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

**Action Document for Policy Dialogue Support Facility India**

### 1 Key identification data

<table>
<thead>
<tr>
<th>Title of the Action</th>
<th>Policy Dialogue Support Facility India</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country/region/global</td>
<td>India</td>
</tr>
<tr>
<td>Sector of intervention</td>
<td>Multi-sector</td>
</tr>
<tr>
<td>Indicative budget</td>
<td>Total: EUR 2 500 000</td>
</tr>
<tr>
<td></td>
<td>EC contribution: EUR 2 500 000 (100%)</td>
</tr>
<tr>
<td></td>
<td>Other contributions: NA</td>
</tr>
<tr>
<td>Duration and target start date of implementation</td>
<td>36 months – July 2020</td>
</tr>
<tr>
<td>Method of implementation</td>
<td>Direct management - Procurement</td>
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<tr>
<td>DAC code(s)</td>
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#### Markers (from CRIS DAC form)

<table>
<thead>
<tr>
<th>General policy objective</th>
<th>Not targeted</th>
<th>Significant objective</th>
<th>Main objective</th>
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<tbody>
<tr>
<td>Participation development/good governance</td>
<td>☐</td>
<td>✓</td>
<td>☐</td>
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<tr>
<td>Aid to environment</td>
<td>☐</td>
<td>✓</td>
<td>☐</td>
</tr>
<tr>
<td>Gender equality (including Women In Development)</td>
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<td>☐</td>
</tr>
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<td>Trade Development</td>
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#### RIO Convention markers

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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<tbody>
<tr>
<td>Biological diversity</td>
<td>✓</td>
</tr>
<tr>
<td>Combat desertification</td>
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</tr>
<tr>
<td>Climate change mitigation</td>
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</tr>
<tr>
<td>Climate change adaptation</td>
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</table>

#### Global Public Goods and Challenges (GPGC) thematic flagships

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

2.1 Action summary

This action aims to contribute to further strengthening of the EU-India strategic partnership by supporting the existing sectoral policy dialogues in key priority areas for bilateral cooperation. It also aims to identify and explore additional sectors in which mutual interest exists for enhancing the EU-India relations and thus contribute to further development of the growing bilateral relations.

The proposed set of activities will help bring the two partners closer by focusing on issues of common interest and addressing any issues of mutual concern (irritants in bilateral relations), with an ultimate aim to progress towards policy convergence and alignment of policy approaches in the global arena. This action will be complementary to the already ongoing EU interventions in India.

The proposed project will contribute to the objectives set in the Global Strategy for the European Union’s Foreign and Security Policy, and will serve as an important tool to facilitate implementation of the recently adopted joint Communication, Elements for an EU Strategy on India.

Through a mix of research, specialised technical assistance, awareness raising, organisation of events, production of promotional material and technical exchanges, this action will act as EU’s horizontal facility in India and help translate policy commitments agreed at the level of annual EU-India Summits and sectoral policy dialogues into follow-up actions.

2.2 Background/Context/Rationale for PI funding

In terms of linkages with the objectives and priorities laid down in the Partnership Instrument (PI) Regulation, this horizontal facility will directly contribute towards the fulfilment of all four objectives of the PI Regulation.

In particular, this action contributes to the PI Multiannual Indicative Programme (MIP) 2018-20 priorities 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.

The EU–India relationship has evolved significantly in the past years, progressively encompassing trade, foreign/security policy, energy, climate change, environment, transport, research, innovation, education, people-to-people contacts, among others.

In November 2018, a Joint Communication was adopted by the European Commission and the High Representative of the EU for Foreign Affairs and Security Policy which provides elements for an EU Strategy on India, and was adopted by the European Parliament and the Council in December 2018. The new Strategy aims at enhancing the EU-India partnership for sustainable modernisation and in support of the rules-based global order, based on multilateralism with the UN and the WTO. It seeks to develop a shared approach at the multilateral level to address global challenges, and common responses to security threats and regional issues.

Working in close coordination with existing EU projects, the proposed action is designed to become one of the core mechanisms to facilitate implementation of the EU Strategy on India.

The EU-India strategic partnership is currently structured through the annual high-level EU-India Summits, the India-EU Foreign Ministerial Meeting, Strategic Partnership Review, and the EU-India Joint Commission. In the field of foreign policy and security cooperation, the two parties cooperate through EU-India Foreign Policy and Security Consultations, EU-India Dialogue on Counter-Terrorism, the EU-India Dialogue on Cyber Security, EU-India Dialogue on Non-Proliferation and Disarmament, EU Dialogue on Counter Piracy/Maritime Security Dialogue, and the EU-India Ad-Hoc Dialogue on Human Rights.

In the field of trade and economic cooperation, the partners work under the framework of EU-India Sub-commission on Trade, EU-India Macro Economic and Financial Dialogue, EU-India Sub-

In terms of the sectoral dialogues, EU and India work via EU-India Joint Working Group on Environment and Environmental Forum, EU-India Joint Working Group on Water Cooperation, EU-India Energy Panel, the Joint Working Group on EU-India Energy Security, EU-India High Level Dialogue on Migration and Mobility, EU-India Science and Technology Steering Committee, and the EU-India Joint Working Group on ICT.

Moreover, EU-India Sub-commission on Development Cooperation, the Senior Officials meeting on education and multilingualism, and EU-India Policy Dialogue on Culture were organized in the past and may be eventually revived.

This action will support the ongoing policy dialogue mechanisms, as well as help identify and explore new thematic areas in which the EU-India relations could further evolve.

In the field of foreign policy and security matters, the EU and India hold regular discussions in a number of fora and at various levels. Regular ministerial-level meetings help to move forward the implementation of the Summit conclusions and are steering cooperation. Regular foreign policy and security consultations represent a useful platform to exchange views on the full spectrum of bilateral, regional and global foreign policy issues. This facility could strengthen bilateral ties by providing the required thematic expertise aimed to enhance or initiate discussions on topics of mutual interest in the CFSP area, and will be complementary to ongoing project interventions in the field of public diplomacy and engagement with Indian CSOs.

The EU and India enjoy a strong economic, trade and investment relationship: in 2017, the EU was India's largest trading partner, accounting for 17% of India's exports and 10% of India's imports. However, India only accounts for 2.3% of EU trade and only ranks 9th as a trading partner. This demonstrates an important untapped potential in the EU-India trade relation. A key reason for the current state of play is a high number of market access barriers experienced by EU businesses and investors. India maintains high import duties in sectors such as cars and car parts, alcoholic beverages and agriculture products, together with sanitary and phytosanitary restrictions and other technical barriers to trade. The EU engages with India on a continued basis to strengthen trade and investment relations and to address obstacles to bilateral trade, notably though regular meetings of the EU-India Trade Sub-Commission and of its specialised working groups. The Policy Dialogue Support Facility could help advance the dialogue and consequent progress on some of these issues. The EU and India also remain close partners in the G20 context and have developed a regular macroeconomic dialogue to exchange experience on economic policies and structural reforms.

EU-India energy cooperation was considerably strengthened over the past years, which led to the launch of an EU - India Clean Energy and Climate Partnership. Following a joined-up approach as put forth in EU’s Global Strategy, the partnership brings together EU and Indian institutions, businesses and civil society in the EU and its Member States,. Energy cooperation is ongoing on a broad range of energy issues, like smart grids, energy efficiency, offshore wind and solar infrastructure, and research and innovation. India was a key player in achieving a global climate agreement in Paris in December 2015.

In the field of environment and water, the 2016 Summit launched an EU-India Water Partnership, which was followed by a Memorandum of Understanding. The EU and India also cooperate closely on the Indian Clean Ganga initiative. The EU works in this area in a joined-up approach, involving Member States, water authorities, business and NGO’s.

The EU has provided longstanding support to Indian cities to develop plans for sustainable urban development, and more recently established city-to-city cooperation between European and Indian cities. The EU is also providing support to Indian cities to join the Global Covenant of Mayors on climate and clean energy. This cooperation is being formalised in an India-EU Partnership for Smart
and Sustainable Urbanisation, which supports Indian ‘Smart cities’ and ‘AMRUT’ (Atal Mission for Rejuvenation and urban Transformation) initiatives.

The EU and India enjoy strong cooperation in the areas of research and innovation. India's participation in research and innovation funding programme 'Horizon 2020' benefits from a co-funding mechanism. Topics such as research on influenza vaccine have been co-designed with Indian authorities. Individual Indian researchers can receive grants from the European Research Council or Marie Skłodowska-Curie Actions. Both the EU and India are also looking at ways to enhance the innovation partnership by creating network events where start-ups (including women-owned start-ups) can meet. An Implementing Arrangement between the EC and the Indian Science and Engineering Research Board was signed allowing for short-term cooperation between SERB (Secretary of Science and Engineering Research Board) grantees and ERC (European Research Council) teams in Europe.

The EU and India aim to link the ‘EU Digital Single Market’ with the ‘Digital India’. Regular dialogue on economic and regulatory matters is held in the Joint ICT Working Group and ICT Business Dialogue. Cooperation covers ICT market access issues, standardisation, internet governance, research and innovation. EU and India have regular exchanges of best practices on addressing cybercrime and strengthening cyber security and resilience, as well as an open cyber space.

The EU and India also engage in dialogue on Pharmaceuticals, Biotechnology and Medical Devices. Around 30% of active pharmaceutical ingredients sold in the EU are manufactured in India, while 75% of India's total demand for medical devices is currently met by imports, with nearly 30% of it being supplied by the EU alone.

Interest exists on both the EU and Indian sides to strengthen cooperation on competition policy, in particular following the signature of the 2013 EU-India Memorandum of Understanding on Competition Policy.

The EU and India strengthened cooperation on migration and mobility through the endorsement, at the 2016 Summit of the EU-India Common Agenda on Migration and Mobility (CAMM). The CAMM addresses four priority areas: better-organised regular migration and the fostering of well-managed mobility; prevention of irregular migration and trafficking in human beings; maximising the development impact of migration and mobility; and the promotion of international protection.

Working in coordination with the already existing projects, the proposed policy dialogue support facility could help operationalise the policy commitments in any of the areas outlined above or explore cooperation opportunities in additional areas such as international ocean governance, including sustainable fisheries, blue economy, railways, automotive standards, and aviation safety.

In particular, this action contributes to the PI Multiannual Indicative Programme (MIP) 2018-20 priorities 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.

A key element for the success of a horizontal facility like the proposed one, is active involvement and close 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 present in the Delegation as well as relevant EEAS and EC representatives in Brussels.
To ensure the optimum utilisation of the available resources, the annual planning of priorities and activities will be complemented with a six monthly review and definition of activities.

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

The role of the project team leader will be especially important so special attention will be paid to definition of his/her profile and eventual selection. The required skills and attributes would include excellent coordination and communication skills, a proactive attitude allowing her/him to be in constant contact with the relevant services to facilitate the translation of their policy priorities into concrete activities, a good understanding of and experience in EU and India as well as the ability to link the activity-policy/political levels. Lastly, based on learning from the needs expressed by the different services and on the learning from other projects in the country, special attention will be paid to include activities at state and local levels in India.

2.4 Coherence and complementarity

The proposed project will serve as a tool to help operationalise existing EU-India political and sectoral decisions and commitments (e.g. those agreed upon in the framework of political and policy dialogues, joint working groups, summits, country team meetings, joint committees, etc.). It will also help identify new areas of mutual interest, notably under the recent Joint Communication, Elements for an EU Strategy on India.

As such, it will be naturally coherent with EU’s foreign policy towards India, as well as EU’s sectoral policies.

The Partnership Instrument already supports a number of projects in India in key areas (inter alia) climate and energy, ICT, urbanisation, environment, migration, public diplomacy etc. India is also included in several global and multi-country/ regional projects. The proposed Policy Dialogue Support Facility will primarily support interventions in areas in which bigger actions do not exist. Only in case the existing projects cannot cover activities in some sub sectors, the horizontal facility can be mobilised as a complementary tool.

Complementarity will be furthermore sought with the programmes implemented in India by DEVCO (notably “SDG Partnerships and Policy Dialogue Facility in Asia”) and ECHO, in line with the Partnership Instrument approach of pursuing EU and mutual interest. Outreach and coordination with the EU Member States and their projects implemented in India will be ensured from the onset, including through regular reporting on ongoing and planned activities under this project to the EU Heads of Missions in India and EUMS trade, political and sectoral counsellors. This will allow synergies to be built between actions of individual member states and the activities implemented under this facility as well as ensure coherence in delivering the messages to the Indian partners and stakeholders.

2.5 EU added value

EU-India relations continue to strengthen, as demonstrated by the holding of a number of sectoral dialogues, and regular organization of the EU-India Summits. The EU has positioned itself as a key partner on India's sustainable modernization path through provision of sectoral EU technical expertise and presentations of EU regulatory framework in the areas of key strategic relevance to India. Given the considerable economic potential of India and its growing role in the international environment, it is in the interest of the EU and the EU Member States to nurture the growing relationship and further build trust with India in order to use the momentum. Regarding multilateral agreements, the action would contribute towards further supporting the alliance between the EU and India towards meeting and promoting multilateral commitments, such as the implementation of the Paris agreement.

The proposed action is designed to increase the EU’s and EU MS' network of partners in India, and enhance the image of the EU and the EU MS as India's primary partner of choice for its economic,
inclusive, and sustainable development processes, and as a trustworthy and reliable ally on tackling global challenges in the international arena.

The action is expected to infuse new dynamism in the EU-India relations, and in a long run evolve into sector-specific actions developed as a follow-up to this action in the key priority areas for the future EU-India relations.

Regular outreach and engagement is foreseen with the EU Member States, their agencies and projects funded by them.

2.6 Cross-cutting issues

The action will consistently mainstream crosscutting issues, such as gender equality, democracy, rule of law, Sustainable Development Goals (SDG), human rights and fundamental freedoms, partner ownership, and environmental sustainability.

With regard to gender mainstreaming, identification of gender issues (challenges and opportunities) relevant to the proposed action will inform the project design while at the activity level, the action will seek to promote gender balance and diversity in participation.

The selected implementing partner will be required to demonstrate in the design of the project how the relevant crosscutting issues will be incorporated in this action when preparing and implementing individual activities.

3 ACTION DESCRIPTION

3.1 Objectives

The Overall Objective of the action is to contribute to strengthening and expanding of the EU-India strategic relationship in line with the EU Global Strategy, the EU Strategy on India, the EU-India Agenda for Action 2020, bilateral Summit conclusions, and other relevant agreements and documents (OO).

The Specific Objectives of this action are to support the ongoing and planned sectoral EU-India policy dialogues and partnerships on topics of EU's and of mutual interest (SO1), and to contribute to policy convergence of EU-India policy approaches in the global arena (SO2).

The main expected results for the proposed action are:

1. A solid basis is established for operationalisation of EU-India strategic partnership (inter alia through support provided to the sectoral policy dialogues in the form of thematic studies, technical assistance etc.)

2. People-to-people contacts are strengthened

3. Dissemination of relevant and updated information to target audiences on EU-India strategic partnership, and more specifically on topics of key relevance to sectoral policy dialogues is improved

4. Additional thematic areas for EU-India sectoral cooperation are identified, explored and developed

5. Mutual understanding, trust, and knowledge of policy objectives and strategic interests between EU and India are further strengthened
The indicative activities under the proposed action are:

a) Preparation of baseline studies and sectoral studies of relevance for developing and maintaining thematic policy dialogues and operational partnerships, with inclusion of sex-disaggregated data and gender entry points in some of these studies;

b) Provision of specialised technical assistance in the key (existing and possible new) priority sectors, e.g. technical studies, comparative analyses, legal analyses, translations of relevant documents, etc.

c) Organisation of events and exchanges of experiences and best practices (conferences, seminars, TED Talks-type events, workshops, mutual technical visits, officials' exchanges, etc.).

d) Awareness raising activities in thematic fields of strategic relevance to the partnership through outreach to potential multipliers throughout India.

e) Production of promotional/outreach material; organisation of media/social media/public awareness raising campaigns; outreach to the civil society, people-to-people contacts (including women-to-women contacts), etc.

f) Conceptualisation and management of a system for identification of activities aimed at advancing of the ongoing policy dialogues and of sectors with potential for strengthening of EU-India relations; conceptualisation of a progress review system in the prioritized areas.

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) will be responsible for identifying and proposing areas of interest and concrete activities. EU Member States representatives in New Delhi will also be regularly informed and consulted on possible areas of EU-India cooperation to be supported by the project.

– On the Indian side: Indian Ministries, Agencies and State-level governmental bodies. They will be involved in the project activities (technical exchanges, study tours, workshops etc.) and will be informed regarding activities relevant to their respective area of interest on an ongoing basis.

Other stakeholders: Indian 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 project.

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

3.3 Risk assessment and management

The project is designed under the assumption that mutual interest exists on the side of the EU and India to maintain and further strengthen bilateral relations in key priority areas, as well as that the parties are keen on identifying and exploring additional sectors in which the strategic partnership could be enhanced.

It is also assumed that the partners are open and willing to elevate the current levels of collaboration on addressing the global challenges through joint activities in mutually agreed areas of key relevance.
<table>
<thead>
<tr>
<th>Risk description</th>
<th>Risk level</th>
<th>Mitigating measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diminished interest on the side of Indian Government in expanding or maintaining strategic partnership with the EU.</td>
<td>L</td>
<td>Continuous assessment of the political situation and policy priorities in India; Consistent engagement with key Indian partners in areas of mutual interest/with potential for enhanced cooperation. Prioritisation of areas of high mutual interest. Consultation on project activities with Indian partners throughout the implementation period.</td>
</tr>
<tr>
<td>Level of strategic partnership deteriorates due to lack of commitment on furthering strategic engagement with India on the side of the EU.</td>
<td>L</td>
<td>Continuous dialogue, sharing of information on the project with EEAS and Commission services, and coordination with EU Member States to secure the support for enhancing policy dialogues with concrete operational tools. Ensuring high-level involvement in relevant project activities.</td>
</tr>
<tr>
<td>Unexpected crisis or ad-hoc irritants undermine the EU-India relations.</td>
<td>L</td>
<td>Continuous analysis of the relations, mapping of possible irritants in the relations to address causes, and identification of tools to rectify the situation with concrete means.</td>
</tr>
<tr>
<td>Limited human and financial resources at disposal of the partners to advance on the sectoral partnerships in line with their ambitions.</td>
<td>M</td>
<td>Strategic prioritisation of the areas of intervention, in line with EU’s and India’s interests/policy priorities.</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\(^1\), 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.

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4 IMPLEMENTATION ARRANGEMENTS

4.1 Method of implementation

Procurement (direct management)

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

4.2 Indicative budget

<table>
<thead>
<tr>
<th>Method of Implementation</th>
<th>Amount in EUR million</th>
</tr>
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<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 measures2.

4.3 Organisational set-up and responsibilities

FPI representative based in the EU Delegation to India 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 the 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 overall political steer to the facility and will validate the pipeline of activities identified and proposed by the different services (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.

Lastly, relevant Indian stakeholders will be informed and consulted on an ongoing basis (as part of regular EU-India sectoral and political exchanges both at operational as well as at higher political levels). Active involvement and participation of relevant Indian counterparts will be sought in the different activities implemented under the project.

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.

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 which will include relevant indicators from the list of core and corporate indicators.

2 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.
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.