EN

ANNEX 2

of the Commission Decision on the Technical Cooperation Facility and Support to the National Authorising Officer

Action Document for Technical Cooperation Facility and Support to the National Authorising Officer

<table>
<thead>
<tr>
<th>1. Title/basic act/CRIS number</th>
<th>Technical Cooperation Facility and Support Services to the National Authorising Officer CRIS number: 2016/039633 financed under European Development Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Zone benefiting from the action/location</td>
<td>Guyana, Caribbean. The action shall be carried out at the following location: Guyana</td>
</tr>
<tr>
<td>4. Sector of concentration/thematic area</td>
<td>Various Sectors</td>
</tr>
<tr>
<td>5. Amounts concerned</td>
<td>Total estimated cost: EUR 4 000 000. Total amount of the European Development Fund contribution EUR 4 000 000.</td>
</tr>
<tr>
<td>6. Aid modality(ies) and implementation modality(ies)</td>
<td>Project Modality: − Direct Management (service/supplies procurement, (annual operating grants)) − Indirect Management with Ministry of Finance, Guyana programme estimate</td>
</tr>
<tr>
<td>7 a) DAC code(s)</td>
<td>15110 - Public sector policy and administrative management</td>
</tr>
<tr>
<td>b) Main Delivery Channel</td>
<td>EU – 42003</td>
</tr>
<tr>
<td>8. Markers (from CRIS DAC form)</td>
<td>General policy objective</td>
</tr>
<tr>
<td>Participation development/good governance</td>
<td></td>
</tr>
<tr>
<td>Aid to environment</td>
<td>x</td>
</tr>
<tr>
<td>Gender equality (including Women In Development)</td>
<td></td>
</tr>
<tr>
<td>Trade Development</td>
<td>x</td>
</tr>
<tr>
<td>Reproductive, Maternal, New born and child health</td>
<td>x</td>
</tr>
<tr>
<td>RIO Convention markers</td>
<td>Not targeted</td>
</tr>
<tr>
<td>Biological diversity</td>
<td>x</td>
</tr>
</tbody>
</table>

[1]
SUMMARY

The overall objective of the Technical Cooperation Facility and Support Services to National Authorising Officer (NAO) programme is to ensure the efficient and effective utilisation of EU development assistance in support of the implementation of Guyana's development strategies and policies. The current and future portfolio of the NAO features a number of EU-funded support programmes that are key to the country's development, namely the ongoing Sea Defence and Sugar programmes, the future 11th European Development Fund (EDF) Integrated Coastal Zone Management (ICZM) programme, ongoing Caribbean Investment Facility (CIF) blending programmes as well as anticipated participation in Regional Programmes.

This action will support the operations of, and improve the institutional capacity within the NAO Task Force for the efficient planning, implementation and monitoring of development projects and programmes financed by the EU. It will also improve awareness among key actors in the country of general development and of EU policies in these areas. An indicative amount of maximum EUR 350,000 is foreseen for support to the National Authorising Officer.

Another important component is the Technical Cooperation Facility (TCF) for the provision of technical assistance to the focal sector and other areas of common interest. The TCF will be used to provide short- and long-term technical assistance, policy advice and studies as needed in the programming, preparation or implementation of actions, as well as for audits and evaluation if not covered under the respective Financing Agreements (FAs). It will also be used to support the country's public financial management (PFM) reform agenda. An indicative amount of maximum EUR 3,050,000 is foreseen for the TCF.

Communication and visibility of EU policies and programmes will be enhanced through activities to ensure a stronger, more coherent promotion of the EU and its cooperation. An indicative amount of maximum EUR 600,000 is foreseen for Strategic Communications.

1 CONTEXT

1.1 Country context

Guyana is a consolidating democracy with a multi-ethnic, multi-religious population and a unique, inclusive governance model. This inclusive governance model has been enshrined in Guyana's revised 2003 constitution and supported by parliamentary and legislative reforms. In the Poverty Reduction Strategy Paper (PRSP), the Government recognised that in order to generate sustained growth, priority needed to be placed on removing bureaucratic bottlenecks and improving Public Sector Management.
Guyana, as a middle income country, continues to depend heavily on its agriculture and natural resources sectors. In 2015, the Ministry of Finance reported that the agriculture, forestry, fishing and mining industries accounted for 28% of total gross domestic product (GDP), and bauxite, sugar, rice, gold and timber made up 83% of exports.

The Guyana economy over the past eight years recorded an average growth of 4.7% with 3.8% in 2014, 3% in 2015 and a projected 4% in 2016. Continued increase in gold production is expected to support the 4% growth projected for 2016. Inflation will remain low and is expected at 1%. The current account deficit reduced from 10.8 percent of GDP in 2014 to 4.6% in 2015 while gross international reserves stood at 3.6 months of imports at end of fiscal year 2015. Guyana according to the International Monetary Fund (IMF) projects a general positive macroeconomic outlook for 2016.

The IMF in reporting on its 2016 visit to Guyana has concluded that Guyana continues to maintain macroeconomic stability. The IMF has urged the Government to contain current expenditure so as to allow for space for public investment and debt sustainability by refraining from non-concessional external borrowing, which opens opportunities for the EU CIF (Caribbean Investment Facility).

Already in 2011 Guyana had already met its targets for nutrition and child health and had been on track to achieve the millennium development goal targets set for education, water, sanitation, and HIV/AIDS. Moreover, according to the UN 2015, the country had maintained steady progress towards the Millennium Development Goals over the years. Furthermore, according to the UNDP, Guyana has made very good progress towards promoting gender equality and the empowerment of women. The country had met the target of eliminating gender disparity in primary and secondary education, and even now strives towards parity at the tertiary level. Employment of women is targeted for improvement and female political representation in Parliament has substantially increased. In its Human Development Report 2015, the UNDP reported that Guyana had a gender inequality index (GII) of 0.515, ranking it at 114 of 155 countries.

Considerable progress has been made in building domestic capability in the governance infrastructure and several sectors of the economy. To fully realise Guyana’s development potential there needs to be continued investment in a second generation set of governance reforms and infrastructural development to build more trust and confidence in the system and higher-value investment. These reforms and investments include modernising the public sector, improving citizen’s security, improving the justice administration system, and deepening inclusivity in political governance.

### Public Policy Assessment and EU Policy Framework

The Government of Guyana (GoG) has developed complementary strategy documents. The poverty reduction agenda for 2011-2015 is rooted in the Government's vision of the medium-term that focuses on (i) high value employment creation; (ii) improved standards of living; (iii) dramatic reduction in poverty; (iv) the rule of law and public safety; (v) protection of individual constitutional rights; and (vi) investment in human resource development. The path to attaining this vision is dealt with in several interlocking strategies that include the Poverty Reduction Strategy Paper 2011-2015, the National Competitiveness Strategy; Education

Guyana fulfils many of the defining features of a functioning democracy. It has free and fair elections and a functioning Parliament, separation of powers, and a justice system. Fundamental freedoms are generally respected. However, the institutions and processes that are required for the effective functioning of a democratic society continue to face important challenges. The capacity of stakeholders in national governance institutions including but not limited to participatory parliamentary approaches and functions, institutional capacity of the Rights Commissions and the Guyana Elections Commission's (GECOM) capacity to develop and implement strategies to improve voter confidence have been identified for further strengthening in the United Nations Development Assistance Framework (UNDAF), 2012-2016 for Guyana.

Given the positive macroeconomic outlook for the medium term, Guyana has accepted the need to maintain adequate levels of public capital investment to promote growth and reduce its risk of debt distress. The implementation of vital infrastructure projects is crucial to sustained growth in the following years.

Additionally, the Country Strategy Paper (CSP) 2008-2013 foresaw support for advancing Governance, providing technical assistance to the Government of Guyana, local authorities, non-state actors and other stakeholder groups involved in promoting and advancing good governance.

1.1.2 Stakeholder analysis

The direct beneficiaries of this programme will be the NAO Task Force established within the Ministry of Finance. The main stakeholder is the Government of Guyana. The target groups are the NAO and his office, line ministries and respective Agencies, Governance Unit of the Office of the President, the National Assembly, project/programme executing units/agencies and other African, Caribbean and Pacific (ACP) officials involved in the execution of the EDF projects and budget support intervention, private sector organisations and non-state actors in the country. The primary role of the main stakeholders is to mutually cooperate to ensure that the target groups are strengthened in their institutional, organisational, planning, management and monitoring capacity such that they operate sustainable and efficiently, thus contributing effectively to sustainable growth and poverty reduction.

1.1.3 Priority areas for support/problem analysis

The development of programmes to support Guyana's development is often hampered by the limited capacity within line ministries to identify and prepare assistance programme in line with EU requirements. Similarly, policy development is at times constrained by insufficient capacity within the concerned national authorities. Thus, the provision of high level technical support to adequately formulate and design the EDF development programmes and to support the implementation and management of the overall EU assistance, are essential requirements to make technical cooperation more effective, and ultimately contribute to achieve the national development goals of Guyana.
In support of the development policy, the EU has a number of programmes that are ongoing or will be coming on-stream in Guyana. To ensure their successful implementation, the NAO Task Force, within the Ministry of Finance, is tasked with the programming, planning, implementation, and day-to-day supervision and monitoring of these projects. The TCF will provide technical support as needed.

Support to NAO Task Force and Strengthened operational capacity of the NAO Task Force: This programme aims to provide support for the institutional functioning and capacity strengthening of the NAO Task Force to execute the main stages of the project cycle and ensure the effective implementation of the National Indicative Programme (NIP) and other EU funded programmes in favour of the country’s development strategy. The NAO Task Force will require the appropriate capacity to adequately and timely fulfil all conventional EU administrative tasks and procedures established to draft, implement, monitor, audit and evaluate EU development cooperation programmes. The programme will also provide for general short-term training activities/educational actions/seminar participation for staff of the NAO Task Force on topics related to the priorities of the African, Caribbean and Pacific – European Union (ACP-EU) partnership agreement, and EU administrative/financial procedures as foreseen in the Financing Agreement.

Recently staff of the NAO Task Force has been engaged in the implementation of the 10th EDF Sea Defence Budget Support, the Accompanying Measures for Sugar Budget Support, and two Caribbean Investment Facility blending projects in the energy and water sectors. This is in addition to the long history the Office has in implementing EU projects via the 'Project Approach' under previous EDFs. Further programmes are anticipated under the Regional Programme as well as the Global Climate Change Alliance (GCCA).

Given the above, the continued engagement of key staff and capacity strengthening is absolutely necessary to allow for the accomplishment of the Office’s mandate to foster the development of Guyana. As such, these key positions include those required for the essential duties of Indicative Programming/Project Identification/Formulation, Project Management, Engineering, Accounting, Contract Management and Procurement Planning, Sector Budget Support and general administration and office support. These duties are critical to the successful implementation of the office’s portfolio of current and future projects, thereby fulfilling the Office's role to bring maximum benefits to stakeholders through the use of EU resources.

The NAO Task Force is the main interlocutor for the EU Delegation (EUD) for the implementation of the EDF programmes and maintains oversight of the related activities of several implementing government agencies. These include the Works Services Group that implements the Sea Defence Programme, and Guyana Water Inc. (GWI) and Guyana Power and Light (GPL) who implement the CIF water and energy programmes. The NAO has been unable to compete with the numeration packages paid by these and other implementing agencies and hence has experienced difficulty in recruiting and retaining staff. While the basic salaries of the staff of the NAO will continue to be funded by the Ministry, performance based salary top-ups for technical staff will be funded by the NAO component of this Programme, as well as upgrading of office support facilities. Additionally, NAO staff will be encouraged to undertake relevant part time academic and/or professional qualifications that would enhance their careers.
**Technical Cooperation Facility:** By facilitating short- and long-term TA and studies, on an *ad hoc* basis, the TCF will be a flexible instrument that will strengthen capacities in the relevant Government ministries, while also responding quickly to technical needs as they arise during project implementation. It is expected that the TCF will be used to address capacity issues in economic, social and environmental dimensions of national development, particularly those that relate to the EU focal areas of disaster risk management, agriculture, water and energy sectors. TCF funds will also be used for studies and reform activities in procurement and other PFM areas. Specific gender equality measures will address awareness issues and complement activities under the new 11th EDF ICZM programme that focus on promoting girls and women to study science, engineering and technology.

Another important component is the engagement of short to medium-term consultants to assist in the main stages of the project cycle to ensure the effective implementation of the National Indicative Programmes (NIP) and other EU funded programmes in favour of the country's development strategy, and in keeping with the objectives of the ACP-EU Partnership Agreement.

With the recent findings of oil in Guyana, and plans to commence extraction in 2020, oil is likely to become the country's largest revenue earner and most significant contributor to GDP in the longer term. The TCF will be used to assist the country in developing appropriate strategies and policies for the oil and gas sector, such as studies for the set-up and operation of the Sovereign Wealth Fund as well as initiatives in support of the Extractive Industries Transparency Initiative (EITI). Such measures will be aimed at supporting macro-economic stability, stronger public finance management and transparency as well as safeguarding the environment. The management of natural resources, promoting renewable energy and a green economy will also be prioritised.

This programme will implement visibility and awareness projects that promote EU-funded programmes, both national and regional, as well as promote EU policy and EU cooperation with Guyana at large.

The programme will fund technical and financial audits and evaluations of other programmes/projects whenever these cannot be financed from the programme/project or where it is convenient or efficient to combine a number of audits/evaluations of related interventions.
## Risks and Assumptions

<table>
<thead>
<tr>
<th>Risks</th>
<th>Risk level (H/M/L)</th>
<th>Mitigating measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Availability and affordability of qualified consultants in the area of expertise required that may delay implementation.</td>
<td>Low</td>
<td>Allocate enough time to organise procurement and recruit of high quality technical assistance.</td>
</tr>
<tr>
<td>Technical assistance is not properly defined and implemented, thus not meeting the real needs of the beneficiaries.</td>
<td>Medium</td>
<td>Allocate enough time to develop technical cooperation TORs with relevant stakeholders and establish performance monitoring mechanisms to ensure adherence to TORs.</td>
</tr>
<tr>
<td>Lack of commitment and ownership from the country may lead to limited and inadequate support to the action.</td>
<td>Medium</td>
<td>Ensure diligent stakeholders consultation and involvement during both the preparation and implementation period.</td>
</tr>
<tr>
<td>Results of capacity development and policy assessments are not incorporated in the design and work plan of the action.</td>
<td>Medium</td>
<td>Ensure results from the action are properly disseminated and understood by relevant partners, so they form the basis for future sectorial actions.</td>
</tr>
<tr>
<td>High staff turn-over negating the impact of capacity building trainings/seminars on relevant staff.</td>
<td>Medium - High</td>
<td>Give attention to staff welfare and professional development issues. The Government will explore non-financial incentives to encourage staff retention and commitment to the action.</td>
</tr>
</tbody>
</table>

### Assumptions

1. Guyana will remain politically and economically stable.
2. Needs are assessed in partnership with the relevant authorities and realistically reflect the national context and its needs.
3. Technical expertise of sufficiently high-quality can be engaged to provide the necessary assistance.
4. Capacity development actions are targeted to relevant staff and they can apply the knowledge acquired.
5. The content of trainings is relevant to the audiences targeted and their needs.
3 LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING

3.1 Lessons learnt

The NAO Task Force has successfully played a very important role as interlocutor between the Government of Guyana and the European Union, particularly the EU Delegation and CARICOM/CARIFORUM. Lessons from the ongoing EU funded programmes indicate the need to continue to foster coordination, information sharing and participation among different stakeholders. In accordance with the European Consensus for Development and the objectives of the Paris Declaration on Aid Effectiveness and the Backbone Strategy on Technical Cooperation and Project Implementing Units, it is a priority to reinforce and coordinate technical cooperation activities with donors and stakeholders.

The principle lesson learnt regarding the TCF is that it needs to be a flexible instrument. Support for the NAO, capacity building and training, is important, but so is the ability to support, expand, fine tune and add value to the main policy instruments relevant to the EU programme in the country. As project implementation unfolds, oftentimes complementary needs arise for specific evaluation, studies, events, trainings and other capacity-building activities. If this flexibility can even go outside, but always relevant to, the main lines of intervention, it becomes even more useful. By providing opportunities for capacity building and specialised assistance to targeted agencies, the TCF also contributes to sustainability.

Implementation of other projects has also demonstrated the need for closer alignment of all projects with government development policies. This suggests the need for an approach which engenders coherence between donor interventions guided by objectives which are driven by reform priorities identified at the sector level.

3.2 Complementarity, synergy and donor coordination

As mentioned above, the current and future portfolio of the Government of Guyana with funding from the European Union (EU) includes the following key development programmes:

- Accompanying Measures for Sugar Budget Support programme.
- 10th EDF - Sea Defence Budget Support programme.
- 10th EDF – CIF Water Supply & Sanitation Infrastructure Improvement Programme.
- 10th EDF – CIF Power Utility Upgrade Programme.
- 11th EDF - Integrated Coastal Zone Management Programme.

The Office of the NAO will also be involved in the project cycle management of the 11th EDF Caribbean Regional Indicative Programme, which will focus on Regional Economic Cooperation and Integration; Climate Change, Environment, Disaster Management and Sustainable Energy; and Crime and Security.

By enhancing the capacity of the NAO and providing technical support as needed, this action will support the implementation of these programmes. This action therefore also complements the activities of other donors/agencies that are aiding in the rebuilding efforts and assisting in the development of Guyana.
Government led donor coordination is at the sector level, where coordination is carried out by line ministries through government/donor groups. Wider government led coordination would facilitate enhanced and streamlined cooperation assistance. As the donor community is relatively small in Guyana, exchange of information is good, allowing coordination and avoidance of overlaps in activities. The major multilateral donors in Guyana are the EU, Inter-American Development Bank (IDB), World Bank (WB) and the Caribbean Development bank (CDB). In a recent positive development, the European Investment Bank (EIB) is currently assessing Guyana for potential cooperation. The major member state donor is the UK. The EU Delegation (EUD) has regular meeting with its UK counterparts. The EUD participates in regular donor coordination group meetings.

3.3 Cross-cutting issues

Cross-cutting issues were identified as poverty reduction, climate change, good governance, gender, environment, and health. Activities funded by this TCF will include matters concerning environmental sustainability, gender equality, good governance and human rights as appropriate. Where relevant, studies will assess the social and environmental impacts of future development programmes. In particular, climate change, disaster risk reduction and resilience issues will be taken into account. The activities contribute to sustainable development, by making meaningful contributions to capacity building at various levels in the private and public sector, which assists the government in meeting its social development and poverty reduction goals.

In 2016, the Government of Guyana committed itself to actively work towards ensuring gender equality and started work on the country's gender policy. The formulation of all future EU funded programmes will include measures to support gender equality in line with EU Gender Action Plan 2016-2020. An EU-funded sector gender analysis will inform on the most appropriate measures to be addressed in the EU focal areas of sea defences, agriculture, water and energy. Gender equality issues will be incorporated in assistance projects and specific projects will address awareness issues.

4 DESCRIPTION OF THE ACTION

4.1 Expected results and main activities

The overall objective is to ensure the efficient and effective utilisation of EU development assistance in support of the implementation of Guyana's development strategies and policies.

The specific objectives are to:

1. Strengthen the implementation and management capacities of the National Authorising Office (NAO), line ministries and relevant state and non-state institutions involved in the EU-Guyana cooperation (Results 1 and 2).
2. Identify, formulate and prepare future programmes to be financed under the EDF and other EU-funded programmes (Results 3).
3. Develop policies, documents and guidelines in support of national development issues related to EU cooperation (Result 3).
4. Increase the visibility of Guyana-EU cooperation (Result 4).
This programme is relevant for the Agenda 2030 and will focus on achieving the following expected results:

4.1.1 Result 1: Support to the NAO Task Force Provided

This will be achieved by providing the NAO a programme estimate. Activities will include the provision of policy advice and expertise of technical consultants as well as short-term training activities/educational actions/seminar participation for staff of the NAO Task Force on topics related to the priorities of the ACP-EU partnership agreement, and EU administrative/financial procedures as foreseen in the Financing Agreement. Additionally, NAO Task Force staff will be encouraged to undertake relevant part-time academic and/or professional qualifications that would enhance their careers.

The main activities would include:

- Technical assistance (long and short-term experts per the operational needs);
- Capacity development and expert advice: organising and/participating in workshops, seminars, etc. on the main issues regarding development cooperation, EU policies and strategies, planning, monitoring and evaluation, effective management and implementation (which may include capacity development for monitoring and implementing EPA);
- and effective partner coordination; Studies and workshops to support implementation of public reforms.
- Registration and tuition fees for staff undertaking relevant part-time academic and/or professional qualifications.

4.1.2 Result 2: Strengthened operational capacity of the NAO Task Force

This will be achieved by providing the NAO an operating grant to be used to contribute to the "running costs" of the NAO Task Force.

The support would amongst others be used to contribute to:

- performance based salary "top ups", limited to 25% of basic salaries, for NAO Task Force technical staff.
- office equipment including IT for the NAO Task Force;
- other activities as approved in the work programme drawn up for the purposes of the grant.

4.1.3 Result 3: Enhanced policy dialogue in the focal sectors of EU assistance, audits and evaluations

This will be achieved through the provision of policy advice and expertise of technical consultants and will be implemented through direct management. The main activities would include:
• Complementary technical assistance for the line ministries;
• Studies and pilot projects to address the needs of current and future focal sectors, for example energy, water, sea defences and/or the sugar sector;
• Technical expertise to design and facilitate capacity development activities, including in the area of public finance management (PFM);
• Support for identification and implementation of ongoing and future EU funded programmes;
• Projects addressing gender equality specific awareness measures.
• Feasibility studies and legal support;
• Audits and evaluations of projects that do not have funds earmarked for such activities.

4.1.4 Result 4: Improved strategic communication on EU development policy priorities

This result will be achieved by improving the communication on the EU policies and programmes and contribution to the country's development and will be implemented through direct management. The Communication and Visibility Strategy will encompass all the relevant activities to ensure a stronger, more coherent promotion of the EU and its cooperation.

The main activities would include:

• Conduct communications audit and develop a comprehensive communication strategy and implementation plan;
• Visibility events around key issues of EU policies (including EPA) directed to major stakeholders;
• Targeted communication around key issues including media and opinion leaders.

4.2 Intervention logic

The programme will support the NAO Office and strengthen their capacities through trainings, upgrading their offices and offering performance based incentives. This is expected to strengthen their implementation and management capacities with a view to improving the effective implementation of EU-funded programmes. It is expected that the intervention will lead to increased efficiency of the NAO Task Force Office.

Technical assistance will be provided to beneficiaries in developing policies and conducting studies in relevant focal areas. This will ensure that quality policies, documents and guidelines are prepared in support of national development issues related to EU cooperation and enhance coherence between national polices and the EU's Agenda for Change.

Strategic communication on EU development policy priorities will be improved through the engagement of specialised service contractors that will promote visibility activities for all the relevant sectors. This will increase the visibility of Guyana-EU cooperation and raise the profile of the EU as the major grant donor in Guyana.
The above measures will ensure the efficient and effective utilisation of EU development assistance in support of the implementation of Guyana's development strategies and policies.

5 IMPLEMENTATION

5.1 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 ACP-EU Partnership Agreement.

5.2 Indicative implementation period

The indicative operational implementation period of this action, during which the activities described in section 4.1 will be carried out and the corresponding contracts and agreements implemented, is forty-eight months (48) months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission’s authorising officer responsible by amending this decision and the relevant contracts and agreements; such amendments to this decision constitute non-substantial amendment in the sense of Article 9(4) of Regulation (EU) No 2015/322.

5.3 Implementation modalities

5.3.1 Grant: direct award "Strengthened operational capacity of the NAO Task Force" (direct management)

Result 2 - Direct management (Operating Grant)

(a) Objectives of the grant, fields of intervention, priorities of the year and expected results
The objective is to strengthen the implementation and management capacities of the National Authorising Office (NAO). The grant will facilitate the payment of performance based salary "top ups" and upgrading of the NAO office equipment and support facilities. Annual operating grants will be put in place that will be linked to yearly performance targets. No ordinary operating costs will be covered as already covered by the programme estimate.

(b) Justification of a direct grant
Under the responsibility of the Commission’s authorising officer responsible, the grant may be awarded without a call for proposals to the Ministry of Finance.

Under the responsibility of the Commission’s authorising officer responsible, the recourse to an award of a grant without a call for proposals is justified because the Ministry of Finance is the beneficiary ministry under which the NAO Task Force functions.

(d) Essential selection and award criteria
The essential selection criteria are the financial and operational capacity of the applicant.

The essential award criteria are relevance of the proposed action to the objectives of the call; design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.
(e) Maximum rate of co-financing

The maximum possible rate of co-financing for this grant is 100%.

In accordance with Articles 192 of Regulation (EU, Euratom) No 966/2012 applicable by virtue of Article 37 of (EU) regulation n° 323/2015 if full funding is essential for the action to be carried out, the maximum possible rate of co-financing may be increased up to 100 %. The essentiality of full funding will be justified by the Commission’s authorising officer responsible in the award decision, in respect of the principles of equal treatment and sound financial management.

(f) Indicative trimester to conclude the grant agreement

An annual operational grant will be concluded in the first quarter of each year of implementation. The grants will be granted upon the approval of the annual work programme drawn by the NAO Task Force.

5.3.2 Indirect management with the partner country

Result 1 - Indirect management with the Government of Guyana (Programme Estimate)

A part of this action with the objective of strengthening the NAO Task Force may be implemented in indirect management with Guyana in accordance with Article 58(1) (c) (i) of the Regulation (EU, EURATOM) No 966/2012 applicable by virtue of Article 17 of the Annex to Regulation (EU) No No 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 100,000 (or lower, based on a risk assessment) and may apply ex post control for procurement contracts up to that threshold. The Commission will control ex ante the grant procedures for all grant contracts.

Payments are executed by the Commission except in cases where programme estimates are applied, under which payments are executed by the partner country for ordinary operating costs, direct labour and contracts below EUR 300,000 for procurement and up to EUR 100,000 for grants.

In accordance with Article 190(2)(b) of Regulation (EU, Euratom) No 966/2012 and Article 262(3) of Delegated Regulation (EU) No 1268/2012 applicable by virtue of Article 36 of the Regulation (EU) 323/2015 and Article 19c(1) of Annex IV to the ACP-EU Partnership Agreement, 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 applicable by virtue of Article 17 of the Regulation (EU) No 323/2015, will be laid down in the financing agreement concluded with the partner country.
5.3.3 Procurement (direct management)

**Result 3 and 4 - Direct management**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Type (works, supplies, services)</th>
<th>Indicative number of contracts</th>
<th>Indicative trimester of launch of the procedure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Result 3: Enhanced policy dialogue in the focal sectors of EU assistance, audits and evaluations</td>
<td>Services</td>
<td>20</td>
<td>Q2 2017 onwards</td>
</tr>
<tr>
<td>Result 4: Improved strategic communication on EU development policy priorities</td>
<td>Services, Supplies</td>
<td>3</td>
<td>Q3 2017 onwards</td>
</tr>
</tbody>
</table>

5.4 Scope of geographical eligibility for procurement and grants

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

The Commission’s authorising officer responsible may extend the geographical eligibility in accordance with Article 22(1)(b) of Annex IV to the ACP-EU Partnership Agreement.

5.5 Indicative budget

<table>
<thead>
<tr>
<th>Activity</th>
<th>EU contribution (amount in EUR)</th>
<th>Indicative third party contribution, in currency identified</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.3.1 <strong>Result 1:</strong> Support to the NAO Task Force - (indirect management)</td>
<td>200 000</td>
<td>N.A.</td>
</tr>
<tr>
<td>5.3.2 <strong>Result 2:</strong> Strengthened operational capacity of the NAO Task Force - (direct management - Operating grant)</td>
<td>150 000</td>
<td></td>
</tr>
<tr>
<td>5.4.3 <strong>Result 3:</strong> Enhanced policy dialogue in the focal sectors of EU assistance, audits and evaluations (direct management – services/supply)</td>
<td>3,050,000</td>
<td>N.A.</td>
</tr>
<tr>
<td><strong>Result 4:</strong> Strategic communication on EU development policy priorities - (direct management – services/supplies)</td>
<td>600 000</td>
<td>N.A.</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>4 000 000</strong></td>
<td><strong>N.A.</strong></td>
</tr>
</tbody>
</table>
5.6 Organisational set-up and responsibilities

The assistance to the NAO Task Force under Result 1 will be managed by the NAO through indirect management under a programme estimate. Strengthened operational capacity of the NAO Task Force under Result 2 will be implemented through an operational grant through direct management. In both cases, the NAO Task Force will provide annual narrative and financial reports to the EUD on implemented activities.

Technical assistance and visibility under Results 3 and 4 will be contracted by the EUD through direct management. It is envisaged that this will be done through a number of service contracts and possibly some small supply contracts. While the EUD will engage in direct discussions with line ministries and other governmental bodies, the EUD will keep the NAO Task Force informed of ongoing discussions. Official requests for assistance to governmental bodies will be challenged through the office of the National Authorising Officer. All terms of reference (TOR) for technical assistance will be shared with the National Authorising Officer for endorsement before procuring services. Similarly, TOR for communication and visibility contracts will be shared with the National Authorising Officer.

While technical assistance to non-state actors may be channelled directly through the EUD, the National Authorising Officer will be informed of any such request and asked to provide an in-principle approval.

5.7 Performance monitoring and reporting

Monitoring of the project will be the responsibility of the National Authorising Officer through the NAO's Office. The NAO's office will report to the Portfolio Meetings, held between the Ministry of Finance and the EU Delegation, on progress of implementation of specific actions, difficulties encountered, as well as the degree of achievement of results.

The day-to-day technical and financial monitoring of the implementation of this action proposal will be a continuous process and part of the implementing partner’s responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) or the list of result indicators (for budget support). The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).
5.8 Evaluation
Having regard to the nature of the action, a final evaluation will not be carried out for this action or its components.

In case an evaluation is not foreseen, the Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner.

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

5.9 Audit

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

5.10 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 at the start of implementation.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, 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.
APPENDIX - INDICATIVE LOGFRAME MATRIX (FOR PROJECT MODALITY)

The activities, the expected outputs and all the indicators, targets and baselines included in the logframe matrix are indicative and may be updated during the implementation of the action, no amendment being required to the financing decision. When it is not possible to determine the outputs of an action at formulation stage, intermediary outcomes should be presented and the outputs defined during inception of the overall programme and its components. The indicative logframe matrix will evolve during the lifetime of the action: new lines will be added for including the activities as well as new columns for intermediary targets (milestones) for the output and outcome indicators whenever it is relevant for monitoring and reporting purposes. Note also that indicators should be disaggregated by sex whenever relevant.

<table>
<thead>
<tr>
<th>Overall objective: Impact</th>
<th>Intervention logic</th>
<th>Indicators</th>
<th>Baselines (2016)</th>
<th>Targets (2020)</th>
<th>Sources and means of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall objective: Impact</td>
<td>To ensure the efficient and effective utilisation of EU development assistance in support of the implementation of Guyana's development strategies and policies.</td>
<td>1. Timely achievement of targets by sector (% actual vs. plan). 2. Levels of expenditure by sector (% actual vs. plan).</td>
<td>0% No baseline existing; will set annual targets.</td>
<td>85% annual targets met.</td>
<td>Project documents (FAs), NAO Task Force reports.</td>
<td>Targets are not impeded by procurement issues.</td>
</tr>
</tbody>
</table>
| Specific objective 1 Outcome(s) | 1. Strengthen the implementation and management capacities of the NAO Task Force, line ministries and relevant state and non-state institutions involved in the EU-Guyana cooperation. | 1. Performance of NAO Task Force against approved annual work programme.  
2. No. of identified programmes adopted and funded by EU against approved annual work programme.  
3. No. of policy, documents and guidelines adopted by Government against approved annual work programme.  
4. Increased visibility of Guyana-EU cooperation. | No baseline existing; will set annual targets.  
85% annual targets met.  
85% annual targets met.  
10% increase per year. | 1. NAO Task Force reports and annual measurement of KPIs.  
2. Programmes adopted, FAs etc.  
4. Survey. | 1. Technical assessments are done in partnership with relevant authorities and realistically reflect the national context and its needs. |

- Performance of NAO Task Force against approved annual work programme.  
- No. of identified programmes adopted and funded by EU against approved annual work programme.  
- No. of policy, documents and guidelines adopted by Government against approved annual work programme.  
- Increased visibility of Guyana-EU cooperation.  
- No baseline existing; will set annual targets.  
- 85% annual targets met.  
- 85% annual targets met.  
- 10% increase per year.  
- Baseline study to be carried out.  

2. Identify and formulate and prepare future programmes to be financed under the EDF and other EU-funded programmes.  
3. Develop policies, documents and guidelines in support of national development issues related to EU cooperation.  
4. Increase the visibility of Guyana-EU cooperation.

- No baseline existing; will set annual targets.  
- 85% annual targets met.  
- 100% annual targets met.  
- 10% increase per year.  

58% annual targets met.  
No baseline existing; will set annual targets.  
Increased visibility of Guyana-EU cooperation.
| Outputs | 1. Support provided to the NAO Task Force strengthens their professional capacity. | 1. Training activities, educational actions and seminar participation. | 0 | 8 | 1. NAO Task Force report detailing trainings undertaken, seminars attended and professional educational studies. |
| | 2. Strengthened operational capacity of the NAO Task Force. | 2. NAO Task Force Office well equipped and staff meeting annual targets. | No baseline existing; will set annual targets. | 85% annual targets met. | 2. NAO Task Force reports and annual measurement of KPIs. |
| | 3. Improved policy development and coherence between national policies and the EU's Agenda for Change. | 3. No. of policy documents and programmes developed in priority areas of governance against approved annual work programme. | No baseline existing; will set annual targets. | 85% annual targets met. | 3. Programmes adopted, FAs etc. Government adoption of new polices. |
| | 4. Improved strategic communication on EU development policy priorities. | 4. No. of EU visibility events. - no. of events - increase in awareness | 0 | Baseline survey to be carried. | 4. Survey. |

| | Training activities, educational actions and seminar participation. | | | | Experienced service contractor can be engaged. |