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**INTRA-ACP COOPERATION — 11TH EUROPEAN DEVELOPMENT FUND**

**STRATEGY PAPER AND INDICATIVE PROGRAMME**

**2014-2020**



## GENERAL PROVISIONS

### ACP Group of States — European Union

#### Intra-ACP strategy paper and indicative programme 2014-2020

The African, Caribbean, Pacific (ACP) Group of States, represented by the ACP Committee of Ambassadors, and the European Commission hereby agree as follows:

- 1) The ACP Committee of Ambassadors, represented by its President H.E Mrs. Mpeo Mahase-Moiloa, and the European Commission, represented by Neven Mimica, Commissioner for International Cooperation and Development, hereinafter referred to as the Parties, held discussions in Brussels from December 2013 to July 2015 with a view to determining the general orientations for intra-ACP cooperation for the period 2014-2020.

During these discussions, the Parties drew up the intra-ACP strategy paper and an indicative programme of EU aid in favour of operations that benefit many or all ACP States. This is in accordance with the provisions of Article 12A of Annex IV to the Partnership Agreement between the Members of the African, Caribbean and Pacific Group of States, of the one part, and the European Community and its Member States of the other part, signed in Cotonou on 23 June 2000, and revised in Luxembourg on 25 June 2005 and in Ouagadougou on 22 June 2010 (*Cotonou Agreement*).


The intra-ACP strategy paper and the indicative programme are annexed to the present document.

- 2) As regards the indicative programmable financial resources that the EU envisages to make available for intra-ACP cooperation for the period 2014-2020, paragraph 2(b) of the Multiannual Financial Framework for the period 2014-2020, as contained in Annex IC to the Cotonou Agreement, sets a budget of EUR 3 590 million for the allocation referred to in Article 12C of its Annex IV.

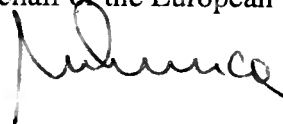
This allocation is not an entitlement and may be revised by the EU, following the completion of mid-term and end-of-term reviews, in accordance with Article 17 of Annex IV to the Cotonou Agreement.

- 3) The indicative programme under section 2 below concerns measures and actions funded under the programmable part of this allocation. It also indicates the sub-allocation for the main areas of concentration. It does not pre-empt financing decisions by the Commission.
- 4) The European Investment Bank may contribute to the present intra-ACP strategy paper by operations financed from the Investment Facility and/or from its own resources, in accordance with paragraphs 2(c) and 3 of the Multiannual Financial Framework for the period 2014-2020 as contained in Annex IC to the Cotonou Agreement.

For the ACP Committee of Ambassadors



For the European Commission  
On behalf of the European Union





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## 1. INTRA-ACP STRATEGY

### 1.1. Context

Since the adoption of the 10th European Development Fund (EDF) intra-ACP strategy in 2008, progress has been made towards the achievement of the Millennium Development Goals (MDGs). However, poverty — in its various dimensions — persists in many parts of the world, and the global economic and financial crises since 2008 have severely affected African, Caribbean and Pacific (ACP) countries. While some have achieved the MDGs, most will not reach a significant number of MDG targets, in particular those on health, gender, education, climate change and the environment.

The identification and formulation of actions implementing the present intra-ACP strategy and indicative programme will therefore fully take stock of the new Agenda 2030 and its linked results framework.

#### *1.1.1. Social situation*

Over recent decades, the remarkable progress in human development at global level has also been reflected in ACP countries, although with noticeable inter-regional and intra-regional differences.

Extreme poverty remains the biggest challenge in most ACP countries. Sub-Saharan Africa remains the world's poorest region despite the absolute number of people living in extreme poverty having fallen for the first time in recent years. Similarly, insufficient progress has been made in the eradication of poverty in the Pacific and the Caribbean, although hunger has been significantly reduced in the latter. Poverty remains the central element of the post-2015 development agenda (2030 agenda), which strengthens efforts to incorporate dimensions of inclusiveness and sustainability.

Limited access to and low quality of education remain key issues for harnessing the full potential of ACP countries. In Sub-Saharan Africa, the enrolment rates of children of primary school age have risen significantly. Nevertheless, more than half of the world's children who are not in school live in Sub-Saharan Africa. In the Caribbean and Pacific, most countries are well positioned to achieve universal primary education. However, only 70 % of children who attend primary school in these regions master basic literacy and numeracy skills. Progress has been remarkable across all regions in terms of gender parity in primary education. However, while the advancement on enrolment rates is positive, major challenges remain to be addressed: improving learning outcomes, and tackling barriers, in particular to girls' education. Global initiatives, such as the Global Partnership for Education, have helped to improve access. However, reaching the remaining 60 million children who are not in school and ensuring quality learning for all will be the main challenges in the medium term.

Health issues still jeopardise efforts by ACP countries in other domains. Approximately 80 % of maternal deaths could be avoided if women had better access to essential maternity and basic healthcare services. However, for ACP countries, in particular in Sub-Saharan Africa and the Caribbean, maternal mortality remains the health MDG that is furthest from reach. Similarly, the spread of communicable diseases, such as HIV/AIDS, malaria and tuberculosis, has not been reversed and continues to affect most ACP countries, as do epidemics such as Ebola. In contrast, under-five mortality rates have been greatly reduced throughout the three main ACP regions. Global initiatives,

such as Gavi (the Vaccine Alliance) and the Global Fund to fight HIV/AIDS, Malaria and Tuberculosis, have contributed to achieving progress but further efforts are needed to prevent and treat communicable diseases. Furthermore, non-communicable diseases represent an increased share of the disease burden in ACP countries, notably in the Caribbean and the Pacific. To address this evolving situation therefore, and ensure equitable access to health services, efforts against communicable diseases must be coupled with a strengthening of national health and social protection systems.

In light of the current social situation in ACP countries, it is necessary to devise flexible, innovative and inclusive approaches to tackle poverty and its root causes, i.e. shortcomings in education and health. Only a healthy and skilled population can muster the necessary energy to lift a country out of poverty and put it on track for sustainable and inclusive development. In that regard, technical and vocational education and training and skills development are key contributions to linking education systems, employment and private sector development.

### *1.1.2. Economic situation*

The ACP Group of States comprises a very diverse range of economies. It includes some of the world's most resource-rich countries, some of the fastest growing countries and some of the poorest countries. Of the world's 48 least developed countries, 41 are ACP countries, most located in Africa. Africa's economic performance has been promising in the last few years: 2004-2012 showed an aggregated average gross domestic product (GDP) growth rate of 5.4 % with significant resilience to internal and external shocks, making it — after emerging Asia — the region in the world showing the second-fastest rate of growth. By contrast, the Caribbean and the Pacific regions have grown at rates below the world average.

In that context, macroeconomic and financial stability are essential to ensure a conducive domestic environment for sustainable development and the mobilisation of financial resources.

Many ACP countries face structural challenges such as being landlocked or small island developing states that suffer from high transport costs and having undiversified and largely informal economies. In addition, natural disasters and climate change exacerbate their vulnerability. The lack of basic urban services — infrastructure, electricity, water and sanitation — in the fast-growing urban centres of ACP countries is combined with the lack of local capacity to respond to it.

The integration of ACP countries into global value chains and trading systems remains very low: while they account for 11 % of the world's population, they generate only 2 % of the world's domestic product and just over 3 % of world trade, even if their overall trade volumes have indeed increased. Thus, while trade is widely recognised as an engine for growth and development, the participation of ACP countries in the global trading system and their share of world trade remain relatively low. In that regard, the Cotonou Agreement provides for the conclusion of economic partnership agreements aimed at promoting sustainable development and growth, poverty reduction, better economic governance and the gradual integration of ACP countries into the world economy.

A large group of ACP countries remains dependent on commodity exports (especially livestock, agriculture, fisheries and minerals) to traditional trading partners, despite significant efforts to reduce this dependency. Although exports are growing, there is a persistent lack of diversification, and — for high value exports — demanding standards

for market access result in a very narrow export base. For these reasons, these countries are prone to external economic shocks and increased economic vulnerability, with consequences such as loss of income, lower investments and rising debt levels. For most populations in ACP countries, agriculture is the economic base. However, owing to low productivity and heavy dependence on rain-fed agriculture, food insecurity and malnutrition are prevalent in rural areas, particularly in Sub-Saharan Africa. In addition, most ACP countries lack indigenous fossil fuel energy resources and spend a large share of their export revenue on energy imports. Efficient uses of energy — and affordable and reliable energy locally produced based on the abundant renewable resources available in the countries — play a key role. Furthermore, productive uses of energy enable the further development of local entrepreneurship, particularly in rural areas.

After many years of market-oriented reforms and relative political stability, ACP countries are today developing their financial markets, which is generating higher savings rates and rising demand from an emerging middle class of consumers.

The informality of the private sector and the labour market, low competitiveness, persistent unemployment and increased income inequalities have all remained major challenges across ACP countries. The labour market suffers from significant gender gaps, for example through an over-representation of women in lower paid jobs.

In many countries, private sector policies and regulatory frameworks remain insufficiently developed to reap the full benefits of the above-mentioned progress and opportunities. Medium-sized enterprises and supporting industries to drive industrial development and promote exports are few and often lack competitiveness. There is a high level of informality and a ‘missing middle’ in the size of enterprises: there is little upward mobility. Micro and small enterprises have difficulties to grow sustainably and to make the transition to medium-sized or even large enterprises. Micro, small and medium-sized enterprises face a wide range of obstacles, including the complexity of registering businesses and taxation, infrastructure shortages, an irregular and inadequate electricity supply, limited access to finance and the shortage of a skilled workforce. In addition, business development service markets are still underdeveloped.

One of the most serious barriers to private sector development in developing countries is the lack of access to financial services and affordable long-term finance. This is often because of missing credit records, and difficulties in registering assets as collateral and formalising small-scale business. Financial services are often restricted to large urban centres and to commercial banks that are reluctant to lend to SMEs. To stimulate the private sector, it is essential to bridge the financial gap and focus on fast-growing, income-generating business areas that can boost the economy while mobilising the local financial sector to provide investments in, for example, agriculture and energy.

Moreover, self-sustained domestic growth is still constrained by a considerable dependence on foreign capital and very low rates of financial inclusion; this is particularly difficult for the low-income population. Reducing this constraint will allow private sector companies to access higher rates of domestic capital, become real competitive economic players, and ultimately be better able to contribute to decent working environments in a more formal manner.

### *1.1.3. Environmental situation*

Environmental protection is critical for inclusive and sustainable economic growth and is a key factor in the transition to an inclusive green economy. However, the achievement

of sustainable development continues to be seriously threatened by a range of factors: climate change, biodiversity loss, land degradation and drought, coastal erosion, overexploitation of natural resources, unplanned urbanisation, and mismanagement of chemicals and waste. Indeed, they threaten the very survival of many ACP countries, particularly least developed countries and small island developing states(SIDS).

Depletion of natural resources and environmental degradation generate excessive costs in the long term if they are not addressed. Environmentally friendly measures can minimise these costs and deliver multiple socioeconomic benefits such as job creation, improvements in production processes that result in energy and water savings, and the creation of and access to new markets.

Extreme weather and climate events (storms, floods, droughts, etc.) but also geological events result in lost lives and injuries, displaced families and devastated towns. ACP countries face high financial costs as a consequence. Similar phenomena substantially affect these countries' ecosystems and biodiversity. Climate change and environmental degradation therefore stand out as major challenges if the countries are to achieve resilient development.

While many ACP countries have made progress in mainstreaming climate change policy into national development priorities, much remains to be done to achieve low emissions and climate-resilient development. In Africa, for instance, droughts alone are responsible for 18 % of losses in GDP. The exposure of the Caribbean region to natural hazards makes it one of the most vulnerable regions in the world. The situation in the Pacific is no less of a concern: Pacific islanders are 25 times more likely to be affected by natural disasters than those living in Europe and — expressed as a percentage of GDP — they experience some of the highest annual average disaster losses. Furthermore, ACP countries account for a substantial share of the planet's biological diversity and yet the rate of biodiversity loss has not slowed down.

Vulnerable people are disproportionally affected by risks arising from climate change. In particular, gender inequalities and women's socioeconomic disadvantages remain as critical challenges in ACP countries as they seek to cope with the adverse effects of the changing climate.

In particular, one quarter of the world's urban population continues to live in informal settlements and slums; in Sub-Saharan Africa, the rate is 72 % of the urban population. These people are often located in the poorest and most environmentally vulnerable urban areas (susceptible to landslides, floods...). This constitutes a major threat to citywide sustainable urban development.

While it is recognised that current MDG targets on environmental sustainability do not reflect aspects such as vulnerability and exposure to natural hazards because of a changing climate, there is growing evidence as to the increase in frequency and severity of weather and climate-induced events.

## **1.2. Overview of past cooperation**

Under the 9th and 10th EDF, intra-ACP cooperation mobilised substantial funding to address common ACP challenges. The 10th EDF allocated EUR 2 700 million to intra-ACP cooperation, and this was increased to EUR 2 894 million following the mid-term review. Intra-ACP cooperation has demonstrated a very high level of financial efficiency: by the end of 2013, close to 100 % of the 10th EDF budget had been committed and

substantial levels of disbursements had led to the achievement of many of the projected results.

Over the years, intra-ACP cooperation has moved from an ad hoc to a more strategic approach. Under the 10th EDF, drawing on past experience of intra-ACP cooperation, ACP States and the European Commission agreed to adopt a multiannual strategy. This new approach has enabled the adoption of a more rationalised and focused strategy but which nevertheless covered a large number of sectors. This rationalisation effort was pursued in the wake of the 2011 mid-term review. Subsequently, in 2013, an external evaluation of intra-ACP cooperation advocated a greater focus on a limited number of sectors, including, among others, climate change and education.

Beyond financial efficiency, intra-ACP cooperation has often proved to be a very effective development instrument. It has delivered significant results, in particular when it has focused on initiatives where its critical financial mass made a difference and when it has promoted cooperation among ACP countries.

The evaluation also showed that, despite a more strategic focus, intra-ACP cooperation under the 10th EDF remained relatively fragmented, resulting in additional administrative transaction costs. It also pointed to the untapped potential of intra-ACP cooperation as a development policy dialogue platform for ACP and EU stakeholders.

### **1.3. Complementarity, added value and implementation strategy of intra-ACP cooperation**

The Cotonou Agreement (Annex IV, Article 12) defines intra-ACP cooperation as a supra-regional cooperation addressing the shared challenges facing ACP States through operations that transcend the concept of geographic location and benefit many or all ACP States. Based on this definition, the 11th EDF intra-ACP strategy will focus on those actions that will benefit the most from the intra-ACP approach, in complementarity with other instruments and subject to the principle of subsidiarity. In this respect, a thorough review has been undertaken of the EDF multiannual indicative programmes — both national and regional — and Development Cooperation Instrument programmes — both thematic and pan-African. The relevance, added value and comparative advantages as regards the choice of sectors were assessed to improve the global coherence of ACP-EU development cooperation, in line with the Accra Agenda for Action.

The 11th EDF intra-ACP strategy embraces an intra-ACP cooperation that supports inclusive development efforts. It does this both through direct development actions and by promoting and supporting dialogue and consensus building among ACP States including promoting knowledge management and exchange of best practices on shared challenges. These two approaches constitute the programme's two pillars and should receive equal attention.

With regard to the first pillar, intra-ACP cooperation should focus on those implementation modalities for which it has a comparative advantage. This includes ACP programmes, initiated by the ACP Secretariat and the European Commission, and global initiatives. ACP programmes should build on the added value of intra-ACP cooperation, in particular its capacity to encourage experience-sharing and synergies between ACP countries. When relevant, intra-ACP cooperation should also align with and take advantage of existing global partnerships that have demonstrated their impact and that promote ownership and coherence with national development strategies. Indeed, many global partnerships are linked to key common challenges for the ACP States. As such,

they can prove very relevant when tackling issues that are trans-boundary by nature, they offer a critical financial mass and good prospects for impact, they harness economies of scale and they provide a wealth of information, data and expertise that the programme can tap into for its own dissemination and experience-sharing activities. In all cases, actions implemented under the intra-ACP strategy should guarantee ownership by ACP countries. When working with international organisations, partnership proposals should be put forward, and they should outline specific objectives and identify related activities and expected results. This joint approach would seek to ensure greater ownership, accountability, relevance, visibility and the lasting impact of actions, and effective use of funds, notably through joint monitoring.

As for the second pillar, the EU and the ACP Group agree on the need to hold a regular EU/ACP sectoral policy dialogue. They notably agree on the need to promote the exchange of best practices and experiences related to common challenges in ACP countries, and between them and the EU. In that regard, the ACP Secretariat continues to play an overarching role so as to promote 'south-south' and 'triangular' experience-sharing and cooperation, guarantee the replication and multiplier effect of intra-ACP cooperation and ensure visibility of its programmes. In this way, dialogue, consultations and information exchange between ACP States and with the EU — on all programmes implemented under this strategy and on cooperation issues identified by the Cotonou Agreement — will be strengthened and supported by the appropriate technical expertise. Regular multi-stakeholder meetings will take place to take stock of cooperation efforts and results, and exchanges of best practices, focusing on specific issues facing many or all ACP countries.

In accordance with the Cotonou Agreement and in line with the complementarity principle, economic and trade cooperation should build on the regional integration initiatives of ACP States. In that framework, the EU and ACP countries and regions are to pay particular attention to the needs arising from the implementation of ACP-EU economic partnership agreements in the context of support to regional cooperation and integration.

#### **1.4. The response strategy**

The 11th EDF intra-ACP strategy intensifies inclusive and outcome-oriented development actions within and between ACP regions. The strategy will — in a coherent, integrated and balanced manner — address the environmental, social and economic dimensions of sustainable development and will be structured around three sectors that will ensure access to basic needs, contribute to a sustainable environment and promote the private sector as an engine of economic growth.

When designing interventions, in line with the Cotonou agreement, due attention will be given to the principles of subsidiarity and complementarity with national, regional, pan-African and thematic activities. Considering the need to ensure strong ownership at local level, activities should mostly take place at national and regional level, in coherence and synergy with national and regional policies and action plans and indicative programmes. In this regard, without prejudice to the relevant provisions of the Cotonou Agreement, the EU and the ACP Group will ensure that the relevant ACP stakeholders, notably the ACP duly mandated regional organisations (DMROs), are involved in the identification and implementation of intra-ACP programmes. This will also ensure regional and national policy relevance, ownership and the added value of intra-ACP support and activities.

The 11<sup>th</sup> EDF intra-ACP strategy will provide support to the African Peace Facility. It will also provide institutional support and capacity building, including strengthened experience-sharing and cooperation with the objective of making critical contributions where it has demonstrated added value, in order to achieve the biggest possible impact. This approach aims to take into account the diverse needs and challenges of ACP countries and regions.

Intra-ACP cooperation will ensure that cross-cutting issues, as defined by the Cotonou Agreement, are taken into account at all levels. Measures in support of the equal participation of men and women in all spheres of life, the fight against HIV/AIDS, environmental protection and the sustainable management of natural resources, adaptation to and mitigation of climate change, and the institutional development and capacity building of ACP States, are all to be integrated whenever relevant and necessary. In particular, all sectors will be gender-mainstreamed. Finally, particular attention will be paid to the importance of the Information and Communication Technologies (ICT) and their applications as proven drivers of inclusive and sustainable growth, innovation and entrepreneurship in the developing world.

#### *1.4.1. Ensuring access to basic needs, promoting human and social development*

Although progress has been made towards MDGs, many ACP countries are still falling behind on some key aspects. Access to primary education has increased in most countries, with some ACP countries showing remarkable progress, but efforts need to be maintained and a further focus put on quality of education. Progress in the field of health has remained too limited for many ACP countries: child mortality remains high, and the incidence of HIV and malaria is yet to be reversed in many countries. Global health crisis, such as Ebola, have also demonstrated the need for strengthening the implementation of the International Health Regulations. Prevention and control of non-communicable diseases is a high concern in ACP countries and should be tackled accordingly.

Intra-ACP cooperation has long shown its added value in supporting human and social development in ACP countries, in particular in the fields of health and education. In these areas, the international community has been supportive of global initiatives (Global Partnership for Education, Global Fund to fight HIV/Aids, Tuberculosis and Malaria, and Gavi (the Vaccine Alliance)) that have provided a framework for the achievement of the MDGs. Intra-ACP cooperation has also contributed to international student mobility through the Erasmus Mundus programme (now Erasmus+).

Building on this added value, the 11th EDF intra-ACP strategy will continue to support major global initiatives related to health and education and also specific ACP programmes in the field of health, education — including technical and vocational education and training — research and culture. They will take into account the 2030 agenda.

#### *1.4.2. Contributing to a secure and sustainable environment*

ACP countries remain particularly vulnerable to underlying risk factors that magnify the generation and accumulation of risk to the lives, assets and livelihoods of their populations. Tackling climate change, biodiversity loss, land degradation and drought, coastal erosion, overexploitation of natural resources (including water), and unplanned urbanisation will contribute to the achievement of sustainable development goals, the

development of economic and employment opportunities and a transition to an inclusive green economy. It is also in line with the EU willingness to increase its financing in favour of climate change adaptation/mitigation programmes, which is particularly relevant in the context of ACP countries.

These drivers of risk, often transboundary in nature, tend to have a more severe impact on the development prospects of ACP countries, thus requiring integrated and shared approaches that maximise synergies between policies and promote the development of actions across regions and thematic areas.

Improving the resilience of ACP countries to stresses and shocks — by tackling climate change, biodiversity loss, environmental degradation and disaster risks in an integrated manner and, where appropriate, aligning with global initiatives — is considered to be absolutely essential to ensuring the implementation of concrete actions that will provide lasting impacts.

The intra-ACP cooperation has acquired experience and achieved results through global initiatives and intra-ACP specific programmes. It is therefore well positioned, under the 11th EDF, to improve the resilience of ACP countries through measures addressing integrated climate change adaptation and mitigation, disaster risk management and environmental conservation.

During the formulation of programmes, due attention will be given to the issue of complementarity, in particular with national, regional, thematic and pan-African strategies. While ensuring complementarity, due consideration will also be given to the unique characteristics and vulnerabilities of the least developed countries and small island developing states (SIDS), as reflected in the SIDS Accelerated Modalities of Action (the Samoa Pathway), which the UN General Assembly endorsed in November 2014 —to ensure that these particularly vulnerable countries are able to meet their sustainable development targets.

#### *1.4.3. Promoting the development of the private sector as an engine of growth*

A competitive local private sector and an enabling business environment are vital to achieving smart, sustainable and inclusive growth, and decent job creation and poverty reduction. Building on the European Commission Communication *A stronger role of the private sector in achieving inclusive and sustainable growth in developing countries* (COM(2014)263) and the ACP Group's *Strategic framework for ACP private sector development*, the June 2014 ACP-EU Council of Ministers in Nairobi adopted a joint cooperation framework for private sector development support in ACP countries, outlining the priorities at intra-ACP level:

- support business-friendly national and regional policies;
- strengthen production capacities by providing micro-level support to the private sector and supporting key intermediary organisations;
- improve access to responsible and sustainable micro-finance services;
- increase access to finance for small and medium enterprises and catalyse private investments through blending operations.

In support of these priorities, the EU and ACP Group will establish an ACP-EU platform for lesson-sharing, dissemination of good practices, and dialogue with the private sector across ACP regions. This will be instrumental in helping the EU and the ACP Secretariat to carry out the identification and formulation of intra-ACP programmes and to monitor these programmes, including the blending operations.

During the identification and formulation process, particular attention will be given to complementarity with programmes at national, regional\*, continental and thematic levels. This will serve to avoid duplication of efforts and to promote synergies, and to ensure that the specific characteristics of ACP countries are duly taken into account. These include notably their dependency on commodities (livestock including animal health, agricultural, fishery and mineral), their lack of access to finance and energy services and their need for compliance with market access in accordance with applicable environmental legislation and internationally recognised basic standards in the field of labour law. To this end, the platform will seek to involve all relevant stakeholders of private sector development so as to ensure good coordination and to increase ownership. It will lead a discussion forum on issues deemed of key importance by ACP countries, such as private sector development in a commodity-based economy — supported by the recommendations of the ACP group for the development of this sector — or the challenges linked to the share of the informal sector and to the obstacles for ACP enterprises to enter into the formal economy.

#### *1.4.4. African Peace Facility*

The African Peace Facility (APF) has proved to be a successful instrument in providing a predictable source of funding to support the African peace and security agenda. It has allowed a number of African-led peace operations to take place and provided a significant contribution to the strengthening of African institutional capacities in peace and security at the continental and sub-regional level. From a broader EU-Africa perspective, it has been a pivotal instrument to operationalise the results of the Africa-EU political dialogue on peace and security issues.

From a strategic perspective, the programming of the 2014-2020 African Peace Facility will be built upon lessons learned from previous APF experiences, but should also reflect the evolving context of peace and security in Africa. In this respect, the 2014–2020 APF programming will take into consideration the outcomes of the APF evaluation and the African Peace and Security Architecture (APSA) assessment.

#### *1.4.5. Institutional support and capacity building*

Institutional support and capacity building, which are addressed both as cross-cutting issues and directly, are crucial components of the intra-ACP strategy. In accordance with the Cotonou Agreement, the intra-ACP strategy should include support to joint institutions and bodies created under the agreement. It should also cover assistance with the operating expenditure of the ACP Secretariat. Capacity building will also be supported.

This approach will be complemented with an increased support to promote exchange of best practices and experiences related to common challenges between ACP countries and

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\* Inter-alia those related to EPAs' implementation.

with the EU. This will include a programme to support ACP development and trade strategies through cooperation and dialogue amongst ACP and EU stakeholders. This will provide a basis to nurture the debate on development approaches in areas deemed of general interest by ACP partners, ranging from social sectors, research and innovation, promotion of cultural diversity, decent work and cross-cutting issues (such as gender) to the macroeconomic environment (debt management for example) and the global trade agenda.

#### *1.4.6. Reserve*

In accordance with Article 12(C) of Annex IV to the Cotonou Agreement, the intra-ACP indicative programme provides for a reserve of non-programmed funds. This reserve is to be used to make intra-ACP cooperation *'sufficiently flexible and reactive to ensure that its actions remain consistent with the objectives of this Agreement and to take account of any changes in the priorities and objectives of the ACP Group of States'* and able to take into account *'new needs which may arise from exceptional or unforeseen circumstances, such as those arising from new challenges which are common to ACP countries.'*

## 2. INTRA-ACP INDICATIVE PROGRAMME

### 2.1. Human and social development

#### 2.1.1. Health

|                      |   |
|----------------------|---|
| <b>Objective 1.1</b> | <b>Control of communicable diseases</b>   |
| Expected results     | <ul style="list-style-type: none"> <li>• Spread of HIV/AIDS and incidence of malaria and other major diseases reversed</li> <li>• Under-five child mortality reduced</li> </ul> |
| Indicative budget    | EUR 630 million   |
| Type of programme(s) | Global initiatives  |

|                      |  |
|----------------------|--|
| <b>Objective 1.2</b> | <b>Strengthen health systems in ACP countries</b>  |
| Expected results     | <ul style="list-style-type: none"> <li>• Human resources for health strengthened</li> <li>• Availability of essential quality medical products improved</li> <li>• Preparedness and response mechanisms against epidemics such as Ebola in place, in accordance with international health regulations</li> <li>• Access to quality sexual and reproductive health-care services improved</li> <li>• Prevention and control of non-communicable diseases integrated in primary healthcare</li> <li>• Health financing sustainable mechanisms developed and integrated with social protection systems</li> <li>• Health information systems and data quality strengthened</li> </ul> |
| Indicative budget    | EUR 150 million  |
| Type of programme(s) | ACP/EC programme   |

#### 2.1.2. Education, science, culture

|                      |  |
|----------------------|--|
| <b>Objective 1.3</b> | <b>Contribute to improved access to and quality of primary education in ACP countries</b>  |
| Expected results     | <ul style="list-style-type: none"> <li>• Universal access to primary education achieved</li> <li>• Rate of completion of primary education increased</li> <li>• Gender parity in primary education completion obtained</li> <li>• Quality of primary education improved</li> </ul> |
| Indicative budget    | EUR 200 million  |

|                      |                    |
|----------------------|--------------------|
| Type of programme(s) | Global initiatives |
|----------------------|--------------------|

|                      |  |
|----------------------|--|
| <b>Objective 1.4</b> | <b>Contribute to the improvement of higher education in ACP countries</b>  |
| Expected results     | <ul style="list-style-type: none"> <li>• Individual capacities of ACP students and academic staff strengthened</li> <li>• Higher education academic provision improved and more in line with the development priorities of ACP countries</li> <li>• Networks between ACP and EU higher education institutions established</li> </ul> |
| Indicative budget    | EUR 85 million   |
| Type of programme(s) | ACP contribution to Erasmus+   |

|                      |   |
|----------------------|---|
| <b>Objective 1.5</b> | <b>Contribute to the improvement of ACP countries' development policies, research and innovation and TVET capacities</b>  |
| Expected results     | <ul style="list-style-type: none"> <li>• Innovative and replicable solutions for development needs produced</li> <li>• Multidisciplinary evidence-based studies on development and research and innovation policies carried out and disseminated</li> <li>• Improved technical and vocational education and training and skills development systems to support innovation and contribute to the promotion of decent work</li> </ul> |
| Indicative budget    | EUR 60 million  |
| Type of programme(s) | ACP/EC Programme  |

|                      |  |
|----------------------|--|
| <b>Objective 1.6</b> | <b>Support the contribution of cultural industries to the socioeconomic development of ACP countries</b>   |
| Expected results     | <ul style="list-style-type: none"> <li>• Economic revenues from creative industries increased</li> <li>• ACP cultures are recognised, valued and accessible</li> </ul> |
| Indicative budget    | EUR 40 million   |
| Type of programme(s) | ACP/EC programme   |

## 2.2. Climate change, resilience building and the environment<sup>†</sup>

### 2.2.1. Climate change

|                      |   |
|----------------------|---|
| <b>Objective 2.1</b> | <b>Contribute to improved capacities of adaptation to and mitigation of climate change in ACP regions and countries</b>   |
| Expected results     | <ul style="list-style-type: none"> <li>• ACP population vulnerable to the impacts of climate change and climate-related natural disasters (including coastal erosion) reduced</li> <li>• Enhanced participation of ACP countries in mitigation and adaptation efforts as defined under the 2015 Paris agreement (intended nationally determined contributions - INDCs)</li> <li>• Greenhouse gas emissions from deforestation and land use change reduced and forest protection mechanisms increased</li> <li>• Participation of ACP countries in the international climate change negotiations enhanced</li> </ul> |
| Indicative budget    | EUR 70 million  |
| Type of programme(s) | ACP/EC programme  |

|                      |  |
|----------------------|--|
| <b>Objective 2.2</b> | <b>Contribute to strengthened production, availability, delivery and application of science-based climate prediction and services</b>  |
| Expected results     | <ul style="list-style-type: none"> <li>• Improved quality and quantity of regional climate prediction and services offered by ACP regional climate centres and hydrometeorological organisations for four climate-sensitive sectors (agriculture and food security, health, water, disaster risk reduction)</li> <li>• ACP regional climate centres are designated/certified as WMO regional climate centres and recognised as centres of excellence by ACP countries and other regional partners</li> </ul> |
| Indicative budget    | EUR 85 million   |
| Type of programme(s) | Global initiative, ACP/EC programme  |

<sup>†</sup> For the identification and implementation of actions under this heading, due attention will be given to the specific needs of small island developing states.

### 2.2.2. Environment

|                      |  |
|----------------------|--|
| <b>Objective 2.3</b> | <b>Contribute to the implementation of environment-related international commitments by ACP countries' institutions and networks</b>   |
| Expected results     | <ul style="list-style-type: none"> <li>• Biodiversity loss reduced by safeguarding ecosystems, species and genetic diversity and more sustainable use of biodiversity and natural capital</li> <li>• Ecosystems are restored and/or protected and their resilience improved to ensure the sustainability of ecosystem services they provide</li> <li>• Appropriate policies, and decision-making based on sound science and the precautionary principle</li> </ul> |
| Indicative budget    | EUR 160 million  |
| Type of programme(s) | Global initiative, ACP/EC programme  |

|                      |  |
|----------------------|--|
| <b>Objective 2.4</b> | <b>Contribute to the mainstreaming and implementation of multilateral environmental agreements (MEAs) — clusters for biodiversity, chemicals and waste, desertification — in ACP countries</b>   |
| Expected results     | <ul style="list-style-type: none"> <li>• Institutional capacity of main ACP regional institutions and relevant MEA secretariats strengthened</li> <li>• Capacity of ACP countries' national authorities in implementing target MEA clusters (biodiversity, chemicals and waste, desertification) enhanced</li> <li>• Biodiversity, chemicals and waste, and desertification policies mainstreamed in national policies such as agriculture, fisheries and development</li> <li>• Benefits arising out of the utilisation of genetic resources fairly and equitably shared</li> </ul> |
| Indicative budget    | EUR 30 million   |
| Type of programme(s) | ACP/EC programme   |

### 2.2.3. Resilience building

|                      |  |
|----------------------|--|
| <b>Objective 2.5</b> | <b>Contribute to the resilience of ACP populations through the improvement of preparedness, risk management and resilient recovery</b>                       |
| Expected results     | <ul style="list-style-type: none"> <li>• Identification and understanding of risks in ACP countries strengthened through harmonised methodologies</li> </ul> |

|                      |  |
|----------------------|--|
|                      | <ul style="list-style-type: none"> <li>Disaster risk reduction and management strategies and action plans, including joint action plans for climate change and disaster risk reduction, as well as climate change related insurance schemes for vulnerable populations, are consolidated and enforced</li> <li>Real-time early-warning systems (also taking into account climate risk) based on effective decision-making protocols operational</li> <li>Critical infrastructure (education and/or health sectors) resilient to natural hazards including coastal erosion</li> <li>Policies, planning and coordination mechanisms for disaster recovery operational</li> </ul> |
| Indicative budget    | EUR 100 million  |
| Type of programme(s) | ACP/EC programme   |

|                      |  |
|----------------------|--|
| <b>Objective 2.6</b> | <b>Contribute to making human settlements inclusive, safe, resilient and sustainable</b>   |
| Expected results     | <ul style="list-style-type: none"> <li>Governance capacities of local, national and regional decision-makers in urban settings are strengthened</li> </ul> |
| Indicative budget    | EUR 30 million   |
| Type of programme(s) | ACP/EC programme   |

### 2.3. Private sector development

|                      |   |
|----------------------|---|
| <b>Objective 3.1</b> | <b>Support business-friendly and inclusive national and regional policies and strengthen productive capacities and value chains</b>   |
| Expected results     | <ul style="list-style-type: none"> <li>Business-friendly, inclusive and responsible national policies and legal frameworks are adopted and implemented</li> <li>Productive, processing, promoting and marketing capacities are strengthened (higher productivity and competitiveness are achieved)</li> </ul> |
| Indicative budget    | EUR 130 million   |
| Type of programme(s) | ACP/EC programme  |

|                      |                                     |
|----------------------|-------------------------------------|
| <b>Objective 3.2</b> | <b>Increase financial inclusion</b> |
|----------------------|-------------------------------------|

|                      |  |
|----------------------|--|
| Expected results     | <ul style="list-style-type: none"> <li>• Access to responsible and sustainable micro-finance services for low-income and vulnerable households and entrepreneurs, including women, (micro-credit, finance services for households...) improved</li> <li>• Transition from informal to formal economy is increased</li> </ul> |
| Indicative budget    | EUR 50 million   |
| Type of programme(s) | ACP/EC programme   |

|                      |   |
|----------------------|---|
| <b>Objective 3.3</b> | <b>Increase access to finance for enterprises, in particular SMEs</b>   |
| Expected results     | <ul style="list-style-type: none"> <li>• Access to finance for small and medium, notably environment friendly, enterprises improved</li> <li>• Scaled-up innovative solutions and investments for employment creation and unserved poor, including women</li> </ul> |
| Indicative budget    | EUR 400 million   |
| Type of programme(s) | ACP/EC programme  |

|                      |   |
|----------------------|---|
| <b>Objective 3.4</b> | <b>Promote ACP-EU private sector development knowledge management</b>   |
| Expected results     | <ul style="list-style-type: none"> <li>• Best practices identified and lessons shared</li> <li>• Peer-to-peer learning between ACP countries and regions dynamised and promoted</li> <li>• The joint ACP-EU cooperation framework for private sector development support in ACP countries is implemented</li> </ul> |
| Indicative budget    | EUR 20 million  |
| Type of programme(s) | ACP/EC programme  |

## 2.4. African Peace Facility

|                    |  |
|--------------------|--|
| <b>Objective 4</b> | <b>Contribute to the prevention, management and resolution of conflicts in Africa</b>  |
| Expected results   | <ul style="list-style-type: none"> <li>• African-led peace operations are supported and successfully implemented</li> <li>• The African Peace and Security Architecture</li> </ul> |

|                   |   |
|-------------------|---|
|                   | (APSA) is strengthened <ul style="list-style-type: none"> <li>• Quick impact actions aimed at preventing and addressing potential or emerging crises are conducted</li> <li>• The EU-African Union cooperation and dialogue on the peace and security challenges in Africa is enhanced</li> </ul> |
| Indicative budget | EUR 900 million   |

## 2.5. Institutional support

|                      |  |
|----------------------|--|
| <b>Objective 5.1</b> | <b>Support the ACP Secretariat for the implementation of the Cotonou Agreement</b>   |
| Expected results     | <ul style="list-style-type: none"> <li>• The ACP Group is properly supported by the ACP Secretariat</li> <li>• Tasks assigned to the ACP Secretariat by the relevant ACP bodies are carried out</li> <li>• Intra-ACP cooperation is implemented efficiently</li> </ul> |
| Indicative budget    | EUR 60 million   |
| Type of programme(s) | ACP/EC programme   |

|                      |  |
|----------------------|--|
| <b>Objective 5.2</b> | <b>Active participation of ACP countries in the ACP-EU institutional dialogue</b>  |
| Expected results     | <ul style="list-style-type: none"> <li>• ACP — EU partnership enhanced</li> <li>• Cooperation between ACP and EU economic and social operators enhanced</li> </ul> |
| Indicative budget    | EUR 13 million   |
| Type of programme(s) | ACP/EC programme (Joint Parliamentary Assembly — European Economic and Social Committee )  |

|                      |  |
|----------------------|--|
| <b>Objective 5.3</b> | <b>Enhance agriculture and rural development policy processes and value chain development for food security, prosperity and sound natural resources management in ACP regions and countries</b>  |
| Expected results     | <ul style="list-style-type: none"> <li>• Enhanced multi-stakeholder participation in agriculture and rural development policy processes and value chain development</li> <li>• Enhanced awareness, knowledge and skills, and access to information for engaging in agriculture and rural development policy processes and value</li> </ul> |

|                      |   |
|----------------------|---|
|                      | chain development <ul style="list-style-type: none"> <li>Enhanced information, communication and knowledge management capacity for ACP organisations and networks to effectively engage in and promote agriculture and rural development</li> </ul> |
| Indicative budget    | EUR 112.5 million   |
| Type of programme(s) | Joint organisation (Technical Centre for Agricultural and Rural Cooperation — CTA)  |

|                      |   |
|----------------------|---|
| <b>Objective 5.4</b> | <b>Support ACP development strategies through cooperation and dialogue amongst ACP and EU stakeholders and promoting a more coherent and informed approach to development and trade issues</b>  |
| Expected results     | <ul style="list-style-type: none"> <li>Increased south-south and triangular experience-sharing and cooperation</li> <li>Increased use, replication and multiplier effect of ACP-EU cooperation</li> <li>Enhanced exchanges on sustainable development and trade-related issues</li> </ul> |
| Indicative budget    | EUR 20 million  |
| Type of programme(s) | ACP/EC programme  |

|                      |   |
|----------------------|---|
| <b>Objective 5.5</b> | <b>Support the identification, implementation, monitoring, evaluation and audits of intra-ACP programmes (technical cooperation facility)</b>   |
| Expected results     | <ul style="list-style-type: none"> <li>Enhanced visibility and transparency for ACP-EU programmes</li> <li>Programmes under the 11th EDF intra-ACP cooperation are well designed and managed</li> </ul> |
| Indicative budget    | EUR 10 million  |
| Type of programme(s) | ACP/EC programme  |

## 2.6. Reserve

*Refer to section 1.4.6.*

## ANNEX 1 —SECTOR INTERVENTION FRAMEWORK<sup>3</sup>

### 1. Human and social development

| Objective                                      | Expected Results   | Indicator   | Source  |
|--|--|---|---|
| 1.1 Control of communicable diseases           | Spread of HIV/AIDS and incidence of malaria and other major diseases reversed  | AIDS-related mortality rate, tuberculosis mortality rate, malaria mortality rate (three separate statistics to be reported)   | WHO, UNAIDS                                   |
|  | Under-five child mortality reduced   | HIV prevalence among 15-24 year olds  | WHO, UNAIDS                                   |
|  | Human resources for health increased   | Under-five mortality rate   | WHO, UNICEF                                   |
| 1.2 Strengthen health systems in ACP countries | Availability of essential quality medical products improved  | Health worker density and distribution  | WHO   |
|  | Preparedness and response mechanisms against epidemics such as Ebola in place, in accordance with international health regulations | Availability of essential medicines and medical products  | WHO, UNAIDS, UNICEF                           |
|  | Access to quality sexual and reproductive health-care services improved  | Proportion of suspected outbreaks of epidemic-prone disease notified to the district level within two days of crossing the alert threshold                            | Demographic and Health Surveys (DHS)          |
|  | Prevention and control of non-communicable diseases integrated in primary healthcare   | Maternal mortality ratio  | DHS, WHO, UN Statistics Division MDG Database |
|  |  | Number of births attended by skilled health personnel   |   |
|  |  | Contraceptive prevalence rate   |   |
|  |  | Availability and affordability of quality, safe and effective essential non-communicable disease medicines, including generics, in both public and private facilities | DHS, WHO                                      |
|  | Health financing sustainable mechanisms developed and integrated with social protection systems                                    | Proportion of eligible persons receiving drug therapy and counselling to prevent heart attacks and strokes  |   |
|  | Health information systems and data quality  | Out-of-pocket expenditure on health as a percentage of total expenditure on health  | WHO   |
|  |  | Completeness of reporting by facilities   | WHO   |

<sup>3</sup> The results, indicators and means of verification specified in the present annex may need to evolve to take into account changes intervening during the programming period. Baselines (and baseline years) and targets (and target years) will be determined in the action documents at the latest.

|     | strengthened  | Health information system performance index (HISPIX)   |   |
|-----|---|--|---|
| 1.3 | Contribute to improved access to and quality of basic education in ACP countries                                  | Universal access to primary education achieved   | UNESCO Institute for Statistics   |
|     |   | Rate of completion of primary education increased  | UNESCO Institute for Statistics   |
|     |   | Gender parity in primary education completion obtained   | UNESCO Institute for Statistics   |
|     |   | Quality of primary education improved  | UNESCO Institute for Statistics   |
| 1.4 | Contribute to the improvement of higher education in ACP countries  | Number of teachers trained   | UNESCO Institute for Statistics   |
|     |   | Individual capacities of ACP students and academic staff strengthened  | Erasmus+ statistics   |
|     |   | Higher education academic provision improved and more in line with the development priorities of ACP countries   | Erasmus+ statistics   |
|     |   | Networks between ACP and EU higher education institutions established  | Erasmus+ statistics   |
| 1.5 | Contribute to the improvement of ACP countries' development policies, research and innovation and TVET capacities | Innovative and replicable solutions for development needs produced   | ACP chambers of commerce and industry (and similar institutions), World Trade Organisation, Global Innovation Index, World Intellectual Property Organisation |
|     |   | Multidisciplinary evidence-based studies on development and research and innovation policies carried out and disseminated                                    | ACP regional/national scientific research institutes<br>Ministries of higher education and research   |
|     |   | Improved technical and vocational education and training and skills development systems to support innovation and contribute to the promotion of decent work | UNESCO Institute for Statistics, International Labour Organisation  |
|     |   | Economic revenues from creative industries increased   | ACP regional integration organisations<br>WTO   |
| 1.6 | Support the contribution of cultural industries to the socioeconomic development of                               | Income from ACP countries' cultural sectors and creative industries (e.g. traditional arts sectors, television and radio, new media,                         |   |

|               |  |                         |   |   |
|---------------|--|-------------------------|---|---|
| ACP countries | ACP cultures are recognised, valued and accessible | music, books and press) | Number of ACP countries' cultural organisations (e.g. centres for arts and culture, non-governmental organisations, multimedia producers, observatories of cultural policies, practitioners' networks, museums) | Ministries of culture or education in ACP countries<br>ACP town councils<br>UNESCO Institute for Statistics |
|               |  |                         | Number of ACP countries with national policies supporting the development of creative and cultural industries   | Ministries of culture or education in ACP countries<br>ACP town councils<br>UNESCO Institute for Statistics |
|               |  |                         | Number of ACP countries having ratified the UNESCO 2005 Convention on the protection and promotion of the diversity of cultural expression.   | Ministries of culture or education in ACP countries<br>ACP town councils<br>UNESCO Institute for Statistics |
|               |  |                         |   |   |

## 2. Climate change, resilience building and the environment

|     | Objective  | Expected Results   | Indicator  | Source   |
|-----|--|--|--|--|
| 2.1 | Contribute to improved capacities of adaptation to and mitigation of climate change in ACP regions and countries               | ACP population vulnerable to the impacts of climate change and climate-related natural disasters (including coastal erosion) reduced   | Population in ACP countries covered by climate change and climate-related natural disasters adaptation mechanism, plan and measures  | UNFCCC national adaptation plans   |
|     |  | Enhanced participation of ACP countries in mitigation and adaptation efforts as defined under the 2015 Paris agreement (intended nationally determined contributions — INDCs)  | Proportion of INDC targets in ACP countries that are on track  | UNFCCC INDCs   |
|     |  | Greenhouse gas emissions from deforestation and land use change reduced and forest protection mechanisms increased   | Level of greenhouse gases in ACP countries (tonnes of carbon dioxide) covered by the REDD+ mechanism   | UNFCCC nationally appropriate mitigation actions and reducing emissions from deforestation (REDD+)                               |
|     |  | Participation of ACP countries in the international climate change negotiations enhanced   | Number of countries participating in the negotiations under the UN Framework Convention on Climate Change  | UNFCCC   |
| 2.2 | Contribute to strengthened production, availability, delivery and application of science-based climate prediction and services | Improved quality and quantity of regional climate prediction and services offered by ACP regional climate centres and hydrometeorological organisations for four climate-sensitive sectors (agriculture and food security, health, water, disaster risk reduction) | Number of climate observation and climate monitoring products (e.g. seasonal predictions, forecasts for risks of floods/droughts) generated and disseminated by regional climate centres | WMO  |
|     |  | ACP regional climate centres are designated/certified as WMO regional climate centres and recognised as centres of excellence by ACP countries and other regional partners   | Number of designated/certified WMO regional climate centres  | WMO  |
| 2.3 | Contribute to the implementation of environment-related commitments by ACP countries' institutions and networks                | Biodiversity loss reduced by safeguarding ecosystems, species and genetic diversity and more sustainable use of biodiversity and natural capital   | State of global diversity  | International Union for Conservation of Nature (IUCN) Red List of threatened species, CBD/CITES annexes, WWF Living Planet Index |
|     |  | Ecosystems are restored and/or protected and their resilience improved to ensure the sustainability of ecosystem services they provide   | Number of hectares (e.g. of protected areas) sustainably managed with EU support   | IUCN World Database on Protected Areas, programme reports  |
|     |  | Appropriate policies, and decision-making based on sound science and the precautionary   | Number of biodiversity-related policy decisions using evidence from regional   | Reports from observatories, programme reports  |

|     | principle  | biodiversity observatories   |   |
|-----|--|--|---|
| 2.4 | Contribute to the mainstreaming of implementation of multilateral environmental agreements (MEAs) - clusters for biodiversity, chemicals and waste, desertification — in ACP countries | Institutional capacity of key ACP regional institutions and relevant MEA secretariats strengthened   | Number of multilateral environment agreements ratified by ACP countries   |
|     |  | Capacity of ACP countries' national authorities in implementing target MEA clusters (biodiversity, chemicals and waste, desertification) enhanced  | Number of multilateral environment agreements implemented by ACP countries  |
|     |  | Biodiversity, chemicals and waste, and desertification policies mainstreamed in national policies such as agriculture, fisheries and development   | Number of monitoring and reporting systems produced by ACP regional institutions, MEA Secretariats and ACP countries  |
|     |  | Benefits arising out of the utilisation of genetic resources fairly and equitably shared   | Number of national policies in ACP countries integrating biodiversity, chemical and waste, and desertification  |
| 2.5 | Contribute to the resilience of ACP populations through the improvement of preparedness, risk management and resilient recovery  | Identification and understanding of risks in ACP countries strengthened through harmonised methodologies   | Status of Nagoya Protocol ratifications and procedures related to access to genetic resources and the fair and equitable sharing of benefits arising from their utilisation |
|     |  | Disaster risk reduction and management strategies and action plans, including joint action plans for climate change and disaster risk reduction, as well as climate change related insurance schemes for vulnerable populations, are consolidated and enforced | Number of ACP officials trained in and assigned to risk evaluation  |
|     |  | Real-time early-warning systems (also taking into account climate risk) based on effective decision-making protocols operational   | Number of risk-informed development policies and plans, incorporating prevention and mitigation measures to reduce vulnerabilities (e.g. to natural hazards)                |
|     |  | Critical infrastructure (education and/or health sectors) resilient to natural hazards including coastal erosion   | Number of people with access to early warning and risk information on natural hazards   |
| 2.6 | Contribute to making human settlements inclusive, safe, resilient and sustainable  | Policies, planning and coordination mechanisms for disaster recovery operational   | Number of critical infrastructures conforming to hazard-resistant building standards, codes and norms   |
|     |  | Governance capacities of local, national and regional decision-makers in urban settings are strengthened   | Number of countries with recovery frameworks adopted  |
|     |  |  | Number of ACP countries that have developed or revised national urban policies  |
|     |  |  |   |
|     |  |  |   |

### 3. Private sector development

|     | Objective  | Expected Results  | Indicator   | Source  |
|-----|--|---|---|---|
| 3.1 | Support business-friendly and inclusive national and regional policies and strengthen productive capacities and value chains | Business-friendly, inclusive and responsible national policies and legal frameworks are adopted and implemented<br>Productive, processing, promoting and marketing capacities are strengthened (higher productivity and competitiveness are achieved)           | Number of ACP countries that have improved the quality of the business environment<br>Number of small and medium enterprises (including producers and producers' organisations) integrated in local, regional and international value chains<br>Number of countries that have improved their global competitiveness score compared to the previous year                                 | Distance-to-frontier indicator, WBG<br>Enterprise-level surveys<br>Global Competitiveness Index — World Economic Forum                      |
| 3.2 | Increased financial inclusion  | Access to responsible and sustainable micro-finance services to low-income and vulnerable households and entrepreneurs, including women, (micro-credit, finance services for households...) improved<br>Transition from informal to formal economy is increased | Percentage of micro, small and medium-sized enterprises with an account at a formal institution<br>Percentage of adults with an account at a formal institution<br>Access to credit for informal businesses   | WBG Enterprise Surveys<br>World Bank Global Findex<br>IFC Enterprise Finance Gap Database   |
| 3.3 | Increased access to finance for enterprises, in particular SMEs  | Access to finance for small and medium, notably environment friendly, enterprises improved<br>Scaled-up innovative solutions and investments for employment creation and unserved poor, including women   | Number of firms with access to credit with EU support<br>Employment levels (disaggregated by sex and age bracket)   | WBG Enterprise Survey and IMF Financial Access Survey, reports from lead financial institutions<br>Reports from lead financial institutions |
| 3.4 | Promote ACP-EU private sector development knowledge management   | Best practices identified and lessons shared<br>Peer-to-peer learning between ACP countries and regions dynamised and promoted<br>The joint ACP-EU cooperation framework for private sector development support in ACP countries is implemented                 | Number of best practices on private sector development identified and disseminated to ACP regions and private sector development intermediary organisations<br>Establishment of a private sector development knowledge-sharing network<br>Status of the joint ACP-EU cooperation framework for private sector development support in ACP countries. Milestone 1 — framework implemented | Statistics from the programme's implementation reports<br>Statistics from the programme's implementation reports<br>Evaluations             |

#### 4. African Peace Facility

|   | Objective  | Expected Results  | Indicator   | Source  |
|---|--|---|---|---|
| 4 | Contribute to the prevention, management and resolution of conflicts in Africa | <p>African-led peace operations are supported and successfully implemented</p> <p>The African Peace and Security Architecture is strengthened</p> | <p>Number of African-led peace operations supported by the African Peace Facility</p> <p>Number of activities (e.g. capacity building, support to policy development) carried out by the AU and regional economic communities and regional mechanisms and supported by the African Peace Facility to operationalise the African Peace and Security Architecture</p> | <p>African Union (AU)/EU statistics</p> <p>AU/EU statistics</p> |
|   |  | <p>Quick impact actions aimed at preventing and addressing potential or emerging crises are conducted</p>   | <p>Number of mediation and conflict prevention activities supported by the APF</p>  | <p>AU/EU statistics</p>   |
|   |  | <p>The EU-African Union cooperation and dialogue on the peace and security challenges in Africa is enhanced</p>                                   | <p>Number of contacts between the AU and regional economic communities and regional mechanisms and the EU (official trips, meetings of Joint Coordination Committee, Political and Security Committee, Peace and Security Council, etc.)</p>  | <p>AU/EU statistics</p>   |

## 5. Institutional support

|     | Objective  | Expected Results   | Indicator  | Source   |
|-----|--|--|--|--|
| 5.1 | Support the ACP Secretariat for the implementation of the Cotonou Agreement  | The ACP Group is properly supported by the ACP Secretariat   | Level of progress in the organisational reform of the ACP Secretariat in the period 2015-2020: milestone 1 — reform started; milestone 2 — reform completed.   | New management strategy drafted for the corresponding period and annual reports  |
|     |  | Tasks assigned to the ACP Secretariat by the relevant ACP bodies are carried out   | Rate of implementation of the ACP annual work programmes: milestone 1 — work programmes started; milestone 2 — work programmes ended.  | Annual reports   |
|     |  | Intra-ACP cooperation is implemented efficiently   | Number of programming objectives that have been followed up by the ACP Secretariat (requests for financing, financing agreements signed, reports approved)   | EuropeAid information systems  |
| 5.2 | Active participation of the ACP countries in the ACP-EU institutional dialogue   | ACP — EU partnership enhanced  | Attendance level of ACP representatives in Joint Parliamentary Assembly (JPA) meetings   | Reports (List of representatives that participated to the JPA)   |
|     |  | Cooperation between ACP and EU economic and social operators enhanced  | Number of JPA resolutions adopted and recommendations issued to the joint ACP-EU Council   | JPA activity reports   |
|     |  |  | Number of meetings organised between ACP and EU economic and social operators by the European Economic and Social Committee.   | Written responses from the Commission on actions taken on resolutions adopted by the JPA.                                      |
|     |  |  | Number of times that the outcome of the consultations provided for under Article 15 and Protocol 1 paragraph 4 of the Cotonou Agreement has been reflected in JPA resolutions.   | Formal question time during sittings with the European Commission and the ACP-EU Council presidency.                           |
| 5.3 | Enhance agriculture and rural development policy processes and value chain development for food security, prosperity and sound natural resources management in ACP regions and countries | Enhanced multi-stakeholder participation in agriculture and rural development policy processes and value chain development   | Number and type of stakeholders (disaggregated by sex, age, type of stakeholder — e.g. farmers, parliamentarians) participating in agricultural R&D, policy processes for agriculture and rural development and value chain development supported by the Technical Centre for Agricultural and Rural Cooperation (CTA) | Database, internal evaluations and annual reports from the CTA, online questionnaires, impact assessment and evaluation report |
|     |  | Enhanced awareness, knowledge and skills, and access to information for engaging in agriculture and rural development policy processes and value chain development | Number of stakeholders (e.g. farmers, parliamentarians) that indicate online their interests have been addressed in the policy processes and value chain development   | Database, internal evaluations and annual reports from the CTA, online questionnaires, impact assessment and evaluation report |

|            |  |   | events and processes   |  |
|------------|--|---|--|--|
|            |  |   | Number of agriculture and rural development policy declarations and value chain agreements developed as a result of multi-stakeholder processes                                | Database, internal evaluations and annual reports from the CTA, online questionnaires, impact assessment and evaluation report |
|            |  | Enhanced information, communication and knowledge management capacity for ACP organisations and networks to effectively engage in and promote agriculture and rural development | Number and type of beneficiaries (organisations, networks, individuals) that indicate having received information, communication and knowledge management tools and skills     | Database, internal evaluations and annual reports from the CTA, online questionnaires, impact assessment and evaluation report |
|            |  |   | Number of (innovative) information, communication and knowledge management strategies and tools developed and adopted or implemented within partner organisations and networks | Database, internal evaluations and annual reports from the CTA, online questionnaires, impact assessment and evaluation report |
| <b>5.4</b> | <b>Support ACP development strategies through cooperation and dialogue amongst ACP and EU stakeholders and promoting a more coherent and informed approach to development and trade issues</b> | Increased south-south and triangular experience-sharing and cooperation   | Number of EU-supported cooperation initiatives on improving social and economic development  | Regional organisations and other partners, studies   |
|            |  | Increased use, replication and multiplier effect of ACP-EU cooperation  | Number of studies published and workshops organised on enhancing ACP-EU cooperation  | ACP Secretariat data   |
|            |  | Enhanced exchanges on development and trade-related issues  | Number of studies published and workshops organised to enhance understanding in ACP countries of development and trade-related issues  | ACP Secretariat data   |
| <b>5.5</b> | <b>Support the identification, implementation, monitoring, evaluation and audits of intra-ACP programmes (technical cooperation facility)</b>  | Enhanced visibility and transparency for ACP-EU programmes  | Number of activities (workshops, websites) organised or created to disseminate information on ACP-EU programmes  | Technical cooperation facility reports   |
|            |  | Programmes under 11th EDF intra-ACP cooperation are well designed and managed   | Number of evaluation reports that are assessed overall as positive by EuropeAid and the ACP Secretariat  | Programme evaluations  |

## ANNEX 2 — MULTIANNUAL INDICATIVE PROGRAMME OVERVIEW

|   | 2014 | 2015  | 2016 | 2017 | 2018  | 2019 | 2020 | Total        |
|---|------|-------|------|------|-------|------|------|--------------|
| <b>1. Human and social development</b>  |      |       |      |      |       |      |      | <b>1 165</b> |
| <b>Health</b>   |      |       |      |      |       |      |      | <b>780</b>   |
| 1.1 Control of communicable diseases  |      | 215   | 75   |      | 285   | 55   |      | 630          |
| 1.2 Strengthen health systems in ACP countries  |      |       | 75   |      | 75    |      |      | 150          |
| <b>Education, science, culture</b>  |      |       |      |      |       |      |      | <b>385</b>   |
| 1.3 Contribute to improved access to and quality of basic education in ACP countries  | 55   |       |      | 100  |       | 45   |      | 200          |
| 1.4 Contribute to the improvement of higher education in ACP countries  |      | 10    | 10   | 15   | 15    | 15   | 20   | 85           |
| 1.5 Contribute to the improvement of ACP countries' development policies, research and innovation and TVET capacities   |      |       | 60   |      |       |      |      | 60           |
| 1.6 Support the contribution of cultural industries to the socioeconomic development of ACP countries   |      |       | 40   |      |       |      |      | 40           |
| <b>2. Climate change, resilience building and the environment</b>   |      |       |      |      |       |      |      | <b>475</b>   |
| <b>Climate change</b>   |      |       |      |      |       |      |      | <b>155</b>   |
| 2.1 Contribute to improved capacities of adaptation to and mitigation of climate change in ACP regions and countries  |      | 70    |      |      |       |      |      | 70           |
| 2.2 Contribute to strengthened production, availability, delivery and application of science-based climate prediction and services  |      |       |      | 85   |       |      |      | 85           |
| <b>Environment</b>  |      |       |      |      |       |      |      | <b>190</b>   |
| 2.3 Contribute to the implementation of environment-related international commitments   |      |       | 80   |      |       | 80   |      | 160          |
| 2.4 Contribute to the mainstreaming and implementation of multilateral environmental agreements   |      |       |      | 30   |       |      |      | 30           |
| <b>Resilience building</b>  |      |       |      |      |       |      |      | <b>130</b>   |
| 2.5 Contribute to the resilience of ACP populations through the improvement of preparedness, risk management and resilient recovery   |      |       |      |      | 100   |      |      | 100          |
| 2.6 Contribute to making human settlements inclusive, safe, resilient and sustainable   |      |       | 30   |      |       |      |      | 30           |
| <b>3. Support to private sector development and investment</b>  |      |       |      |      |       |      |      | <b>600</b>   |
| 3.1 Support business-friendly and inclusive national and regional policies and strengthen productive capacities and value chains  |      |       | 65   |      | 65    |      |      | 130          |
| 3.2 Increased financial inclusion   |      |       | 25   |      | 25    |      |      | 50           |
| 3.3 Increased access to finance for enterprises, in particular SMEs   |      | 50    | 70   | 70   | 70    | 70   | 70   | 400          |
| 3.4 Promote ACP-EU private sector development knowledge management  |      | 6     |      | 7    |       | 7    |      | 20           |
| <b>4. African Peace Facility</b>  |      |       |      |      |       |      |      | <b>900</b>   |
| 4 Contribute to the prevention, management and resolution of conflicts in Africa  | 325  | 425   | 150  |      |       |      |      | 900          |
| <b>5. Institutional support</b>   |      |       |      |      |       |      |      | <b>215.5</b> |
| 5.1 Support the ACP Secretariat for the implementation of the Cotonou Agreement   | 7.5  | 26.25 |      |      | 26.25 |      |      | 60           |
| 5.2 Active participation of ACP countries in the ACP-EU institutional dialogue  | 1.8  | 5.6   |      |      | 5.6   |      |      | 13           |
| 5.3 Enhance agriculture and rural development policy processes and value chain development for food security, prosperity and sound natural resources management                             |      | 16    | 70.9 | 6.4  | 6.4   | 6.4  | 6.4  | 112.5        |
| 5.4 Support ACP development strategies through cooperation and dialogue amongst ACP and EU stakeholders and promoting a more coherent and informed approach to development and trade issues |      |       | 10   |      |       | 10   |      | 20           |
| 5.5 Support the identification, implementation, monitoring, evaluation and audits of intra-ACP programmes (technical cooperation facility)  |      | 5     |      |      | 5     |      |      | 10           |
| <b>6. Reserve</b>   |      |       |      |      |       |      |      | <b>234.5</b> |
| <b>Total</b>  |      |       |      |      |       |      |      | <b>3 590</b> |

### **ANNEX 3 — LIST OF ABBREVIATIONS**

|        |   |
|--------|---|
| ACP    | African, Caribbean and Pacific  |
| APF    | African Peace Facility  |
| APSA   | African Peace and Security Architecture   |
| AU     | African Union   |
| CBD    | Convention on Biological Diversity  |
| CITES  | Convention on International Trade in Endangered Species of Wild Fauna and Flora |
| DRR    | Disaster Risk Reduction   |
| EDF    | European Development Fund   |
| GFDRR  | Global Facility for Disaster Reduction and Recovery                             |
| GDP    | Gross domestic product  |
| ILO    | International Labour Organisation   |
| IUCN   | International Union for Conservation of Nature                                  |
| JPA    | Joint Parliamentary Assembly  |
| MDGs   | Millennium Development Goals  |
| MEA    | Multilateral environmental agreement  |
| REDD+  | Reducing Emissions from Deforestation and Forest Degradation                    |
| SIDS   | Small Island Developing States  |
| UNAIDS | Joint United Nations Programme on HIV/AIDS                                      |
| UNESCO | United Nations Educational, Scientific and Cultural Organization                |
| UNEP   | United Nations Environment Programme  |
| UNFCCC | United Nations Framework Convention on Climate Change                           |
| UNICEF | United Nations Children's Fund  |
| UNISDR | United Nations Office for disaster risk reduction                               |
| WBG    | World Bank Group  |
| WHO    | World Health Organisation   |
| WMO    | World Meteorological Organization   |