EN

ANNEX 13

Of the Commission Implementing Decision on the 2019 Action Programme for cooperation with third countries to be financed from the general budget of the European Union

### Action Document for EU- Brazil Sector Dialogues Support Facility

1) **Key Identification Data**

<table>
<thead>
<tr>
<th>Title of the Action</th>
<th>EU - Brazil Sector Dialogues Support Facility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country/region/global</td>
<td>Brazil</td>
</tr>
<tr>
<td>Sector of intervention</td>
<td>Multi-sector</td>
</tr>
</tbody>
</table>
| Indicative budget | Total: EUR 2 500 000  
Other contributions: NA  |
| Duration and target start date of implementation | 36 months – July 2020 |
| Method of implementation | Direct management - Procurement |

<table>
<thead>
<tr>
<th>DAC code(s)</th>
<th>NA</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Markers (from CRIS DAC form)</th>
<th>General policy objective</th>
<th>Not targeted</th>
<th>Significant objective</th>
<th>Main objective</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>
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</table>

<table>
<thead>
<tr>
<th>RIO Convention markers</th>
<th>Biological diversity</th>
<th>☐</th>
<th>☑</th>
<th>☐</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Combat desertification</td>
<td>☑</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td></td>
<td>Climate change mitigation</td>
<td>☐</td>
<td>☑</td>
<td>☐</td>
</tr>
<tr>
<td></td>
<td>Climate change adaptation</td>
<td>☐</td>
<td>☑</td>
<td>☐</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Global Public Goods and Challenges (GPGC) thematic flagships</th>
<th>NA</th>
</tr>
</thead>
</table>
2 RATIONALE AND CONTEXT

2.1 Action summary

The overall objective of the proposed action is to contribute to strengthening and further enlarging EU-Brazil bilateral relations in line with the EU Global Strategy, the EU Strategic Partnership with BR, and other relevant agreements and documents by fostering new and existing sector dialogues and other cooperation initiatives on priority themes of mutual interest.

Through a mix of research, specialised technical assistance, awareness raising, organisation of events, production of promotional material and technical exchanges, this action will continue acting as EU’s horizontal facility in Brazil and helping translate policy commitments agreed at the High Level Dialogues and sectoral policy dialogues into follow-up actions.

The EU-Brazil Sector Dialogues Support Facility (SDSF) was first created in 2008, one year after the establishment of the Strategic Partnership. Since then it has become an invaluable tool to foster this partnership and to build solid bridges at political and technical level with the Brazilian counterparts.

It is a highly flexible and adaptable tool that allows to quickly respond to political priorities. It will very useful to engage with the New Administration at central and local level on areas of mutual interest. It will also allow responding to the new priorities of the European Commission and the External Action Service for 2019-2023.

Therefore, it is proposed to continue to have a dedicated support facility for the next 3 years.

2.2 Background/Context/Rationale for PI funding

The EU strategic partnership with Brazil was established in 2007 during the Lisbon Summit and is based on close historical, cultural and economic ties. The strategic partnership covers five pillars - strengthening political dialogue, strengthening sector policy dialogues, addressing global challenges, expanding and deepening trade and economic relations and bringing people together.

The EU-Brazil SDSF, in its current phase, has identified priority areas for enhancing the strategic partnership in sectors where there is a clear mutual interest, potential for improvement, and foreseeable benefits for the EU. Most activities financed under the action are a direct result of the sector dialogues, high-level meetings and high-level political events. The flexibility of the action has allowed aligning the activities with the political priorities and has given the EU the possibility to respond quickly to new areas of mutual interest (i.e. fake news, migrations, justice and gender).

Brazil is an important partner for the EU in many areas, such as trade, science and technology, information society, energy, climate, human rights. The EU stands ready to continue and strengthen our partnership with the future administration that has taken office on 1 January 2019 to advance our mutual interests.

In this new political context, the SDSF is a tool that can support different objectives: 1) to build common ground with Brazil, 2) to facilitate EU-Brazil dialogues, 3) to promote EU values, 4) to promote EU visibility, in the media and through public diplomacy activities.

The proposed action is framed with the PI Regulation Objective 1, "to enhance EU bilateral, regional, inter-regional and multilateral cooperation and partnership strategies", as well as Objective 4 “to enhance and widen the understanding and visibility of the EU and of its role in the world scene”.

In addition, this action contributes to the priorities identified under PI Multiannual Indicative Programme (MIP) 2018-20 and mainstreams the following cross-cutting issues: Multilateralism (building alliances) contributing to a global order based on international law, EU principles and values (democracy, rule of law, human rights and fundamental freedoms, respect for human dignity, the principles of equality, including gender equality, and solidarity); Resilience and Innovation.
2.3 Lessons learnt

Policy Dialogue Support Facility projects (or similar) are being implemented in a number of other strategic partner countries of the EU. Despite similar objectives, stemming from the EU’s intention to consolidate and enhance the existent strategic partnerships, the key lesson learned is that there is no “one size fits all” model. Each partnership is unique in its structure, scope, policy priorities and level of advancement. However, key elements to all are flexibility and multi-sector/horizontal nature of the action.

The proposed project builds on the experience, drawn from the previous and ongoing phases of the SDSF: this Action has proven highly valuable to consolidate the strategic relationship with Brazil by ensuring specific follow up to political and sectoral dialogues and helping to build alliances and finding common ground. The flexible and multi-sector/horizontal nature of the action is essential to these ends.

The commitment of stakeholders from both the EU and Brazil remains crucial. A key element for the success of a horizontal facility like the proposed one is active involvement and close political and technical steer from the different EU services. Keeping this in mind, the project steering committee will include representatives of the EEAS and of the different European Commission services in the Delegation as well as relevant EEAS and EC representatives in Brussels.

To ensure good flow of information and coordination and avoid overlapping, existing mechanisms such as the Country team meeting will be used for dissemination of information and consultation on the project activities.

The connexion between specific activities and Sectoral or High Level Dialogues needs to be improved in order to achieve concrete outputs that at the same time can feed the political and policy dialogues. A follow up mechanism for each action needs to be introduced.

The implementation unit should continue to be located in Brasilia under the steer of the EU Delegation and in close interaction with the other EU services.

2.4 Coherence and complementarity

Complementarities will be sought with ongoing PI actions such as Low Carbon Business Initiative, International Urban Cooperation, EU Policy and Outreach Partnership, Fair and Ethical Trade, WIN-WIN, Civil Aviation, IPkey, Responsible business conduct in Latin America and Caribbean and Anti-Microbial Resistance programme and EU-Latin America Mineral Development Network Platform.

Complementarities will also be sought with DEVCO and other DGs’ ongoing projects (COSME, EEN, etc.) as well as with the relevant interventions developed by other donors (especially EU Member States and International Organisations) and by the Brazilian Government and institutions.

2.5 EU added value

This action will support the EU as a whole to implement its strategic partnership with Brazil. It will be managed by the EU Delegation, and jointly steered with the EEAS and Commission services, in coordination with Brazilian counterparts.

Member States will be involved on specific activities as well as via information sharing and consultation. Given that the project will promote European excellency in several technical fields, most technical specialist will be officials or experts from Member States.

This facility will give to the EU the possibility of putting into practice high-level political commitments, to build alliances, to favour our expertise and regulatory framework, to promote our principles and values. Therefore, the EU added-value is embedded in the very nature of the project and it is a criterion to consider an activity to be supported under this facility.
2.6 Cross-cutting issues

EU and Brazil have many sectoral dialogues including in areas such as gender equality, human rights, inclusion and diversity, climate change and environment and connectivity including digital, and therefore specific activities will be implemented in these topics. Moreover, gender equality, human rights, inclusion and diversity, climate change and environment will be mainstreamed when supporting dialogues on other priority topics. Finally, cross-cutting issues will also be embedded from the outset in the logical framework both in terms of qualitative and quantitative indicators.

3 ACTION DESCRIPTION

3.1 Objectives

The overall objective of the proposed action is to contribute to strengthening and further enlarging EU-Brazil bilateral relations in line with the EU Global Strategy, the EU Strategic Partnership with Brazil, and other relevant agreements and documents by fostering new and existing sector dialogues and other cooperation initiatives on priority themes of mutual interest. Its specific objectives are:

a) to foster sector dialogues on specific priority areas of EU – Brazil mutual interest,

b) to support the implementation of the EU-Brazil Strategic Partnership,

c) to support the implementation of other relevant agreements, Memoranda of Understanding, concluded between the EU and Brazil,

d) to help build common ground and strengthen alliances.

The main outputs of the project are:

O1: Improved mutual understanding between EU and Brazilian institutions on areas of common interest.

O2: New areas of joint interest for Brazil and the EU within an existing dialogue identified and promoted.

O3: Politically driven actions of mutual interest for the Brazil and the EU supported

O4: EU interests and values in sectors such as human rights, environment, market access, digital cooperation, regulatory standards, promoted

O5: Awareness and understanding of the EU-Brazil Strategic Partnership and the EU-Brazil Sector Dialogues enhanced

The indicative project activities will include:

- the preparation of baseline, benchmarking and specific sector studies on issues that are relevant for the dialogues;
- the organisation of events (conferences, seminars, workshops, technical visits and other exchange activities, etc.) within the scope of the dialogues;
- the provision of specialised technical assistance to the EU Delegation and relevant stakeholders;
- the identification and execution of activities related to the political priorities of the dialogue;
- the consolidation and further development of the Action information and communication system;
- the organisation of public diplomacy activities promoting the EU visibility in Brazil, in close coordination with the EU Delegation Brazil communication team.
3.2 Stakeholders

The main stakeholders for this action include:

- On the EU side: EEAS and European Commission services (both in the Delegation and in headquarters), and other EU bodies such as the European Central Bank will be responsible for identifying and proposing areas of interest and concrete activities. EU Member States representatives in Brasilia will also be regularly informed and consulted on possible areas of EU-Brazil cooperation to be supported by the project.

- On the Brazilian side: Brazilian Ministries, Agencies and State-level governmental bodies. Other stakeholders: Brazilian and EU think tanks, civil society, academia, private sector, local governments, and media will be invited to participate in outreach and awareness raising activities, and in exchanges planned under the Facility.

Due attention will be paid to gender balanced participation amongst key stakeholders.

3.3 Risk assessment and management

Main assumption is that the Brazilian and European authorities are still committed to further strengthening the EU-Brazil Strategic Partnership and engaging in concrete actions to foster political and sector dialogues.

<table>
<thead>
<tr>
<th>Risk description</th>
<th>Risk level (High, Medium, Low)</th>
<th>Mitigating measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of interest from Brazilian Ministries and Agencies</td>
<td>Medium</td>
<td>Engage with the relevant Brazilian Ministries and Agencies in &quot;dissemination&quot; exercise to explain the importance of the project for the implementation of the Strategic Partnership.</td>
</tr>
<tr>
<td>Insufficient involvement of EU Member States in the activities</td>
<td>Low</td>
<td>Dissemination of information through the different coordination groups (HoMs, DHoD trade counsellors etc.), on possible activities and involvement of EUMS and involvement of EUMS in concrete activities</td>
</tr>
<tr>
<td>Risk of dispersion and lack of coordination reducing overall impact</td>
<td>Medium</td>
<td>Main priorities agreed during Country Team Meetings led by the EEAS. Close follow up of implementation through PIMS methodology.</td>
</tr>
</tbody>
</table>
3.4 Communication and EU 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 that shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation. Appropriate contractual obligations shall be included in, respectively, the procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action, which came into force on 1 January 2018, shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

The ongoing SDSF project has already developed and implemented a strong visibility campaign. The project has a Web Page, a Facebook page and a YouTube channel. Several campaigns have been created and developed to communicate with external audiences.

Under the current SDSF project, all the visibility activities will need to be merged under and linked to the overall public diplomacy activities of the EU Delegation in Brazil, so that the project clearly feeds and enhances the visibility of the EU.

4 IMPLEMENTATION ARRANGEMENTS

4.1 Method of implementation

**Procurement (direct management)**

(a) The programme will be implemented via service contract.
(b) Indicative timing: call for tender expected to be launched in the 4th Quarter 2019.

4.2 Indicative budget

<table>
<thead>
<tr>
<th>Method of Implementation</th>
<th>Amount in EUR million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procurement (direct management)</td>
<td>2.5</td>
</tr>
<tr>
<td>Total</td>
<td>2.5</td>
</tr>
</tbody>
</table>

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures.

4.3 Organisational set-up and responsibilities

FPI representative based in the EU Delegation to Brazil will be in charge of the overall management of the project. Project activities will be defined on an ongoing basis based on close political and technical steer from the EEAS and Commission services both in the delegation as well as in the headquarters.

A project steering committee (PSC) will be set up and will be composed of representatives of relevant EU services in Headquarters and Delegation. The PSC will meet at least every six months. It will give

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2 [www.sanctionsmap.eu](http://www.sanctionsmap.eu) Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.
overall political steer to the facility and will validate the priorities (with the support of the project implementation team).

EU Member States representatives in the country (Heads of Mission/ Commercial or sectoral Counsellors as relevant) will be regularly informed and consulted in order to maximise synergies with their own activities.

A consultative mechanism to ensure the assessment of the results achieved and the follow-up of the activities at the adequate political level will be established by the EU Delegation together with relevant Brazilian officials.

**4.4 Performance monitoring**

The day-to-day technical and financial monitoring of the implementation of this Action will be a continuous process and part of the implementing entity’s responsibilities. To this end, the implementing entity 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. The PIMS methodology should be applied since the beginning of the implementation phase.

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. The progress and final reports shall provide quantified and qualitative data in relation to the logical framework indicators that will include relevant indicators from the list of core and corporate indicators.

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 Action 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).

**4.5 Evaluation and audit**

For this Action, the Commission may carry out interim and/or final/ex-post evaluation(s) via independent consultants contracted by the Commission based on specific terms of reference.

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.

As the “N+1” rule applies for contracting under this decision, external evaluations and audits, as well as additional external monitoring referred to under section 4.4. above, will be funded from sources other than those allocated to this specific Action.