ANEX III

of the COMMISSION DECISION on the Annual Action Programme 2017 part 2 in favour of the Pacific Region to be financed from the 11th European Development Fund

**Action Document for the Technical Cooperation and Capacity Building Facility (TECCBUF)**

<table>
<thead>
<tr>
<th>1. Title/basic act/ CRIS number</th>
<th>Technical Cooperation and Capacity Building Facility (TECCBUF); (Pacific RIP –Priority 3.3 &amp; TCF) CRIS number: FED/2017/039-001 Financed under the 11th European Development Fund (EDF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Zone benefiting from the action/location</td>
<td>Pacific Region: The action shall be carried out throughout all 15 Pacific ACP countries (P-ACP’s).</td>
</tr>
<tr>
<td>3. Programming document</td>
<td>11th EDF Pacific Regional Indicative Programme (RIP) 2014-2020 Pacific RIP Priority 3.3 Strengthening of Regional Organisations (SRO) and Priority 4 Technical Cooperation Facility (TCF)</td>
</tr>
<tr>
<td>4. Concentration sector</td>
<td>Technical Cooperation and Capacity Building Facility</td>
</tr>
<tr>
<td>5. Amounts concerned</td>
<td>Total estimated cost: EUR 7 million. Total amount of EDF contribution: EUR 7 million.</td>
</tr>
<tr>
<td>7 a) DAC code(s)</td>
<td>15110-Public Sector Policy and administrative management.</td>
</tr>
<tr>
<td>7b) Main Delivery Channel</td>
<td>Pacific Islands Forum Secretariat - 47087</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></td>
</tr>
<tr>
<td>Gender equality (including Women In Development)</td>
<td></td>
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<tr>
<td>Trade Development</td>
<td></td>
</tr>
<tr>
<td>Reproductive, Maternal, New born and child health</td>
<td></td>
</tr>
<tr>
<td>RIO Convention markers</td>
<td>Not targeted</td>
</tr>
<tr>
<td>Biological diversity</td>
<td></td>
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<tr>
<td>Combat desertification</td>
<td>x</td>
</tr>
<tr>
<td>Climate change mitigation</td>
<td></td>
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<tr>
<td>Climate change adaptation</td>
<td></td>
</tr>
<tr>
<td>9. Global Public Goods and Challenges (GPGC)</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>
10. SDG's

The programme will aim at contributing towards progressive achievement of the following SDG's:

i) SDG 5: Gender Equality (increased representation of women in workshops and trainings);

ii) SDG 13: Climate Action (targeting indicator13.3- increase awareness and understanding of climate change); and

iii) SDG 14: Life Below Water (targeting 14.7 – sustainable use of marine resources)

iv) SDG 17: Partnership for the Goals (targeting 17.9 – capacity building)

SUMMARY

This action responds to a priority area identified in the 11th EDF Pacific Regional Indicative Programme (RIP) namely: Technical Cooperation Facility (TCF).

Also embedded in this action are components for Support to Strengthening of the Regional Organizations (SRO) - specific objective 3.3 under the RIP with a specific window to Support to the Civil Society Organization's (CSO's).

The overall objective of the project is to contribute to the effective implementation of the EU’s development cooperation within the Pacific – Africa, Caribbean, Pacific (P-ACP) region in line with the Pacific Leaders' vision for inclusive development to achieve a region of peace, harmony, security and economic prosperity. The project purpose is 1) to improve management of the EDF portfolio (including Intra-ACP programmes) by the Regional Authorising Officer (RAO) and regional organisations; and 2) to facilitate CSOs and Non-State Actors (NSAs) effective participation in policy engagement and implementation.

This programme is relevant for the Agenda 2030. It contributes primarily to the progressive achievement of Sustainable Development Goals (SDG) Goals 5 – Gender Equality and 17 – Partnerships for the Goals, but also promotes progress towards Goals 13- Climate Action and 14 – Life below water. This does not imply a commitment by the P-ACP countries benefiting from this programme.

Overall, the expected results are as follows:

**Key Result Area (KRA) 1:** RAO better coordinates and steers the design and implementation of RIP and Intra-ACP funded actions in the Pacific region, and provides more effective oversight, monitoring and reporting.

**KRA 2:** Improved capacities of regional organizations and other relevant stakeholders at regional and national level in the Pacific region to implement EU programmes in light of joint commitments made under the SDGs and the Paris Agreement on Climate Change.

**KRA 3:** Enhanced policy dialogue and coordination between Pacific ACP States, the Overseas Countries and Territories (OCTs), the Council of Regional Organisations in the Pacific1 (CROP), the RAO, the EU and other development partners.

**KRA 4:** Strengthened voices and capacities of the CSO's/NSA's where regional policy dialogue

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1 The Council of Regional Organisations in the Pacific (CROP) brings together several regional inter-governmental agencies: the Secretariat of the Pacific Community (SPC), the Forum Fisheries Agency (FFA), the South Pacific Regional Environment Program (SPREP), the Pacific Islands Development Program (PDP), the South Pacific Travel Organisation (SPTO), the University of the South Pacific (USP), the Pacific Aviation Safety Organisation, and the Pacific Power Association. The Pacific Islands Forum Secretariat acts as CROP’s permanent chair and provides secretariat support.
Activities covered by this Technical Cooperation and Capacity Building Facility (TECCBUF) will include short term and medium technical assistance, studies, capacity building and training activities including gender mainstreaming, organisation of and participation in conferences/seminars/workshop in relation to EU and Pacific-Africa Caribbean and Pacific (P-ACP) development cooperation as well as setting up of a helpdesk at the RAO unit to provide guidance on EU's financial procedures.

This intervention will improve the quality of programme implementation under the 11th EDF by enhancing the managerial capacity of regional organisations and other stakeholders, including national authorities and CSOs, to successfully implement EU programmes corresponding to the priorities under the 11th EDF Pacific RIP. In addition, it is proposed to establish a Help Desk on EU Procedural issues at the RAO Unit that the NAO’s, CROP Agencies, and CSO's in the region can contact for advice and support.

This action aligns with the priorities under the following:

1. The European Consensus on Development "Our World, our Dignity, our Future"2 which are at the heart of the EU's approach to SDG implementation In particular, the following priorities framing the 2030 Agenda will be at the core: People (human development), Planet (tackling climate change), Peace (good governance) and Partnerships (inclusive, multi-stakeholder partnerships), further reinforcing the commitment made under the 2030 Agenda for Sustainable Development. It is also fully in line with the Cotonou Agreement and the Joint Communication "Towards a renewed partnership with African, Caribbean and Pacific countries after 2020" helping to strengthen the capacities which will be required to implement this new, reinforced partnership with the region.

2. The Pacific Leaders Gender Equality Declaration3 adopted in 2012 and reaffirmed in 2015. This strategic policy framework underpins the draft Pacific Platform for Action on Gender Equality and Women's Human Rights 2017-2027 (PPA), which is currently being drafted. The latter echoes the EU Gender Action Plan (GAP II) 2016-2020 which intends to place gender equality and the empowerment of girls and women at the heart of EU's external actions.

The foreseen implementation modality is Indirect Management via a Delegation Agreement with the Pacific Island Forum Secretariat (PIFS).

1 CONTEXT

1.1 Sector/Country/Regional context/Thematic area

The P-ACP countries consist of 15 ACP States spread over an area more than twice the size of Europe. Their total population is around 11 million, with about two thirds residing in Papua New Guinea alone. In contrast, the combined Exclusive Economic Zone (EEZ) of these small islands is some 20 million sq. km.

Achieving economies of scale in the Pacific Region is extremely difficult due to the scattered nature of the islands, their small populations and large distances between them. Agriculture and fisheries remain important sectors of the regional economy, as does a growing tourism sector; which is also heavily reliant on the sustainability of the natural environment, amongst others Slow economic reform processes and regular disasters from natural hazard events such as cyclones, tsunamis, floods, storm surges and droughts have contributed to weak economic results for the Pacific over the last 20 years. Institutional, geographic and demographic constraints have affected economic development for decades, despite remittances and

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2 The document was signed on 7 June 2017: http://europa.eu/rapid/press-release_IP-17-1503_en.htm
substantial flows of aid to the region, the largest per capita recipient of development assistance in the world.

It is important also to address gender inequalities and ensuring equal participation and opportunities for women and girls in the Region. As identified during the review of Pacific Gender Profile (2014), of concern are the barriers to the development of women, particularly gender equality, including social and cultural norms, limited economic opportunities and institutional capacity constraints. Incidences of Violence against Women in the Pacific are amongst the highest in the world. It is therefore, imperative to integrate and mainstream gender issues as a first step to lower the barriers that currently exist. Similarly, climate change mainstreaming will be given equal importance. The Pacific Islands region is the most severely affected by the negative impact of climate change with six of the top twelve most vulnerable countries worldwide being located in the region. Both these initiatives (gender mainstreaming and climate change mainstreaming) will be central to achieving progress on the 2030 Agenda for Sustainable Development, in particular the targeted SDG's under this Action (5,13 and 14).

1.1.1 Public Policy Assessment and EU Policy Framework

Pacific Leaders acknowledge that the island countries of the Pacific region face many common challenges, which can best be addressed through regional cooperation and integration. The strategic objectives of the Framework for Pacific Regionalism (FPR) are aligned to address such challenges at the regional level and are supplemented by a number of existing declarations, frameworks and agreements that provide sector specific policy responses. The key policies are as follows:

- The 2016 Framework for Development and Resilience of the Pacific as the regional strategy to tackle the challenges of climate change, both in terms of adaptation and mitigation.
- Climate Change Declarations by the Pacific Islands leaders and the EU-Pacific Joint Climate Change Initiative.
- The Pacific Leaders Gender Equality Declaration of 2012, updated in 2015, which advocates gender responsive policies and programmes, stresses the importance of women's role in leadership and decision making, together with the ending of violence against women; stressing women's economic empowerment, control of their sexual reproductive capacity, health services and gender parity in education.
- The 2014 Samoa Pathway, which provide for key priority and modalities of cooperation for the region.
- The 2014 Framework for Pacific Regionalism.
- In terms of the Waiheke Declaration of 2011, where Pacific Leaders reiterated the critical importance of the sustainable management and conservation of the Pacific

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8 http://www.forumsec.org/pages.cfm/economic-governance/aid-for-trade/?printerfriendly=true
Ocean, noting its critical importance for their livelihoods, food security and economic development.

- The EU-Pacific Economic Partnership Agreement (EPA), which establishes a framework for improved arrangements for trade and investment between the Pacific States and the EU to support the regional integration process. A range of other trade configurations exist, such as the Pacific Island Countries Trade Agreement (PICTA), the South Pacific Regional Trade and Economic Cooperation Agreement (SPARTECA), the Melanesian Spearhead Group Trade Agreement (MSG-TA), and the Pacific Agreement on Closer Economic Relations (PACER).

- The Framework for a Pacific Oceanscape of 2009\textsuperscript{10}.

- Regional Strategies for CSO inclusion and also Youth Development and strategies for those with disabilities.

In terms of coherence with the EU’s policy framework, the following strategic document guides the involvement of the EU in the Pacific:

- The Cotonou Agreement\textsuperscript{11} which guides EU relationships with ACP countries and promote eradication of poverty, sustainable development and the gradual integration of the ACP States into the world economy. It is also fully in line with the joint Communication "Towards a renewed partnership with African, Caribbean and Pacific countries after 2020" helping to strengthen the capacities which will be required to implement this new, reinforced partnership between the EU and the Pacific region.

- The new European Consensus on Development "Our World, our Dignity, our Future" of June 2017 reinforces the commitment made under the 2030 Agenda for Sustainable Development. This project will strengthen in particular the Partnership pillar which highlights the need for fostering stronger, more inclusive multi-stakeholder partnerships. The project will ensure that all stakeholders acting in collaborative partnership will implement the regional programme effectively through enhanced capacities and greater coordination and coherence.

- The draft Pacific Platform for Action on Gender Equality and Women's Human Rights 2017-2027 (PPA), which is currently being drafted. This echoes the EU Gender Action Plan (GAP II) 2016-2020 which intends to place gender equality and the empowerment of girls and women at the heart of EU’s external actions.

Overarching policy frameworks both sides (EU and P-ACP leaders) recently signed up to are:

- The Addis Ababa Action Agenda (AAAA) of the Third International Conference on Financing for Development;

- The SDGs;

- The Conference of the Parties (COP) 21 Paris Agreement on Climate Change.

\subsection*{1.1.2 Stakeholder analysis}

The overall coordination and oversight of the 11\textsuperscript{th} EDF RIP rests with PIFS as the Duly Mandated Regional Organisation (DMRO), represented by the Secretary General who is the RAO.

The target groups includes the following: i) regional organisations - CROPS which is an intergovernmental consultative process, which aims to prevent either, overlaps or gaps appearing in its members work plans. There are seven (7) sectoral working groups including

\textsuperscript{10} http://www.forumsec.org/pages.cfm/strategic-partnerships-coordination/pacific-oceanscape/pacific-oceanscape-framework.html?printfriendly=true
\textsuperscript{11} https://ec.europa.eu/europeaid/regions/african-caribbean-and-pacific-acp-region/cotonou-agreement_en
sustainable development, gender, marine resources, land resources, health and population and ICT etc. It consists of nine member organisations and has recently repositioned itself to implement the Framework for Pacific Regionalism. ii) national governments (NAO's) of the 15 P-ACP's) where there are limited human resources to manage National Indicative programmes (NIPs) and fully engage in the RIP and iii) the Civil Society Organisations (CSO's), both regional and national. Where CSO's are concerned, A Capacity Assessment of CSO's in the Pacific 12 was undertaken in 2012 and underlined the challenges they faced. It noted that while the CSO community represents a force for creating a positive change in the region, the reality, however, is that this potential is constrained by the numerous challenges they face. This includes various capacity challenges, unavailability of stable funding, chronic limited human resource capacity, the inability to recruit and retain high quality staff, and high staff turnovers.

Therefore, the support provided to the above target groups will enable them to ensure successful implementation of cooperation efforts and improve aid effectiveness throughout the Pacific Region.

The final beneficiaries (the citizens of P-ACP countries) who, with limited resources, should benefit from regional programmes aimed at poverty alleviation. The strength of regional organisations serves as the means for delivery to build and supplement national capacities, which, in the case of very small P-ACP's, is limited by lack of resources.

1.1.3 Priority areas for support/problem analysis

The overarching problem is the limited capacity throughout the CROPS as well as CSO's to manage all aspects of EU programmes especially, including financial monitoring and reporting. This threatens effective implementation and sustainability and hampers effective accountability. In the case of CROPS, this corresponds to the initial assessment undertaken by in the form of 7 pillar assessment and pointed out to a weak internal control pillar. Therefore, by making available technical assistance resources that can be drawn on for identified tasks in terms of training, programme design, studies, financial management, monitoring and evaluation, and specific technical tasks, the programme will make an important contribution to the smooth implementation of all EU assistance to the region.

With regards to the capacity constraints of CSO's in regional policy dialogue, there is no doubt that CSO's bring a diversity of perspectives, experiences and networks that can enrich the policy dialogue and broaden the reach of implementation, both at national and regional levels. However, a large number of these CSO's have limited capacity for policy engagement and limited awareness and understanding of how and where to engage. Hence, this Action will therefore contribute to the promotion of good governance in the Pacific by strengthening the ability/voices of CSO's to participate effectively in regional policy engagements and to ensure that CSO perspectives are reflected in regional policy development processes and dialogues.

Where aid effectiveness and coordination at a sectoral level is concerned, there are some avenues in place for this. While some CROPS are mandated in terms of aid effectiveness and coordination at a sectoral level, better coordination is need. Recently, a more sector wide approach (SWAp) has started to be developed in some selected areas; however, there is a pressing need to further develop sectorial working groups. An important element of the SWAp is that it brings together governments, donors and other stakeholders within a

particular sector. It is characterized by a set of operating principles rather than a specific package of policies or activities, thereby enhancing aid effectiveness, mostly through improved efficiency that would result from better aid coordination where the focus is put on developing and strengthening sector policies and institutional arrangements.

Efforts are also underway to coordinate a regional approach towards the implementation of the Agenda 2030, on the basis of key targets and indicators of particular importance for the Pacific. In this context, the TECCBUF will support activities to ensure complementarity and synergies between programmes under the RIP, the national and other EU supported programmes, such as intra-ACP and thematic line programmes as well as support measures to the four OCTs in the region.

In the coming years, the EU and its partners in the Pacific region will need to successfully translate and integrate the joint commitments made in the Accra Agenda for Action (AAA), the SDGs and the Paris Agreement into its cooperation and, more concretely, reflect them in the design of new actions. The same applies to future policy dialogues, which will need to incorporate respective topics in an integrated way. The TECCBUF aims to build regional capacities and provide training also in this regard, as well as supporting selected Pacific political representatives to represent the Pacific views effectively in the main global fora, including COP meetings, IMO and ICAO meetings.

The TECCBUF will also need to address the ability (and the gender expertise) of the Pacific to effectively participate in the negotiations on defining the Post-Cotonou EU-Pacific relations and to support early programming of possible support under a new framework from 2020.

Finally, while cross cutting issues such as gender, human rights, environment and climate change are particularly important in all interventions in the Pacific, support is not necessarily available to provide specific analysis on those matters when implementing initiatives or programming. By providing Technical Assistance and financing studies on cross-cutting matters, particularly with regards to gender, environment and climate change mainstreaming, this TECCBUF will help ensure that these important issues are addressed.

2 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>Regional support and advice will not be translated into action at the national level.</td>
<td>H</td>
<td>A ‘demand-driven’ approach to programme activities and ongoing mentoring in national service delivery. Links/interaction between the local, national and regional levels and secure national representation and involvement at regional level will be increased.</td>
</tr>
<tr>
<td>Natural disasters such as cyclones, droughts etc. will affect implementation of the programme</td>
<td>H</td>
<td>Various donors' initiatives, including the EU will continue to support climate change adaptation, resilience, disaster management, and reconstruction etc.</td>
</tr>
<tr>
<td>Lack of capacity at PIFS to implement the Action</td>
<td>M</td>
<td>The Technical Assistance to RAO support unit is being reinforced to ensure that implementation of this programme is relevant and successful in terms of results and impact.</td>
</tr>
</tbody>
</table>
The new delegated system of aid delivery for the RIP may require support for implementation in some cases.

M

The TECCBUF will provide an opportunity for training courses to be held by experienced operators for all RIP Implementing Partners.

M

Lack of capacities and gender expertise within regional organisations to programme and implement EU programmes.

M

This capacity building programme will provide technical assistance as needed to ensure the development of sound programmes with strong local ownership to ensure their subsequent smooth implementation.

Gender specific assistance and coaching will be provided to all CROPS to ensure that they pass all the necessary elements of the 7 pillar PAGODA assessments as well keeping up with the standards over a period of time.

Attention will be paid to issues of gender sustainability in designing TECCBUF interventions.

Assumptions

- Continued commitment and ownership of programmes by the CROPS.
- Following the 7 pillar assessment the CROP agencies will remain committed to maintain the levels and to implement in line with their procedures. There will be also an effort to pass more pillars if useful. The EU Delegation continues to support the CROP agencies in this context.
- Better understanding of EU procedures and reduced amounts on ineligibilities.
- The voices of CSO's and NSA's are heard at the policy level.
- Reduction of delays in programme implementation.
- Greater ownership of programmes at national levels.
- Improved integration between regional and national programmes to further strengthen synergies and complementarities.
- RAO has the capacity to efficiently undertake the policy dialogue sessions.
- Framework of Pacific Regionalism continues to be relevant for the Pacific.

3 LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES

3.1 Lessons learnt

A Technical Cooperation Facility (TCF) financed from the 10th EDF was successful in reinforcing the links between the EU and the PIFS, P-ACP countries, other CROP organisations, other implementing agencies, the P-ACP governments and in particular their National Authorising Offices (NAO’s); thereby supporting regional cooperation. It was also successful in improving Public Finance Management (PFM) in the five P-ACP countries preparing to adopt a Budgetary Support modality. While the 10th EDF TCF was able to promote a coherent and efficient aid delivery at regional level, improvements are expected, especially where the following lessons learnt are concerned.

In terms of lessons learnt:

- Under the 10th EDF, there were large amounts of recovery orders issued to a number of CROPS. To avoid similar recover orders of this level, this programme will through needs analysis tailor make training and mentoring programmes in order to strengthen the managerial/financial capacities of the CROPS, as well as P-ACP's and CSO's where delivery of EU's programmes are concerned. All this will be undertaken with
emphasis on the need to adapt to a demand-driven approach while ensuring effective coordination to ensure adequate responses to emerging needs in a fast evolving region.

- The NAO's/Deputy-NAO echoed at the 2016 Regional Steering Committee the need for better communication and commitment from the RAO team. Given the human resource challenges within the team, timely planning, recruitment of essential staff and an improved coordination will have to be tackled at an early stage of the Action to ensure successful effective communication and dialogue between the P-ACP's.

- The implementation through regional organisations favoured alignment and effective implementation, but hampered EU visibility in the region and often beneficiaries have not been aware of the funding source. Therefore it is important to embed strong communications and adequate attention to EU visibility in project design.

- It will be important to develop a monitoring system based on indicators (including gender sensitive, climate change and environment indicators) that are realistic and achievable.

- The high transaction costs of coordination activities in the Pacific linked in particular to travel time and cost is another pressing challenge. The TECCBUF might invest further in improving Video-Telecommunication (VTC) capacities, so to reduce the need to travel. This is directly linked to the improved ICT connection due to the various ongoing and future investments in cable or satellite connectivity.

- Under the 10th EDF, the CSO/NSA component focused largely on Suva-based CSO's/NSA's. The group of stakeholders based in Suva represents a large and strong component of the Regional NSA's and was a logical starting point for relationship development. Recent consultations with national based NSA's in a number of Pacific Island Countries have highlighted how far removed they feel from the ‘regional action’ and efforts will need to be made to be more inclusive of these stakeholders in future programme implementation. A significant proportion of the National level NSA's have very different capacity levels to those based in Suva, and this further compounds their feeling of isolation and capacity to engage.

- The absence or weakness of peak bodies or NGO umbrella organisations in a number of Pacific Island Countries is an important consideration as these organizations typically provide important liaison and coordination support to regional organisations such as PIFS and CROP agencies. Experience under the 10th EDF shows that without a coordinating body such as an umbrella organisation, it can be difficult to identify the appropriate target audience or representative NSA's. Furthermore, umbrella organisations serve an important range of services to NSA's including coordination, convening, representation, lobbying and capacity building. Perhaps as a direct result of this gap, the capacity levels of most NSA's (save for a couple of stronger, internationally linked NSA's) are quite low. NSA's from these countries are calling for capacity building and support in areas that are typically the realm of umbrella organizations, therefore, driving on a demand based approach, this Action will respond efficiently to the request of the NSA's.

- With regards to the communications and visibility funds under the 10th EDF, a number of Regional Organizations did not fully utilize their funds. Therefore, the possibility of pooling funds with the RAO unit could be explored to maximize the visibility opportunities.

3.2 Complementarity, synergy and donor coordination
The TECCBUF will ensure proper coordination of EU funded programmes funded through RIP, NIP, Intra-ACP, thematic and EU-Member State financed programmes. Emphasis will be placed on avoiding duplication, building on previous results, complementing and synergising with existing and planned initiatives in order to catalyse a change. Particular attention will be paid to add value to other regional and national programmes. Coordination mechanisms, through the regional Steering Committee will ensure complementarity of these projects.

The programme will also seek synergies with the other regional priority areas under the EDF11, specifically with specific objectives 2.1 – natural resources, 2.2 – waste management and 3.2 – violence against women as well as Intra-ACP Programmes, European Instrument for Democracy and Human Rights (EIDHR) and CSO-LA funded actions.

**Donor coordination mechanisms** in the Pacific need to be strengthened. PIFS as the DMRO can play an important coordination role through regional mechanisms such as the Post-Forum Dialogue or peer reviews of aid effectiveness at national levels. Promotion of Sector Wide Approaches (SWAp’s) to development should also be encouraged wherever possible, building on the work of Sector Working Groups. Given their prior and ongoing work and experience of PIFS in the Pacific ACP states as well as the mandate of the Secretary-General as chair of the CROPS (see diagram 1 below), PIFS is well set up in terms of the post-Cotonou process.

**Diagram 1: Coordination Mechanism - PIFS as the Chair of CROPS**

PIFS have a wide reach where consultations pertaining to the post-cotonou process are concerned. Within the current set-up, the Support to the RAO (SP2RAO) and the Strategic Partnership and Coordination Division (SPCD) take the lead. PIFS involvement with the Forum Regional Security Committee (FRSC) will strengthen their basis of consultation for the post-Cotonou process with the civil society organization.

The SP2RAO unit at PIFS is critical to maintaining the flow of communications between the EU Delegation and the key stakeholders of the South Pacific. Once the 11th EDF RIP Programmes are underway, this unit which has recently been strengthened, will play an increasingly important role in monitoring implementation, coordinating the Post 2020 Cotonou Agenda and strengthening Capacity building interventions throughout the South Pacific Region.

3.3 **Cross-cutting issues**

In regard to good governance, environmental sustainability and climate change, social issues including human rights and gender equality, this project is expected to play an important role. It will reinforce the importance of good governance principles in both P-ACP countries and regional agencies and all activities undertaken will take those aspects into consideration.
Good governance and human rights (including sound financial management, leadership, monitoring capacity etc.) will be further promoted by the CSO component of this Action by building capacity and ability of CSO's to participate effectively in regional policy and implementation arrangements. PIFS' involvement with the Forum Regional Security Committee (FRSC) mandates to dialogue with the civil society organization further demonstrates its commitment to address good governance and human rights.

Gender will be mainstreamed in the project, in line with the Pacific Leaders Gender Equality Declaration and the EU’s Toolkit on Mainstreaming Gender Equality in EC Development Cooperation. Training opportunities will be specifically targeted to increase participation of women in capacity building opportunities, especially where policy engagement is concerned. There will also be a strong emphasis on using the project to help mainstreaming gender aspects into regional programmes via training and providing specific short-term TA, where required.

Environment and climate change mainstreaming plays a crucial role in achieving sustainable development. Where possible, both will be mainstreamed into the programme, in line with EU’s Guidelines, Integrating the environment and climate change into EU international cooperation and development. TA/Capacity Building initiatives will be undertaken to promote and support the sustainable use of natural resources and climate change activities.

4 DESCRIPTION OF THE ACTION

4.1 Objectives/Results

The overall objective of the project is to contribute to the effective implementation of the EU's development cooperation within the Pacific ACP region in line with the Pacific Leaders' vision for inclusive development to achieve a region of peace, harmony, security and economic prosperity. The project purpose is 1) to improve management of the EDF portfolio (including Intra-ACP programmes) by the RAO and regional organisations; and 2) to facilitate CSOs and NSAs effective participation in policy engagement and implementation.

This programme is relevant for the Agenda 2030. It contributes primarily to the progressive achievement of SDG Goals 5 – Gender Equality and 17 – Partnerships for the Goals but also promotes progress towards Goals 13- Climate Action and 14 – Life below water. This does not imply a commitment by the P-ACP countries benefiting from this programme.

Overall, the expected results are as follows:

KRA 1: RAO better coordinates and steers the design and implementation of RIP and Intra-ACP funded actions in the Pacific region, and provides more effective oversight, monitoring and reporting.

KRA 2: Improved capacities of regional organizations and other relevant stakeholders at regional and national level in the Pacific region to implement EU programmes in light of joint commitments made under the SDGs and the Paris Agreement on Climate Change.

KRA 3: Enhanced policy dialogue and coordination between Pacific ACP States, the OCTs, CROP agencies, the DMRO, the EU and other development partners.

KRA 4: Strengthened voices and capacities of the CSO's/NSA's where regional policy dialogue is concerned.

4.2 Main Activities

Main activities envisaged, are as follows:
Corresponding to KRA 1:

1.1. Provide Technical Support to the RAO, plus adequate staffing and material resources to perform their financial and technical monitoring and coordination role.

1.2. Organise training workshops based on results of a regional training needs assessment relating to EDF funded programmes, currently underway.

1.3. Support the coordination of regional strategic priorities such as the Framework for Resilience and Development for the Pacific, and the regional framework for implementing the Agenda 2030.

1.4. Contribute to workshops and consultation over policy dialogues on the post Cotonou Accord from 2020 onwards. Where dialogue is concerned, specific attention will be paid to mainstreaming gender issues and also the more direct involvement of CSO’s in the consultation process.

1.5. Mobilise experts, including gender experts to support early identification of priority programmes to be support from 2020 onwards.

Corresponding to KRA 2:

2.1 Support relevant stakeholders and target groups, including regional organisations, NAO staff, staff of national line-ministries involved in RIP implementation, representatives of civil society and women's organizations/groups. Provide capacity building so to promote effective participation in the EU support programmes, including on financial management and, where relevant, EU procedures such as mainstreaming gender in development cooperation. This will be enhanced by the establishment of a Help Desk at the RAO Support Unit, so that National Authorising officers, particularly those with limited capacity, can seek for assistance with regard to EU procedures and their interaction with the EU Delegation.

2.2 Provide sensitisation and awareness training on both the SDG’s and the Paris Agreement within the frame of the Framework for Pacific Regionalism (FPR). In this context pay particular attention to supporting appropriate platforms for advancing gender (SDG 5), environment and climate change (SDG 13.3) mainstreaming. Support the effective preparations and participation of selected Pacific political representatives to in the main global climate change related fora, such as relevant COP meetings, IMO and ICAO meetings.

2.3 Facilitate close collaboration with PRIF in coordination and preparation of 11th EDF investment initiatives for blending resources.

2.4 Assist with the initial phase of programmes by providing relevant training for the implementation of Delegation agreements and Programme estimates, in close consultation with the EU Delegation. In the course of the trainings, gender sensitive topics will be given due consideration. For instance, gender mainstreaming and gender responsive budgeting will be covered.

Corresponding to KRA 3:

3.1 Facilitate the annual Pacific Regional Steering Committee Meeting for all P-ACP Countries, and participate effectively in all regional Programme Steering Committee Meetings.

3.2 Support the preparations and organisation of particular policy dialogue meetings with key stakeholders, in order to promote EU-Pacific cooperation in all priority areas of the RIP, taking into account the particular sub-national, national and regional governance structures in the Pacific.
3.3 Promote the idea of sectoral thematic working groups, consisting of all donors and other development partners.

3.4 In line with the Communication and Visibility Strategy being developed under the existing capacity building programme, implement the strategy as planned with full compliance with the EU communication and visibility principles.

**Corresponding to KRA 4:**

4.1 Strengthen and institutionalise arrangements for PIFS-NSA collaboration in regional policy development and implementation.

4.2 Capacity building programme around technical skills relating to policy engagement (analysis, advocacy, coalition building, influencing).

4.3 Small grants for CSOs for project work relating to policy engagement (research, consultative processes, advocacy, coalition building).

4.4 Institutional strengthening of NSA's.

4.5 Coordination of regional CSO events and policy seminar series to facilitate policy dialogue.

4.6 Facilitate CSO engagement at high level policy dialogue with Forum Leaders, Ministers and Officials.

The target beneficiaries of this intervention will include civil society organisations, non-government organisations, research institutes, think tanks, networks, issue based coalitions and organisations that represent the private sector. The programme will specifically target CSO in the Pacific Region that have an interest or stake in regional policy dialogues.

**4.3 Intervention logic**

The overall objective of the project is to contribute to the effective implementation of the EU's development cooperation within the P-ACP region in line with the Pacific Leaders' vision for inclusive development to achieve a region of peace, harmony, security and economic prosperity.

To this end, the activities supported will aim at strengthening the capacity of RAO to play its role of coordination, monitoring and oversight of the programming and implementation of the EU funding. To ensure an efficient implementation of the EU programmes, support will also be provided to the regional organisations and stakeholders of the Pacific region both in technical and policy terms, including gender, climate change and environment mainstreaming.

Dialogue and coordination between the Pacific RIP stakeholders (including at national levels), and Pacific OCT's representatives will also be enhanced to promote a greater synergy between the various EU assistance streams. The programme will also support strengthening the ability of Pacific NSA’s/CSO’s to participate effectively in regional (and national) policy making processes and implementation.

In addition, the issue of sustainability, based on a carefully designed exit strategy, must be included in the design and should be further discussed and fine-tuned during the inception phase of this programme. Some support functions can be carried forward by PIFS, for instance CSO component. In the other areas, the University of the South Pacific (USP) and national universities could play an important role with tailor made training courses, since capacity building per se must be considered as an ongoing process.

5 **IMPLEMENTATION**

5.1 **Financing Agreement**
In order to implement this action, it is foreseen to conclude a financing agreement with the PIFS, as the DMRO for the Pacific Region, referred to in Article 17 of Annex IV to the ACP-EU Partnership Agreement. The financing agreement does not involve the entrustment of budget implementation tasks to PIFS. The implementation of such tasks are governed by the provisions of the delegation agreement to be signed in accordance with section 5.4 below. The provisions of the financing agreement related to indirect management with the partner country do therefore not apply.

5.2 Indicative implementation period
The indicative operational implementation period of this action, during which the activities described in section 4.2 will be carried out and the corresponding contracts and agreements implemented, is 60 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 322/2015.

5.3 Not applicable

5.4 Implementation Modality
Indirect management with International organisation

This action may be implemented in indirect management with The Pacific Islands Forum (PIFS) in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012 applicable by virtue of Article 17 of Regulation (EU) No 323/2015. This implementation entails the management of the Technical Cooperation and Capacity Building Facility. This implementation is justified because PIFS is a Regional organisation established by treaty. It is a political grouping of 16 independent and self-governing states, which is based in Suva, Fiji. PIFS is mandated to coordinate the implementation of the Framework for Pacific Regionalism and was appointed as the EDF Regional Authorising Officer by the Pacific Island Leaders (Heads of States and Governments) since the 8th EDF.

The entrusted entity would carry out the following budget-implementation tasks: launching calls for tenders (such as supply

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13 The Secretariat is established by the Agreement Establishing the Pacific Islands Forum Secretariat signed in October 2000 (the 2000 Agreement). Forum Leaders agreed to and signed a successor agreement in October 2005, however, that is yet to take effect as it is still awaiting ratification by all member states.

The 2000 Agreement establishes the Secretariat as an international organisation, under international law, with the legal capacity of a body corporate in member states of the Pacific Islands Forum. In common with diplomatic missions and organisations like the United Nations, it has immunity from legal suit and process, and exemption from taxes, duties and levies. The 2005 Agreement renames the Secretariat as the Pacific Islands Forum and expressly recognizes the Forum Leaders’ meeting as the preeminent decision making body of the Forum.

The final report of the current pillar assessment of PIFS has been submitted in May 2017 to the DEVCO/R2 for approval. The report revealed that the four pillars (accounting systems, internal control systems, independent external audit and procurement) have been positively assessed. Therefore, it is suggested to implement this action through a PAGODA delegation agreement considering the substantial level of budget implementation tasks it requires for the mobilisation of training, technical assistance, visibility and dissemination events, etc.

14 PIFS Members include Australia, Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Nauru, New Zealand, Niue, Palau, Papua New Guinea, Republic of Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu.
and services for technical expertise, studies, events and workshops) and calls for proposals (potentially under CSO Component); evaluation of tenders and proposals; award of contracts; monitoring and managing contracts; assessment and acceptance of deliverables; payments; any other relevant aspects of the project management cycle.

The entrusted international organisation is currently undergoing the ex-ante assessment in accordance with Article 61(1) of Regulation (EU, Euratom) No 966/2012 applicable by virtue of Article 17 of Regulation (EU) No 323/2015. The Commission’s authorising officer responsible deems that, based on the compliance with the ex-ante assessment based on Regulation (EU, Euratom) No 1605/2002 and long-lasting problem-free cooperation, the international organisation can be entrusted with budget-implementation tasks under indirect management.

5.5 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 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

5.6 Indicative budget

| 5.4: Pagoda Delegation Agreement with PIFS | EU contribution (amount in EUR) | Indicative third party contribution, in currency identified |
| KRA 1: RAO better coordinates and steers the design and implementation of RIP and Intra-ACP funded actions in the Pacific region, and provides more effective oversight, monitoring and reporting | KR1 – estimated budget 1 660 000 | NA |
| KRA 2: Improved capacities of regional organizations and other relevant stakeholders at regional and national level in the Pacific region to implement EU programmes in light of joint commitments made under the SDGs and the Paris Agreement on Climate Change | KR2 – estimated budget 2 400 000 | |
| KRA 3: Enhanced policy dialogue and coordination between Pacific ACP States, the OCTs, CROP agencies, the DMRO, the EU and other development partners | KR3 – estimated budget 200 000 | |

It is anticipated that the result of the pillar assessment will validate the positive assessment of the three core pillars and the procurement pillar. Would some of assistance under KRA 4 necessitate the use of grants to CSO, PIFS is aware and accept that PRAG procedures will apply, until further positive pillar assessment for grants.

[15]
contributing to more sustainable cooperation programmes

KRA 4: NSAs and CSOs (including women's groups) participate more effectively in regional policy making, development and implementation processes.

<table>
<thead>
<tr>
<th>Communication and Visibility</th>
<th>KR4 – estimated budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2 000 000</td>
</tr>
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</table>

| Project management           | 441,700                 |

<table>
<thead>
<tr>
<th>Sub - Total</th>
<th>6 751 700</th>
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<table>
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<tr>
<th>5.9 Evaluation and 5.10 Audit</th>
<th>248 300</th>
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</table>

| Total                        | 7 000 000               |

5.7 Organisational set-up and responsibilities

PIFS, in consultation with the respective CROP agencies and other stakeholders, will prepare annual work programmes, in agreement with the EUD. These work-programmes will be approved by an annual Steering Committee, which will comprise the key-stakeholders, including the relevant CROP agencies, selected NAOs and representatives of civil society including women's groups/organizations. The steering committee will be co-chaired by PIFS and EU.

Also meetings of the Regional Steering Committee of the Pacific (RSCP), for which the PIFS provides the Secretariat, will be financed by this instrument. The PIFS will closely monitor implementation of each assignment, ensuring all experts recruited under this facility will be provided with adequate support in terms of office space, communication and transport facilities. The PIFS will further ensure the timely submission of their reports to the Steering Committee and ensure that the EU Delegation and other key actors are kept fully informed of progress in implementation.

5.8 Performance monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partner’s responsibilities. To this aim, the implementing partner shall establish a permanent internal technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and 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 log frame matrix (for project modality). 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 EU for implementing such reviews).
5.9 **Evaluation**

Having regard to the nature of the action, midterm and final evaluations will be carried out for this action or its components via independent consultants with gender expertise, contracted by the Commission.

The mid-term evaluation will be carried out for learning purposes, in particular, with respect to better mitigate programmatic concerns and take corrective measures.

In case of the final evaluation, it will be carried out for accountability and learning purposes at various levels (including for policy revision) taking into account in particular the fact that the evaluation will analyse specific elements of the 11th EDF programme that could potentially be considered for future programme formulation.

The Commission shall inform the implementing partner at least 30 days in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner countries 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.

Indicatively two contracts for evaluation services shall be concluded in 2020 and 2022.

5.10 **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.

Indicatively, two contracts for audit services shall be concluded under a framework contract.

5.11 **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 and supported with the budget indicated in section 5.6 above.

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.

The Communication and visibility aspects of the action will be covered under the Pagoda delegation agreement concluded with PIFS.
APPENDIX - INDICATIVE LOG FRAME MATRIX\textsuperscript{16}

The activities, the expected outputs and all the indicators, targets and baselines included in the log frame 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 log frame 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.

\textsuperscript{16} Mark indicators aligned with the relevant programming document mark with '*' and indicators aligned to the EU Results Framework with '**'.

[18]
Results | Indicator | Baseline | Target | Sources of Verification | Assumptions
---|---|---|---|---|---
**Overall objectives**
To contribute to the effective implementation of EU's development cooperation within the Pacific ACP region in line with the Pacific Leaders' vision for inclusive development to achieve a region of peace, harmony, security and economic prosperity.

1. Number of inclusive development partnerships established*<sup>17</sup>  
   1. 09 (EDF 10)  
   Regional Steering Committee Minutes and signed Financing Agreements

**Specific objectives**

SO1. To improve management of the EDF portfolio (including Intra-ACP programmes) by the RAO and regional organisations.

1.1 % of AD's being drafted in consultation with relevant stakeholders including CSO's, and women's organizations during the consultations*<sup>18</sup>  
   1.1. 33 % (2016)  
   1.1. 100 % (first quarter 2018)

1.2. % of projects with red traffic lights for implementation progress.  
   1.2. 6.25 % (2016)  
   1.2. 5.75 % or lower (annual)

1. Annual Regional Steering Committee reports and minutes

Continued commitment and ownership of programmes by the CROPS.

Following the 7 pillar assessment the CROP agencies will remain committed to maintain the levels and to implement in line with their procedures. There will be also an effort to pass more pillars if useful. The EU Delegation continues to support the CROP agencies in this context.

Better understanding of EU procedures and reduced amounts on

*<sup>17</sup> Corresponds to the 2011 Busan Outcome Document

*<sup>18</sup> Corresponds to the new European Consensus on Development (multi-stakeholder partnerships)
<table>
<thead>
<tr>
<th><strong>SO2</strong></th>
<th>To facilitate CSOs and NSAs effective participation in policy engagement and implementation.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 Number of high level policy dialogue involving the CSO's/NSA's supported by the action.</td>
<td>2.1 29 (EDF 10)</td>
</tr>
<tr>
<td>2.2 % Positive feedback received by the recipients of the services provided by the Regional NSA.</td>
<td>2.2 72 % (EDF 10)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>O1 (SO 1)</strong></th>
<th>RAO better coordinates and steers the design and implementation of RIP and Intra-ACP funded actions in the Pacific region, and provides more effective oversight, monitoring and reporting.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1. Annual percentage of beneficiaries indicating the assistance provided by the RAO Helpdesk was useful in successfully implementing EU programmes.</td>
<td>1.1. 70 % (2016)</td>
</tr>
<tr>
<td>1.2. Annual number of oversight missions conducted with positive feedback from stakeholders.</td>
<td>1.2. 1 (annual)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>O2 (SO 1)</strong></th>
<th>Improved capacities of Regional organizations and other relevant stakeholders at regional and national level in the Pacific region to implement EU programmes in line with joint commitments made under the SDGs and the Paris Agreement on Climate Change.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 % of participants rating the SDG training as useful.</td>
<td>2.1. 73 % (2016)</td>
</tr>
<tr>
<td>2.2. Number of sectoral thematic working groups established and positively engaged with during the period of the RIP implementation*19.</td>
<td>2.2. 0 (EDF 10)</td>
</tr>
</tbody>
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*19 Corresponds to the new European Consensus on Development (partnership pillar)
<table>
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<tr>
<th>O3 (SO 1). Enhanced policy dialogue and coordination between Pacific ACP States, the OCTs, CROP agencies, the DMRO, the EU and other development partners.</th>
<th>3.1 Percentage of submissions to the post 2020 partnership consultation which take into account the views of key stakeholders including women's groups, CSO/NGO's, human rights groups, private sector.</th>
<th>3.1. 50 % (2015-2016)</th>
<th>3.1. 100 % (annual)</th>
<th>3.1. Copy of the submission report circulated via the official circular.</th>
<th>Improved integration between regional and national programmes to further strengthen synergies and complementarities.</th>
</tr>
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<tr>
<td></td>
<td>3.2. Annual number of dialogue sessions on EU's development policies within the ACP's, CROPS, OCTs as well as the women's groups.</td>
<td>3.2 2 (annual)</td>
<td>3.2 3-4 (annual)</td>
<td>3.2 Reports from the annual Regional Steering Committee</td>
<td>RAO has the capacity to efficiently undertake the dialogue sessions.</td>
</tr>
<tr>
<td>O4 (SO 2). Strengthened voices and capacities of the CSO's/NSA's where regional policy dialogue is concerned.</td>
<td>4.1 Number of CSO's and NSA's directly benefitting from the capacity building initiative</td>
<td>4.1 35 (EDF 10)</td>
<td>4.1 50-60 (EDF 11)</td>
<td>4.1 Progress Reports, annual work plans and ROM reports.</td>
<td>The helpdesk is effective in promoting awareness and building capacity of NSA's and CSO's to further strengthen their participation at the level of policy dialogue and to positively influence policies.</td>
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<tr>
<td></td>
<td>4.2 Number of training packages developed and used.</td>
<td>4.2 3 (EDF 10)</td>
<td>4.2 5 (EDF 11)</td>
<td>4.2 Progress Reports, ROM reports</td>
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