenges in implementing EU funded projects, as there would be a need to regularly having to train new staff on the very specific EU rules and procedures. To address this issue, regular discussions will be organised with key Ministries and

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<sup>6</sup> Risk is the probability that an event or action may adversely affect the achievement of a project objectives or activities. Risks are composed of factors internal and external to the project.

<sup>7</sup> Assumptions are external factors that have the potential to influence (or even determine) the success of a project but lie outside the control of the project managers.

agencies with regards to retaining key staff or taking necessary measures to avoid interruptions of implementation process. This should notably include assurance of regular payment of salaries and other compensations to civil servants seconded to the ONAO, so that they are able to work under the same conditions as the contracted staff.

Programming and management of the projects/programmes require a specialised knowledge of EU/EDF procedures, which require a considerable time to acquire. The main foreseen challenge is limited capacities in line ministries that will implement significant EU funded projects/programmes for the first time. To address this, the project will facilitate regular training/coaching and support to the implementing entities.

**Key assumptions:** conditions to be met prior and during implementation comprise government's commitment to maintain political and economic stability; progress on the fight against corruption and underlying principles as laid out in the Cotonou Agreement. During the formulation and throughout the implementation of the project activities strong emphasis will be given to value for money and cost-effective resources mobilisation.

The required re-focussing on core responsibilities and quality improvements assumes that the project will be appropriately staffed, both in terms of quantity, competency and skills mix. It further assumes that the Government would be able to second staff with required skills to the ONAO as part of implementation of the Exit Strategy as well as to timely disburse funds to finance operations of the Office.

In addition, as stipulated in the EU's 11<sup>th</sup> EDF RIP Guidelines, increased involvement of NAO in formulation and implementation of EU funded regional projects is foreseen. Therefore closer internal cooperation and communication between NAO and regional bodies is foreseen.

So far the ONAO is mostly occupied with the administrative, procedural tasks and regulations to implement EU funded programmes. This has constrained the Office from actively performing more strategic functions such as planning, programming, and monitoring; preparation of payment dossiers as well as provision of requisite coordination, methodological and procedural support to line ministries and other beneficiaries. To address the above challenges, the proposed action is intended to improve interface between the Office, the EU Delegation and line ministries as well as other beneficiaries of EU resources.

**Sustainability:** Three main elements that will contribute to long-term benefits of the ONAO support programme, thus contributing to the sustainability of the efforts are: (i) increased capacity to manage as well as increased interface of Ministries, Departments and Agencies in management of EU funded projects, (ii) improved governance through aid management systems and tools, and (iii) foreseen significant increase of government contribution to finance activities of the Office. The government has committed to significantly increase its contribution to the ONAO, in addition to the previously supported office space and utilities. This gradual increased co-funding by the Government of Tanzania is further reflected in the Exit Strategy Plan. Under this plan, the Government notably commits, before the end of the implementation period, to fully finance all support staff of the ONAO, as well as key operational positions

With regards to support to the Alternate NAO Office in Zanzibar, the Support Office will profile itself more as a helpdesk towards guiding it to manage effectively the implementation of programmes under its responsibilities and to be involved more actively at all stages of the project cycle management. This need of strengthening is even more accurate on account of the increase of EDF funds earmarked to Zanzibar.

### 3.4 Cross-cutting issues

The project aims at intervening in all cross-cutting areas included in the NIP and the RIP; more specifically gender equality, women empowerment, as well as environment and climate change. In terms of gender, the ONAO is involved in the development of a gender road map for the cooperation between the EU and the Government of Tanzania. The ONAO's gender focal point works in close cooperation with the EU Delegation's gender focal point and with the Ministry of Community Development, Gender and Children on further cooperation in terms of issues such as gender sensitive budgeting, strengthening and monitoring of gender sensitive PAF indicators for GBS, etc.

### 3.5 Stakeholders

Ministries, Departments and Agencies – particularly those implementing EU funded programmes - are key stakeholders of the action, and they will be involved in the identification, formulation and implementation of the programmes. They will benefit from implementation of capacity building plans intended for increasing their capacity to manage the programmes under their jurisdictions.

In light of the EU's chairmanship (April 2015) of the budget support group, the ONAO's capacity will be momentarily enhanced for its increased coordinating role with development partners and NSAs in the policy dialogue as well as budget support programmes monitoring. This will strengthen the content and effectiveness of policy dialogue among stakeholders and will particularly contribute to enhance the demand side of the accountability in policy dialogue and policy implementation and further involvement of the NSAs as service providers within the wider framework.

## 4 IMPLEMENTATION ISSUES

### 4.1 Financing Agreement

In order to implement this action, it is foreseen to conclude a financing agreement with the partner country referred to in Article 17 of Annex IV to the Cotonou Agreement.

### 4.2 Indicative operational implementation period

The indicative operational implementation period of this action, during which the activities described in sections 3.2. and 4.3. will be carried out, is 60 months from the date of entry into force of the financing agreement or, where none is concluded, from the adoption of this Action Document, subject to modifications to be agreed by the responsible authorising officer in the relevant agreements. The relevant Committee shall be informed of the extension of the operational implementation period within one month of that extension being granted.

### 4.3 Implementation components and modules

#### *Indirect management with the partner country*

This action may be implemented in indirect management with the United Republic of Tanzania, in accordance with Article 58(1)(c)(i) of the Regulation (EU, Euratom) No 966/2012 by virtue of Article 17 of Regulation (EU) N° 323/2015 according to the following modalities: the partner country will act as the contracting authority for the procurement and grant procedures.

The Commission will control ex ante all the procurement procedures except in cases where programme estimates are applied, under which the Commission applies ex ante control for procurement contracts above EUR 50,000 and may apply ex post control for procurement contracts up to EUR 50,000. The Commission will control ex ante the contracting procedures for all grant contracts.

Payments are executed by the Commission except in cases where programmes estimates are applied, under which payments are executed by the partner country for ordinary operating costs and direct labour, and contracts up to the ceilings indicated in the table below.

<b>Works</b>	<b>Supplies</b>	<b>Services</b>	<b>Grants</b>
< 300 000 EUR	< 300 000 EUR	< 300 000 EUR	≤ 100 000 EUR

The financial contribution partially covers, for an indicative amount of EUR 2.96 million, the ordinary operating costs incurred under the programme estimates.

In accordance with Article 262(3) of Delegated Regulation (EU) No 1268/2012 by virtue of Article 36 of Regulation (EU) N° 323/2015, the partner country shall apply procurement rules of Chapter 3 of Title IV of Part Two of Regulation (EU, Euratom) No 966/2012. These rules, as well as rules on grant procedures in

accordance with Article 193 of Regulation (EU, Euratom) No 966/2012 by virtue of Article 17 of Regulation (EU) N° 323/2015, will be laid down in the financing agreement concluded with the partner country.

The "budget support interim services" will be provided by experts reporting to the Head of Programmes of the ONAO and the Head of Delegation. This arrangement is foreseen to support the ONAO in the delivery of the results outlined above. The required support is very specific to the type of services the ONAO will have to provide during the period when the EU Delegation assumes the chairmanship of the budget support group. It is therefore justified to have it in place for a temporary period, and to have it respond to ad-hoc terms of references.

The experts will be contracted under a service contract. The call for tender will be launched prior to the adoption of the Commission Decision. The experts should be available at the earliest stages of the operational implementation period. In case the tender is unsuccessful, this activity will be implemented through programme estimates.

#### 4.4 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act shall apply.

#### 4.5 Indicative budget

Module	Amount in EUR thousands	Government contribution in EUR thousands
<b>4.3. Indirect management with the United Republic of Tanzania</b>	<b>4 900</b>	<b>2 000</b>
<i>a) NAO operations (Programme estimates)</i>	<i>3 500</i>	<i>2 000</i>
<i>b) Budget Support Interim Services (specific programme estimates and/or service contracts)</i>	<i>1 200</i>	
<i>c) 4.8 Communication and Visibility (Programme estimates and/or service contracts)</i>	<i>200</i>	
<b>4.7. Evaluation and audit</b>	<b>200</b>	
<b>Contingencies</b>	<b>100</b>	
<b>Totals</b>	<b>5 200</b>	<b>2 000</b>

#### 4.6 Performance monitoring

Day-to-day technical and financial monitoring will be a continuous process as part of the beneficiary responsibilities. The ONAO shall continue to use the internal, technical and financial, monitoring system to the project, which will be used to elaborate the progress reports. Key indicators at purpose level are 1) total EDF Disbursements, with average annual disbursements being on target as per the planning; 2) Programmes and projects are prepared and implemented according to the time frame included in the NIP; and 3) purpose of the projects and programmes in the NIP are achieved. During implementation of the project, a result oriented monitoring tool will be developed in collaboration with the EU Delegation and monitoring activities will be carried out on regular basis.

#### 4.7 Evaluation and audit

The Commission may carry out external evaluations via independent consultants, as follows: a final evaluation, at the beginning of the closing phase, i.e. one contract in the first quarter of the 6<sup>th</sup> year (quarter 21), and possibly one ex-post evaluation.

The Commission shall inform the Beneficiary at least 3 months in advance of the dates foreseen for the external missions. The Beneficiary shall collaborate efficiently and effectively with the monitoring and/or evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

A provision for audit of the project is included in the budget of this project. The Commission can use this provision to organise an independent audit under this Decision. Audit and evaluation contracts will be contracted by way of framework contracts concluded by the Commission acting for and on behalf of the ACP State or States concerned. Five audit contracts are foreseen, each in the first quarter following 12 months of implementation, i.e. respectively in quarters 5, 9, 13, 17 and 21.

#### **4.8 Communication and visibility**

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated before the start of implementation and supported with the budget indicated in section 4.5 above. A special focus will be given to the visibility and communication activities related to budget support programmes.

The measures shall be implemented either (a) by the Commission, and/or (b) by the partner country, contractors, grant beneficiaries and entrusted entities. Appropriate contractual obligations shall be included in, respectively, financing agreements, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

Communication and visibility measures will be financed within the operations included under the Programme Estimates