### ANNEX 2

#### Action Document for EU contribution to the African Legal Support Facility

| 1. Title/basic act/CRIS number | EU contribution to the African Legal Support Facility  
CRIS number: DCI/PANAF/040-008  
financed under Development Cooperation Instrument |
|---|---|
| 2. Zone benefiting from the action/location | Pan-African  
The action shall be carried out at the following location: Africa. |
| 4. Sector of concentration/thematic area | Legal and judicial Development  
(PANAF MIP 2014-2017 Strategic area 4: Sustainable and inclusive development and growth and continental integration; Component 2: Raw materials)  
DEV. Aid: YES |
| 5. Amounts concerned | Total estimated cost: EUR 77 000 000  
Total amount of EU budget contribution **EUR 5 000 000**  
This action is co-financed in joint co-financing by:  
- The African Development Bank (AfDB) Group for an estimated amount of EUR 14 000 000  
German Kreditanstalt fur Wiederaufbau (KfW) Development Bank for an amount of EUR 5 000 000;  
The Netherlands for an estimated amount of EUR 4 500 000  
Other donors (including France, United Kingdom, Belgium): EUR 44 000 000 |
| 6. Aid modality and implementation modality | Project Modality  
Indirect management with the African Development Bank (option A) or with the German Kreditanstalt fur Wiederaufbau (KfW) Development Bank (option B) |
| 7 a) DAC code(s) | 15130 |
| b) Main Delivery Channel | Channel 1: Channel code 46002 (AfDB) |
8. Markers (from CRIS DAC form) | General policy objective | Not targeted | Significant objective | Main objective  
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation development/good governance</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
<td></td>
</tr>
<tr>
<td>Aid to environment</td>
<td>☑</td>
<td>☐</td>
<td>☐</td>
<td></td>
</tr>
<tr>
<td>Gender equality (including Women In Development)</td>
<td>☑</td>
<td>☐</td>
<td>☐</td>
<td></td>
</tr>
<tr>
<td>Trade Development</td>
<td>☑</td>
<td>☐</td>
<td>☐</td>
<td></td>
</tr>
<tr>
<td>Reproductive, Maternal, New born and child health</td>
<td>☑</td>
<td>☐</td>
<td>☐</td>
<td></td>
</tr>
</tbody>
</table>
| RIO Convention markers | Not targeted | Significant objective | Main objective  
| Biological diversity | ☑ | ☐ | ☐ |  
| Combat desertification | ☑ | ☐ | ☐ |  
| Climate change mitigation | ☑ | ☐ | ☐ |  
| Climate change adaptation | ☑ | ☐ | ☐ |  

9. Global Public Goods and Challenges (GPGC) thematic flagships  
N/A  

10. Sustainable Development Goals (SDGs)  
Main SDG Goal 8  
Secondary SDG Goals 9 and 10  

SUMMARY  
The aim of the project is to support the activities of the African Legal Support Facility (ALSF or "the Facility") for the period 2018-2022.  
The ALSF was established as an international organisation in 2008 with the mandate to address the structural imbalances in legal resources and expertise of African countries through creditor litigation services, particularly relating to vulture funds, advisory services in complex commercial and business transactions, and capacity building initiatives. Its activities have started in 2010.  
In particular, through advisory services the Facility supports African States to conclude balanced and sustainable commercial arrangements that have a lasting impact on their development in key areas such as infrastructure (energy, water and transport projects), Public Private Partnerships (PPPs), agriculture and above all the extractive industry. The Facility operates as a flexible and rapid response organisation, enabling African countries to have access to the best legal advice available. The Facility also relies on synergies and partnerships with sub-regional and continental bodies, international organisations and a broad range of national actors, including representatives of the civil society and the private sector. The aim is to establish and nurture professional networks and communities of experts. It functions in Africa in cooperation with the CONNEX Initiative and with the African Minerals Development Centre (AMDC).  
A decision to support ALSF with EUR 5 000 000 had already been taken under the Pan-African Programme in 2014 but, due to delays in negotiations with the intended implementing partner (AfDB), the European Commission was unable to conclude the contract before the contracting deadline. A new ALSF Medium Term Strategy for 2018-2022 has been adopted in June 2017. The EU contribution should therefore support the implementation of this new Strategy.
1 CONTEXT

1.1 Sector/Country/Regional context/Thematic area

1.1.1 Pan-African Context

The extractive sector in Africa offers significant opportunities to foster sustainable development, considering the on-going proliferation of mining, oil and gas exploration across the continent. These resources play a crucial role in the economy of African countries, as they account for a significant share of exports.

However, in Africa, structural gaps in legal expertise and resources remain severe. These hamper the ability of African countries to conduct effective contract negotiations to pursue development purposes. Indeed, due to asymmetries in the availability of information and in the expertise relating to relevant fiscal and legal tools, negotiations with foreign multinational companies are often perceived to result in unfair deals for African countries, which remain deprived of an important share of resources which could be directed to more profitable opportunities. In this context, the African Finance Ministers gave impulse, in 2005, to the creation of the ALSF, which was established in 2008 with the mandate to address the structural imbalances in legal resources and expertise of African countries through creditor litigation services, particularly relating to vulture funds, advisory services in complex commercial and business transactions, and capacity building initiatives.

By offering access to legal advice and assistance, the Facility helps African countries to level the playing field of expertise, reinforcing their bargaining power to ensure the conduct of fair, equitable and balanced negotiations for beneficial agreements and contracts, thereby promoting growth and poverty alleviation.

In the last years, the Facility has witnessed a rising flow of requests for assistance from all regions of Africa. It contributes to building technical and institutional capacity in contract negotiation, thus facilitating dialogue and national consultations between, and within governments, as well as the private sector. The aim is the development of coherent national policies and legal frameworks enabling business investments, trade and sustainable development.

By promoting good governance for natural resources management, the mission of the ALSF is directly linked to strategic priorities of the Joint Africa-EU Strategy (JAES), and specifically those relating to private investment, trade and regional integration, as well as governance. In the framework of the JAES, cooperation in the area of governance of raw materials was agreed in the Action Plan adopted at the 3rd Africa-EU Summit in Tripoli in 2010. Such commitment was renewed at the 4th Africa-EU Summit. The Declaration and Roadmap adopted by the Summit state that: "We shall also work toward prudent and transparent management of respective natural resources in the interest of our populations, in particular in conflict-affected areas in line with principles of good governance. In order to complement the African policies in the above fields, the EU recalls its approach to responsible mineral sourcing and proposes a dialogue on these issues. We will endeavour to cooperate in such fields as geological surveys, mineral resources governance, investment, infrastructure, skills development and waste management".

It is also in line with the African Union's Agenda 2063 and especially with the Africa Mining Vision, which makes an explicit reference to ALSF activities as one of the key means for reinforcing Africa's bargaining power in the mining sector.
1.1.2 Stakeholder analysis

The stakeholders of the ALSF are the African countries and governments who benefit from their services and by extension the African people who benefit indirectly from better quality deals and more beneficial contracts.

The ALSF Treaty was registered with the United Nations during the year and a membership tool kit was also developed. The total number of signatories now stands at 59 which include 52 states and 7 International Organizations. Public Policy Assessment and EU Policy Framework.

Several other donors support the ALSF’s activities, some having joined recently: the AfDB itself, who is also hosting the Facility, the Islamic Development Bank, France, UK, Canada, Belgium, Germany (KfW) and the Netherlands among others. Norway and other donors have also committed to pursuing their support to the Facility. In 2016, Guinea also contributed USD 50 000, making it the first African country to support the Facility, clearly demonstrating the recognition by the African beneficiaries of the positive impact of its activities.

Among the key stakeholders of the Facility are also African lawyers, who receive training from the ALSF.

1.1.3 Priority areas for support/problem analysis

Although raw materials are the main focus behind the EU’s support to the ALSF under the Pan-African Programme, the nature of the ALSF activities is such that it is most pragmatic for the EU to support all ALSF’s activities as per their Medium Term Strategy, as they all contribute in their own way to the compendium of knowledge, capacity and expertise in legal and judicial support to African governments and all its activities are relevant to promoting sustainable and inclusive development and growth and continental integration. This is consistent with the overall objectives of the Pan-African Programme and also allows for more streamlined reporting to all donors on the use of their contributions.

The types of activities supported, apart from the functioning of the Facility itself and the staffing, are mainly represented in the following four types: Advisory Services, Creditor Litigation, Capacity Building, and Knowledge Management. Specifically, the supported projects are spread across the whole range of the ALSF’s strategic activities, namely advisory services in contract negotiation, including large-scale infrastructures and extractive resources, capacity building, but also creditor litigation services, particularly relating to vulture funds.

By the end of 2015, this portfolio of projects had cumulatively covered a total of 40 African countries in a geographically balanced way. Projects currently being implemented, as well as requests of assistance pending approval, include legal support in the negotiation and renegotiation of mining, gas, energy, infrastructure and agriculture contracts.

The operational model of the Facility is country-driven. The work of the Facility has largely exposed substantial weaknesses in legal resources and capacities in all countries concerned. These gaps prevent those countries from negotiating balanced agreements and result in the slowing down of business, investment and economic growth. The work of the Facility is therefore particularly strategic, its added-value being the creation of an enabling environment to foster sustainable development in order to promote the sustainable integration of African countries in the world economy.

In terms of scope and potential impact of its activities, the ALSF established in 2015 that they supported negotiations for projects valued at USD 30 billion (over EUR 28 billion) and that
their intervention saved the supported governments USD 548 million (around EUR 508 million). They had supported 36 African countries in negotiations and had trained 1000 lawyers from all African countries.

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>The Facility is not adequately endowed to implement its own projects and activities in an efficient manner.</td>
<td>L</td>
<td>The Facility continues to pursue institution-building efforts to ensure adequate organisational capacity, staffing and effective operational responsiveness.</td>
</tr>
<tr>
<td>African States institutions do not have the capacity to fulfil developmental purposes after benefiting from ALSF’s assistance.</td>
<td>M</td>
<td>The Facility will continue to raise awareness, spur dialogues and strengthen advocacy to ensure adherence to its principles and values.</td>
</tr>
<tr>
<td>As in 2014-2015, the AfDB will be unable or unwilling to sign the contract with the European Commission within the contracting deadline.</td>
<td>M</td>
<td>In case the AfDB proves unable or unwilling to conclude the relevant contract with the European Commission before the contracting deadline, the European Commission will turn to option B and to KfW (also a donor to ALSF since 2016) as an alternative implementing partner.</td>
</tr>
</tbody>
</table>

3 LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES

3.1 Lessons learnt

3.1.1 Challenges of a new Facility

The ALSF is a relatively new Facility. It is hosted by the AfDB who was its first donor, and is relying on the Bank for much of its day to day functioning (offices, IT, HR, financial procedures, audit, etc.).

Created in 2008 and having launched its first activities in 2010, it has also faced some early difficulties, in terms of staff shortage compounded in 2014 by the move from Tunisia to Ivory Coast. This has resulted in the Facility functioning through much of 2016 with about 70% of its staff, a situation that has nevertheless not prevented the ALSF from addressing the many demands they received. This staff shortage is now being solved as new staff have been recruited.

3.1.2 Main activities – new Medium Term Strategy 2018-2022

From past experience, and the nature of the requests being assessed, as well as based on the ALSF Medium Term Strategy 2018-2022 adopted in June 2017, it is expected that the bulk of activities of the Facility in the next years will continue to be (1) the area of advisory services. This finding also reinforces the need to develop a compendium of knowledge and need for more knowledge management.

Considering the number of requests in the pipeline and the rise in demands in the last years, it is likely that the ALSF is currently coming to a plateau in terms of demands.

3.1.3 The pipeline of projects

As at 31December 2016, the Facility had committed USD 11.3 million for a total of 28 projects while 65 projects were on-going and 29 are currently being evaluated or are closed.
The Facility will continue to implement on-going project activities. The ALSF will also seek to identify new projects emanating from formal requests from Regional Member Countries in the areas of contract negotiation, capacity building and litigation. Due to increased human resources, it is anticipated that more new projects will be processed during the year and approvals will be spread evenly unlike in 2016.

It is expected that advisory services will again constitute the bulk of operational activities, with the projected assessment of 45 projects, the approval of 22 by the board and the implementation of 40 agreements with governments and law firms. The Facility plans to approve 36 projects across its four main areas of activity areas: Advisory Services, Creditor Litigation, Capacity Building, and Knowledge Management. As part of effective oversight on the approved projects, the Facility will continue monitoring and reporting on their performance using the M&E framework, and adequate resources will be availed for this purpose.

The ALSF will also continue to make resources available for its operations. Furthermore, the Facility will seek to i) enhance its institutional capacities; ii) expand its membership base; and iii) develop strategic partnerships to ensure that its efforts yield the sought-after impacts.

### 3.2 Complementarity, synergy and donor coordination

#### 3.2.1 Complementarity

It is anticipated that better complementarity and synergies will be sought with the following actors:

- **The African Minerals Development Centre (AMDC)**, whose mission is to promote the transformative role of mineral resources in the development of the continent through increased economic and social linkages, as well as the United Nations Development Programme (UNDP cf. the Africa Regional Project for Capacity Development for Negotiating and Regulating Investment Contracts);
- **International financial institutions**, and mainly the AfDB, including its newly established African Natural Resources Centre; the World Bank (WB - cf. its extractive industries technical advisory facility); and the International Monetary Fund (IMF- cf. the IMF Topical Trust Fund on Managing Natural Resources Wealth);
- **Think tanks** such as Natural Resource Governance Institute (NRGI) and the Columbia center for Sustainable Investment;
- **Civil society organisations**, such as Oxfam, Transparency International;
- **Hybrid mechanisms such as the EITI** (Extractive Industries Transparency Initiative), a global coalition of governments, companies and civil society working together to assure openness and accountable management of natural resources;
- **G7** (cf. CONNEX initiative Boosting legal assistance in extractive industries).

Apart from the ALSF, none of these actors are specifically involved in the provision of legal assistance to states in contract negotiation and capacity building in legal competence in complex commercial transactions across the African continent.

Complementarity will also be sought with national indicative programmes (governance section), regional programmes in Africa.

In view of ensuring the complementarity with the EU action on conflict minerals, the EU will explore with the ALSF the possibility of extending the provided advisory services and capacity building to support African intergovernmental organizations and local authorities whenever appropriate.
3.2.2 Governance of the ALSF and donor coordination

The Director of the ALSF reports to the Management Board consisting of five members, appointed by the Governing Council. The Governing Council is the supreme organ of the Facility, where all its powers are vested. It is composed of twelve members (and twelve alternate members), appointed from among a range of electoral colleges distributed as follows: five members representing Participating States of the ALSF from each of its regions; four members representing Member States of the AfDB which are also members of the Organisation for Economic Co-operation and Development (OECD); one member representing non-OECD Participating States; one member representing the AfDB; and one member representing other international organisations parties to the Agreement establishing the ALSF.

Although participation in the Agreement is required for membership within the Governing Council, donors that are not parties to the Agreement are invited as observers to all meetings of the Governing Council. This is the current practice for all bilateral or multilateral donors that contribute to the resources of Facility but are not members. In addition, donors meet in the framework of the Annual Meetings of the AfDB Group. Upon signature of the Agreement establishing the ALSF, the European Commission would be entitled to represent the international organisations within the Governing Council of the ALSF.

Despite not being a donor yet, the EU has already in the past years been invited to participate as observer in the donors' meetings. The EU has also been invited to accede to the Agreement establishing the ALSF.

3.3 Cross-cutting issues

Through the promotion of a positive business environment and support to commercial negotiations especially in the extractive sector, the ALSF is committed to encourage best practices and the integration of environmental protection and climate change mitigation aspects, such as the future greenhouse-gas emissions of the planned interventions. The project activities include capacity building for legal matters on environmental issues related to the extractive sector.

Investment agreements, such as those related to extractive industries, can bring positive development impact to the communities involved but have also the potential to create vulnerabilities within the communities. The programme will promote gender equality within the natural resources contracts developed and ensure that technical assistance provided includes legal advisers with this expertise/awareness. Building the capacities of women in high-level positions, as well as those within communities targeted for high value project investment, will provide them with opportunities to create income-generating activities and decrease the level of fragility.

Governance issues arise in sectors such as the natural resources and extractives. Intervention by the Facility in the respective areas will contribute to the promotion of the respect for the rule of law, development of good governance and best practices at national level in the use of resources and the management of critical infrastructure. The ALSF is also committed to the promotion and protection of human rights. Law firms and legal experts selected by the ALSF to assist African countries are required to take human rights risks into consideration when handling complex business and commercial transactions.

Inclusive growth is paramount in achieving long-term sustainable development across the continent for the generations to come. In light of this, the Facility has also committed itself to creating a legal environment within African developing countries that promotes people’s
ability to participate and benefit from wealth and job creation and to facilitate inclusive economic and green growth.

4 DESCRIPTION OF THE ACTION

4.1 Objectives/results

This programme is relevant for the United Nations 2030 Agenda for Sustainable Development. It contributes primarily to the progressive achievement of SDG Goal 8, but also promotes progress towards Goals 9 and 10. This does not imply a commitment by the countries benefiting from this programme.

Overall objective: impact
Contribute to achieving sustainable legal capacity for Africa.

Specific objective: outcome
The specific objective of the programme is to enhance legal capacity in Africa both in contracting and litigation in particular in the area of extractive industries and related infrastructure.

Expected outputs:
1. Advisory services provided to African governments
2. Enhanced capacity building and knowledge management on negotiation related issues
3. Improved creditor litigation services
4. Improved ALSF Corporate Management for Results

4.2 Main activities

The main activities should allow for the implementation of the ALSF Medium Term Plan 2018-2022.

As in the previous strategy, the ALSF’s main activities should follow these four main areas (although percentages (here based on previous period 2010-2016) can vary in the new Strategy and will depend on the received and approved requests for services):

a) Advisory Services (estimated at 62% of activities)
The ALSF provides high quality legal and financial advisory services to African governments to achieve fairer contracts and agreements in selected sectors (infrastructure and natural resources) as well as the development and adoption of more competitive policies and codes.

b) Capacity building and Knowledge Management (estimated at 23% of activities)
This pillar is concerned with the development and dissemination of appropriate knowledge products and the training of African legal practitioners in targeted disciplines.
The ALSF develops expertise across the continent to address the shortage of qualified African lawyers and law firms able to lead negotiations for African governments on complex commercial transactions. It requires from law firms that provide legal services to member countries to transfer skills to their local counsel and counterparts.
The ALSF provides assistance relating to the development, collection and management of knowledge products including academic and legal materials, databases of relevant precedent, curricula development, publications, and training platforms. Knowledge management projects are related to the strategic priorities of the ALSF.

c) Creditor litigation services (estimated at 15% of activities)
The ALSF engages and funds international law firms to represent African countries to effectively litigate against vulture funds and commercial debt creditors especially in
jurisdictions outside Africa. The Facility support gives priority to strengthening relevant assistance to fragile states and post-conflict and low-income countries in Africa that are most vulnerable to creditor litigation.

d) Corporate Management for Results
This internally focussed area revolves around improving the operation efficiency of the ALSF. A maximum of 8% of the total budget will be applied to administrative activities of the Facility. The ALSF will also employ more effort in Dialogue and Partnership building to increase complementarity and synergy of ALSF actions.

4.3 Intervention logic
The choice of supporting the ALSF in its activities is justified notably by the fact that the Facility is today almost the only structure providing this type of service to the African governments, notably in the areas of raw materials and credit litigation. Supporting ALSF activities has proven a cost effective way to reinforce both in the short term and in the long term the legal capacity of African governments.

The work of ALSF is demand driven. Request for support from African governments are received and assessed by the Facility. On a given project, the ALSF works with panel of law firms that it invites to bid and once a Technical Appraisal of the final bids is done, an agreement is made with the supported government on a final selection. The process also involves checking that there are no conflicts of interests.

5 IMPLEMENTATION

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

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 72 months from the date of adoption by the Commission of this Action Document.

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 technical amendments in the sense of point (i) of Article 2(3)(c) of Regulation (EU) No 236/2014.

5.3 Implementation of the budget support component
N/A

5.4 Implementation modalities

5.4.1 Indirect management with an international organisation
This action may be implemented in indirect management with African Development Bank (AfDB) in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012. This implementation entails the AfDB to manage the EU contribution to the ALSF in addition to their own financing of the Facility and delivers a grant to the ALSF in accordance with their own rules and procedures. This implementation is justified because it is the most pragmatic as ALSF is hosted by the AfDB and relies on the AfDB for its administrative and financial management services. Finances are kept by the financial department of the bank; Managing
Travel for the ALSF; IT services; Human Resource services; Internal Audit and External audit with the banks external auditors; and all Protocol issues in relation to privileges and immunities.

Working through AfDB and not through a direct grant from the EU also allows the ALSF to use its own specific procedures for procurement, which are best suited to its specific objectives and activities. AfDB is currently the biggest donor to the ALSF and channels the funds of many donors to the Facility to avoid a multiplicity of direct grants. In addition, the AfDB has successfully undergone an ex-ante assessment, and can be entrusted with budget-implementation tasks under indirect management, allowing the use of the PAGODA 2 Delegation Agreement.

The entrusted entity intends to sub-delegate the implementation of most of the activities to the ALSF. The Action will provide support to African countries in order to effectively litigate against vulture funds and commercial debt creditors; it will also mainly provide them with high quality legal advice in order to strengthen their legal expertise and negotiating capacity. Appropriate provisions will be included in the delegation agreement. The ALSF will in turn conclude its own procurement contracts using the procurement rules adopted by its Governing Council. The entrusted entity would carry out the following budget-implementation tasks: managing and enforcing the contract with ALSF, procurement procedures, making payment, accepting or rejecting deliverables, enforcing checks and recovering funds unduly paid.

If negotiations with the above-mentioned entrusted entity fail, this action may be implemented in indirect management with the German KfW Development Bank in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012. The implementation by this alternative entrusted entity would be justified because it is also a contributor to the ALSF since 2016. The KfW having recently concluded a contractual arrangement with the ALSF, the timing of their contribution most closely matches the EU’s and would allow for an easier implementation of the contractual arrangement between KfW and ALSF. This implementation would entail the KfW to manage the EU contribution to the ALSF in addition to their own financing of the facility and to deliver a grant to the ALSF in accordance with their own rules and procedures. Contrary to the AfDB, the alternative entrusted entity would sub-delegate the implementation of all activities to the ALSF.

The entrusted entity would carry out the following budget-implementation tasks: managing and enforcing contracts with the ALSF, making payment, accepting or rejecting deliverables, enforcing checks and recovering funds unduly paid.

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 9(2)(b) 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 in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

5.6 Indicative budget

<table>
<thead>
<tr>
<th>EU contribution (in EUR)</th>
<th>Indicative third party contribution (in EUR)</th>
</tr>
</thead>
</table>
5.4.1. – Indirect management with AfDB (including communication and visibility)  

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Co-financing from other donors</td>
<td>N/A</td>
<td>72 000 000 EUR</td>
</tr>
<tr>
<td>5.9 – Evaluation, 5.10 – Audit</td>
<td>will be covered by another decision</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5 000 000</strong></td>
<td><strong>72 000 000 EUR</strong></td>
</tr>
</tbody>
</table>

The total budget includes joint co-financing from other donors, the AfDB and other existing ALSF resources. It should be noted that the current indicative budget also takes into account future announced contributions.

5.7 Organisational set-up and responsibilities

The ALSF is constituted by:

- a Governing Council (12 members);
- a Management Board (5 members);
- a Directorate.

The Governing Council is composed of representatives of Member states, AfDB and other international organizations. Their mandate is to determine and approve policy; appoint the Management Board; authorize resource replenishments and appoint external auditors.

The Management Board on the other hand is composed of five persons appointed by the Governing Council and their mandate is to implement powers delegated to it by the Governing Council, approve Annual Budget and Work Programmes, issue By-Laws, Rules and Regulations and ensure efficient and effective operations as well as oversee the management of the ALSF Endowment Fund.

The Directorate is composed of a Director and acts as the Chief Executive Officer and is supported by professional, administrative and support staff. The Director manages the day-to-day administration of the Facility, makes submission of independently audited financial reports to the Management Board and the Governing Council, and also represents the ALSF in external forums.

Although participation in the Agreement is required for membership within the Governing Council, donors that are not parties to the Agreement can be invited as observers to the Council meetings. This is the current practice for all bilateral or multilateral donors that contribute to the resources of Facility but are not members. Upon signature of the Agreement establishing the ALSF, donors including the European Commission, would be entitled to represent the international organizations within the Governing Council of the ALSF.

The ALSF Governing Council has adopted the ALSF Medium Term Strategy 2018-2022 in June 2017. The adoption of the new Strategy will be notified by the ALSF to the EU. This Action Document aims at supporting ALSF in its work on the main four areas as described above and that are confirmed by this new Medium Term Strategy. The logframe of this action will have to be adapted to be consistent with the new Strategy.

5.8 Performance monitoring and reporting

The following indicator has been identified within the Multi-Annual Indicative Programme: **number of country support missions per year realised by ALSF.**
The Facility is implementing a monitoring and evaluation framework to measure and improve performance for future project design and to draw on lessons learned and on the impact of the implementation of activities. The Medium Term Strategy 2018-2022 also focuses on results oriented management, converging at the outcome level with the Africa 2063 and the UNSDG frameworks. In addition, performance will be monitored by the European Commission's Directorate General for Development and Cooperation — EuropeAid (DEVCO) along a series of indicators detailed in the logical framework.

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 logframe matrix. The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

5.9 Evaluation

Having regard to the nature of the action and the existing annual reporting mechanisms, a final evaluation will not be carried out for this action.

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

The evaluation reports shall be shared with the Facility 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 Facility, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

The financing of the evaluation shall be covered by another measure constituting a financing decision.

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.

The financing of the audit shall be covered by another measure constituting a financing decision.
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 included in the budget of the delegation agreement.

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

<table>
<thead>
<tr>
<th>Results chain</th>
<th>Indicators</th>
<th>Baselines (incl. reference year)</th>
<th>Targets (incl. reference year)</th>
<th>Sources and means of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Contribute to achieving sustainable legal capacity for Africa</strong></td>
<td>Number of requests from African governments for ALSF support</td>
<td>Total cumulative of requests for ALSF support: 132 (2016)</td>
<td>The number of requests stabilised as per year 2016.</td>
<td>ALSF Annual Reports</td>
<td>The requests for ALSF support should decrease as the African governments develop their own legal capacity.</td>
</tr>
<tr>
<td></td>
<td>Number of country support missions per year realised by ALSF*</td>
<td>28 new projects were launched in 2016</td>
<td>At least 20 new projects launched per year.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Enhance legal capacity in Africa both in contracting and litigation in particular in the area of extractive industries and related infrastructure</strong></td>
<td>Number of African countries benefiting from ALSF services</td>
<td>39 countries supported (in 2016)</td>
<td>A minimum of 20 countries supported per year (2018-2022).</td>
<td>ALSF Annual Reports</td>
<td>African governments will continue to request ALSF’s support.</td>
</tr>
<tr>
<td></td>
<td>Number of countries having ratified the ALSF Treaty</td>
<td>21 countries have ratified the ALSF Treaty (2016 Annual Report)</td>
<td>At least 30 countries ratified the ALSF Treaty before 2022.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>African countries contributing to the ALSF</td>
<td>1 African country (Guinea) contributed to the</td>
<td>At least one African country</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

1 Indicators aligned with the relevant programming document marked with '*' and indicators aligned to the EU Results Framework with '**'.

14
<table>
<thead>
<tr>
<th>Output</th>
<th>Advisory services provided to African governments</th>
<th>Enhanced capacity building and knowledge management on negotiation related issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average cost of ALSF advisory services</td>
<td>Number of beneficiaries of ALSF Advisory services (countries and/or institutions)</td>
<td>Estimated Value of negotiations supported by ALSF</td>
</tr>
<tr>
<td>ALSF (2016)</td>
<td>contributes financially to the ALSF during the period 2017-2022.</td>
<td>ALSF Annual Reports (all indicators)</td>
</tr>
<tr>
<td>At least USD 9 million invested in Advisory services per year (as per 2016).</td>
<td>A minimum of 20 countries supported per year (2018-2022).</td>
<td>The &quot;supported negotiations value&quot; depends on the requests to the ALSF.</td>
</tr>
<tr>
<td>8 Curricula</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improved creditor litigation services</td>
<td>Number of curricula and training programs developed or updated by ALSF</td>
<td>and training programmes have been developed for training provided by ALSF</td>
</tr>
<tr>
<td>-------------------------------------</td>
<td>-------------------------------------------------</td>
<td>-------------------------------------------------</td>
</tr>
<tr>
<td>Improved ALSF Corporate Management for Results</td>
<td>Repository of relevant knowledge products are developed and disseminated to stakeholders</td>
<td>Work started (2016)</td>
</tr>
<tr>
<td></td>
<td>Estimated savings for governments resulting from ALSF intervention</td>
<td>USD 548 million (cumulated 2010-2015)</td>
</tr>
</tbody>
</table>