

ANNEX 9

of the Commission Implementing Decision on the Annual Action Programme 2014 of the
DCI Pan-African Programme

Action Document for " Pan African Statistics"

1. IDENTIFICATION

Title/Number	Pan African Statistics (PAS) CRIS number: DCI/PANAF/037-475		
Total cost	Total estimated cost: EUR 21 000 000 Total amount of EU budget contribution: EUR 10 000 000 Component 1 of this action is co-financed in parallel with the Department for International Development (UK) (DFID) for an amount of approximately EUR 1 000 000 (GBP 800 000) Component 2 of this action is co-financed in "joint co-financing" with the African Development Bank (AfDB), the United Nations Programme for Development (UNDP) and the Organisation for Economic Co-operation and Development (OECD) Development Centre for an amount of approximately EUR 10 000 000		
Aid method / Management mode and type of financing	Project Approach Direct management through cross-sub-delegation with Eurostat (component 1) Direct management – Grant - Direct award to the AfDB (component2)		
DAC-code	16062	Sector	Statistical Capacity Building

2. RATIONALE AND CONTEXT

2.1. Summary of the action and its objectives

The proposed action aims to support African Union (AU) integration through strengthening the African Statistical System to make available reliable and comparable statistics in order to facilitate monitoring of societal progress and the process of integration in Africa. The five-year action has two components: (i) one more generic as an overall support to the African Statistical System (ASS) and (ii) one more specific as a dedicated support to the African Economic Outlook (AEO).

The **first component** is a support to the AU to develop its institutional capacity to produce and disseminate statistics to serve integration needs, to enable the AU to better coordinate the production of statistics across Africa; to provide and disseminate good quality statistics in selected areas serving integration needs and to monitor the developments and improvements in the statistical systems across the continent. Technical assistance will be provided to the AU

to support (i) improvements in the quality of continental statistics across key strategic domains, (ii) preparation of a new AU Institute for Statistics (STATAFRIC) intended to improve the coordination and general functioning of the ASS, (iii) the uptake of common tools to National Statistics Institutes (NSIs) across the African continent, and (iv) establishing a baseline against which to measure the statistical development of the continent. This action complements current support from DFID and the EU to staff in the Statistics Division of the AU Commission (AUC Statistics Division) and future EU direct support to STATAFRIC. It also complements the efforts currently undertaken by the UN's Independent Advisory Group on "A data revolution for development".

The identification phase process consisted of an "identification study" carried out by a senior statistical expert with long experience of statistical capacity building in Africa and other developing regions. An informal opinion survey of international and African stakeholders was carried out as part of the study.

Following a first consultation with the AUC Statistics Division in July 2013, early proposals were presented to a meeting of African Statisticians in Senegal in October 2013 for their feedback. Subsequently, these ideas were shared with the African Committee of Director-Generals (CoDG) – an annual event that brings together all heads of NSIs across Africa, in December 2013.

The process to develop institutional capacity for statistics at the AU level may take time, however this action intends to identify concrete deliverables that can result from this intervention.

The **second component** is a continuation of support to the African Development Bank (AfDB) earmarked for the production of the AEO publication, based on an evaluation of the previous phase¹. The purpose of the AEO is to produce comparable information, analysis and prospects on macroeconomic and structural issues, including poverty developments, in a large set of individual countries, representative of the whole continent. It shall permit comparative assessment of their policies and performances, used for example in such mechanisms as the African Peer Review Mechanism or in the allocation decisions for the African Development Fund of the AfDB.

The AEO is now almost entirely financed by the bank and other partners. Attaining such financial autonomy was an important objective for the EU. However new needs have emerged with a view to further expanding the impact of the project. Indeed, it is proposed to elevate the AEO exercise by developing a tractable macro-econometric forecasting model for every African economy. The model should provide a rich assembly of sectors and macroeconomic relationships feeding into a country's policy making toolkit. This will require major improvements to the current modelling framework. An elevated AEO exercise will be used to deepen the Bank's engagement with African countries.

The action will fall under direct management through cross-subdelegation with Eurostat for the first component and the award of a grant to the African Development Bank (AfDB) for the second component.

¹ See Decision 2010/022-371 and evaluation: Project No. 2013/324165/1.

2.2. Context

2.2.1. Sector context: policies and challenges

2.2.1.1 Policies

The AU has established clear and ambitious targets for integration, including the establishment, at continental level, of a free trade area in 2017, a customs union in 2019, a common market in 2023 and economic and monetary union by 2028. Statistics are needed to underpin the African integration agenda, particularly the Minimum Integration Programme (MIP) which was adopted by the African Heads of State and Government in July 2009, to support national policy design and monitoring and to plan and evaluate international development assistance programmes and also own national support programmes.

For the development of statistics across the continent, the major policy framework within the AU is the Strategy for the Harmonisation of Statistics in Africa (SHaSA) which was adopted by the Heads of State and Government in 2010. The SHaSA pursues the following objectives: (i) to produce quality statistics for Africa; (ii) to coordinate the production of quality statistics for Africa; (iii) to build sustainable institutional capacity in the ASS²; and (iv) to promote a culture of quality decision-making.

The SHaSA is the key reference document for action across Africa and the principle coordinating tool for pan-African statistical activities. Its development was led by the AUC Statistics Division, and it was endorsed by the AU, UNECA (United Nations Economic Commission for Africa) and the AfDB – the three major actors in pan-African statistics.

As regards statistics in particular domains (health, trade, employment, migration, prices, national accounts, governance, environment, climate change, etc.), the SHaSA proposed the creation of 14 Special Technical Groups on each priority domain as vehicles to take forward improvements in the availability and quality of statistics across Africa (e.g. by encouraging the development of harmonised methodologies and common tools, by organising common training). The leadership of the individual groups is shared between the three lead actors for continental statistics (the tripartite: AU, UNECA and AfDB.)

Furthermore, the African States adopted the African Charter on Statistics as an overall quality framework for statistics in 2009, and it is in the process of being ratified by AU Member States³. By 21 May 2014, 16 countries had ratified the African Charter on Statistics, and this brings it into force. The AU wishes to bolster the quality agenda, and provide fresh impetus, at national level, and at continental level⁴.

2.2.1.2 Challenges

The capacity of the ASS covering the individual country statistical systems as well as the continental and regional statistical Commissions is not adequate to meet all the demands placed upon it. Statistics are needed to underpin national policies, regional/continental (African Integration) and international purposes (such as Millennium Development Goal (MDG) monitoring or to support negotiations on climate change in the United Nations

² The African Statistical System (ASS) is described by the SHaSA as "a partnership composed of national statistical systems (data providers, producers and users, statistics research and training institutes, statistics coordination bodies, etc.), statistics units in RECs, regional statistical organisations, regional training centres, statistics units in pan-African organisations, coordination bodies at the continental level, and frameworks such as the RRSF (Reference Regional Strategic Framework for Statistical Capacity Building in Africa)."

³ As of March 2014, 28 AU Member States had signed the Charter.

⁴ As part of this effort, Eurostat and the AUC Statistics Division jointly held a High Level Seminar on Quality matters in statistics with the participation of the nearly 30 countries that had already signed the African Charter (29-30 April 2014, Addis Ababa).

Framework Convention on Climate Change), and to improve accountability. In addition to government needs at all levels, the society at large is a major stakeholder who would benefit from improved statistics in Africa (e.g. researchers, civil society, investors, media, business community, etc.).

For example, Africa faces a number of challenges to produce reliable and comparable statistics with regard to many current and topical policy issues such as migration, macro-economic development, trade, HIV/AIDS, environment and climate change, infrastructure development, gender and more recently, the food and financial crises. In addition, there is a need to address the mistrust vis-à-vis some of the statistics that are produced and considered as not always reflecting African realities and not always being comparable across countries⁵.

The foundations of any regional statistical system are the NSIs in each country. The responsibility of the NSIs is to produce and coordinate the dissemination of basic economic and social data needed for governing each country. From their statistical outputs, collated with others, it should be possible to create aggregated indicators needed for governing at either the relevant regional (REC level) and/or AU level (depending on the relevance for a particular policy at each level), as well as to underpin the process of integration at both. The SHaSA identified a number of systemic problems which are preventing the ASS from developing a stronger, more sustainable ability to meet the demands placed upon it. These can be described as:

- Institutional factors (including a low level of resources, low priority compared to other parts of government, poor coordination with other parts of the ASS)
- Organisational factors (including an inability to assess user needs, poor knowledge management, and poor data quality)
- Expertise (lack of qualified staff)

A number of institutions/organisations also exist at regional or continental level with the purpose to produce aggregated statistics for Africa in certain domains. There is an increasing number of initiatives aiming at making available and improving data in different domains (such as purchasing power parities within the International Comparison Programme for prices (ICP), global strategies for the development of agriculture statistics launched by the FAO, macro-economic statistics by the IMF), or horizontally (e.g. the World Bank or the Paris 21 initiative of the OECD). However, as a result, the system lacks capacity and strong stewardship that can ensure that competing, top-down and conflicting demands are managed in such a way as to allow the ASS to move towards a path of long term, sustainable improvements in building up a system with proper institutions able to define their primary user needs and to meet them by producing the respective statistics.

The limited African resources for statistical production that exist are disproportionately geared towards meeting the data needs of the international community, for example in relation to MDGs, economic indicators, etc. While such statistics are also of central importance to the interests of African decision-makers, the situation nonetheless leads to systemic and fundamental organisational problems for the ASS, including:

- African integration statistical needs are overlooked, e.g. for specific indicators or tools;
- The involvement of international actors (for example, through financing for data collections) in the production of statistics at national level hinders NSIs from ring-

⁵ Strategy for the Harmonization of Statistics in Africa.

fencing resources towards their own priorities in a way that balances the different user needs;

- The inability of the NSIs to protect themselves adequately from the demands of top-down vertical programmes linked to improving statistics on one particular field which reduced national ownership. While important, the resources of an individual NSI are finite and greater attention on one domain will inevitably lead to a reduced focus elsewhere.

The AU is pursuing a process to put the ASS on a path towards systemic improvements by supporting a strategic vision for the continent (the SHaSA), coordinated among the principal African continental institutions. They propose the creation of an AU Institute for Statistics to play a role in improving the identification and articulation of African needs (including African integration needs), developing common methodology and producing comparable African-wide statistics in a number of key areas through coordinating the NSIs and sharing good practice.

Although various annual reports on developing countries are published by international organisations, the African continent is seldom covered in depth on a country-by-country comparative basis. Modelled on the OECD Economic Outlook, the AEO report draws on the experience accumulated by the OECD in peer review process and economic analysis. The production of the report is built on all relevant analytic work already produced by research institutions and international organisations, while producing fresh new insights into developments in individual African countries with an overview on the continent as a whole. The report combines the knowledge and expertise accumulated by the OECD, by the AfDB and the UNECA on African economies. It provides up-to date statistical information, ensuring as much as possible comparability of development indicators.

2.3. Lessons learnt

Component 1

The first component is the first proposed EU Pan-African statistical capacity building programme, linked to AU integration needs. However, Eurostat has a number of lessons learnt from its experience in supporting the development of regional statistical capacity in other parts of the world (e.g. the recently completed ASEAN institutional statistical capacity building programme), as well as in the EU's own institutional history for statistics since Eurostat is the longest existing institution of its kind.

Moreover, the Directorate-General for Development and Cooperation – EuropeAid (DEVCO) and Eurostat have a long history of statistical cooperation with NSIs in third countries across Africa, Latin American and Asia as well as in the enlargement countries and in the European Neighbourhood region. Eurostat has often directly supported NSIs in technical domains, and helped to develop their institutional capacity.

In 2006, a European Commission financed study synthesised a number of lessons from EU past statistical capacity development projects, largely involving Eurostat, which are relevant. Key lessons learnt from the Commission's experience are as follows (albeit often with regard to national interventions):

1. Support to statistical capacity building needs to be long-term and repetitive as statistics themselves evolve quickly over the years based on new user demands for new policy areas and statistical capacity has to be built over many years itself.

2. Sustainability of progress achieved has been fragile and uncertain. The study identified the following three explanatory factors for this (i) the absence of real demand for information by decision makers, (ii) an absence of clear partner vision of the development of statistical systems within the overall architecture of State functions, (iii) a lack of financial resources and consequently of human resources.
3. Coordination with other donors tends to be weak, with the experience of others not drawn upon.
4. Insufficient account has been taken, in past intervention logic, of a systematic dimension of statistical systems, and their embodiment in public sector functions. Two factors were identified as being important for the success of regional programmes: (i) the existence of a regional institution serving as a link between the donor and the member countries of the region; and (ii) the institutional and technical strengths of the Member Countries NSIs.

This action is designed to respond to these lessons learnt in the following way. Most fundamentally, it aims to support the setting up of an AU Institute that can produce continental statistics serving regional integration needs, support the building of sustainable statistical capacity in individual countries (where most necessary) and improve the coordination of activities. This is clearly based on African own identification of needs as expressed through the SHaSA which is an AU agreed vision for how to improve African statistics. In particular, the action responds to the above lessons because it proposes to:

- Directly support the creation of a regional institution that is embedded in the emerging governance structures at the AU-level, and which builds on a consensus document of shared African vision for statistical production (the SHaSA) and operates under a set of agreed professional standards (The African Charter of Statistics).
- Support statistical topics which are a subset of the 14 priority statistical topics identified in the SHaSA. Consequently, the topics for support have been identified as areas of mutual strategic interest to both the AU and the EU.
- The action is planned for five years and a follow-up action can be considered under the Multi-Annual Indicative Programme 2018-2020 of the Pan-African Programme, which allows time to build up capacity and actually produce continental statistics.

In terms of relationships with other cooperation partners, another rationale for supporting systemic capacity building at the level of the AU is that such a central body can develop a capacity to facilitate, lead consultation with and coordinate all external cooperation partners at continental level.

Component 2

The EU's past contribution to preparation of the AEO is widely recognised and its support greatly appreciated. It has clear added value for the EU in terms of policy making, capacity building and visibility. It is an evolving product based on regular evaluations. The recommendations to the AfDB on the latest evaluation should be taken fully on board. These are: urgently invest in the AEO model and fine-tune the AEO production process; have a tailored approach to AEO products, each product attracting different users; promote continued improvement of the AEO content; further institutionalise the AEO within the AfDB. In addition to these recommendations, the process to prepare the AEO should evolve to take into account developments in the wider ASS such as the establishment of the new AU Institute for

Statistics, STATAFRIC, and to ensure that its preparation is coordinated with wider continental efforts to improve statistical production.

2.4. Complementary actions

The EU is already financing a number of programmes aimed at strengthening regional capacity for producing official statistics (such as EU MEDSTAT programme which includes Morocco and four AU Member Countries (Algeria, Egypt, Libya and Tunisia). The EU has recently approved support to strengthen production of agricultural statistics in Africa, as part of the Global Agricultural Statistics Programme led by the FAO. A full list of the EU's support to statistical capacity building at various levels, along with the contributions of other donors, is produced each year by the Partnership in Statistics for Development in the 21st Century (PARIS21)⁶. Furthermore, the EU and DFID are currently providing direct support to staff in the AUC Statistics Division and the Pan-African Programme is expected to provide direct support to the new institute once established.

2.5. Donor coordination

DFID has agreed financing (USD 1 million per annum) to be shared between the AU and UNECA (depending on the AU's ability to absorb financing) and which will start during 2014 prior to the EU's financing coming on stream. DFID's support is likely to include technical assistance at the request of the AU to support early development of the AU Institute for Statistics during 2014 and early 2015. The World Bank is in the process of setting up some funds to support the quality activities across the continent, and is liaising with Eurostat to ensure complementarity. The EU also supports the International Monetary Fund's (IMF) five technical assistance offices (AFRITAC) across Africa and which in turn support the production and improvement of national accounts and other macro-economic statistics.

3. DETAILED DESCRIPTION

3.1. Objectives

The overall objective is to support African integration through better availability and quality of statistical information facilitating decision-making and policy monitoring.

The specific objectives are:

- To improve the production and dissemination of quality statistics in Africa
- To support the AU in strengthening its institutional capacity to provide comparable official statistics needed to underpin AU integration process and measure African progress towards global goals. This will include support to the establishment of an AU Institute for Statistics.

3.2. Expected results and main activities

Activities related to result 1 and activities 2.1. and 3.1. relate more in particular to *component 1* of the action. Activities 2.5. and 2.6. relate more in particular to *component 2* of the action.

Expected Result 1

Enhanced capacity, and a more harmonised approach, to the production of good quality statistics for the AU.

⁶ <http://www.paris21.org/sites/default/files/PRESS2013-Full-Report.pdf>.

Main activities will be:

- 1.1 Providing technical and operational support to the "Specific Technical Groups" proposed by the SHaSA, in particular to the Groups on National Accounts, Trade, Employment, post 2015 development agenda indicators and Migration.
- 1.2 Supporting the establishment of quality assessment frameworks as well as support to carry out and develop capacity for different kinds of quality assessments, such as peer reviews of the implementation of the African Charter of Statistics, or quality assessments of key indicators carried out across the AU leading to (i) skills transferred to NSIs and (ii) benchmarks for the success of the programme established.
- 1.3 Supporting greater harmonisation of statistical production across the AU through the implementation of a Data Centre, and the promotion for use and dissemination of common tools for statistical production, e.g. for the compilation of National Accounts (ERETES), or for Trade (Eurotrace), Standard for Data and Metadata Exchange (SDMX), Comtrade portal among others.
- 1.4 Maintaining and providing training on common tools and greater involvement of the AUC Statistics Division/the new institute, and support for the rewriting of the ERETES tool.
- 1.5 Strengthening AU frameworks for the production and dissemination of employment and migration statistics and statistics related to climate change mitigation and adaptation.
- 1.6 Developing statistical products (indicators or tools) needed for AU Integration.

Expected Result 2

Enhanced dissemination approaches and greater dissemination of quality data in Africa

Main activities will be:

- 2.1 Creating a dedicated and operational website for the new institute.
- 2.2 Developing, promoting and rolling out new dissemination tools (such as SDMX, data portal, open data etc) and publications targeting different users of African statistics.
- 2.3 Producing evidence based policy and analytical papers.
- 2.4 Maintaining and developing flagship publications for Africa, e.g. annual editions of the AEO report.
- 2.5 Supporting the preparation and dissemination of five editions of the AEO report.
- 2.6 Developing a tractable macro-econometric forecasting model for every African economy with a view to improve data quality for the AEO reports.

Expected Result 3

Strengthened institutional capacity for Statistics in Africa

Main activities will be:

- 3.1 Supporting the establishment of African Union Institute for Statistics (STATAFRIC) by undertaking necessary preparatory work, such as preparing, consulting upon and reaching consensus with African statistical stakeholders on the mandate, staffing, range of activities, ways of working of the new institute, ways of cooperating with other actors in the African Statistical System as well as other topics such as exploring an appropriate financing model.

- 3.2 Improving the ways of working between key actors of the ASS for example in relation to improving the quality and use of African statistics for key African publications, such as macro-economic statistics used for the production of the AEO report.

3.3. Risks and assumptions

There is a political risk related to whether the tripartite institutions at the African continental level can coordinate and agree on appropriate institutional mandates and roles for statistical production in Africa. This is a sensitive issue and support from a dialogue partner such as the EU may not be welcomed although it relates to the political integration process and the EU has experience to share. The EU may play a supportive role and work with all partners, including EU and international ones, to encourage them towards an optimal outcome.

A particular political risk relates to whether the AU can successfully reach agreement among key stakeholders on aspects such as the mandate, staffing and final location of the new institute. The speed of its creation will be influenced by success in these discussions. This risk is partly mitigated by choosing concrete results for this action that do not depend on the status of the institute. For example, results in terms of improved methodologies and approaches for particular statistical domains can be achieved through support to the Specific Technical Groups which are continental and multi-partner in nature and do not rely on the institute's creation.

In relation to these two risks, the role of the action is to facilitate these decisions by providing resources to the AUC to carry out the preparation work with appropriate expertise and consultation of stakeholders. Beyond this support, there is a limit to how the EU can mitigate this risk since it is closely linked to the African political integration process and is therefore sensitive. Also linked to these first two risks, is the intention to choose an appropriate financing and operational modality that allows the AUC to access technical support as needed, but which does not over step a technical role to overly drive forward the process.

There is also a risk as to whether the National and Regional Statistical Institutes have the capacity to take part in consultations relating to continental institutional mandates and other activities, such as the introduction of new tools that can standardise statistical production across the AU, as well as whether the NSIs have the ability and interest to prioritise the standardisation of statistical production at a regional/continental level (improve comparability) alongside their national priorities and activities.

It will therefore be important that complementary programmes continue to be implemented at national level to strengthen the capacity of statistical systems. A range of international actors provide financing to build statistical capacity at national level and there has been good progress in national priority setting using the National Strategies for the Development of Statistics (NSDS) framework as a tool to coordinate all inputs towards a common set of country led goals and objectives for the development of the statistical system.

In addition, alongside the international, UN led, activities to determine post 2015 goals and appropriate indicators, there is increasing interest in the building of institutional and production capacity such that individual countries can meet new demands. The EU and its Member States can mitigate the issue of weak national systems in Africa by continuing to provide support to this level, and by ensuring that their support is aligned to the long term goal of developing sustainable institutional capacity in official statistics.

Finally, part of the rationale for the institute is that it could improve coordination among NSIs with the possibility for efficiency gains. It should also be encouraged to assert itself as an

institutional champion for AU Statistics in the international arena and to advocate across the international community for the need to develop sustainable, integrated and coordinated official statistical systems across Africa.

With regard to the sustainability of the AEO, the risk related to a discontinuity of the AEO is weak considering that EU contribution to the publication over the past 10 years was reduced from 50% to about 10% of the total budget.

3.4. Cross-cutting issues

Statistical capacity building for all purposes, including the design and monitoring of the integration process, is cross-cutting to all other domains, particularly those of priority to AU integration. Therefore the proposed cooperation is relevant not only to monitor progress and good governance of the integration process, but also to obtain comparable data in key areas of interest such as trade, macro-economics, employment and migration, but also gender, environment and climate change, across Africa.

3.5. Stakeholders

The key stakeholders for this project are the AUC Statistics Division, and the wider AUC, the National Statistical Institutes of the Member States of the AU, the statistical teams within the Regional Economic Communities (RECs) and the other continental level statistical bodies involved in statistical activities (UNECA, AfDB, Afristat).

Continental level

At continental level there are three main actors involved in statistical production activities in Africa. They are:

1. AUC Statistics Division – has the mandate to provide statistical support for the African integration process. Its activities have largely so far been directed towards improving continental coordination of statistical production and encouraging common practices across the NSIs such as in relation to quality methodologies and tools. The team will form the core of the new AU Institute for Statistics, the creation of which was approved at the AU summit in January 2013.
2. UNECA – provides the African Centre for Statistics which has in the region of 40 staff. Its statistical agenda includes the production of national accounts and statistics training, as well as support for data for the Millennium Development Goals.
3. AfDB – finances statistical activities across Africa with a Statistical Capacity Building Programme (SCB 3), supports the RECs statistical teams and supports specific programmes of AFRISTAT (a technical statistical organisation.) Statistical activities focus on the management and financing of the International Comparison Programme, support to labour market information. In addition, the AfDB produces the AEO in cooperation with OECD, and UNDP.

With the formulation of the SHaSA, the three institutions are becoming more coordinated and have shared the leadership of the different Special Technical Working Groups.

Sub-continental level

Most of the RECs have now established dedicated statistical teams, although these are very small (between 2-10 people) and at varying degrees of advancement and capacity. Their role is to support the production of statistics needed for REC level integration. They focus

particularly on the integration process within the REC. Given the size of Africa, they have the potential to play an intermediary role for statistics between the Member States and the AU.

National level

Each AU Member State has a NSI, whose role is to coordinate the production of official statistics in each country. The NSIs in Africa vary greatly in size and capacity. The production of statistics may involve a number of institutions within the country, depending on the organisational set up. For example, agricultural ministries are generally involved in the collection of agricultural statistics. Other actors likely to be involved in statistical production in a given country include central banks, other ministries (such as finance, health or education), as well as international organisations that may finance and carry out surveys.

4. IMPLEMENTATION ISSUES

4.1. Financing agreement

In order to implement this action, it is not foreseen to conclude a financing agreement with the partner country, referred to in Budget Article 184(2)(b) of Regulation (EU, Euratom) No 966/2012.

4.2. Indicative operational implementation period

The indicative operational implementation period of this action, during which the activities described in sections 3.2 and 4.3 will be carried out, is 60 months from the adoption of this Action Document, subject to modifications to be agreed by the responsible authorising officer in the relevant agreements. The relevant Committee shall be informed of the extension of the operational implementation period within one month of that extension being granted.

4.3. Implementation components and modules

In relation to component one, the budget covers a first five year phase during which Eurostat with the AU are preparing to create a new AU Institute for Statistics. Eurostat is managing component 1 of the project. Technical assistance support will be provided to the AUC Statistics Division to achieve the desired results of the action in the other areas of improved harmonised approaches, enhancing capacity as well as to support tasks to prepare the new institute. The AUC Statistics Division wishes to host this technical assistance team within their premises. The technical assistance will direct its support to the AUC Statistics Division or to the wider continental activities foreseen (support to the specialist technical groups, or to roll out common tools to the national level etc) as needed and agreed upon with the Project Consultative Committee which is overseeing component 2 as well. Technical assistance will also be provided to the institute when it exists.

In relation to component 2, support to the AfDB to produce the AEO report, this action covers five reports produced annually for the years 2015-2019 inclusive and will be managed by DEVCO. No further support to the AfDB is foreseen during this financial period.

To support implementation, the European Commission in co-ordination with the AUC will establish a Consultative Committee which will meet at least once per year. The Committee will be chaired jointly by the AU and the EU.

Membership of the Consultative Committee will be determined at the start of the programme. It will, among other tasks, be consulted on programme implementation, as well as provide inputs for the technical assistance provided to the AU, facilitate co-ordination between all institutions and groups involved in the programme, review monitoring and progress reports and participate in monitoring and evaluation processes.

4.3.1. Component 1: Procurement (direct management)

Component 1 of this action, with the objective to support the AU to develop its institutional capacity to produce and disseminate statistics to serve integration needs and to enable the AU to better coordinate its production, will be directly managed by the European Commission (Eurostat). This will enable Eurostat to directly share its relevant expertise and institutional experience to the emerging institution in Africa.

A Service Level Agreement will be signed between Eurostat and DEVCO which will define the roles and responsibilities.

Some of these funds will be used to provide targeted and specialist technical assistance to the AUC in its efforts to prepare the ground for the new institute.

Subject	Type (works, supplies, services)	Indicative number of contracts	Indicative trimester of launch of the procedure
Direct Management (Eurostat) Technical assistance	Service contract	1	1st quarter 2015

4.3.2. Component 2: Grant: direct award (direct management) to an International Organisation

(a) Objectives of the grant, fields of intervention, priorities of the year and expected results

The Component 2 of this action pursues the objective of supporting AU integration through better availability and quality of statistical information facilitating decision-making and policy monitoring.

The main objective of the grant to the African Development Bank (AfDB), is to enable the entrusted entity to produce and disseminate its annual African Economic Outlook (AEO) report during the time period of the action.

In addition to support to the report's production, the component module will also have the objective to support developments of the AEO exercise through the introduction of a tractable macro-econometric forecasting model for every African economy. The model should provide a rich assembly of sectors and macroeconomic relationships feeding into a country's policy making toolkit. This will require improvements to the current modelling framework. An elevated AEO exercise will be used to deepen the AfDB's engagement with African countries.

The grant will mainly cover the publication of the annual reports, their dissemination by the OECD, as well as technical assistance to elaborate the macro-econometric forecasting model.

(b) Justification of a direct grant

Under the responsibility of the authorising officer by delegation, the grant may be awarded without a call for proposals to the African Development Bank (AfDB) as the beneficiary is in a factual monopoly situation as the lead organisation in charge of producing the African Economic Outlook (AEO) which is a flagship statistical production report for Africa. Creating a second (parallel) entity to produce a comparable statistical report at the level of the African continent would undermine the credibility of all institutions involved.

Under the responsibility of the authorising officer by delegation, the recourse to an award of a grant without a call for proposals is justified because the AfDB has a specific mandate to perform its task. No other body has such mandate.

This grant therefore fulfils the conditions set in article 190(c) (body with a de facto monopoly) of the Rules of application of the Financial Regulation for direct award.

(c) Eligibility conditions

N.A.

(d) Essential selection and award criteria

The essential selection criteria are 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 25% of the eligible costs of the action.

(f) Indicative trimester to contact the potential direct grant beneficiary

Last quarter of 2014

(g) Exception to the non-retroactivity of costs

N.A.

4.4. Scope of geographical eligibility for procurement and grants

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

The responsible authorising officer may extend the geographical eligibility in accordance with Article 9(3) of Regulation (EU) No 236/2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

4.5. Indicative budget

Module	Amount in EUR	Third party contribution (indicative)
4.3.1 Direct management (cross-subdelegation Eurostat) Technical Assistance (see activities described in 3.2.)	7 500 000	1 000 000
4.3.2. Direct management (Grant to AfDB) Including Communication and visibility	2 500 000	10 000 000
TOTAL	10 000 000	11 000 000

4.6. Performance monitoring

The following indicators are proposed as part of the Multi-Annual Indicative Programme 2014-2017 of the Pan-African Programme:

- 1.1. Number of technical networks established by African institutions active at continental level supporting country statistical systems
- 1.2. Number of countries in Africa with statistical yearbooks regularly updated (yearly) online and downloadable
- 1.3. Number of countries for which peer reviews reports on the quality of statistics are published and shared
- 1.4. Number of networks built and coordination meetings organised at continental level and regional level within the African Statistical System
- 1.5. Number of countries where AEO reports are available and used at the level of the Ministry of Finances/Planning

Performance of component 1 will be monitored by Eurostat in close cooperation with DEVCO. Semi-annual progress reports will be produced by the technical assistance contractors and will include progress and results on all activities, including those in the implementation of specific activities at the regional and national levels.

Performance of component 2 will be monitored by DG DEVCO in cooperation with Eurostat who will closely follow the technical implementation of the programme undertaken by AfDB on the basis of reports provided by AfDB.

A more detailed description of performance monitoring arrangements and performance indicators is provided in a logical framework.

4.7. Evaluation and audit

Components 1 and 2 will be subject to financial audits and possible evaluations by Eurostat and AfDB respectively along the lifetime of the action.

In addition, budget will be made available under other funding sources for the evaluation and audit of the overall performance of the action during the entire implementation phase, in order to assess its progress and performance as a whole, and its alignment with the overall and specific objectives. DEVCO will manage such evaluation and audit of the actions.

4.8. Communication and visibility

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

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated before the start of implementation and supported with the budget indicated in section 4.5 above.

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

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

The European Commission might implement specific communication and visibility activities under another funding source.

The communication and visibility measures will be carried out through a service contract or a call for proposals tentatively as from the second quarter of 2015.