

CARIBBEAN DEVELOPMENT BANK

**TWO HUNDRED AND NINETY-SIXTH MEETING OF THE BOARD OF DIRECTORS
TO BE HELD VIRTUALLY
DECEMBER 9, 2021**

PAPER BD 92/21 Add.1

**CARIBBEAN ACTION FOR RESILIENCE ENHANCEMENT PROGRAMME -
REGIONAL
NOTIFICATION OF APPROVAL BY THE BOARD OF DIRECTORS**

In accordance with Section 15A(a)(i) (which permits decisions by the Board of Directors (BOD) without a Meeting) of the By-Laws of the Caribbean Development Bank (CDB), BOD considered Paper BD 92/21, entitled “Caribbean Action for Resilience Enhancement Programme - Regional” attached hereto and approved CDB entering into a Contribution Agreement with the European Union (EU), represented by the European Commission, with respect to the administration by CDB of a contribution from the EU in an amount not exceeding fourteen million Euros (EUR14,000,000) (the Contribution) for the purpose of implementing the Caribbean Action for Resilience (CARE) Programme described in Annex 1 to Appendix 2 of the said Paper substantially on the terms and conditions in the draft Contribution Agreement set out in Appendix 2 thereto, with such modifications as management may consider necessary to give effect to the arrangements contemplated in the said Paper BD 92/91.

2. Under section 15A (c) (i) of the By-Laws a decision shall be deemed as having been given, where the no-objection procedure is used, if there are no objections by BOD upon the expiration of the period specified by the President, unless during that period BOD has communicated non-approval of the matter. As at November 24, 2021, the date of expiry of the period specified by the President, there were no objections by BOD.

3. BOD is therefore asked to note the approval by BOD, without a formal meeting, of CDB entering into a Contribution Agreement with EU, to implement the CARE Programme, substantially on the terms and conditions in the draft Contribution Agreement set out at Appendix 2 to the said Paper BD 92/21, entitled “Caribbean Action for Resilience Enhancement Programme – Regional”, with such modifications as management may consider necessary to give effect to the arrangements contemplated in the said Paper BD 92/91.

CARIBBEAN DEVELOPMENT BANK

BOARD OF DIRECTORS – APPROVAL OF A PAPER

WITHOUT A MEETING

NOVEMBER 24, 2021

PAPER BD 92/21

**CARIBBEAN ACTION FOR RESILIENCE ENHANCEMENT PROGRAMME -
REGIONAL**

1. BACKGROUND

1.1 In July 2014, the Delegation of the European Union (EU) to Barbados, the Eastern Caribbean States, the Organisation of Eastern Caribbean States (OECS) and Caribbean Community (CARICOM)/Caribbean Forum (CARIFORUM) and the Caribbean Development Bank (CDB) signed the Contribution Agreement (FED/2014/346438) for EUR12.9 million (mn) to implement the African Caribbean Pacific-EU-CDB Natural Disaster Risk Management in CARIFORUM Countries Programme (ACP-EU-CDB NDRM Programme). The ACP-EU-CDB NDRM Programme aims to reduce vulnerability to long-term impacts of natural hazards, including the potential impacts of climate change (CC), thereby achieving regional and national sustainable development and poverty reduction goals in the CARIFORUM States. Under the Programme, CDB financed 20 technical assistance (TA) projects to enhance disaster risk management (DRM) and climate resilience in the Caribbean through several local, national and regional initiatives focusing on: (a) developing sector policies and strategies; (b) designing and implementing customised tools for multi-hazard risk assessment and climate resilience; (c) strengthening capacities of national and regional institutions; and (d) supporting community preparedness and response. Project beneficiaries included regional institutions: Caribbean Disaster Emergency Management Agency (CDEMA), Caribbean Institute of Meteorology and Hydrology, Caribbean Tourism Organization, University of the West Indies-Climate Studies Group, Mona Campus and Governments of Guyana, Haiti, Jamaica, St Kitts and Nevis (SKN), and St. Vincent and the Grenadines (SVG).

1.2 The implementation of the ACP-EU-CDB NDRM Programme has been satisfactory. The majority of the 20 projects are currently 90% to 100% complete. The Programme is expected to successfully achieve its outcomes by completion in December 2021. A synopsis of the key Programme's achievements is presented at Appendix 1.

1.3 In February 2020, CDB and the EU Delegation to Barbados, the Eastern Caribbean States, the OECS and CARICOM/CARIFORUM held initial discussions on the Action Document for the 11th European Development Fund (EDF) Intra-ACP-EU Natural Disaster Risk Reduction (NDRR) Programme

¹ CARIFORUM is a subgroup of the Organisation of ACP States, formerly known as the ACP Group of States. CARIFORUM includes 15 Caribbean Community states (Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, SKN, Saint Lucia, SVG, Suriname, and Trinidad and Tobago) that are signatories of the ACP-EU Partnership Agreement or "Cotonou Agreement" and the Economic Partnership Agreement. [[Access2Markets Caribbean Forum \(europa.eu\)](https://www.europa.eu)].

(The Action) (FED/2018/041-233), financed by the EU for EUR100 mn, of which EUR14 mn is allocated to CDB. On November 26, 2020 CDB received a communication from the EU, confirming that a decision for financing the Action had been taken, and requesting a first draft of the document for the components to be implemented by CDB. CDB therefore designed the Caribbean Action for Resilience Enhancement (CARE) Programme valued at EUR14 mn to describe the scope of its interventions as part of The Action.

1.4 The Action reinforces the commitment and strategic collaboration of the EU and key partners, at the intra-ACP level and among regional ACP entities and major institutions involved in disaster risk reduction (DRR) (United Nations Development Programme, United Nations Office for Disaster Risk Reduction, World Bank/Global Facility for Disaster Reduction and Recovery, and CDB) to support focused actions for stronger and more sustainable governance systems; sustained and wider investment in DRR and refined preparedness systems for more effective response in ACP member States. It also provides support for risk-informed development of climate-smart, resilient cities, and for the integration of the private sector in the risk reduction and recovery efforts.

1.5 The Action also builds on previous investments by the EU and partners, to turn commitments at Sendai and Paris into lives saved, vital assets protected and resilient businesses across ACP states. It is aligned with the four priority areas of the Sendai Framework 2015-2030: understanding disaster risk, strengthening disaster risk governance to manage disaster risk, investing in DRR for resilience, and enhancing disaster preparedness for effective response and to Build Back Better in recovery, rehabilitation and reconstruction. It is also aligned with the Paris Agreement's goal on adaptation and the Sustainable Development Goals (SDGs)², mainly SDG 13: Take urgent action to combat CC and its impacts.

1.6 Disasters resulting from natural hazard events (commonly referred in the literature as natural disasters³) continue to undermine ACP states' efforts to achieve sustainable development. The Action provides support to implement adequate actions across sectors and levels of government to reduce vulnerability and enhance adaptive capacity and resilience to disaster risks and impacts.

1.7 The impacts of natural disasters are particularly remarkable in CDB's 19 Borrowing Member Countries (BMCs), which are highly exposed and vulnerable to hydrometeorological (tropical storms, hurricanes, floods, droughts) and geophysical (earthquakes, volcanos, tsunamis and landslides) hazards and the effects of CC. These natural hazards have frequently devastated the BMCs, overturned years of hard-earned development gains, and hindered the well-being and safety of persons and communities in the affected countries. For instance, BMCs experienced 190 natural disasters from 2000 to 2019, including three Category 5 Hurricanes – Irma and Maria in 2017, and Dorian in 2019, and a catastrophic earthquake in Haiti in 2010. These disasters caused 238,000 deaths, affected 15 mn persons, and resulted in almost USD34 billion in damage and loss⁴. More recently, in April 2021, the eruption of La Soufrière Volcano in SVG caused significant negative impacts on the health and livelihood of many people in SVG, Barbados and Saint Lucia. On August 14, 2021, another catastrophic earthquake struck the southern region of Haiti causing over 2,000 deaths and significant infrastructure damage and loss.

1.8 Given their high probability of annual occurrence, hydrometeorological hazards have caused most of the disasters recorded in the BMCs. CC is predicted to make the Caribbean a hotter and drier place,

² Other relevant SDGs include: SDG1: End poverty in all its forms everywhere. SDG9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation. SDG11: Make cities and human settlements inclusive, safe, resilient and sustainable.

³ Disaster involves three key elements: hazard, exposure and vulnerability. Hazard refers to a potentially damaging physical event from natural phenomenon (natural hazard) or human activity (human-induced hazards). The term "natural disasters" is used in the document, but it should be understood as disasters resulting from natural hazard events.

⁴ [EM-DAT | The international disasters database \(emdat.be\)](https://emdat.be/)

cause changes in precipitation patterns, and result in sea-level rise. Climate models also show that Category 4 and 5 hurricanes will likely increase in the Atlantic Ocean due to global warming⁵. In addition to increased direct damage and loss from extreme events, CC poses additional stresses to the capacity of ecosystems to provide essential services that sustain livelihoods of many people worldwide and, particularly, in the Caribbean. These include provisioning (e.g., food, timber, firewood), regulatory (e.g., climate regulation, water purification, pollination, pest control), supporting (e.g., soil retention and formation), and cultural (e.g., the use of natural areas for recreation) services. Consequently, CC will likely amplify disaster risks, and result in more economic costs, and other negative impacts in CDB's BMCs. Ultimately, CC impacts can increase the level of poverty and inequality in many BMCs given that the poor, rural and vulnerable are often most affected by disasters, and the alteration and depletion of those vital resources and ecosystem functions.

1.9 In addition to CC effects and frequent devastation of BMCs by natural disasters, the on-going Coronavirus (COVID-19) pandemic has placed severe pressure on the BMC's public finances, thereby exacerbating their existing challenges. In 2020, the pandemic caused an average economic contraction of 12.8% in the 19 BMCs⁶. It also caused significant direct and indirect economic impacts such as reduced foreign exchange earnings, increased unemployment rates, declined remittances, and increased expenditure in health and social sectors in BMCs. As pre-COVID-19 data indicated, the tourism industry was the main contributor to total gross domestic product in many BMCs: Antigua and Barbuda (52.4%), The Bahamas (48.3%), Barbados (41.2%), British Virgin Islands (92%), Cayman Islands (30.2%), Dominica (37.6%), Grenada (23.3%), SKN (26.8%), Saint Lucia (43.3%), and SVG (23.9%)⁷. Tourism is one of the economic sectors most impacted by COVID-19 due to a series of measures (closures of borders, travel restrictions and bans, curfews, stay-at-home orders, restrictions of businesses, social distancing) implemented by countries to limit the spread of the virus. Given its unknown duration and the significant risks to economic growth, with substantial adverse effects on development outcomes, it is likely that COVID-19 will contribute to increased level of poverty, inequality and other underlying factors of vulnerability to natural disasters in many BMCs.

1.10 CDB recognises that addressing disaster risks and impacts is critical to support the Region's sustainable development and has therefore placed DRM and climate resilience at the forefront of its development assistance to the BMCs. This assistance is guided by the Bank's Disaster Management Strategy and Operational Guidelines (DiMSOG 2021) and the Climate Resilience Strategy (CRS) 2019-2024. The DiMSOG and CRS are shaped by the CDEMA Comprehensive Disaster Management (CDM) Strategy 2014-2024, the Regional Framework for Achieving Development Resilient to CC and the implementation plan for "Delivering Transformational Change (2011-2021), the 2015 Paris Agreement including BMCs' commitment to implement their Nationally Determined Contributions and to achieve the SDGs.

1.11 The Bank has developed strategic partnerships with national, regional and global institutions and has adopted a holistic approach to enhancing the BMCs' capacities to mitigate, respond to, and recover from natural disasters thereby supporting the overall Caribbean's agenda for CDM. This approach emphasises the strategic alignment and integration of DRM and climate change adaptation (CCA) into development planning, the implementation of relevant policies and strategies and programmes for sound macro-economic management. It also underscores climate proofing of critical economic infrastructure, adoption of renewable energy and energy efficiency (RE/EE) practices, and the mobilisation of

⁵ From Bender et al. 2010. Cited in "State of the Caribbean Climate Report: Information for Resilience Building".

⁶ <https://www.caribank.org/newsroom/news-and-events/cdb-projects-return-economic-growth-2021>.

⁷ Source: World Travel and Tourism Council (WTTC, 2018).

concessional resources for financing DRM and climate resilience initiatives. In that regard, the Bank, through a series of strong partnerships including with the EU, European Investment Bank, Global Affairs Canada, Foreign, Commonwealth and Development Office (formerly United Kingdom Department for International Development), Agence Française de Développement, mobilised over USD443 mn from 2012-2020, to expand access of its BMCs to appropriate financing for DRM and climate resilience.

1.12 The proposed CARE Programme is built upon the existing strategic partnership among CDB, the EU and ACP partners. CDB will administer EUR14 mn through the CARE Programme and provide grant resources to BMCs to support their efforts towards climate and disaster resilience.

2. RATIONALE

2.1 BMCs of CDB have made substantive progress in DRM and climate resilience over the last four decades. Many BMCs have strengthened the legal and regulatory institutional frameworks for disaster preparedness and response through the enactment of legislation, the adoption of relevant sector policies, strategies and action plans, and the operationalisation of national and local level DRM coordination mechanisms. Institutional capacity for monitoring and impact-based forecasting of climate-related events has been improved through the delivery of relevant training to key representatives of national meteorological and hydrological services and the expansion of observation networks across BMCs. Infrastructure, both public and private, is increasingly being constructed to become more resilient to climate and disaster risks and impacts. Initiatives to enhance community resilience have been successfully implemented in BMCs. This included strengthening sustainable livelihoods, increasing knowledge and awareness about climate and disaster risks and impacts, and preparing community stakeholders to anticipate and respond effectively to external shocks and natural hazard events. Governments have been scaling-up financial risk management through building fiscal buffers in the form of national disaster funds and budget allocations for emergencies, and through financial risk transfer mechanisms such as parametric risk insurance coverage e.g. Caribbean Catastrophe Risk Insurance Facility, Segregated Portfolio Company and contingent lines of credit.

2.2 Notwithstanding the above-mentioned achievements, it is unarguable that BMCs still need substantial support to stay the course and become more resilient given the magnitude of the challenges they are facing and their low capacity to prepare for, finance, and respond adequately to disasters. BMCs are located in one of the most disaster-prone regions in the world and remain highly vulnerable to the impacts of natural disasters. They are subject to significant seismic risk that can trigger catastrophic events. Frequent extreme weather events, including tropical storms, hurricanes and floods have had adverse environmental, social and economic consequences in BMCs. Climate projections suggest increased disaster risk and impacts over the 21st century in the Caribbean.

2.3 The adoption and implementation of integrated and proactive approaches and actions to build more resilient Caribbean States have been the core of the regional DRM's agenda over the last decade. Governments, regional inter-governmental, non-governmental and development organisations have gradually shifted their DRM efforts from post-disaster response and recovery to more proactive interventions with a focus on reducing vulnerability, strengthening institutional capacity and building community resilience. The CARE Programme has been designed to support BMCs in developing and implementing projects to enhance their capacity to mitigate, prepare, respond, and recover from natural disasters and integrating DRM and CC considerations into the planning process for priority economic sectors. The CARE Programme will therefore contribute to building BMCs' resilience and supporting the objectives of the CDM strategy.

2.4 The regional DRM agenda is aligned with CDB's mission for reducing poverty and transforming lives through sustainable, resilient and inclusive development. In-keeping with its mission, CDB has been supporting BMCs to increase resilience and adaptive capacity to climate and disaster risks and impacts for many decades. CDB has reaffirmed this commitment in its Strategic Plan 2020-2024, CRS 2019-2024 and DIMSOG 2021.

2.5 CDB has developed strong strategic partnerships and will continue to work in synergy with national, regional and global institutions to help the BMCs build resilience to disasters. The CARE Programme is developed through a strategic collaborative initiative at the intra ACP level and among regional ACP entities, major DRR institutions and implementing partners to reduce disaster risk for the population of 79 ACP developing countries. The grant financing of EUR14 mn allocated to CDB to implement the CARE Programme will support on-going DRM efforts in the BMCs. This will help consolidate the key achievements of the components implemented by CDB over the last five years under the 10th EDF ACP-EU NDRM in CARIFORUM Countries Programme. These achievements, notably relate to establishing more robust early warning systems (EWS); strengthening local, national and regional institutional capacities; mainstreaming DRM and CCA into BMCs' priority sector policies, strategies and investment planning; and building community infrastructure and livelihood resilience. The CARE Programme will also support other relevant on-going initiatives focusing on enhancing DRM and climate resilience in BMCs.

3. DESCRIPTION OF THE CARE PROGRAMME

Impact and Outcomes

3.1 The CARE Programme will contribute to reducing the impact of CC and disasters in the BMCs of CDB.

3.2 The expected outcomes are:

- (a) Outcome 1: Governance on DRM and CCA in the BMCs improved.
- (b) Outcome 2: Evidence-based and gender sensitive decision-making and financial response of the BMCs to CC effects and natural hazards strengthened.
- (c) Outcome 3: Community infrastructure and livelihood resilience to CC effects and natural hazards enhanced.

Outputs and Main Activities

3.3 To achieve Outcome 1, the CARE Programme will be focused on increasing BMCs' capacities for climate data processing and impact-based forecasting, improving knowledge and awareness on disaster risk and impacts, and creating an enabling environment for more effective DRM and climate actions. Key outputs and foreseen activities to be supported under the CARE Programme to achieve this outcome include:

Output 1.1. Operational Multi-hazard EWSs within BMCs expanded and sustained.

Main Activities

- (a) Development or upgrade of multi-hazard risk profiles at local and national levels.

- (b) Expansion and upgrade of observation networks (e.g. installation of new stations, upgrade of existing stations) in BMCs.
- (c) Institutional capacity development (e.g. training, exchange of knowledge and experiences) for weather, climate and seismic monitoring and impact-based forecasting, and delivery of tailored products and services to decision-makers and end-users.
- (d) Capacity development for young professionals in meteorology, climatology, hydrology, oceanography, seismology and related fields through internships and exchanges of experience in the Caribbean, Africa, the Pacific and Europe.

Output 1.2. DRM and CCA initiatives for building community resilience improved.

Main Activities

- (a) Identification or design of relevant tools that facilitate incorporating the needs and priorities of at-risk communities into local development decision-making and budgetary processes.
- (b) Development and implementation of community-based DRM and CCA strategies and plans within BMCs.
- (c) Capacity development of key local stakeholders in DRM and CCA through training and exchange of knowledge and experiences.

Output 1.3. Awareness on intervention actions amongst the stakeholders increased.

Main Activities

- (a) Design a communication kit including templates and guidelines for easy use by local persons on the various approved projects.
- (b) Education and awareness for beneficiary communities about climate and disaster risks and impacts.
- (c) Promotion of partnerships, engagement and participation of key stakeholders of the programme for sharing of information, knowledge and experiences on DRM and CCA.
- (d) Design, dissemination and use of knowledge products (e.g., communication toolkit, climatic bulletins, videos, infographics, posters, brochures, summary of good practices in key sectors) to enable effective DRM, CCA and CC mitigation at local, national and regional levels.

3.4 To achieve Outcome 2, the CARE Programme will be focused on improving evidence-based decision-making process and financial response capacity of BMCs to CC effects and natural hazards through increasing the understanding of disaster risk and impacts, disseminating reliable climate data and information, and designing and implementing innovative risk-financing instruments. Key outputs and foreseen activities to be supported under the CARE Programme to achieve this outcome include:

Output 2.1. New risk-Informed and gender-sensitive national and sector policies, strategies and/or plans developed.

Main Activities

- (a) Update and implementation of coherent policy and legal framework to integrate DRM and CCA in key sectors such as water, transport, agriculture, fisheries, education and tourism.

- (b) Strategic partnerships, effective inter-agency coordination and technical cooperation with key regional entities and donors to enhance DRM and climate resilience in the BMCs established and/or maintained.

Output 2.2. Availability of reliable risk data and information to end-users increased.

Main Activities

- (a) Analytical work (e.g. update of the State of the Caribbean Climate Report, 2020, preparation of climate reports for targeted BMCs, tailored studies on key climate-sensitive sectors) to increase understanding of risk within BMCs.
- (b) Development and/or dissemination of relevant tools on multi-hazard risk assessment, DRM, climate resilience.
- (c) Enhancement of standard operating procedures for DRM data gathering, exchange and analysis.
- (d) Establishment or enhancement of risk information systems, information sharing and public awareness about CC and disaster impacts.
- (e) Skill enhancement for representatives of key climate-sensitive sectors in BMCs through conferences, training and seminars on collecting, storing, analysing and using risk data to inform DRM, CCA and CC mitigation.
- (f) Access to and implementation of good practices in DRM and resilience building at local and national levels.

Output 2.3. Disaster risk financing strategies and/or solutions supported.

Main Activities

- (a) Assessment of BMCs' disaster financial management systems.
- (b) Selection and implementation of relevant and readily applicable disaster risk financing solutions to reduce, retain or transfer risks at local, national and regional levels.
- (c) Capacity development of public finance professionals in fiscal management and in the use and implementation of tools for integrating DRM and climate resilience in decision making and budgetary planning processes.
- (d) Development of comprehensive disaster risk financing strategies having regard to the fiscal impacts of the COVID-19 pandemic.

3.5 To achieve Outcome 3, the CARE Programme will be focused on strengthening infrastructure and livelihoods and scaling-up investments for socio-economic development and building resilience of people. Key outputs and foreseen activities to be supported under the CARE Programme to achieve this outcome include:

Output 3.1. Transition to green, low-emission and climate resilient infrastructure initiatives promoted.

Main Activities

- (a) Water-efficient and energy-efficient technology opportunities (e.g. rainwater harvesting systems, micro-irrigation or drip irrigation systems, solar-powered water pump).
- (b) Initiatives to transition to a sustainable energy system through the promotion of RE/EE in existing and newly-constructed buildings (schools, hospitals, community centres, shelters, etc.).

Output 3.2. Community livelihood initiatives promoted.

Main Activities

- (a) Relevant small works/initiatives to reduce disaster risk and protect people and their livelihoods including:
 - (i) Road rehabilitation, drains rehabilitation/construction, shelter rehabilitation/construction.
 - (ii) Rehabilitation of drinking water supply systems.
 - (iii) Design and implementation of soil and water conservation structures.
 - (iv) Greenhouse farming, beekeeping and harvesting for mangrove restoration, construction of cold rooms for fresh and perishable commodities, etc.).

4. CARE PROGRAMME FUNDING AND BUDGET

4.01. The CARE Programme will be financed in the amount of fourteen mn Euros (EUR14,000,000) from resources provided by the EU under the 11th EDF Intra-ACP NDRR Programme. A Financing Agreement was concluded between the EU and the Secretary General of the Organisation of ACP States (Authorising Officer of the Intra-ACP funds) to implement the overall 11th EDF Intra-ACP-EU NDRR Programme. Table 1 presents the budget for the CARE Programme.

TABLE 1: Budget for the CARE Programme

| Budget for the CARE Programme | |
|--|-------------------|
| Programme Result/Component | EUR |
| 1. CDB's Programme Management and Administration Costs | 1,562,740 |
| 2. Programme Outcomes | 11,521,372 |
| Total Direct Eligible Costs for the Action (Subtotals 1+ 2) | 13,084,112 |
| Indirect Costs (7% of overall budget) | 915,888 |
| Grand Total for the Action | 14,000,000 |

5. CARE PROGRAMME ADMINISTRATION AND IMPLEMENTATION MODALITIES

5.1 The CARE Programme will be implemented over a period of sixty-one (61) months following conclusion of the Draft Contribution Agreement, which is presented at Appendix 2, inclusive of its Annexes, as follows:

| | |
|------------|---|
| Annex I: | Description of the Action (including the Logical Framework of the Action) |
| Annex II: | General Conditions for Contribution Agreements |
| Annex III: | Budget of the Action |
| Annex IV: | Financial Identification Form |
| Annex V: | Standard Request for Payment |
| Annex VI: | Communication and Visibility Plan |

5.2 The CARE Programme will be executed by the Projects Department of CDB in accordance with CDB's internal processes, policies and procedures, specifically:

- (a) the guidelines as set out in Section 4 of CDB's DiMSOG 2021;
- (b) the priority areas as described in Section 2 of CDB's CRS 2019-2024;
- (c) CDB's Environmental and Social Review Procedures;
- (d) Gender Equality Policy and Operational Strategy;
- (e) CDB's TA Policy and Operational Strategy; and
- (f) the normal work-programme of the Bank using current project cycle management procedures.

5.3 Proposed projects under the CARE Programme will be reviewed and approved in-keeping with BMCs' priorities for DRM and CCA, their nationally determined contributions' obligations, commitments for achieving sustainable development goals and regional CDM priorities. The overall process can be summarised as follows:

- (a) Continuous information on the CARE Programme to key partners and BMCs and solicitation of submission of relevant concept notes for CDB's consideration.
- (b) Support to the development of relevant concept notes into proposals.
- (c) Internal review of proposals.
- (d) Submission/presentation of proposals to CDB's Board of Directors for review and notification/approval.
- (e) Signature of grant agreement and implementation of approved projects.

5.4 The Environmental Sustainability Unit (ESU) of the Projects Departments will provide oversight of the CARE Programme management and coordination, and implementation of its components to help achieve the objectives of the wider 11th EDF ACP-EU NDRR Programme. The ESU will be supported by the existing administrative and financial systems of CDB's Operations. A Programme Management Unit, with a dedicated full-time Senior Programme Manager (SPM) and a Programme Administrator (PA), will be required to ensure effective and timely management and implementation of the Programme. This unit will be responsible for coordinating, reporting and monitoring all aspects of the Programme, and providing guidance and technical and administrative support for the preparation, appraisal, supervision, monitoring and reporting of all interventions financed under the Programme. CDB will recruit a full-time SPM and a full-time PA for the Programme.

5.5 The implementation of CDB's components under the 10th EDF ACP-EU NDRM in CARIFORUM Countries Programme has revealed limited capacities of national and regional institutions for project proposal preparation and project implementation and management. Therefore, short-term consultants will be engaged as necessary to support timely preparation of potential proposals and implementation of approved projects, and interns will be hired periodically to support the work of the SPM and the PA.

5.6 A Global Programme Steering Committee (GPSC), Regional Programme Steering Committees (RPSC) for Africa, the Caribbean and the Pacific, and Technical Working Groups (TWG) will be established to provide oversight, strategic orientation, guidance and review of the implementation of the 11th EDF Intra-ACP-EU NDRR Programme. The GPSC, RPSC and TWG will meet on a biennial, annual and bi-annual basis, respectively. A Technical Advisory Group with representatives of international and regional organisations will also provide specific thematic support to the Programme. Representatives of CDB will participate in the GPSC, the Caribbean RPSC and TWG meetings to discuss the implementation of the CARE Programme as part the wider 11th EDF Intra-ACP-EU NDRR Programme. The Financing Agreement (No ACP/FED/041-233) for the 11th EDF Intra-ACP EU NDRR Programme is presented at Appendix 3, inclusive of its Annexes, as follows:

Annex I: Technical and Administrative Provisions.

Annex II: General Conditions.

6. PROCUREMENT

6.1 Procurement will be in accordance with CDB's Procurement Policy for CDB Financed Projects (November, 2019) and the Procurements Procedures for CDB Financed Projects (January 2021), as updated from time to time). Procurement eligibility shall be extended to countries eligible for procurement under EU-funded projects which are not CDB Member Countries.

7. RECOMMENDATION

7.1 It is recommended that the Board of Directors approve CDB entering into a Contribution Agreement with the EU, represented by the European Commission, with respect to the administration by CDB of a contribution from the EU in an amount not exceeding fourteen mn Euros (EUR14,000,000) (the Contribution) for the purpose of implementing the CARE Programme described in Annex 1 to Appendix 2, substantially on the terms and conditions in the draft Contribution Agreement set out in Appendix 2, with such modifications as management may consider necessary to give effect to the arrangements contemplated in this paper.

Coordinator, ESU

Ms. Valerie Isaac

Project Manager,
ACP-EU-CDB NDRM, ESU

Dr. Yves Robert Personna

SUPPORTING DOCUMENTATION

- Appendix 1: Synopsis of Key Achievements of the ACP-EU-CDB NDRM Programme
- Appendix 2: Draft Contribution Agreement
- Appendix 3: Financing Agreement (No. ACP/FED/041-233) 11th EDF ACP-EU NDRR Programme

SYNOPSIS OF KEY ACHIEVEMENTS OF THE ACP-EU-CDB NDRM PROGRAMME

The image shows a large rectangular area with a thick olive-green border. Inside this border, there are several smaller olive-green rectangular boxes. At the top, there is a single wide, rounded rectangular box. Below it, there are two rows of five smaller rectangular boxes each, arranged in a grid. All these boxes are solid olive-green, suggesting they are redacted or contain placeholder text. The overall layout is a structured grid within a larger frame.

**DRAFT EUROPEAN UNION
CONTRIBUTION AGREEMENT**

FED/2021/ 426-057

(the "Agreement")

The European Union (EU), represented by the European Commission (the “**Contracting Authority**”), first counterparty,

and

the Caribbean Development Bank (CDB), International Organisation with its Headquarters at Wildey, St. Michael, Barbados, W.I.,

hereinafter the “**Organisation**”, second counterparty, (individually a "Party" and collectively the “Parties”) have agreed as follows:

SPECIAL CONDITIONS

Article 1 - Purpose

- 1.1 The purpose of this Agreement is to provide a financial contribution to finance the implementation of the action “**Caribbean Action for Resilience Enhancement (CARE) Programme**” as described in Annex I (the “Action”). This Agreement establishes the rules for the implementation and for the payment of the EU Contribution, and defines the relations between the Organisation and the Contracting Authority.
- 1.2 The Action is fully financed by the EU Contribution.
- 1.3 In the performance of the activities, the Organisation shall:
 - a) apply its own accounting, internal control and audit systems which have been positively assessed in the ex-ante pillar assessment.
 - b) apply its own procurement procedures as assessed in the ex-ante pillar assessment and its own rules for the award of Grants, as assessed in the ex-ante pillar assessment.
 - c) apply its own rules and procedures for exclusion from access to funding, as assessed in the ex-ante pillar assessment. Consequently, Article 23.2 of Annex II shall not apply.
 - d) apply its own rules and procedures for publication of information on recipients, as assessed in the ex-ante pillar assessment. Consequently, Articles 22.1 and 22.3 of Annex II shall not apply.
 - e) apply its own rules and procedures for the protection of personal data, as assessed in the ex-ante pillar assessment. Consequently, Article 7 of Annex II shall not apply.

- 1.4 The Organisation is free to use any Regulations and Rules which have not been subject to an ex-ante pillar assessment to the extent that these Regulations and Rules are not in conflict with the provisions of this Agreement.
- 1.5 The Action is financed under the 11th European Development Fund Intra African Caribbean Pacific European Union Natural Disaster Risk Management Programme.
- 1.6 The Organisation shall provide a management declaration in accordance with Article 3.10 of Annex II with every progress and final report.

Article 2 - Entry into Force and Implementation Period

Entry into Force

- 2.1 The Agreement shall enter into force on the date when the last Party signs.

Implementation Period

- 2.2 The implementation period of the Agreement (the "Implementation Period") shall commence on the first day of the month following the date on which the Contracting Authority pays the first pre-financing.
- 2.3 The Implementation Period of the Agreement is 61 months.

Article 3 - Financing the Action

- 3.1 The total cost of the Action is estimated at EUR14,000,000, as set out in Annex III. The Contracting Authority undertakes to provide a contribution up to a maximum of EUR14,000,000 (the "EU Contribution").

Remuneration

- 3.2 The remuneration of the Organisation by the Contracting Authority for the implementation of the activities to be implemented under this Agreement shall be 7% of the final amount of eligible direct costs of the Action to be reimbursed by the Contracting Authority.

Interest on pre-financing

- 3.3 Interest generated on pre-financing shall not be due.
- 3.4 A reserve for contingencies and/or possible fluctuations in exchange rates - not exceeding 5 % of the direct eligible costs - may be included in Annex III to allow for adjustments necessary in the event of unforeseeable changes of circumstances on the ground. The reserve can be used only with the prior written authorisation of the Contracting Authority, upon a duly justified request from the Organisation.

Article 4 - Payment Arrangements and Reporting

- 5.1 The pre-financing rate is 100%.

5.2 Payments shall be made in accordance with Article 19 of Annex II. The following amounts are applicable, all subject to the provisions of Annex II:

| | |
|--------------------------------------|--------------|
| First pre-financing instalment..... | EUR2,800,000 |
| Second pre-financing instalment..... | EUR4,200,000 |
| Third pre-financing instalment..... | EUR3,500,000 |
| Fourth pre-financing instalment..... | EUR2,100,000 |
| Forecast balance..... | EUR1,400,000 |

These amounts are indicative and subject to modification in accordance with the provisions of Article 19 of Annex II.

Article 5 – Communication language and contacts

5.1 All communications to the Contracting Authority in connection with the Agreement, including reports referred to in Article 3 of Annex II, shall be in English.

5.2 Any communication relating to the Agreement shall be in writing, shall state the Contracting Authority’s contract number and the title of the Action, and shall be dispatched to the addresses below.

5.3 Any communication relating to the Agreement, including payment requests and attached reports, and requests for changes to bank account arrangements shall be sent to:

For the Contracting Authority

European Commission
European Union Delegation to Barbados, the Eastern Caribbean States, the OECS and
CARICOM/CARIFORUM
Hastings, BARBADOS
For the attention of the Green Economy and Resilience Section

delegation-barbados@eeas.europa.eu

For the Organisation

Caribbean Development Bank
Wildey
St. Michael, BB11000
Barbados
For the attention of the Vice-President (Operations)

office-of-vpo@caribank.org with a copy to legal@caribank.org

5.4 Ordinary mail shall be deemed to have been received on the date on which it is officially registered at the address referred to above.

- 5.5 The contact point within the Organisation, which shall have the appropriate powers to cooperate directly with the European Anti-Fraud Office (OLAF) in order to facilitate the latter's operational activities shall be the Head, Office of Integrity, Compliance and Accountability, Caribbean Development Bank, oica@caribank.org.
- 5.6 All exchanges concerning the early detection and exclusion system shall take place between the Contracting Authority and the authorised person designated by the Organisation, which is the Head, Office of Integrity, Compliance and Accountability, Caribbean Development Bank, oica@caribank.org.

Article 6 – Annexes

- 6.1 The following documents are annexed to these Special Conditions and form an integral part of the Agreement:
- | | |
|------------|---|
| Annex I: | Description of the Action (including the Logical Framework of the Action) |
| Annex II: | General Conditions for Contribution Agreements |
| Annex III: | Budget for the Action |
| Annex IV: | Financial Identification Form |
| Annex V: | Standard Request for Payment |
| Annex VI: | Communication and Visibility Plan |
- 6.2 In the event of a conflict between these Special Conditions and any Annex thereto, the provisions of the Special Conditions shall take precedence. In the event of a conflict between the provisions of Annex II and those of the other Annexes, the provisions of Annex II shall take precedence.

Article 7 – Additional specific conditions applying to the Action

- 7.1 The following shall supplement Annex II:
- 7.1.1 VAT/ taxes, duties and charges are not eligible for the activities as described in Annex I.
- 7.1.2 Article 23.3 of Annex II shall be supplemented as follows: “Economic resources provided by the Contracting Authority under this Action shall not be made available to, or for the benefit of, third parties - whether entities, individuals or groups of individuals - designated by the EU as subject to restrictive measures in the lists provided at www.sanctionsmap.eu (“EU Restrictive Measures”).

The Organisation shall cooperate with the Contracting Authority in assessing if the third parties - whether entities, individuals or groups of individuals - identified by the Organisation as recipients of funds in connection with the implementation of the respective contribution agreement fall under the scope of EU restrictive measures. In the event that such recipients would fall under the scope of EU restrictive measures, the Organisation shall promptly inform the Contracting Authority.

In such event, the Organisation and the Contracting Authority shall consult each other with a view to jointly determining remedial measures in accordance with their respective applicable legal framework. Such measures may include, but shall not be limited to, the

reallocation of the remaining EU Contribution under this Agreement, net of any costs incurred by the Organisation for undertaking any procurement or award procedure.-

Where such remedial measures are not feasible, the corresponding amount shall not be charged to the Action or, in the case of Multi-donor Action, to the EU Contribution. This is without prejudice to the suspension or termination of the respective contribution agreement, together with the recovery of any unspent funds contributed by the Contracting Authority to the Organisation.”

Counterparts

7.2 This Agreement may be executed in multiple counterparts, each of which shall be deemed an original agreement and all of which shall constitute one and the same agreement. The counterparts of this Agreement and any document delivered in connection with this Agreement may be executed by electronic signature (including portable document format) and delivered by email or other means of electronic transmission by any of the parties and the receiving party or parties may rely on the receipt of such document so executed and delivered electronically, as if the original had been received.

Done in Wildey, St. Michael, Barbados in three originals in the English language, two for the Contracting Authority and one for the Organisation.

For the Organisation

Name

Position

Signature

Date

For the Contracting Authority

Name

Position

Signature

Date

THE ACTION

1.1 DESCRIPTION

1.2 Title

Caribbean Action for Resilience Enhancement (CARE) Programme

1.3 Location

Borrowing Member Countries (BMCs) ¹ of the Caribbean Development Bank (CDB).

1.4 Cost of the Action and Amount Requested from the Contracting Authority

| Total Cost of the Action (A) | Amount Requested from the Contracting Authority (B) | Percentage of Total Eligible Cost of Action (B/A * 100) |
|------------------------------|---|---|
| Euro 14,000,000 | Euro 14,000,000 | 100% |

1.5 Summary

| | |
|--------------------------------------|---|
| Total Duration of the Action | 61 months |
| Objective of the Action ² | The overall objective of the Action is to reduce the impacts of climate change (CC) and disasters in the eligible BMCs ³ of CDB. |
| Expected Outcomes | <p>The CARE Programme includes three expected outcomes that are aligned with the specific objectives (SOs) and selected outputs of the wider 11th European Development Fund Intra-African Caribbean Pacific Natural Disaster Risk Reduction (11th EDF Intra-ACP NDRR) Programme.</p> <p><i>Outcome 1: Governance on disaster risk management (DRM) and climate change adaptation (CCA) in the BMCs improved.</i></p> <p>This is aligned with the wider 11th EDF Intra-ACP NDRR Programme as follows:</p> <p>(a) SO1: Disaster risk governance to manage disaster risk is strengthened. (i) Output 1.1. ACP Regional Institutions Capacities are strengthened.</p> <p>(b) SO3: Disaster preparedness for effective response and to Build Back Better in recovery, rehabilitation and reconstruction is enhanced. (i) Output 3.2. Communities and local government stakeholders are more risk aware and able to take action that reduces risk.</p> |

¹ Anguilla, Antigua and Barbuda, Barbados, Belize, British Virgin Islands, Cayman Islands, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, Saint Kitts and Nevis (SKN), Saint Lucia, Saint Vincent and the Grenadines (SVG), Suriname, The Bahamas, Trinidad and Tobago, and Turks and Caicos Islands.

² The Action specifically refers to this Contribution Agreement contract i.e. to the implementation by CDB of the CARE Programme to help achieve the objectives of the wider 11th EDF Intra ACP-EU NDRR Programme in-keeping with the Financing Agreement FED/2020/041-233.

³ Eligible BMCs are Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, SKN, Saint Lucia, SVG, Suriname and Trinidad and Tobago.

| | |
|-------------------|---|
| | <p><i>Outcome 2: Evidence-based and gender sensitive decision-making and financial response of the BMCs to CC effects and natural hazards strengthened.</i></p> <p>This is aligned with the wider 11th EDF Intra-ACP NDRR Programme as follows:</p> <ul style="list-style-type: none"> (a) SO1: Disaster risk governance to manage disaster risk is strengthened. <ul style="list-style-type: none"> (i) Output 1.3. Integrated solutions for risk-informed development planning and budgeting are provided. (b) SO2: Investment in disaster risk reduction for resilience is increased. <ul style="list-style-type: none"> (i) Output 2.2. Risk financing tools and strategies are developed in targeted countries. (ii) Output 2.3. Urban and Peri-Urban resilience mechanisms are improved in targeted cities. <p><i>Outcome 3: Community infrastructure and livelihood resilience to CC effects and natural hazards enhanced.</i></p> <p>This is aligned with the wider 11th EDF Intra-ACP NDRR Programme as follows:</p> <ul style="list-style-type: none"> (a) SO3: Disaster preparedness for effective response and to Build Back Better in recovery, rehabilitation and reconstruction is enhanced. <ul style="list-style-type: none"> (i) Output 3.2. Communities and local government stakeholders are more risk aware and able to take action that reduces risk. |
| <p>Outputs</p> | <p><i>Outcome 1: Governance on DRM and CCA in the BMCs improved.</i></p> <ul style="list-style-type: none"> (a) Output 1.1. Operational multi-hazard Early Warning Systems (EWSs) within BMCs expanded /upgraded. (b) Output 1.2. DRM and CCA initiatives for building community resilience improved. (c) Output 1.3. Awareness on intervention actions amongst the stakeholders increased. <p><i>Outcome 2: Evidence-based and gender sensitive decision-making and financial response of the BMCs to CC effects and natural hazards strengthened.</i></p> <ul style="list-style-type: none"> (a) Output 2.1. New risk-informed and gender-sensitive national and sector policies, strategies and/or plans developed. (b) Output 2.2. Availability of reliable risk data and information to end-users increased. (c) Output 2.3. Disaster risk financing strategies and/or solutions supported. <p><i>Outcome 3: Community infrastructure and livelihood resilience to CC effects and natural hazards enhanced.</i></p> <ul style="list-style-type: none"> (a) Output 3.1. Transition to green, low-emission and climate resilient infrastructure initiatives promoted. (b) Output 3.2. Community livelihood initiatives supported. |
| <p>Partner(s)</p> | <ul style="list-style-type: none"> (a) Regional institutions with responsibility for DRM and CCA and mitigation including but not restricted to the Caribbean Community Climate Change Centre (CCCCC), Caribbean Disaster Emergency Management Agency (CDEMA), |

| | |
|---------------------|--|
| | <p>Caribbean Institute for Meteorology and Hydrology (CIMH), Caribbean Meteorological Organisation (CMO), Caribbean Tourism Organisation (CTO), and The University of the West Indies (UWI), Climate Studies Group, Mona Campus;</p> <p>(b) CARIFORUM Secretariat and Regional Authorising Officer, CARICOM Secretariat;</p> <p>(c) National Disaster Management Offices (NDMOs), National Hydrological and Meteorological Services (NHMSs) and the line Ministries of BMCs, in particular those of Finance and Economic Planning and those responsible for CC issues;</p> <p>(d) Communities impacted by hydro-meteorological, geological, and other natural hazards in those BMCs;</p> <p>(e) Non-state actors including non-governmental organisations (NGOs), civil society and the private sector which operate at the community and sector levels in the BMCs of CDB;</p> <p>(f) Regional policymakers, such as the Council of CDEMA, CARICOM Institutions, such as the Council for Trade and Economic Development;</p> <p>(g) Other ACP sub-regional organisations with a mandate on DRM that could benefit from the implementation of this Programme; and</p> <p>(h) Development partners present in the region such as the United Nations Development Programme, Inter-American Development Bank, and the World Bank.</p> |
| Target group(s) | <p>(a) CARIFORUM communities and Non-state actors including civil society, NGOs, universities and the private sector which operate at the community and sector levels in the BMCs of CDB;</p> <p>(b) CARIFORUM Ministries of Finance and Economic Planning; and CARIFORUM climate, water, agriculture, tourism, transportation sectors, NDMOs and NHMSs.</p> |
| Final beneficiaries | CARIFORUM citizens. |

1.6 Overall Objective

The overall objective of the Action is to reduce the impacts of CC and disasters in the eligible BMCs of CDB.

1.7 Relevance of the Action

The BMCs of CDB have made substantive progress in DRM over the last four decades. Many BMCs have strengthened the legal and regulatory institutional frameworks for disaster preparedness and response through the enactment of legislation, the adoption of relevant sector policies, strategies and action plans, and the operationalisation of national and local level DRM coordination mechanisms. Institutional capacity for monitoring and impact-based forecasting of climate-related events has been improved through the delivery of relevant training to key representatives of national meteorological and hydrological services and the expansion of observation networks across BMCs.

Infrastructure, both public and private, is increasingly being constructed to become more resilient to climate and disaster risks and impacts. Initiatives to enhance community resilience have been successfully implemented in BMCs. This included strengthening sustainable livelihoods, increasing knowledge and awareness about climate and disaster risks and impacts, and preparing community stakeholders to anticipate and respond effectively to external shocks and natural hazard events. Governments have been scaling-up financial risk management through building fiscal buffers in the form of national disaster funds and budget

allocations for emergencies, and through financial risk transfer mechanisms such as parametric risk insurance coverage (e.g. Caribbean Catastrophe Risk Insurance Facility-Segregated Portfolio Company contingent lines of credit). However, BMCs are located in one of the most disaster-prone regions in the world. They are subject to significant seismic risk that can trigger catastrophic events. For example, in 2010, Haiti experienced a catastrophic earthquake, which resulted in over 200,000 deaths and loss and damage estimated at 100% of the country's gross domestic product (GDP) in 2009. More recently, in April 2021, the eruption of La Soufrière Volcano in SVG caused significant negative impacts on the health and livelihood of many people in SVG, Barbados and Saint Lucia. On August 14, 2021, another catastrophic earthquake struck the southern region of Haiti causing over 2000 deaths and significant infrastructure damage and loss. Frequent extreme weather events, including tropical storms, hurricanes and floods have had adverse environmental, social and economic consequences in BMCs. For instance, the 2017 hurricane season caused unprecedented destruction across the Caribbean with two Category 5 Hurricanes, Irma and Maria, directly impacting eight BMCs. In 2019, another Category 5 Hurricane Dorian devastated a part of the Bahamas, causing 67 deaths and USD3.2 billion in loss and damage, representing 25% of the country's GDP. CC effects and high intensity rainfall and flood events also disproportionately affect climate sensitive sectors (e.g. water, transportation, tourism, agriculture, fisheries) and the livelihoods of the poor and most vulnerable, thereby potentially magnifying poverty, inequality and exacerbate the underlying conditions of vulnerability to other natural hazards.

Climate variability and change projections point to increased intensity of extreme hydrometeorological events such as hurricanes, intense rainfall and prolonged droughts. Climate models show that Category 4 and 5 hurricanes will likely increase in the Atlantic Ocean⁴, sea-level rise can reach more than 1m by 2100, and the Caribbean will be a hotter and drier place as a result of global warming. These projections therefore suggest that disaster risks and impacts will increase in the Caribbean over the 21st century.

Disaster risk financing and climate action investments remain inadequate to effectively address the magnitude of the challenges posed by natural hazards and CC effects. The adoption of a risk-layered approach coupled with the mobilisation of substantial concessional financing are essential to support proactive interventions and accelerate post-early recovery and reconstruction tailored to the specific context and priorities of each BMC, and to facilitate regional inter-agency coordination for designing and implementing effective DRM measures.

Developing and implementing integrated and proactive approaches and actions to build more resilient Caribbean States has been the core of the regional DRM's agenda. The Comprehensive Disaster Management Strategy (CDM) 2014-2024⁵ reinforces the importance of enhancing capacity to mitigate, prepare, respond, and recover from natural disasters and integrating DRM and CC considerations into the planning process for priority economic sectors. Governments, regional intergovernmental, non-governmental and development organisations have gradually shifted their DRM efforts from post-disaster response and recovery to more proactive interventions with a focus on reducing vulnerability, strengthening institutional capacity and building community resilience.

CDB's mission for reducing poverty and transforming lives through sustainable, resilient and inclusive development is aligned with the regional comprehensive DRM's framework. In addition, the 2020-2024 Strategic Plan of CDB⁷ brings its work fully in alignment with the Sustainable Development Goals (SDGs)

⁴ From Bender et al. 2010. Cited in "State of the Caribbean Climate Report: Information for Resilience Building", 2020 (<https://www.caribank.org/publications-and-resources/resource-library/publications/state-caribbean-climate>).

⁵ <https://www.cdema.org/CDMStrategy2014-2024.pdf>.

⁶ Disaster involves 3 key elements: hazard, exposure and vulnerability. Hazard refers to a potentially damaging physical event from natural phenomenon (natural hazard) or human activity (human-induced hazards). The term "natural disasters" is used in the document, but it should be understood as disasters resulting from natural hazard events.

⁷ <https://www.caribank.org/about-us/policies-and-strategies/strategic-plan-2020-2024>.

through three strategic objectives: Building social resilience; Building economic resilience; and Building environmental resilience.

CDB has been supporting BMCs' DRM efforts for many decades. In 2013, the Bank approved its Climate Resilience Strategy (CRS) and reaffirmed this commitment in the CRS 2019-2024⁸. The Disaster Management Strategy and Operational Guidelines (DiMSOG) 2021 proposes more emphasis on ex-ante approaches to support BMCs to reduce climate and disaster risks and impacts, to strengthen CDB's effectiveness in its assistance to BMCs and its collaboration with regional institutions and international development partners for more effective interventions in DRM and CCA.

The DiMSOG 2021 is aligned with the regional CDM Strategy 2014-2024 coordinated by the CDEMA. All BMCs of CDB are Participating States of CDEMA and have adopted the CDM Strategy 2014-2024. As a regional partner, CDEMA has had a formal role in successive operational disaster management policies of CDB. CDEMA and CDB have adopted a holistic multi-hazard approach to DRM and have focused on supporting initiatives to strengthen national institutional capacity to mitigate, prepare and respond effectively to emergency events. Under DiMSOG 2021, CDB has made a commitment to work closely and collaboratively with CDEMA to finance the implementation of country work programmes in BMCs which are committed to a well-defined action plan and results framework. In that regard, one pillar of DiMSOG 2021 is focused on providing appropriate assistance to BMCs to reduce climate and disaster risks by ensuring work programme alignment with country context and priorities and the CDM Strategy 2014-2024.

The 11th EDF Intra-ACP-EU NDRR Programme is a strategic collaborative initiative at the intra ACP level and among regional ACP entities, major DRM institutions and implementing partners to reduce disaster risk for the population of 79 ACP developing countries. The Caribbean component offers grant financing including EUR14 million to CDB to support the on-going DRM's efforts in BMCs. CDB has therefore designed the proposed CARE Programme which will be implemented from 2021-2026. The CARE Programme will help consolidate the key achievements of the components implemented by CDB over the last five years under the 10th EDF ACP-EU Natural Disaster Risk Management (NDRM) in CARIFORUM Countries Programme⁹. These achievements notably relate to establishing more robust early warning systems (EWS); strengthening local, national and regional institutional capacities; mainstreaming DRM and CCA into BMCs' priority sector policies, strategies and investment planning; and building community infrastructure and livelihood resilience.

Key lessons learnt from the implementation of the CDB's components of the 10th EDF ACP-EU NDRM in CARIFORUM Countries Programme underscored the importance for designing a flexible programme, developing strategic partnerships and coordinating effectively with potential project beneficiaries and partners at national and regional levels to identify, develop and implement relevant projects to achieve the overall programme objectives. These lessons have informed the design of the CARE Programme, which will be implemented to achieve three main outcomes: (a) Governance on DRM and CCA in the BMCs improved; (b) Evidence-based and gender sensitive decision-making and financial response of the BMCs to CC effects and natural hazards strengthened; and (c): Community infrastructure and livelihood resilience to climate change effects and natural hazards enhanced. To achieve these outcomes, CDB will continue to work proactively and collaboratively with key partners to identify and implement relevant projects in the

⁸ <https://www.caribank.org/about-us/policies-and-strategies/climate-resilience-strategy>.

⁹ The components implemented by CDB under the 10th EDF ACP-EU NDRM in CARIFORUM Countries Programme have supported national and regional institutions to implement of 20 technical assistance projects to enhance DRM and climate resilience in the Caribbean over the last five years. This Programme has been very successful and its completion is planned in July 2021.

most effective and efficient manner while looking for synergy to heighten DRM and CCA interventions in BMCs.

1.8 Description of the Action

The expected three outcomes of the CARE Programme will contribute to achieving the objectives of the wider 11th EDF Intra-ACP-EU NDRR Programme, particularly the following SOs and their selected outputs:

- (a) SO1: Disaster risk governance to manage disaster risk is strengthened
 - (i) Output 1.1. ACP Regional Institutions Capacities are strengthened.
 - (ii) Output 1.3. Integrated solutions for risk-informed development planning and budgeting are provided.

- (b) SO2: Investment in disaster risk reduction for resilience is increased
 - (i) Output 2.2. Risk financing tools and strategies are developed in targets countries.
 - (ii) Output 2.3. Urban and Peri-Urban resilience mechanisms are improved in targeted cities.

- (c) SO3: Disaster preparedness for effective response and to “Build Back Better” in recovery, rehabilitation and reconstruction is enhanced.
 - (i) Output 3.2. Communities and local stakeholders are more risk aware and able to take action that reduces risk.

Expected Outcomes:

Outcome 1 - Governance on DRM and CCA in the BMCs improved

BMCs remain highly exposed and vulnerable to the impacts of natural hazards and subsequent disasters although they have made substantive progress in DRM, including strengthening the legal, regulatory and supervisory institutional frameworks for disaster preparedness and response during the last four decades. It is unarguable that BMCs still need substantial support to stay the course and become more resilient given the magnitude of the challenges they are facing and their low capacity to prepare for finance and respond adequately to disasters. The CDM Strategy 2014-2024 has reinforced the importance of enhancing capacity to mitigate, prepare, respond, and recover from disasters and integrating DRM and CC considerations into the planning process for priority economic sectors. As for Outcome 1, the CARE Programme will be focused on increasing BMCs’ capacities for climate data processing and impact-based forecasting, improving knowledge and awareness on disaster risk and impacts, and creating an enabling environment for more effective DRM and climate actions. A number of distinct and interrelated initiatives will be designed and implemented to consolidate previous and on-going programmes implemented by CDB and partners. These initiatives will be particularly aligned with the 10th Intra-ACP-EU NDRM in CARIFORUM Countries Programme, the Climate Risk and Early Warning Systems (CREWS) initiatives, the WMO Integrated Global Observing Systems (WIGOS) and other WMO key relevant initiatives (e.g. Severe Weather Forecasting Programme, Coastal Inundation Forecasting Initiative, Flash Flood Guidance System). Key outputs and foreseen activities to be supported under the CARE Programme to achieve this outcome include:

Output 1.1. Operational multi-hazard EWSs within BMCs expanded/upgraded.

Main Activities

- (a) Development or upgrade of multi-hazard risk profiles at local and national levels.
- (b) Expansion and upgrade of observation networks (e.g. installation of new stations, upgrade of existing stations) in targeted BMCs.
- (c) Institutional capacity development (e.g. training, exchange of knowledge and experiences) for weather, climate and seismic monitoring and impact-based forecasting, and delivery of tailored products and services to decision-makers and end-users.
- (d) Capacity development for young professionals in meteorology, climatology, hydrology, oceanography, seismology and related fields through internships and exchanges of experience in the Caribbean, Africa, the Pacific and Europe.

Output 1.2. DRM and CCA initiatives for building community resilience improved.

Main Activities

- (a) Identification or design of relevant tools that facilitate incorporating the needs and priorities of at-risk communities into local development decision-making and budgetary processes.
- (b) Development and implementation of community-based DRM and CCA strategies and plans within BMCs.
- (c) Capacity development of key stakeholders in DRM and CCA through training and exchange of knowledge and experiences.

Output 1.3. Awareness on intervention actions amongst the stakeholders increased.

Main Activities

- (a) Design a communication kit including templates and guidelines for easy use by local persons on the various approved projects.
- (b) Education and awareness of beneficiary communities about climate and disaster risks and impacts.
- (c) Promotion of partnerships, engagement and participation of key stakeholders of the programme for sharing of information, knowledge and experiences on DRM and CCA.
- (d) Design, dissemination and use of knowledge products (e.g., communication toolkit, climatic bulletins, videos, infographics, posters, brochures, summary of good practices in key sectors) to enable effective DRM, CCA and CC mitigation at local, national and regional levels.

Outcome 2: Evidence-based and gender sensitive decision-making and financial response of the BMCs to CC effects and natural hazards strengthened.

Development agencies and partners have helped BMCs to address challenges to disaster risk financing management and resilience-building of key economic sectors to natural hazards. More recently, the EU and Global Affairs Canada (GAC) supported BMCs to maintain or increase their insurance coverage with CCRIF SPC. Completion of these two initiatives is planned in 2022, however, there is still opportunity for continued support to BMCs governments to increase their insurance coverage under CCRIF SPC and explore an expansion of innovative disaster risk financing instruments. CDB will continue to work collaboratively with development agencies and regional and national partners, through the CARE

programme, to consolidate the achievement of the 10th EDF ACP-EU NDRM in the CARIFORUM Countries Programme and other relevant past and on-going initiatives focusing on mainstreaming DRM and CCA. To help achieve Outcome 2, the CARE Programme will be focused on improving evidence-based decision-making process and financial response capacity of BMCs to CC effects and natural hazards through increasing the understanding of disaster risk and impacts, disseminating reliable climate data and information, and designing and implementing innovative risk-financing instruments. Key outputs and foreseen activities to be supported under the CARE Programme to achieve this outcome include:

Output 2.1. New risk-informed and gender-sensitive national and sector policies, strategies and/or plans developed.

Main Activities

- (a) Update and implementation of coherent policy and legal framework to integrate DRM and CCA in key sectors such as water, transport, agriculture, fisheries, education and tourism.
- (b) Strategic partnerships, effective inter-agency coordination and technical cooperation with key regional entities and donors to enhance DRM and climate resilience in the BMCs established and/or maintained.

Output 2.2. Availability of reliable risk data and information to end-users increased.

Main Activities

- (a) Analytical work (e.g. update of the State of the Caribbean Climate Report 2020, preparation of climate reports for targeted BMCs, tailored studies on key climate-sensitive sectors) to increase understanding of risk within BMCs.
- (b) Development and/or dissemination of relevant tools on multi-hazard risk assessment for DRM and climate resilience.
- (c) Enhancement of standard operating procedures for DRM data gathering, exchange and analysis.
- (d) Establishment or enhancement of risk information systems to facilitate access to reliable data and information, exchange of knowledge and public awareness about CC and disaster impacts within BMCs.
- (e) Skill enhancement for representatives of key climate-sensitive sectors in BMCs through conferences, training and seminars on collecting, storing, analysing and using risk data to inform DRM, CCA, and CC mitigation.
- (f) Access to and implementation of good practices in DRM, CCA and resilience building at local and national levels.

Output 2.3. Disaster risk financing strategies and/or solutions supported.

Main Activities

- (a) Assessment of BMCs' disaster financial management systems.
- (b) Selection and implementation of relevant and readily applicable disaster risk financing solutions to reduce, retain or transfer risks at local, national and regional levels.
- (c) Capacity development of public finance professionals in fiscal management and in the use and implementation of tools for integrating DRM and climate resilience in decision making and budgetary planning processes.
- (d) Development of comprehensive disaster risk financing strategies having regard to the fiscal impacts of the COVID-19 pandemic.

Outcome 3: Community infrastructure and livelihood resilience to climate change effects and natural hazards enhanced

The CARE Programme will be focused on strengthening infrastructure and livelihoods and scaling-up investments for socio-economic development and building resilience of people. CDB will seek to leverage additional financing to support initiatives to build infrastructure and livelihood resilience. Key outputs and foreseen activities to be supported under the CARE Programme to achieve this outcome include:

Output 3.1. Transition to green, low-emission and climate resilient infrastructure initiatives promoted.**Main Activities**

- (a) Water-efficient and energy-efficient technology opportunities (e.g. rainwater harvesting systems, micro-irrigation or drip irrigation systems, solar-powered water pump).
- (b) Initiatives to transition to a sustainable energy system through the promotion of renewable energy and energy efficiency in existing and newly-constructed buildings (schools, hospitals, community centres, shelters, etc.).

Output 3.2. Community livelihood initiatives supported.**Main Activities**

- (a) Relevant small works/initiatives to reduce disaster risk and protect people and their livelihoods including:
 - (i) Road rehabilitation, drains rehabilitation/construction, shelter rehabilitation/construction.
 - (ii) Rehabilitation of drinking water supply systems.
 - (iii) Design and implementation of soil and water conservation structures.
 - (iv) Greenhouse farming, beekeeping and harvesting for mangrove restoration, construction of cold rooms for fresh and perishable commodities, etc.).

1.9 Methodology

The CARE Programme will be delivered through:

- (a) the guidelines as set out in Section 4 of CDB's DiMSOG 2021;
- (b) The priority areas as described in Section 2 of CDB's CRS 2019-2024; and
- (c) the normal work-programme of the Bank using current project cycle management procedures.

A similar approach to the components implemented by CDB under the 10th EDF ACP-EU NDRM in CARIFORUM Countries Programme will be followed to select and approve project under the CARE Programme. This approach was successful in delivering the programme outcomes. Approved projects will be implemented directly by CDB or by grant beneficiaries. Proposed projects under the CARE Programme will be reviewed and approved in-keeping with BMCs' priorities for DRM and CCA, their nationally determined contributions' obligations, and commitments for achieving the SDGs and regional CDM priorities. CDB will inform key regional partners (e.g. CDEMA, CIMH, CMO, CCCCC, CTO) and BMCs on the opportunities for grant financing under the CARE Programme and invite them to submit relevant

concept notes to consolidate the achievements of previous and on-going initiatives to enhance DRM and climate resilience. The overall process can be summarised as follows:

- (a) Continuous information on the CARE Programme to key partners and BMCs and solicitation of submission of relevant concept notes for CDB's consideration.
- (b) Support to the development of relevant concept notes into proposals.
- (c) Internal review of proposals.
- (d) Submission/presentation of proposals to CDB's Board of Directors for review and notification/ approval.
- (e) Signature of grant agreement and implementation of approved projects.

1.10 Programme Administration, Governance and Responsibilities

The CARE Programme will be executed by the Projects Department of CDB in accordance with CDB's internal processes, policies and procedures. The Environmental Sustainability Unit (ESU) of the Projects Department will provide oversight of the CARE Programme management and coordination, and implementation of its components to help achieve the objectives of the wider 11th EDF ACP-EU NDRR Programme. The ESU will be supported by the existing administrative and financial systems of CDB's Operations. A Programme management structure, with a dedicated full-time Senior Programme Manager (SPM) and a Programme Administrator (PA), will be required to ensure effective and timely management and implementation of the Programme. This structure will be responsible for coordinating, reporting and monitoring all aspects of the Programme, providing guidance, technical and administrative support for the preparation, appraisal, supervision, monitoring and reporting of all interventions financed under the Programme. CDB will recruit a full-time SPM and a full-time PA for the Programme.

The implementation of CDB's components under the 10th EDF ACP-EU NDRM in CARIFORUM Countries Programme has revealed limited capacities of national and regional institutions for project proposal preparation and project implementation and management. Therefore, short-term consultants will be engaged as necessary to support timely preparation of potential proposals and implementation of approved projects, and interns will be hired periodically to support the work of the SPM and the PA.

A Global Programme Steering Committee (GPSC), Regional Programme Steering Committees (RPSC) for Africa, the Caribbean and the Pacific, and Technical Working Groups (TWGs) will be established to provide oversight, strategic orientation, guidance and review of the implementation of the 11th EDF Intra-ACP-EU NDRR Programme. The GPSC, RPSCs and TWGs will meet on a biennial, annual and bi-annual basis, respectively. A technical advisory group with representatives of international and regional organisations will also provide specific thematic support to the Programme. Representatives of CDB will participate in the GPSC, the Caribbean RPSC and TWG meetings to discuss the implementation of the CARE Programme as part the wider 11th EDF Intra-ACP-EU NDRR Programme.

1.11 Reporting

Bi-annual narrative progress reports, annual financial progress reports and a final report of the CARE Programme shall be part of the standard performance monitoring procedures of CDB. CDB will submit these reports to the ACP Secretariat and the Delegation of the EU to Barbados, the Eastern Caribbean States, Organisation of Eastern Caribbean States (OECS) and Caribbean Community (CARICOM)/Caribbean Forum (CARIFORUM).

The reporting will be carried out pursuant to the rules and procedures set out in the Special and General Conditions of the Present Contribution Agreement. Specific reports may be requested by the EU at any time.

1.12 Monitoring

CDB will monitor and evaluate the overall performance of the implementation of the CARE Programme. CDB will provide grant financing to eligible project beneficiaries¹⁰ for the implementation of approved projects. Grant recipients will monitor the performance of project activities and will provide narrative and financial reports to CDB. CDB will provide technical guidance to grant recipients and regularly conduct project supervision to ensure effective project implementation. The EU Delegation to Barbados, the Eastern Caribbean States, OECS and CARICOM/CARIFORUM will ensure the overall supervision of the CARE Programme.

Each Result of the CARE Programme will be monitored in accordance with standard EU monitoring procedures. Key quantified indicators will be defined to measure performance of the CARE Programme in alignment with the performance indicators of the wider 11th EDF Intra-ACP-EU NDRR Programme.

Specific to this Action, an Indicative Results Framework is presented in Annex I Attachment II.

For this Action, CDB will provide information on the Programme's performance whenever requested by the following authorities: the ACP Secretariat and the EU Delegation to Barbados, the Eastern Caribbean States, OECS and CARICOM/CARIFORUM. CDB may also be requested to provide regular briefs to the European Commission (EC) and the ACP Committee of Ambassadors on the progress of this Programme.

1.13 Evaluation

For this Action, independent evaluations by external consultants will be undertaken as follows:

- (a) a mid-term evaluation mission; and
- (b) a final evaluation to be launched within six months before closure.

The purpose of these evaluations will be to assess the short and mid-term impacts and to find out the lessons for future activities. The consultants will be engaged and paid directly by the EC. The preparation of the terms of reference for the evaluations will be coordinated by the EC and CDB.

1.14 Information and Visibility

All communication and visibility activities related to this Action will be undertaken in accordance with the Communication and Visibility Manual for the EU External Actions. The manual mainly covers the written and visual identity of the EU. It sets out the requirements and guidelines for briefings, and all other tools used to highlight EU participation. These should be multi-lingual, where appropriate. Furthermore, the updated Communication and Visibility Requirements for implementing partners came into force on January 1, 2018, and apply to all contracts signed from that date.

The draft communication and visibility plan of the CARE Programme outlining the communication objectives, messages, channels, activities and target audiences is presented in Annex VI. The overall objectives of the plan are to:

- (a) Inform and build awareness about the CARE Programme among stakeholders and the

¹⁰ Eligible project beneficiaries include regional institutions (e.g. CDEMA, CCCCC, CIMH, CMO, CTO, UWI) and Caribbean ACP States that are CDB's BMCs: Antigua and Barbuda, Barbados, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, Suriname, Trinidad and Tobago, SKN, Saint Lucia, SVG, and The Bahamas.

- public.
- (b) Sustain awareness about the ongoing work and outcomes of projects funded under the programme.
- (c) Increase awareness around the role of the EU and CDB in building resilience to climate and disaster risks and impacts in the Caribbean.

The plan can be updated during the implementation of the CARE Programme. The plan will be complemented with a detailed Communications Kit which will be developed and delivered within three months of the commencement of the implementation of the CARE Programme. Project partners and beneficiaries will be guided to implement the plan for approved projects.

1.15 Duration and Indicative Action for Implementation

The duration of the Action is sixty-one (61) months. The schedule for implementation is detailed in Annex I Attachment I.

1.16 Sustainability

Preconditions and Assumptions

CDB will be required to waive its procurement regulations to allow procurement of goods, services and supplies from (a) CARIFORUM Member States which are not Member Countries of CDB; and (b) EU Member States which are not Member Countries of CDB.

CDB will identify and assign specific staff to be responsible for the day-to-day management and implementation of the Programme.

Institutional Level

CDB will seek, as much as is feasible, to build into individual programme design, considerations of ownership, particularly as it relates to reasonable levels of counterpart contributions, clear demonstration of ownership by the beneficiaries and post-project activities.

1.17 Indicative Results Framework

The Indicative Results Framework is presented in Annex I Attachment II.

2.0 BUDGET FOR THE ACTION

A summary budget of the Action is presented below. A detailed budget is presented at Annex III.

| SUMMARY BUDGET FOR THE ACTION | |
|--|-------------------|
| Programme Result/Component | EUR |
| 1. CDB's Programme Management and Administration Costs | 1,562,740 |
| 2. Programme Outcomes | 11,521,372 |
| Total Direct Eligible Costs for the Action (Subtotals 1+ 2) | 13,084,112 |
| Indirect Costs (7% of overall budget) | 915,888 |
| Grand Total for the Action | 14,000,000 |

3.1. EXPECTED SOURCES OF FUNDING

The Action will be financed to the value of EUR14,000,000 from the 11th EDF Intra-ACP NDRR Programme Financing Agreement (FED/2020/041-233).

INDICATIVE RESULTS FRAMEWORK OF THE ACTION

| | Results chain | Indicator¹ | Baseline ² (value and reference year) | Target (value and reference year) | Current value* (reference year) (*to be included in interim and final reports) | Source and mean of verification | Assumptions |
|--|--|---|---|--|---|---|--|
| Impact (Overall objective) | To reduce impacts of climate change (CC) and disasters in Borrowing Member Countries (BMCs) of Caribbean Development Bank (CDB). | No. of countries demonstrating positive trend in relation to SDG and Sendai common indicators.* | 0 | 2 | | Sendai Framework Monitoring Report. | Not applicable |
| Outcome (s) (Specific objective(s)) | SO1. Governance on Disaster Risk management (DRM) and Climate Change Adaption (CCA) in the BMCs improved. | 1.1. No. of national and regional institutions implementing improved measures for DRM, climate data processing and impacts-based forecasting. | 0 | 3 (Q4 2026) | | Intervention progress reports (based on continuous review of institutions by the Intervention). | Economic and political situation is sufficiently stable. Global policy frameworks on Disaster Risk Reduction (DRR)/CC do not hamper coherence at country level. |
| | | 1.2. No. of countries (on total number of countries supported) that adopt and implement national or local DRR strategies.*** | 0 | 4 (Q4 2026) | | National or local DRR strategies and plans; Sendai Monitor. | Disaster events offer opportunities for risk |

¹ Indicators aligned with the 11th EDF ACP-EU NDRR Programme are marked with * and indicators aligned to the EU Results Framework are marked with '***'

² Baseline indicators: It is at 0 with the assumptions that any targets mentioned in the LF would refer exclusively to the additional contribution of the intervention.

| | Results chain | Indicator ¹ | Baseline ² (value and reference year) | Target (value and reference year) | Current value* (reference year) (*to be included in interim and final reports) | Source and mean of verification | Assumptions |
|--|---|--|---|--------------------------------------|--|---|--|
| | | 1.3. No. of BMCs and/or regional institutions implementing new initiatives for creating an enabling environment and/or scaling up investments to strengthen community infrastructure, livelihoods, education, and health services. | 0 | 2 (Q4 2026) | | Intervention progress reports (based on continuous review of institutions by the Intervention). | governance reforms/improvements. Sufficient risk data and information are available to underpin policy formulation/review. Government approvals can be obtained for new/revised policies and laws. |
| | SO2. Evidence-based and gender sensitive decision-making and financial response of the BMCs to CC effects and natural hazards strengthened. | 2.1. No. of countries (on total number of countries supported) that mainstream disaster and climate risk in national and sector development policies, strategies, planning and budgeting processes.* | 0 | 2 (Q4 2026) | | National development policies, strategies and plans; SDGs Monitoring. | Investments in community infrastructure and livelihood resilience are prioritised by development partners. |
| | | 2.2. No. of national and regional institutions incorporating risk data and information into their development planning. | 0 | 5 (Q4 2026) | | Intervention progress reports (based on continuous review of institutions by the Intervention). | |
| | | 2.3. No. of gender sensitive disaster risk financing strategies and solutions implemented by countries / regions within countries/municipalities as a result of the intervention* | 0 | 1 (Q4 2026) | | National and sectoral development budgets. | |

| | Results chain | Indicator ¹ | Baseline ² (value and reference year) | Target (value and reference year) | Current value* (reference year) (*to be included in interim and final reports) | Source and mean of verification | Assumptions |
|----------------|---|---|---|--------------------------------------|--|---|---|
| | | (disaggregated by country, region and municipality). | | | | | |
| | SO3. Community infrastructure and livelihood resilience to climate change effects and natural hazards enhanced. | 3.1. No. of community resilience infrastructure projects implemented (disaggregated by country). | 0 | 2 (Q4 2026) | | Intervention progress reports (based on continuous review of institutions by the Intervention). | |
| | | 3.2. No. of BMCs implementing diversified and/or sustained community livelihood initiatives to improve socio-economic conditions and human and ecosystem well-being. | 0 | 2 (Q4 2026) | | Intervention progress reports (based on continuous review of institutions by the Intervention). | |
| Outputs | 1.1. Operational multi-hazard Early Warning Systems (EWSs) within BMCs expanded / upgraded. | 1.1.1. No. of early warning systems that are operational in countries targeted by the intervention* (disaggregated by status and country). | 0 | 4 (Q4 2026) | | Early warning systems; Climate Risk Early Warning System (CREWS) Reports. | BMC's Governments and regional institutions continue to commit sufficient resources to implement DRM and climate actions. Governments have the institutional capacity to support the activities and to share information and promote cooperation |
| | | 1.1.2. No. of ACP DRR practitioners trained in early warning systems showing increased knowledge in the subject* (disaggregated by sex and organisation/ institution type). | 0 | 50 (Q4 2026) | | Pre- and post-training assessments; Training reports. | |

| | Results chain | Indicator¹ | Baseline ² (value and reference year) | Target (value and reference year) | Current value* (reference year) (*to be included in interim and final reports) | Source and mean of verification | Assumptions |
|--|--|---|---|---|---|--|---|
| | 1.2. DRM and CCA initiatives for building community resilience improved. | 1.2.1. No. of community-based DRM and CCA initiatives (e.g. risk-informed local development plans and strategies, training of key local stakeholders in DRM and CCA) supported. | 0 | 2 (Q4 2026) | | Intervention progress reports (based on continuous review of community-based DRM and CCA initiatives by the Intervention). | between national institutions. Stakeholders maintain an ongoing engagement in DRM and CCA. |
| | | 1.2.2. No. of government-led projects and/or programmes (including smallcapital investments) that build community and local level resilience at scale for livelihood co-benefits of women, children, youth, disabled and socio-economically marginalized, supported.* | 0 | 2 (Q4 2026) | | Intervention progress reports (based on continuous review of community and local level resilience programmes by the Intervention). | |
| | | 1.2.3. No of direct and indirect beneficiaries who acknowledge the partnership, support or engagement of the EU and CDB for DRM and CCA (disaggregated by sex and BMC). | 0 | 200 (Q4 2026) | | Beneficiary feedback survey. | |
| | 1.3. Awareness on intervention actions amongst the stakeholders increased. | 1.3.1. Status of communication plan and associated communication kit. | None. | Communication plan including a communication kit made available to intervention partners. | | Published/disseminated communication plan and associated tools. | |

| | Results chain | Indicator ¹ | Baseline ² (value and reference year) | Target (value and reference year) | Current value* (reference year) (*to be included in interim and final reports) | Source and mean of verification | Assumptions |
|--|--|--|---|--------------------------------------|--|--|---|
| | | | | (Q1 2022) | | | |
| | | 1.3.2 Number of targeted institutions reached with relevant, accurate and consistent programme information. | 0 | 15 (Q4 2026) | | Lists of institutions (or representatives of targeted institutions) with whom communication has taken place by the Intervention. | |
| | | 1.3.3. No. of DRM and CCA events organised/ supported by the intervention for exchange of information amongst ACP countries.* | 0 | 4 (Q4 2026) | | Minutes of the events; Intervention progress reports. | |
| | 2.1. New risk-informed and gender-sensitive national and sector policies, strategies and/or plans developed. | 2.1.1. No. of new risk-informed and gender-sensitive DRM/climate resilience policies, strategies and/or plans developed with the support of the intervention,** (disaggregated by BMC, sector, ministry/regional institution). | 0 | 2 (Q4 2026) | | Intervention progress reports (based on review of developed policies, strategies and/or plans by the Intervention). | Availability of historical data from past disaster events and existence of effective mechanisms and capacities for collection and analysis of data. BMC's Governments and regional institutions commit sufficient resources to implement the risk-informed and gender-sensitive policies, strategies and/or plans. |

| | Results chain | Indicator¹ | Baseline ² (value and reference year) | Target (value and reference year) | Current value* (reference year) (*to be included in interim and final reports) | Source and mean of verification | Assumptions |
|--|---|---|---|--|---|--|--|
| | 2.2. Availability of reliable risk data and information to end-users increased. | 2.2.1. No. of analytical/knowledge products elaborated with the support of the intervention that incorporate analysis of disaster and climate risks.* | 0 | 3 (Q4 2026) | | Intervention progress reports (based on review of analytical/ knowledge products). | Governments prioritize DRR and promote multi-stakeholder and multi-sectoral coordination platforms. |
| | | 2.2.2. No. of hazard risk assessment tools designed and/or adopted with the support of the intervention. | 0 | 2 (Q4 2026) | | Intervention progress reports (based on review of adoption of hazard risk assessment tools by the Intervention). | |
| | | 2.2.3. No. of people from BMCs and regional institutions with access to early warning and risk data and information on natural hazards* (disaggregated by sex). | 0 | 100 (Q4 2026) | | Early Warning Bulletin; Lists of participants of workshops, seminars, and conferences; Lists of websites users / number of hits. | |
| | 2.3. Disaster risk financing strategies and/or solutions supported. | 2.3.1. No. of disaster risk financing strategies or solutions identified and/or designed for BMCs* (disaggregated by country). | 0 | 2 (Q4 2026) | | Intervention progress reports (based on review of strategies / solutions on disaster risk financing). | Competing development priorities do not limit Government's ability to allocate adequate financial resources for DRR and climate adaptation. BMC's Governments and regional institutions continue to expand disaster risk financing strategies and/or solutions. |
| | | 2.3.2. No. of BMCs supported to strengthen their disaster financial management systems. | 0 | 2 (Q4 2026) | | Intervention progress reports (based on review of improved disaster financial management systems). | |

| | Results chain | Indicator¹ | Baseline ² (value and reference year) | Target (value and reference year) | Current value* (reference year) (*to be included in interim and final reports) | Source and mean of verification | Assumptions |
|--|---|---|---|--|---|--|--|
| | 3.1. Transition to green, low-emission and climate resilient infrastructure initiatives promoted. | 3.1.1. No. of innovative technologies and practices (e.g. water-efficient and energy-efficient technologies, sustainable energy systems and agro-forestry farming practices) supported to increase community infrastructure resilience. | 0 | 3 (Q4 2026). | | Intervention progress reports (based on review of innovative technologies and practices). | <p>BMC's Governments and regional institutions continue to replicate the climate resilient initiatives.</p> <p>Prioritization of local level risk management and resilience building by local administrations.</p> <p>Adequate capacities in local administrative units and active engagement of CBOs and CSOs in local level risk management and resilience building.</p> <p>Local administrations and communities invest in DRR and CCA.</p> |
| | | 3.1.2. No. of people from BMCs benefiting from enhanced resilient community infrastructure initiatives supported by the intervention (disaggregated by sex). | 0 | 50 (Q4 2026). | | Beneficiary feedback survey. | |
| | 3.2 Community livelihood initiatives supported. | 3.2.1. No. of community-based adaptation measures supported in key climate-sensitive sectors (e.g. agriculture, fisheries, forestry, water, energy, tourism, etc.) that improve livelihoods of the most vulnerable populations particularly women, or enable them to reduce climate and disaster risks and impacts on their assets. | 0 | 3 (Q4 2026). | | <p>BMCs and/or regional institution reports and publications on relevant technologies and practices implemented to support community-based adaptation measures in key climate-sensitive sectors;</p> <p>Intervention progress reports (based on review of community-based adaptation measures in key climate-sensitive sectors by the Intervention).</p> | |

| | Results chain | Indicator¹ | Baseline ² (value and reference year) | Target (value and reference year) | Current value* (reference year) (*to be included in interim and final reports) | Source and mean of verification | Assumptions |
|--|----------------------|---|---|--|---|--|--------------------|
| | | 3.2.2. No. of people from BMCs benefiting from community livelihood initiatives supported by the intervention (disaggregated by sex). | 0 | 50 (Q4 2026) | | Beneficiary feedback survey. | |

General Conditions for Contribution Agreements

| | |
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Article 1: Definitions

- Action:** The cooperation programme or project partly or wholly financed by the EU, which is carried out by the Organisation as described in Annex I. Where reference is made to the Action or part of the Action financed by the EU Contribution, this refers both (i) to activities exclusively financed by the EU Contribution and (ii) to activities jointly co-financed by the EU.
- Contractor:** A natural or legal person with whom a Procurement Contract has been signed.
- Days:** Calendar days.
- Early Detection and Exclusion System:** A system set up by Regulation (EU, Euratom) No 2015/1929 of 28 October 2015 on the financial rules applicable to the general budget of the Union (OJ L 286/1, 30.10.2015), which includes information on the early detection of risks threatening the EU financial interests, on the cases of exclusion from EU funding of legal and natural persons and on the cases of imposition of financial penalties.
- End Date:** The date by which the Agreement ends, i.e. the moment of the payment of the balance by the Contracting Authority in accordance with Article 19 or when the Organisation repays any amounts paid in excess of the final amount due pursuant to Article 20. If any of the Parties invokes a dispute settlement procedure in accordance with Article 14, the End Date shall be postponed until the completion of such procedure.
- Final Administrative Decision:** A decision of an administrative authority having final and binding effect in accordance with the applicable law.
- Final Beneficiary:** A natural or legal person ultimately benefitting from the Action.
- Force Majeure:** Any unforeseeable and exceptional situation or event beyond the Parties' control which prevents either of them from fulfilling any of their obligations under the Agreement, which may not be attributed to error or negligence on either part (or on the part of the Grant Beneficiaries, Partners, Contractors, agents or staff), and which could not have been avoided by the exercise of due diligence. Defects in equipment or material or delays in making them available cannot be invoked as force majeure, unless they stem directly from a relevant case of force majeure. Labour disputes, strikes or financial problems of the Organisation cannot be invoked as force majeure by the defaulting Party.
- Grant:** A direct financial contribution by way of donation given by the Organisation or a Partner to finance third parties activities.

Grant Beneficiary: A natural or legal person to whom a Grant has been awarded. Grant Beneficiaries can sub-grant and procure for the implementation of their activities.

Grave Professional Misconduct: Any of:
a violation of applicable laws or regulations, in particular the Organisation's Regulations and Rules, or ethical standards of the profession to which a person or entity belongs, including any conduct leading to sexual or other exploitation or abuse, or
any wrongful conduct of a person or entity which has an impact on its professional credibility where such conduct denotes wrongful intent or gross negligence.

Indicator: The quantitative and/or qualitative factor or variable that provides a simple and reliable means to measure the achievement of the Results of an Action.

Internal Control System: A process applicable at all levels of management designed to provide reasonable assurance of achieving the following objectives:
(a) effectiveness, efficiency and economy of operations;
(b) reliability of reporting;
(c) safeguarding of assets and information;
(d) prevention, detection, correction and follow-up of fraud and irregularities;
(e) adequate management of the risks relating to the legality and regularity of the financial operations, taking into account the multiannual character of programmes as well as the nature of the payments concerned.

International Organisation: An international public-sector organisation set up by international agreement (including specialised agencies set up by such organisations), or an organisation assimilated to international organisations in accordance with the EU Financial Regulation.

Member State Organisation: An entity established in a Member State of the European Union as a public law body or as a body governed by private law entrusted with a public service mission and provided with adequate financial guarantees from the Member State.

Multi-Donor Action: An Action co-financed by the EU Contribution (whether or not earmarked) and other donor(s).

Outcome: The likely or achieved short-term and medium-term effects of an Action's Outputs.

Output: The products, capital goods and services which result from an Action's activities.

Partner: An entity implementing part of the Action and being a party to the relevant Contribution Agreement together with the Organisation.

Procurement Contract: A contract signed between the Contractor and either the Organisation or a Partner under which the Contractor provides services, supplies or works.

Regulations and Rules: Regulations, rules, organisational directives, instructions and other parts of the regulatory framework of the Organisation.

Result: The Output or Outcome of an Action.

Sound Financial Management:

A principle overarching the implementation of this Agreement, namely economy, effectiveness and efficiency (including all aspects of internal control). The principle of economy requires that resources used in the pursuit of the implementation of the Action shall be made available in due time, in appropriate quantity and quality and at the best price. The principle of effectiveness concerns the attainment of the specific objectives and the achievement of the intended results. The principle of efficiency concerns the best relationship between resources employed and results achieved.

Article 2: General obligations

Implementation of the Action

- 2.1 The Organisation is responsible for the implementation of the Action described in Annex I, regardless of whether the activities are performed by the Organisation itself, a Contractor or a Grant Beneficiary. Both Parties will endeavour to strengthen their mutual contacts with a view to foster the exchange of information throughout the implementation of the Action. To this end, the Organisation and the Contracting Authority shall participate in coordination meetings and other jointly organised common activities, and the Organisation shall invite the European Commission to join any donor committee which may be set up in relation to the Action.

Responsibility

- 2.2 The Organisation shall be responsible for the performance of the obligations under this Agreement with a due degree of professional care and diligence, which means that it shall apply the same level of duty and care which it applies in managing its own funds. The Organisation shall respect the principles of Sound Financial Management, transparency, non-discrimination and visibility of the European Union in the implementation of the Action.
- 2.3 The Organisation shall have full financial responsibility towards the Contracting Authority for all funds, including those unduly paid to or incorrectly used by Contractors or Grant Beneficiaries. The Organisation shall take measures to prevent, detect and correct irregularities and fraud when implementing the Action. To this end, the Organisation shall carry out, in accordance with the principle of proportionality and its positively assessed Regulations and Rules, ex-ante and/or ex-post controls including, where appropriate, on-the-spot checks on representative and/or risk-based samples of transactions, to ensure that the Action financed by the EU Contribution is effectively carried out and implemented correctly. The Organisation shall inform the European Commission and the Contracting Authority of irregularities and fraud detected in the management of the EU Contribution and the measures taken. Where funds have been unduly paid to or incorrectly used by Contractors or Grant Beneficiaries, the Organisation shall take all applicable measures in accordance with its own

Regulations and Rules to recover those funds, including, where appropriate, by bringing legal proceedings and by endeavouring to assign claims against its Contractors or Grant Beneficiaries to the Contracting Authority or the European Commission. Where the Organisation has exhausted such measures and the non-recovery is not the result of error or negligence on the part of the Organisation, the Contracting Authority will consider the amounts that could not be recovered from Contractors and/or Grant Beneficiaries as eligible costs.

Other Obligations

- 2.4 The Organisation undertakes to ensure that the obligations stated in this Agreement under Articles 2.6, 5-Conflict of interests, 7-Data protection, 8-Communication and Visibility, 16-Accounts and archiving and Article 17-Access and financial checks apply, where applicable, to all Contractors and Grant Beneficiaries.
- 2.5 The Organisation shall notify the Contracting Authority and the European Commission without delay of any substantial change in the rules, procedures and systems applied in the implementation of the Action. This obligation concerns in particular (i) substantial changes affecting the pillar assessment undergone by the Organisation or (ii) those that may affect the conditions for eligibility provided for in the applicable legal instruments of the EU. The Parties shall use their best efforts to resolve amicably any issues resulting from such changes. The Contracting Authority reserves the right to adopt or require additional measures in response to such changes. In the event an agreement on such measures or other solutions cannot be reached between the Parties, either Party may terminate the Agreement in accordance with Article 13.3.
- 2.6 The Organisation shall promote the respect of human rights and respect applicable environmental legislation including multilateral environmental agreements, as well as internationally agreed core labour standards. The Organisation shall not support activities that contribute to money laundering, terrorism financing, tax avoidance, tax fraud or tax evasion.
- 2.7 Where the European Commission is not the Contracting Authority, it shall not be a party to this Agreement, with the consequence that rights and obligations are conferred upon it only where explicitly stated. This is without prejudice to the European Commission's role in promoting a consistent interpretation of the terms of this Agreement.

Article 3: Obligations regarding information and reporting

General issues

- 3.1 The Organisation shall provide the Contracting Authority with full information on the implementation of the Action. To that end, the Organisation shall include in Annex I a work plan at least for the first year of the Implementation Period (or the whole Implementation Period where it is less than one year). The Organisation shall submit to the Contracting Authority progress report(s) and a final report in accordance with the provisions below. These reports shall consist of a narrative part and a financial part.
- 3.2 Every report, whether progress or final, shall provide a complete account of all relevant aspects of the implementation of the Action for the period covered. The report shall describe the implementation of the Action according to the activities envisaged in Annex I as well as the

degree of achievement of its Results (Outcomes or Outputs) as measured by corresponding Indicators. The report shall be drafted in such a way as to allow monitoring of the objective(s), the means envisaged and employed. The level of detail in any report shall match that of Annexes I and III.

- 3.3 Where the overall action of the Organisation lasts longer than the Implementation Period of this Agreement, the Contracting Authority may request – in addition to the final reports to be submitted pursuant to Article 3.8 - the final reports of the overall action, once available.
- 3.4 Any alternative or additional reporting requirement shall be set out in the Special Conditions.
- 3.5 The Contracting Authority may request additional information at any time, providing the reasons for that request. Subject to the Organisation's Regulations and Rules, such information shall be supplied within thirty (30) days of receipt of the request. The Organisation may submit a duly motivated request to extend the 30-day deadline.
- 3.6 The Organisation shall notify the Contracting Authority without delay of any circumstances likely to adversely affect the implementation and management of the Action, or to delay or jeopardise the performance of the activities.

Content of the reports

- 3.7 The progress report(s) shall relate directly to this Agreement and shall at least include:
 - (a) summary and context of the Action;
 - (b) actual results: an updated table based on a logical framework matrix including reporting of results achieved by the Action (Outcomes or Outputs) as measured by their corresponding Indicators, agreed baselines and targets, and relevant data sources;
 - (c) information on the activities directly related to the Action as described in Annex I and carried out during the reporting period;
 - (d) information on the difficulties encountered, and measures taken to overcome problems and eventual changes introduced;
 - (e) information on the implementation of the Visibility and Communication Plan (Annex VI) and any additional measures taken to identify the EU as source of financing;
 - (f) a breakdown of the total costs, following the structure set out in Annex III, incurred from the beginning of the Action as well as the legal commitments entered into by the Organisation during the reporting period;
 - (g) a summary of controls carried out and available final audit reports in line with the Organisation's policy on disclosure of such controls and audit reports. Where errors and weaknesses in systems were identified, an analysis of their nature and extent, as well as information on corrective measures taken or planned, shall also be provided;
 - (h) where applicable, a request for payment; and
 - (i) work plan and budget forecast for the next reporting period.
- 3.8 The final report shall cover the entire Implementation Period and include:
 - (a) all the information requested in Article 3.7 a) to h);
 - (b) a summary of the Action's receipts, payments received and of the eligible costs incurred;
 - (c) where applicable, an overview of any funds unduly paid or incorrectly used which the Organisation could or could not recover itself;

- (d) the exact link to the webpage where, according to Article 22.1, information on Grant Beneficiaries and Contractors is available;
- (e) if relevant, details of transfers of equipment, vehicles and remaining major supplies mentioned in Article 9;
- (f) where the Action is a Multi-Donor Action and the EU Contribution is not earmarked, a confirmation from the Organisation that an amount corresponding to that paid by the Contracting Authority has been used in accordance with the obligations laid down in this Agreement and that costs that were not eligible for the EU Contribution have been covered by other donors' contributions; and
- (g) where applicable, a request for payment.

3.9 The Organisation shall submit a report for every reporting period as specified in the Special Conditions starting from the commencement of the Implementation Period, unless otherwise specified in the Special Conditions¹. Reporting, narrative as well as financial, shall cover the whole Action, regardless of whether this Action is entirely or partly financed by the EU Contribution. Progress reports shall be submitted within sixty (60) days after the period covered by such report. The final report shall be submitted, at the latest, six (6) months after the end of the Implementation Period.

Management declaration

3.10 Every progress and final report shall be accompanied by a management declaration in accordance with the template included in Annex VII, unless Article 1.5 of the Special Conditions states that an annual management declaration shall be sent to the European Commission headquarters, separately from the reports provided under this Agreement.

Audit or control opinion for organisations other than International Organisations/Member State Organisations

3.11 In case the Organisation is neither an International Organisation, nor a Member State Organisation, the Organisation shall provide an audit or control opinion in accordance with internationally accepted audit standards, establishing whether the accounts give a true and fair view, whether the control systems in place function properly, and whether the underlying transactions are managed in accordance with the provisions of this Agreement. The opinion shall also state whether the audit work puts in doubt the assertions made in the management declaration mentioned above.

3.12 Such audit or control opinion shall be provided up to one (1) month following the management declaration sent with every progress or final report, unless Article 1.5 of the Special Conditions states that the management declaration and the audit or control opinion shall be sent annually to the European Commission headquarters separately from the reports provided under this Agreement.

Currency for reporting

3.13 The reports shall be submitted in the Currency of the Agreement as specified in Article 3 of the Special Conditions.

¹ By default, the reporting period is every 12 months as from the commencement of the Implementation Period.

- 3.14 The Organisation shall convert legal commitments, the Action's receipts and costs incurred in currencies other than the accounting currency of the Organisation according to its usual accounting practices.

Failure to comply with reporting obligations

- 3.15 If the Organisation is unable to present a progress or final report, together with the accompanying documents, by the deadline set out in Article 3.9, the Organisation shall inform the Contracting Authority in writing of the reasons. The Organisation shall also provide a summary of the state of progress of the Action and, where applicable, a provisional work plan for the next period. If the Organisation fails to comply with this obligation for two (2) months, following the deadline set out in Article 3.9, the Contracting Authority may terminate the Agreement in accordance with Article 13, refuse to pay any outstanding amount and recover any amount unduly paid.

Article 4: Liability towards third parties

- 4.1 The European Commission shall not, under any circumstances or for any reason whatsoever, be held liable for damage or injury sustained by the staff or property of the Organisation while the Action is being carried out, or as a consequence of the Action. The European Commission shall not therefore accept any claim for compensation or increase in payment in connection with such damage or injury.
- 4.2 The European Commission shall not, under any circumstances or for any reason whatsoever, be held liable towards third parties, including liability for damage or injury of any kind sustained by them in respect of or arising out of the implementation of the Action.
- 4.3 The Organisation shall discharge the European Commission of all liability associated with any claim or action brought as a result of an infringement of the Organisation's Regulations and Rules committed by the Organisation or Organisation's employees or individuals for whom those employees are responsible, or as a result of a violation of a third party's rights in the context of the implementation of the Action.

Article 5: Conflict of interests

- 5.1 The Organisation shall refrain, in accordance with its Regulations and Rules, from any action which may give rise to a conflict of interests.
- 5.2 A conflict of interest shall be deemed to arise where the impartial and objective exercise of the functions of any person implementing the Agreement is compromised.

Article 6: Confidentiality

- 6.1 The Contracting Authority and the Organisation shall both preserve the confidentiality of any document, information or other material directly related to the implementation of the Action that is communicated as confidential. The confidential nature of a document shall not prevent it from being communicated to a third party on a confidential basis when the rules binding the Parties, or the European Commission when it is not the Contracting Authority, so require. In no case can disclosure put in jeopardy the Parties' privileges and immunities or the safety and

security of the Parties' staff, Contractors, Grant Beneficiaries or the Final Beneficiaries of the Action.

- 6.2 The Parties shall obtain each other's prior written consent before publicly disclosing such confidential information unless:
- (a) the communicating Party agrees in writing to release the other Party from the earlier confidentiality obligations; or
 - (b) the confidential information becomes public through other means than in breach of the confidentiality obligation by the Party bound by that obligation; or
 - (c) the disclosure of confidential information is required by law or by Regulations and Rules established in accordance with the basic constitutive document of any of the Parties.
- 6.3 The Parties shall remain bound by confidentiality for five (5) years after the End Date of the Agreement, or longer as specified by the communicating Party at the time of communication.
- 6.4 Where the European Commission is not the Contracting Authority, it shall nonetheless have access to all documents communicated to the Contracting Authority, and shall maintain the same level of confidentiality.

Article 7: Data Protection

- 7.1 The Organisation shall ensure an appropriate protection of personal data in accordance with its applicable Rules and Procedures. Personal data shall be:
- (a) processed lawfully, fairly and in a transparent manner in relation to the data subject;
 - (b) collected for specified, explicit and legitimate purposes and not further processed in a manner that is incompatible with those purposes;
 - (c) adequate, relevant and limited to what is necessary in relation to the purposes for which they are processed;
 - (d) accurate and, where necessary, kept up to date;
 - (e) kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the personal data are processed; and
 - (f) processed in a manner that ensures appropriate security of the personal data.

Article 8: Communication and visibility

- 8.1 The Organisation shall implement the Communication and Visibility Plan detailed in Annex VI.
- 8.2 Unless the European Commission requests or agrees otherwise, the Organisation shall take all appropriate measures to publicise the fact that the Action has received funding from the EU. Information given to the press and to the Final Beneficiaries, as well as all related publicity material, official notices, reports and publications shall acknowledge that the Action was carried out "with funding by the European Union" and shall display the EU logo (twelve yellow stars on a blue background) in an appropriate way. Publications by the Organisation pertaining to the Action, in whatever form and whatever medium, including the internet, shall carry the following disclaimer: "This document was produced with the financial assistance of the European Union. The views expressed herein can in no way be taken to reflect the official opinion of the European Union." Such measures shall be carried out in accordance with the

Communication and Visibility Requirements for EU External Action² published by the European Commission, or with any other guidelines agreed between the European Commission and the Organisation.

- 8.3 If, during the implementation of the Action, equipment, vehicles or major supplies are purchased using the EU Contribution, the Organisation shall display appropriate acknowledgement on such vehicles, equipment or major supplies, including the display of the EU logo (twelve yellow stars on a blue background). Where such display could jeopardise the Organisation's privileges and immunities or the safety of the Organisation's staff or of the Final Beneficiaries, the Organisation shall propose appropriate alternative arrangements. The acknowledgement and the EU logo shall be of such a size and prominence as to be clearly visible in a manner that shall not create any confusion regarding the identification of the Action as an activity of the Organisation, nor the ownership of the equipment, vehicles or major supplies by the Organisation.
- 8.4 If, pursuant to Article 9.5, the equipment, vehicles or remaining major supplies purchased with the EU Contribution have not been transferred to the local authorities, local Grant Beneficiaries or Final Beneficiaries when submitting the final report, the visibility requirements as regards this equipment, vehicles or major supplies (in particular display of the EU logo) shall continue to apply between submission of the final report and the end of the overall action, if the latter is longer. Where the Organisation retains ownership in accordance with Article 9.6, the visibility requirements shall continue to apply as long as the relevant equipment, vehicles or remaining major supplies are used by the Organisation.
- 8.5 Unless otherwise provided in the Special Conditions, if disclosure risks threatening the Organisation's safety or harming its interests, the European Commission and the Contracting Authority (if other than the European Commission) may publish in any form and medium, including on its internet sites, the name and address of the Organisation, the purpose and amount of the EU Contribution.
- 8.6 The Organisation shall ensure that reports, publications, press releases and updates relevant to the Action are communicated to the addresses stated in the Special Conditions upon their issuance.
- 8.7 The Parties will consult immediately and endeavour to remedy any detected shortcomings in implementing the visibility requirements set out in this Article. This is without prejudice to measures the Contracting Authority may take in case of substantial breach of an obligation.

Article 9: Right to use results and transfer of equipment

Right to use

- 9.1 Ownership of the results of the Action shall not vest in the Contracting Authority. Subject to Article 6, the Organisation shall grant, and shall act to ensure that any third party concerned grants the Contracting Authority (and the European Commission where it is not the Contracting Authority) the right to use free of charge the results of the Action, including the reports and other documents relating to it, which are subject to industrial or intellectual property rights.

² Communication and Visibility in EU-financed external actions – Requirements for implementing partners (Projects) Available at: https://ec.europa.eu/intpa/comm-visibility-requirements_en.

- 9.2 Where the results mentioned in Article 9.1 include pre-existing rights and the Organisation cannot warrant the Contracting Authority (and the European Commission where it is not the Contracting Authority) the right to use such results, the Organisation shall inform in writing the Contracting Authority (and the European Commission, where it is not the Contracting Authority) accordingly.

Transfer

- 9.3 The equipment, vehicles and remaining major supplies purchased with the EU Contribution shall be transferred to or remain with local authorities, local Grant Beneficiaries or Final Beneficiaries, at the latest when submitting the final report.
- 9.4 The documentary proof of those transfers shall not be presented with the final reports, but shall be kept for verification for the duration and along with the documents mentioned in Article 16.2.
- 9.5 By way of derogation from Article 9.3, the equipment, vehicles and remaining major supplies purchased with the EU Contribution in the framework of actions which continue after the end of the Implementation Period may be transferred at the end of the overall action. The Organisation shall use the equipment, vehicles and remaining major supplies for the benefit of the Final Beneficiaries. The Organisation shall inform the Contracting Authority on the end use of the equipment, vehicles and remaining major supplies in the final report.
- 9.6 In the event that there are no local authorities, local Grant Beneficiaries or Final Beneficiaries to whom the equipment, vehicles and remaining major supplies could be transferred, the Organisation may transfer them to another action funded by the EU or - exceptionally - retain ownership of the equipment, vehicles and remaining major supplies at the end of the Action or the overall action. In such cases, it shall submit a justified written request with an inventory listing of the items concerned and a proposal concerning their use in due course and - at the latest – together with the submission of the final report. In no event may the end use jeopardize the sustainability of the Action.

Article 10: Monitoring and evaluation of the Action

- 10.1 Keeping in mind the commitment of the Parties to the effective and efficient operation of the Agreement, the Organisation shall invite representatives of the European Commission and the Contracting Authority (if other than the European Commission) to participate at their own costs to the main monitoring missions and evaluation exercises related to the performance of the Action. Participation in evaluation exercises should be ensured by requesting comments from the European Commission and the Contracting Authority on the terms of reference before the exercise takes place, and on the different deliverables related to an evaluation exercise prior to their final approval (as a minimum, on the final report). The Organisation shall send all monitoring and evaluation reports relating to the Action to the European Commission and the Contracting Authority once issued, subject to confidentiality.
- 10.2 Article 10.1 is without prejudice to any monitoring mission or evaluation exercise, which the European Commission as a donor, or the Contracting Authority, at their own costs, may wish to perform. Monitoring and evaluation missions by representatives of the European Commission or the Contracting Authority shall be planned ahead and completed in a

collaborative manner between the staff of the Organisation and the European Commission's (or Contracting Authority's) representatives, keeping in mind the commitment of the Parties to the effective and efficient operation of the Agreement. The European Commission (or the Contracting Authority) and the Organisation shall agree on procedural matters in advance. The European Commission (or the Contracting Authority) shall make available to the Organisation the terms of reference of the evaluation exercise before it takes place, as well as the different deliverables (as a minimum, the draft final report) for comments prior to final issuance. The European Commission (or the Contracting Authority) shall send the final monitoring and evaluation report to the Organisation once issued.

- 10.3 In line with the spirit of partnership, the Organisation and the European Commission (and the Contracting Authority, if applicable), may also carry out joint monitoring and/or evaluation. Such arrangements will be discussed and agreed in due time, planned ahead and completed in a collaborative manner.
- 10.4 Representatives of the relevant partner country may, whenever possible, be invited to participate at their own costs in the main monitoring missions and evaluation exercises, unless such participation would be detrimental to the objectives of the Action or threaten the safety or harm the interests of Partners, Grant Beneficiaries or Final Beneficiaries.

Article 11: Amendment to the Agreement

- 11.1 Without prejudice to Articles 11.3 to 11.7, any amendment to this Agreement, including its annexes, shall be set out in writing in an addendum signed by both Parties. This Agreement can only be amended before the End Date.
- 11.2 The requesting Party shall request in writing any amendment thirty (30) days before the amendment is intended to enter into force and no later than thirty (30) days before the End Date, unless there are special circumstances, duly demonstrated by it, and accepted by the other Party. The other Party shall notify its decision regarding the amendment proposed in due time and in any case no later than thirty (30) days after the date when the amendment request was received.
- 11.3 By way of derogation from Articles 11.1 and 11.2, where an amendment to Annex I and/or Annex III does not affect the main purpose of the Action, such as its objectives, strategy and priority areas, and the financial impact is limited to a transfer within a single budget heading, including cancellation or introduction of an item, or a transfer between budget headings involving a variation (as the case may be in cumulative terms) of 25 % or less of the amount originally entered (or as amended by a written addendum) in relation to each concerned heading, the Organisation may unilaterally amend Annex I and/or Annex III and shall inform the Contracting Authority accordingly in writing, at the latest in the next report.
- 11.4 The method described in Article 11.3 shall be used neither to amend the contingency reserve, the rate for remuneration, nor the agreed methodology or fixed amounts/rates of simplified cost options.
- 11.5 The Organisation may, in agreement with the Contracting Authority, change Outputs, the Indicators and their related targets, baselines and sources of verification described in Annex I and in the logical framework if the change does not affect the main purpose of the Action, without the need for a formal addendum to the Agreement.

- 11.6 The Organisation may, in agreement with the European Commission, amend Annex VI without the need for a formal addendum to the Agreement.
- 11.7 Changes of address and of bank account shall be notified in writing to the Contracting Authority. Where applicable, changes of bank account must be specified in the request for payment, using the financial identification form attached as Annex IV.

Article 12: Suspension

Suspension of the time limit for payment

- 12.1 The Contracting Authority may suspend the time limit for payment following a single payment request by notifying the Organisation that either:
- (a) the amount is not due; or
 - (b) the appropriate supporting documents have not been provided and therefore the Contracting Authority needs to request clarifications, modifications or additional information to the narrative or financial reports. Such clarifications or additional information may notably be requested by the Contracting Authority if it has doubts about compliance by the Organisation with its obligations in the implementation of the Action; or
 - (c) credible information has come to the notice of the Contracting Authority that puts in doubt the eligibility of the reported expenditure; or
 - (d) credible information has come to the notice of the Contracting Authority that indicates a significant deficiency in the functioning of the Internal Control System of the Organisation or that the expenditure reported by the Organisation is linked to a serious irregularity and has not been corrected. In this case, the Contracting Authority may suspend the payment deadline if it is necessary to prevent significant damage to the EU's financial interests.
- 12.2 In the situations listed in Article 12.1, the Contracting Authority shall notify the Organisation as soon as possible, and in any case within thirty (30) days from the date on which the payment request was received, of the reasons for the suspension, specifying - where applicable - the additional information required. Suspension shall take effect on the date when the Contracting Authority sends the notification stating the reasons for the suspension. The remaining payment period shall start to run again from the date on which the requested information or revised documents are received or the necessary further checks are carried out. If the requested information or documents are not provided within the deadline fixed in the notification or are incomplete, payment may be made on the basis of the partial information available.

Suspension of the Agreement by the Contracting Authority

- 12.3 The Contracting Authority may suspend the implementation of the Agreement, fully or partly, if:
- (a) the Contracting Authority has proof that irregularities, fraud or breach of substantial obligations have been committed by the Organisation in the procedure of its selection, in its pillar assessment or in the implementation of the Action;
 - (b) the Contracting Authority has proof that irregularities, fraud or breach of obligations have occurred which call into question the reliability or effectiveness of the Organisation's Internal Control System or the legality and regularity of the underlying transactions; and

(c) the Contracting Authority has proof that the Organisation has committed irregularities, fraud or breaches of obligations under other agreements funded by EU funds provided that those irregularities, fraud or breaches of obligations have a material impact on this Agreement.

12.4 Before suspension, the Contracting Authority shall formally notify the Organisation of its intention to suspend, inviting the Organisation to make observations within ten (10) days from the receipt of the notification. If the Organisation does not submit observations, or if - after examination of the observations submitted by the Organisation - the Contracting Authority decides to pursue the suspension, the Contracting Authority may suspend all or part of the implementation of this Agreement serving seven (7) days' prior notice. In case of suspension of part of the implementation of the Agreement, upon request of the Organisation, the Parties shall enter into discussions in order to find the arrangements necessary to continue the part of the implementation that is not suspended. Any expenditures or costs incurred by the Organisation during the suspension and related to the part of the Agreement suspended shall not be reimbursed, nor be covered by the Contracting Authority. Following suspension of the implementation of the Agreement, the Contracting Authority may terminate the Agreement in accordance with Article 13.2, recover amounts unduly paid and/or, in agreement with the Organisation, resume implementation of the Agreement. In the latter case, the Parties will amend the Agreement where necessary.

Suspension for exceptional circumstances

12.5 The Organisation may decide to suspend the implementation of all or part of the Action if exceptional and unforeseen circumstances beyond the control of the Organisation make such implementation impossible or excessively difficult, such as in cases of Force Majeure. The Organisation shall inform the Contracting Authority immediately and provide all the necessary details, including the measures taken to minimise any possible damage, and the foreseeable effect and date of resumption.

12.6 The Contracting Authority may also notify the Organisation of the suspension of the implementation of the Agreement if exceptional circumstances so require, in particular:

- (a) when a relevant EU Decision identifying a violation of human rights has been adopted;
- or
- (b) in cases such as crisis entailing a change of EU policy.

12.7 Neither of the Parties shall be held liable for breach of its obligations under the Agreement if Force Majeure or exceptional circumstances as set forth under Articles 12.5 and 12.6 prevent it from fulfilling said obligations, and provided it takes any measures to minimise any possible damage.

12.8 In the situations listed in Articles 12.5 and 12.6, the Parties shall minimise the duration of the suspension and shall resume implementation once the conditions allow. During the suspension period, the Organisation shall be entitled to the reimbursement of the minimum costs, including new legal commitments, necessary for a possible resumption of the implementation of the Agreement or of the Action. The Parties shall agree on such costs, including the reimbursement of legal commitments entered into for implementing the Action before the notification of the suspension was received which the Organisation cannot reasonably suspend, reallocate or terminate on legal grounds. This is without prejudice to any amendments to the Agreement that may be necessary to adapt the Action to the new

implementing conditions, including, if possible, the extension of the Implementation Period or to the termination of the Agreement in accordance with Article 13.3. In case of suspension due to Force Majeure or if the Action is a Multi-Donor Action, the Implementation Period is automatically extended by an amount of time equivalent to the duration of the suspension.

Article 13: Termination

- 13.1 Without prejudice to any other provision of these General Conditions or penalties foreseen in the EU Financial Regulation, where applicable, and with due regard to the principle of proportionality, the Contracting Authority may terminate the Agreement if the Organisation:
- (a) fails to fulfil a substantial obligation incumbent on it under the terms of the Agreement;
 - (b) is guilty of misrepresentation or submits false or incomplete statements to obtain the EU Contribution or provides reports that do not reflect reality to obtain or keep the EU Contribution without cause;
 - (c) is bankrupt or being wound up, or is subject to any other similar proceedings;
 - (d) is guilty of Grave Professional Misconduct proven by any justified means;
 - (e) has committed fraud, corruption or any other illegal activity to the detriment of the EU's financial interests on the basis of proof in the possession of the Contracting Authority;
 - (f) fails to comply with the reporting obligations in accordance with Article 3.15; and
 - (g) has committed any of the failings described in Article 12.3 on the basis of proof in the possession of the Contracting Authority.
- 13.2 Before terminating the Agreement in accordance with Article 13.1, the Contracting Authority shall formally notify the Organisation of its intention to terminate, inviting the Organisation to make observations (including proposals for remedial measures) within thirty (30) days from the receipt of the notification. During this period, and until the termination takes effect, the Contracting Authority may suspend the time limit for any payment in accordance with Article 12.2 as a precautionary measure informing the Organisation immediately in writing. If the Organisation does not submit observations, or if, after examination of the observations submitted by the Organisation, the Contracting Authority decides to pursue the termination, the Contracting Authority may terminate the Agreement serving seven (7) days' prior notice. During that period, the Organisation may refer the matter to the responsible director in the European Commission. Where the Contracting Authority is the European Commission, the termination will take effect if and when confirmed by the director. Where the Contracting Authority is not the European Commission, the referral to the responsible director in the European Commission will not suspend the effects of the decision of the Contracting Authority. In case of termination, the Contracting Authority may demand full repayment of any amounts paid in excess of the final amount determined in accordance with Article 20 after allowing the Organisation to submit its observations. Neither Party shall be entitled to claim indemnity by the other Party on account of the termination of this Agreement.
- 13.3 If, at any time, either Party believes that the purpose of the Agreement can no longer be effectively or appropriately performed, it shall consult the other Party. Failing agreement on a solution, either Party may terminate the Agreement by serving sixty (60) days written notice. In this case, the final amount shall cover:
- (a) payment only for the part of the Action carried out up to the date of termination;
 - (b) in the situations described in Articles 12.5 and 12.6, the unavoidable residual expenditures incurred during the notice period; and,

- (c) in the situations described in Articles 12.5 and 12.6, reimbursement of legal commitments the Organisation entered into for implementing the Action before the written notice on termination was received by it and which the Organisation cannot reasonably terminate on legal grounds.

The Contracting Authority shall recover the remaining part in accordance with Article 15.

- 13.4 In the event of termination, a final report and a request for payment of the balance shall be submitted in accordance with Articles 3 and 19. The Contracting Authority shall not reimburse or cover any expenditure or costs which are not included or justified in a report approved by it.

Article 14: Applicable law and settlement of disputes

- 14.1 The Parties shall endeavour to settle amicably any disputes or complaints relating to the interpretation, application or validity of the Agreement, including its existence or termination.

- 14.2 Where the Organisation is not an International Organisation, and the European Commission is the Contracting Authority, this Agreement is governed by EU law, complemented - if necessary - by the relevant provisions of Belgian law. In the absence of an amicable settlement in accordance with Article 14.1 above, the General Court, or on appeal the Court of Justice of the European Union, has sole jurisdiction. Such actions must be brought under Article 272 of the Treaty on the Functioning of the EU (TFEU). Notwithstanding the foregoing sentence, where the Organisation is not established or incorporated in the EU, any of the Parties may bring before the Brussels courts any dispute between them concerning the interpretation, application or validity of the Agreement, if such dispute cannot be settled amicably. Where one party has brought proceedings before the Brussels courts, the other party may not bring a claim arising from the interpretation, application or validity of the Agreement in any other court than the Brussels courts before which the proceedings have already been brought.

- 14.3 Where the Organisation is not an International Organisation and the European Commission is not the Contracting Authority, the Agreement shall be governed by the law of the country of the Contracting Authority and the courts of the country of the Contracting Authority shall have exclusive jurisdiction, unless otherwise agreed by the Parties. The dispute may, by common agreement of the Parties, be submitted for conciliation to the European Commission. If no settlement is reached within one hundred and twenty (120) days of the opening of the conciliation procedure, each Party may notify the other that it considers the procedure to have failed and may submit the dispute to the courts of the country of the Contracting Authority.

- 14.4 Where the Organisation is an International Organisation:

- (a) nothing in the Agreement shall be interpreted as a waiver of any privileges or immunities accorded to any Party by its constituent documents, privileges and immunities agreements or international law;
- (b) in the absence of an amicable settlement pursuant to Article 14.1 above, any dispute shall be settled by final and binding arbitration in accordance with the Permanent Court of Arbitration Optional Rules for Arbitration Involving International Organizations and States, as in effect on the date of entry into force of this Agreement. The appointing authority shall be the Secretary General of the Permanent Court of Arbitration. The arbitration proceedings must take place in

the Hague and the language used in the arbitral proceedings will be English. The arbitrator's decision shall be binding on all Parties and there shall be no appeal.

Article 15: Recovery

- 15.1 Where an amount is to be recovered under the terms of the Agreement, the Organisation shall repay the amount due to the Contracting Authority.
- 15.2 Before recovery, the Contracting Authority shall formally notify the Organisation of its intention to recover any undue amount, specifying the amount and the reasons for recovery and inviting the Organisation to make any observations within 30 days from the date of receipt of the notification. If, after examination of the observations submitted by the Organisation or if the Organisation does not submit any observations, the Contracting Authority decides to pursue the recovery procedure, it may confirm recovery by formally notifying the Organisation. If there is a disagreement between the Organisation and the Contracting Authority on the amount to be repaid, the Organisation may refer the matter to the responsible director in the European Commission within thirty (30) days. Where the Contracting Authority is the European Commission, a debit note specifying the terms and the date for payment may be issued after the deadline for the referral to the director. Where the Contracting Authority is not the European Commission, the referral to the responsible director in the European Commission will not prevent the Contracting Authority from issuing the debit note.
- 15.3 If the Organisation does not make the payment by the date specified in the debit note, the Contracting Authority shall recover the amount due:
- (a) by offsetting it against any amounts owed to the Organisation by the EU;
 - (b) by taking legal action pursuant to Article 14; and
 - (c) in exceptional circumstances justified by the necessity to safeguard the financial interests of the EU, the Contracting Authority may, when it has justified grounds to believe that the amount due would be lost, recover by offsetting before the deadline specified in the debit note without the Organisation's prior consent.
- 15.4 If the Organisation fails to repay by the due date, the amount due shall be increased by late payment interest calculated at the rate indicated in Article 19.6(a). The interest shall be payable for the period elapsing from the day after the expiration of the time limit for payment up to and including the date when the Contracting Authority actually receives payment in full of the outstanding amount. Any partial payment shall first cover the interest.
- 15.5 Where the European Commission is not the Contracting Authority, it may, if necessary, proceed itself to the recovery.
- 15.6 The European Commission may waive the recovery in accordance with the principle of Sound Financial Management and proportionality or it shall cancel the amount in the event of a mistake.

Article 16: Accounts and archiving**Accounting**

- 16.1 The Organisation shall keep accurate and regular records and accounts of the implementation of the Action. The accounting Regulations and Rules of the Organisation shall apply to the extent that they ensure accurate, complete, reliable and timely information. Financial transactions and financial statements shall be subject to the internal and external auditing procedures laid down in the Regulations and Rules of the Organisation.

Archiving

- 16.2 For a period of five (5) years from the End Date and in any case until any on-going audit, verification, appeal, litigation or pursuit of claim or investigation by the European Anti-Fraud Office (OLAF), if notified to the Organisation, has been disposed of, the Organisation shall keep and make available according to Article 17 all relevant financial information (originals or copies) related to the Agreement and to any Procurement Contracts and Grant agreements financed by the EU Contribution.

Article 17: Access and financial checks

- 17.1 The Organisation shall allow the European Commission, or any authorised representatives, to conduct desk reviews and on-the-spot checks on the use made of the EU Contribution on the basis of supporting accounting documents and any other document related to the financing of the Action.
- 17.2 The Organisation agrees that OLAF may carry out investigations, including on-the-spot checks and inspections, in accordance with the provisions laid down by EU law for the protection of the financial interests of the EU against fraud, corruption and any other illegal activity.
- 17.3 The Organisation agrees that the execution of this Agreement may be subject to scrutiny by the Court of Auditors when the Court of Auditors audits the European Commission's implementation of EU expenditure. In such case the Organisation shall provide to the Court of Auditors access to the information that is required for the Court to perform its duties.
- 17.4 To that end, the Organisation undertakes to provide officials of the European Commission, OLAF and the European Court of Auditors and their authorised agents, upon request, information and access to any documents and computerised data concerning the technical and financial management of operations financed under the Agreement, as well as grant them access to sites and premises at which such operations are carried out. The Organisation shall take all necessary measures to facilitate these checks in accordance with its Regulations and Rules. The documents and computerised data may include information that the Organisation considers confidential in accordance with its own established Regulations and Rules or as governed by contractual agreement. Such information once provided to the European Commission, OLAF, the European Court of Auditors, or any other authorised representatives, shall be treated in accordance with EU confidentiality rules and legislation and Article 6. Documents must be accessible and filed in a manner permitting checks, the Organisation being bound to inform the European Commission, OLAF or the European Court of Auditors of the exact location at which they are kept. Where appropriate, the Parties may agree to send copies of such documents for a desk review.

- 17.5 Where applicable, the desk reviews, investigations, on-the-spot checks and inspections referred to in Article 17.1 to 17.4 shall refer to a verification that shall be performed in accordance with the verification clauses agreed between the Organisation and the European Commission. This is without prejudice to any cooperation arrangement between OLAF and the Organisation's anti-fraud bodies.
- 17.6 The European Commission shall inform the Organisation of the planned on-the-spot missions by agents appointed by the European Commission in due time in order to ensure adequate procedural matters are agreed upon in advance.
- 17.7 Failure to comply with the obligations set forth in Article 17 constitutes a case of breach of a substantial obligation under this Agreement.

Article 18: Eligibility of costs

- 18.1 Direct costs are eligible for EU financing if they meet all the following criteria:
- (a) they are necessary for carrying out the Action, directly attributable to it, arising as a direct consequence of its implementation and charged in proportion to the actual use;
 - (b) they are incurred in accordance with the provisions of this Agreement;
 - (c) they are actually incurred by the Organisation, i.e. they represent real expenditure definitely and genuinely borne by the Organisation, without prejudice to Article 18.5;
 - (d) they are reasonable, justified, comply with the principle of Sound Financial Management and are in line with the usual practices of the Organisation regardless of their source of funding;
 - (e) they are incurred during the Implementation Period with the exception of costs related to final report, final evaluation, audit and other costs linked to the closure of the Action which may be incurred after the Implementation Period;
 - (f) they are identifiable and backed by supporting documents, in particular determined and recorded in accordance with the accounting practices of the Organisation;
 - (g) they are covered by one of the sub-headings indicated in the estimated budget in Annex III and by the activities described in Annex I; and
 - (h) they comply with the applicable tax and social legislation taking into account the Organisation's privileges and immunities.
- 18.2 The following costs may not be considered eligible direct costs, but may be charged as part of the remuneration: all eligible costs that, while necessary and arising as a consequence of implementation, are supporting the implementation of the Action and not considered part of the activities that the European Union finances as described in Annex I, including corporate management costs or other costs linked to the normal functioning of the Organisation, such as horizontal and support staff, office or equipment costs (except when duly justified and described in Annex I, such as a project office).
- 18.3 The remuneration shall be declared on the basis of a flat-rate which shall not exceed 7% of the total eligible direct costs to be reimbursed by the Contracting Authority. The remuneration does not need to be supported by accounting documents. For Multi-Donor and comparable actions, the remuneration shall not be higher than that charged by the Organisation to comparable contributions.
- 18.4 The following costs are ineligible for EU financing:

- (a) bonuses, provisions, reserves or non-remuneration related costs. Employers' contributions to pension or other insurance funds run by the Organisation may only be eligible to the extent they do not exceed the actual payments made by these schemes and that the amount provisioned does not exceed the contribution that could have been made to an external fund;
- (b) full-purchase cost of equipment and assets unless the asset or equipment is specifically purchased for the Action and ownership is transferred in accordance with Article 9;
- (c) duties, taxes and charges, including VAT, that are recoverable/deductible by the Organisation;
- (d) return of capital;
- (e) debts and debt service charges;
- (f) provision for losses, debts or potential future liabilities;
- (g) banking charges for the transfers from and to the Contracting Authority;
- (h) costs incurred during the suspension of the implementation of the Agreement except the minimum costs agreed on in accordance with Article 12.8;
- (i) costs declared by the Organisation under another agreement financed by the European Union budget (including through the European Development Fund);
- (j) contributions in kind. The cost of staff assigned to the Action and actually incurred by the Organisation is not a contribution in kind and may be declared as a direct eligible cost if it complies with the conditions set out in Article 18.1; and
- (k) costs of purchase of land or buildings, unless otherwise provided in the Special Conditions.

Simplified cost options

- 18.5 Direct eligible costs may also be declared by using any or a combination of unit costs, lump sums and flat-rate financing.
- 18.6 The methods used by the Organisation to determine unit costs, lump sums or flat-rates shall comply with the principles provided in Articles 18.1, 18.2 and 18.4, be clearly described and substantiated in Annex III, shall avoid double funding of costs and shall respect the principle of Sound Financial Management. These methods shall be based on the Organisation's historical or actual accounting data, its usual accounting practices, an expert judgment or on statistical or other objective information where available and appropriate.
- 18.7 Costs declared under simplified cost options do not need to be backed by accounting or supporting documents except if they are necessary to demonstrate that the costs have been declared according to the declared method or cost accounting practices and that the qualitative and quantitative conditions defined in Annex I and III have been respected.
- 18.8 Simplified cost options not linked to the achievement of concrete Results shall only be eligible if they have been ex ante-assessed by the European Commission.
- 18.9 If a verification reveals that the methods used by the Organisation to determine unit costs, lump sums or flat-rates are not compliant with the conditions established in this Agreement, the Contracting Authority shall be entitled to recover proportionately up to the amount of the unit costs, lump sums or flat-rate financing.

Article 19: Payments

19.1 Payment procedures shall be as follows:

- (a) the Contracting Authority shall provide a first pre-financing instalment as set out in Article 4.1 of the Special Conditions within thirty (30) days of receiving the Agreement signed by both Parties;
- (b) the Organisation may submit a request for further pre-financing instalment for the following reporting period in accordance with Article 4 of the Special Conditions; the following provisions apply:
 - (i) the reporting period is intended as a twelve-month period, unless otherwise provided for in the Special Conditions. When the remaining period to the end of the Action is up to eighteen (18) months, the reporting period shall cover it entirely;
 - (ii) if at the end of the reporting period less than 70% of the last payment (and 100% of previous payments, if any) has been paid by the Organisation to its staff or otherwise subject to a legal commitment with a third party, the further pre-financing payment shall be reduced by the amount corresponding to the difference between the 70 % of the immediately pre-financing payment (and 100% of previous payments, if any) and the part of the previous pre-financing payments which has been paid by the Organisation to its staff or has been subject to a legal commitment with a third party;
 - (iii) the Organisation may submit a request for further pre-financing payment before the end of the reporting period, once more than 70 % of the immediately preceding payment (and 100% of previous payments, if any) has been paid by the Organisation to its staff or otherwise subject to a legal commitment with a third party. In this case, the following reporting period starts anew from the end date of the period covered by this payment request;
- (c) at the end of the Implementation Period, the Organisation shall submit a payment request for the balance, where applicable, together with the final report. The amount of the balance shall be determined according to Article 20 and following approval of the request for payment of the balance and of the final report; and
- (d) the Contracting Authority shall pay the further pre-financing instalments and the balance within ninety (90) days of receiving a payment request accompanied by a progress or final report, unless the time limit for payment was suspended according to Article 12 or 13.

19.2 Payment requests shall be accompanied by narrative and financial reports presented in accordance with Article 3. The requests for pre-financing payments and the request for the balance shall be drafted in the Currency of the Agreement as specified in the Special Conditions. Except for the first pre-financing instalment, the payments shall be made upon approval of the payment request accompanied by a progress or final report. The final amount shall be established in line with Article 20. If the balance is negative, the payment of the balance takes the form of recovery.

19.3 Approval of the requests for payment and of the accompanying reports shall not imply recognition of the regularity or of the authenticity, completeness and correctness of the declarations and information contained therein.

19.4 The Contracting Authority shall make payments in the Currency of the Agreement as specified in the Special Conditions to the bank account referred to in the financial identification form in Annex IV.

- 19.5 Payment arrangements for performance-based financing in accordance with Article 21 shall be set out in Article 4 of the Special Conditions and Annex I.

Late payment interest

- 19.6 In case of late payment of the amounts stated in Article 4 of the Special Conditions the following conditions apply:
- (a) upon expiry of the time limits for payments specified in Article 19.1, if the Organisation is not a Member State Organisation, it shall receive interest on late payment based on the rate applied by the European Central Bank for its main refinancing operations in Euros (Reference Rate), increased by three and a half percentage points. The Reference Rate shall be the rate in force on the first day of the month in which the time limit for payment expires, as published in the C series of the Official Journal of the EU;
 - (b) the suspension of the time limit for payment by the Contracting Authority in accordance with Article 12 or 13 shall not be considered as late payment;
 - (c) interest on late payment shall cover the period running from the day following the due date for payment, up to and including the date of actual payment as established in Article 19.1. Any partial payment shall first cover the interest;
 - (d) by way of exception to point (c), when the interest calculated in accordance with this provision is lower than or equal to EUR 200, the Contracting Authority shall pay such interest to the Organisation only upon request from the Organisation submitted within two months of it receiving late payment; and
 - (e) by way of exception to point (c), when the Contracting Authority is not the European Commission, and the European Commission does not make the payments, the Organisation shall be entitled to late payment interest upon its request submitted within two months of it receiving late payment.

Article 20: Final amount of the EU Contribution

- 20.1 The Contracting Authority shall determine the final amount of the EU Contribution when approving the Organisation's final report. The Contracting Authority shall then determine the balance:
- (a) to be paid to the Organisation in accordance with Article 19 where the final amount of the EU Contribution is higher than the total amount already paid to the Organisation; or
 - (b) to be recovered from the Organisation in accordance with Article 15 where the final amount of the EU Contribution is lower than the total amount already paid to the Organisation.
- 20.2 The final amount shall be the lower of the following amounts:
- (a) the maximum EU Contribution referred to in Article 3.1 of the Special Conditions in terms of absolute value; and
 - (b) the amount obtained after reduction of the EU Contribution in accordance with Article 20.3.
- 20.3 Where the Action (a) is not implemented, (b) is not implemented in line with the Agreement or (iii) is implemented partially or late, the Contracting Authority may, after allowing the Organisation to submit its observations, reduce the EU Contribution in proportion to the seriousness of the above mentioned situations. If there is a disagreement between the Organisation

and the Contracting Authority on the reduction, the Organisation may refer the matter to the responsible director in the European Commission.

Article 21: Performance-based financing

- 21.1 The payment of the EU Contribution may be partly or entirely linked to the achievement of Results measured by reference to previously set milestones or through performance Indicators. Such performance-based financing is not subject to Article 18. The relevant Results and the means to measure their achievement shall be clearly described in Annex I.
- 21.2 The amount to be paid per achieved Result shall be set out in Annex III. The method to determine the amount to be paid per achieved Result shall be clearly described in Annex I and take into account the principle of Sound Financial Management.
- 21.3 The Organisation shall not be obliged to report on costs linked to the achievement of Results. However, the Organisation shall submit any necessary supporting documents, including where relevant accounting documents, to prove that the Results triggering the payment as defined in Annex I and III have been achieved.
- 21.4 Articles 3.7 f), 3.8 b) and 3.8 f) do not apply to the part of the Action supported by way of performance-based financing.

Article 22: Ex-post publication of information on Contractors and Grant Beneficiaries

- 22.1 The Organisation shall publish, on an annual basis, on its internet site, the following information on Procurement Contracts exceeding EUR 15.000 and all Grants financed by the EU Contribution: title of the contract/agreement/project, nature and purpose of the contract/agreement/project, name and locality of the Contractor or Grant Beneficiary and amount of the contract/agreement/project. The term "locality" shall mean the address for legal persons and the Region on NUTS³ 2 level, or equivalent, for natural persons. This information shall not be published in relation to education support paid to natural persons and other direct support paid to natural persons in most need. This information shall be published with due observance to the requirements of confidentiality security and in particular the protection of personal data. The publication shall be waived, if such disclosure risks threatening rights and freedoms as protected by the Charter of Fundamental Rights of the European Union or harm the commercial interests of the Contractors or Grant Beneficiaries.
- 22.2 The Organisation shall provide to the European Commission the address of the internet site where this information can be found and shall authorise the publication of such address on the European Commission's internet site.
- 22.3 Where the Action is a Multi-Donor Action and the EU Contribution is not earmarked, the publication of information on Contractors and Grant Beneficiaries shall follow the rules of the Organisation.

³ Nomenclature of Territorial Units for Statistics, available at: <http://ec.europa.eu/eurostat/ramon>.

Article 23: Contracting and Early Detection and Exclusion System**Contracting**

- 23.1 Unless otherwise provided for in the Special Conditions, the origin of the goods and the nationality of the organisations, companies and experts selected for carrying out activities in the Action shall be determined in accordance with the Organisation's relevant rules. However, and in any event, goods, organisations, companies and experts eligible under the applicable regulatory provisions of the European Union shall be eligible. Without prejudice to the foregoing or to the Organisation's assessed Regulations and Rules, the Organisation shall promote the use of local contractors when implementing the Action.
- 23.2 The Organisation shall adopt reasonable measures, in accordance with its own Regulations and Rules, to ensure that potential candidates or tenderers and applicants shall be excluded from the participation in a procurement or grant award procedure and from the award of a Procurement Contract or Grant financed by the EU Contribution, if the Organisation becomes aware that these entities:
- (a) or persons having powers of representation, decision making or control over them, have been the subject of a final judgement or of a Final Administrative Decision for fraud, corruption, involvement in a criminal organisation, money laundering, terrorist-related offences, child labour or trafficking in human beings;
 - (b) or persons having powers of representation, decision making or control over them have been the subject of a final judgement or of a Final Administrative Decision for an irregularity affecting the EU's financial interest;
 - (c) are guilty of misrepresentation in supplying the information required as a condition of participation in the procedure or if they fail to supply this information;
 - (d) have been the subject of a final judgment or of a Final Administrative Decision establishing that the entities have created an entity under a different jurisdiction with the intention to circumvent fiscal, social or any other legal obligations of mandatory application in the jurisdiction of its registered office, central administration or principal place of business; and
 - (e) have been created with the intention described in point d) above as established by a final judgment or a Final Administrative Decision.

Early Detection and Exclusion System

- 23.3 The Organisation shall inform the European Commission if, in relation to the implementation of the Action, it has detected a situation of exclusion pursuant to Article 23.2 or its own positively assessed Regulations and Rules, as applicable, or if it has detected a fraud and/or an irregularity pursuant to Article 2.3. This information may be used by the European Commission for the purpose of the Early Detection and Exclusion System. The Organisation shall inform the European Commission when it becomes aware that transmitted information needs to be rectified updated or removed. The Organisation shall ensure that the entity concerned is informed that its data was transmitted to the European Commission and may be included in the Early Detection and Exclusion System and be published on the website of the European Commission. These requirements cease at the end of the Implementation Period.
- 23.4 Without prejudice to the power of the European Commission to exclude a person or an entity from future procurement contracts and grants financed by the EU and/or to impose financial penalties according to the EU Financial Regulation, the Organisation may impose sanctions on third parties

according to its own Regulations and Rules ensuring, where applicable, the right of defence of the third party.

- 23.5 The Organisation may take into account, as appropriate and on its own responsibility, the information contained in the Early Detection and Exclusion System, when implementing the EU Contribution. Access to the information can be provided through the authorised persons or via consultation with the European Commission as referred in Article 5.6 of the Special Conditions⁴.

⁴ The Organisation shall be allowed to have direct access to the Early Detection and Exclusion System through an authorised person when the Organisation certifies to the Contracting Authority service responsible that it applies adequate data protection measures as provided in Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 or its successor, as applicable.

BUDGET OF THE ACTION

| Costs | Units | Number of Units | Unit Value (in EUR) | Total Cost (in EUR) |
|---|--------------|------------------------|----------------------------|----------------------------|
| 1. Human Resources | | | | |
| Technical Staff (gross salaries inclusive of gratuity) | Year | 5.1 | 127,400 | 649,740 |
| Support Staff (gross salaries inclusive of gratuity) | Year | 5.1 | 62,000 | 316,200 |
| Interns (Salaries and other costs) | Month | 24 | 3,000 | 72,000 |
| Short-term Consultants | Days | 150 | 800 | 120,000 |
| Staff development | Year | 2 | 6,000 | 12,000 |
| Subtotal 1 | | | | 1,169,940 |
| 2. Equipment and supplies | | | | |
| Computers/monitors, phones, etc. | Person | 4 | 2,100 | 8,400 |
| Subtotal 2 | | | | 8,400 |
| 3. Missions | | | | |
| International, Regional and Local Travel | Trips | 36 | 1,200 | 43,200 |
| Per-Diem for Missions/Travel | Days | 288 | 350 | 100,800 |
| Other travel expenses | Year | 5.1 | 1,177 | 6,000 |
| Subtotal 3 | | | | 150,000 |
| 4. Financial Services and Audit | | | | |
| Wire Transfers, etc. | Year | 5.1 | 1,373 | 7,000 |
| Expenditure Verification/Audit | Year | 5.1 | 9,804 | 50,000 |
| Subtotal 4 | | | | 57,000 |
| 5. Other Costs | | | | |
| Visibility Actions/Publications | Year | 5.1 | 24,980 | 127,400 |
| Conferences/Seminars/Forum | | 4 | 12,500 | 50,000 |
| Subtotal 5 | | | | 177,400 |
| 6. Programme Components/Outcomes | | | | |
| Outcome 1: Governance on Disaster Risk management (DRM) and Climate Change Adaption (CCA) in the BMCs improved. | | | | 4,000,000 |
| Outcome 2: Evidence-based and gender sensitive decision-making and financial response of the BMCs to CC effects and natural hazards strengthened. | | | | 3,756,372 |
| Outcome 3: Community infrastructure and livelihood resilience to climate change effects and natural hazards enhanced. | | | | 3,765,000 |
| SubTotal 6 | | | | 11,521,372 |
| Total Direct Eligible Cost of the Action (1+2+3+4+5+6) | | | | 13,084,112 |
| Indirect Cost (7% of overall budget) | | | | 915,888 |
| Grand Total for the Action | | | | 14,000,000 |



FINANCIAL IDENTIFICATION

PRIVACY STATEMENT

http://ec.europa.eu/budget/contracts_grants/info_contracts/financial_id/financial_id_en.cfm#en

Please use CAPITAL LETTERS and LATIN CHARACTERS when filling in the form.

| <u>BANKING DETAILS</u> ① | |
|---------------------------------|---|
| ACCOUNT NAME ② | <input style="width: 80%;" type="text"/> |
| IBAN/ACCOUNT NUMBER ③ | <input style="width: 80%;" type="text"/> |
| CURRENCY | <input style="width: 80%;" type="text"/> |
| BIC/SWIFT CODE | <input style="width: 40%;" type="text"/> BRANCH CODE ④ <input style="width: 40%;" type="text"/> |
| BANK NAME | <input style="width: 80%;" type="text"/> |
| ADDRESS OF BANK BRANCH | |
| STREET & NUMBER | <input style="width: 80%;" type="text"/> |
| TOWN/CITY | <input style="width: 40%;" type="text"/> POSTCODE <input style="width: 40%;" type="text"/> |
| COUNTRY | <input style="width: 80%;" type="text"/> |

| <u>ACCOUNT HOLDER'S DATA</u> AS DECLARED TO THE BANK | |
|--|--|
| ACCOUNT HOLDER | <input style="width: 80%;" type="text"/> |
| STREET & NUMBER | <input style="width: 80%;" type="text"/> |
| TOWN/CITY | <input style="width: 40%;" type="text"/> POSTCODE <input style="width: 40%;" type="text"/> |
| COUNTRY | <input style="width: 80%;" type="text"/> |

| | |
|--------|--|
| REMARK | <input style="width: 80%; height: 40px;" type="text"/> |
|--------|--|

| | | | | |
|--|---|--|-------------------|--|
| <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 100%;">BANK STAMP + SIGNATURE OF BANK REPRESENTATIVE ⑤</td> </tr> </table> | BANK STAMP + SIGNATURE OF BANK REPRESENTATIVE ⑤ | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 100%;">DATE (Obligatory)</td> </tr> <tr> <td style="width: 100%;">SIGNATURE OF ACCOUNT HOLDER (Obligatory)</td> </tr> </table> | DATE (Obligatory) | SIGNATURE OF ACCOUNT HOLDER (Obligatory) |
| BANK STAMP + SIGNATURE OF BANK REPRESENTATIVE ⑤ | | | | |
| DATE (Obligatory) | | | | |
| SIGNATURE OF ACCOUNT HOLDER (Obligatory) | | | | |

- ① Enter the final bank data and not the data of the intermediary bank.
- ② This does not refer to the type of account. The account name is usually the one of the account holder. However, the account holder may have chosen to give a different name to its bank account.
- ③ Fill in the IBAN Code (International Bank Account Number) if it exists in the country where your bank is established
- ④ Only applicable for US (ABA code), for AU/NZ (BSB code) and for CA (Transit code). Does not apply for other countries.
- ⑤ It is preferable to attach a copy of RECENT bank statement. Please note that the bank statement has to confirm all the information listed above under 'ACCOUNT NAME', 'ACCOUNT NUMBER/IBAN' and 'BANK NAME'. With an attached statement, the stamp of the bank and the signature of the bank's representative are not required. The signature of the account-holder and the date are ALWAYS mandatory.

Standard Request for Payment

Date of the request for payment <.....>

For the attention of

<Address of the Contracting Authority>

<Financial unit indicated in the Contribution Agreement> ¹

Reference number of the Contribution Agreement: ...

Title of the Contribution Agreement: ...

Name and address of the Organisation: ...

Request for payment number: ...

Period covered by the request for payment: ...

Dear Sir/Madam,

I hereby request payment of pre-financing/interim payment/balance² under the Contribution Agreement mentioned above.

The amount requested is [in₃ accordance with Article 4 of the Special Conditions of the Contribution Agreement/the following: ...]

Please find attached the following supporting documents:

- narrative and financial progress report (for pre-financing / interim payments)
- final narrative and financial report (for payment of the balance)⁴

The payment should be made to the following bank account: .⁵

Please when making the payment indicate the following communication: ...

I hereby certify on honour that the information contained in this request for payment is full, reliable and true, that the costs incurred can be considered eligible in accordance with the Agreement and that this request for payment is substantiated by adequate supporting documents that can be checked.

Yours faithfully,

<signature>

¹ If applicable, please do not forget to address a copy of this letter to the European Union Delegation mentioned in Article 5 of the Special Conditions of the Contribution Agreement.

² Delete the options which do not apply.

³ Delete the option which does not apply.

⁴ Delete the items which do not apply.

⁵ Indicate the account number shown on the financial identification form annexed to the Contribution Agreement. In the event of change of bank account, please complete and attach a new financial identification form as per model.

COMMUNICATION AND VISIBILITY PLAN - CARE PROGRAMME

A: PURPOSE AND SCOPE

The aim of the Communication and Visibility approach of the Action is to:

- educate beneficiary communities about climate and disaster risks and impacts and how to avoid and/or mitigate against such;
- raise awareness among key stakeholders and beneficiaries about the work being done under the programme to reduce the impacts of disasters resulting from natural hazard events and the effects of climate change in the Borrowing Member Countries (BMCs) of the Caribbean Development Bank (CDB) and;
- raise awareness among key stakeholders and beneficiaries about the results and impact of the programme's work.

Specific funds have been earmarked for Communication and Visibility activities, which will include key elements: a programme page, press releases, social media graphics, including infographics, videos, and other promotional materials, with a view to enhancing visibility amongst stakeholders both in the Caribbean and in the European Union.

The present Communication and Visibility Plan encompasses the communication objectives, messages, channels, activities, and target audiences. This Plan will be complemented with a detailed Communications Kit which will be developed and delivered within three months of commencement of implementation. The guidelines laid down in the “*Communication and Visibility in EU-Financed External Actions*” document will be adhered to in all visual materials.

All actions proposed have the aim of ensuring the project provides relevant, accurate, and consistent project information to stakeholders and other appropriate audiences. This document, therefore, provides a framework to manage and coordinate the communication actions that take place during the action implementation, and covers key messages, target audiences, delivery methods, and timings.

B: OVERALL COMMUNICATION OBJECTIVES

The overall communication objectives are:

- Inform and build awareness about the CARE Programme among stakeholders and the public.
- Sustain awareness about the ongoing work and outcomes of projects funded under the programme.
- Increase awareness around the role of the EU and CDB in building resilience to climate and disaster risks and impacts in the Caribbean.

C: TARGET GROUPS AND MESSAGING

The Action's stakeholders and target groups have been grouped via a stakeholder target grid into five primary stakeholder groups with specific communication goals and messaging for each, as summarised in Table 1:

Table 1: Stakeholder Target Grid

| Communication Engagement Level | Description | Stakeholder Group | Goals | Messaging | Actions |
|-------------------------------------|--|---|---|---|--|
| <p>Partnership (Level 1)</p> | <p>Two-way engagement; shared ownership of communication objectives; close coordination on outcomes.</p> | <p>(a) EU Delegation. (b) EU Stakeholders. (c) CDB Staff.</p> | <p>(a) To enhance EU “visibility”¹ in the region through the CARE Programme. (b) To increase awareness of the EU as a primary financial contributor supporting the enhancement of climate resilience in the region through the Programme actions and results among all stakeholders.</p> | <p>(a) Close collaboration between the EU and CDB is integral to the success of achieving the communication goals and actions. (b) The EU and CDB are pivotal actors in supporting efforts to increase resilience to climate and disaster risks and impacts in the Caribbean. (c) As demonstrated by success stories coming out of previous programmes (e.g. the ACP-EU-CDB Natural Disaster Risk Management programme) this new programme will offer value for the money invested, with tangible and measurable results in strengthening: (i) institutional capacity for effective disaster risk management and climate change adaptation; and (ii) community infrastructure resilience and livelihoods. (d) The programme will align with the existing work and values of the Bank to support reducing poverty and transforming lives through sustainable, resilient and inclusive development.</p> | <p>(a) The EU visual identity guidelines adhered to, in all visual and promotional materials associated with the programme (web site, social media accounts, backdrops, banners, etc.). (b) The role of the EU attributed in all briefing materials provided to the press and media (boilerplates, briefing materials, press dossiers, fact sheets, etc.). (c) The role of the EU strongly highlighted in press conferences, media briefings, seminars, etc., carried out during the lifetime of the programme, with emphasis on partnership and support role.</p> |

¹ “Visibility” is defined here as enhanced knowledge among all stakeholder groups of the EU’s role in the region, and enhanced knowledge of the benefits that accrue to the region by the EU’s presence, activities, financing and involvement in the programme.

| Communication Engagement Level | Description | Stakeholder Group | Goals | Messaging | Actions |
|-------------------------------------|---|---|--|--|--|
| Participation (Level 2) | Active two-way engagement to: (a) disseminate and give feedback on communication actions and outputs; (b) leverages own networks to assist in dissemination | (a) Regional institutions with responsibility for disaster risk management (DRM) and climate resilience. (b) National Disaster Management Offices (NDMOs) and the line Ministries of BMCs, in particular those of Finance and Economic Planning and those responsible for climate change issues. | Fully communicate the ongoing work and outcomes of the programme among regional institutional partners. | The programme supports the work and initiatives already being carried out by regional governments and institutions to enhance the climate and disaster resilience of communities and societies. | (a) Secure engagement of all relevant institutional partners in communication activities (cross-promotion of actions; dissemination of messages) via close coordination activities. (b) Ensure full inclusion of institutional beneficiaries in all communication outputs, including success stories on the website, information section on the website, social media accounts, press releases, press briefings, etc. |
| Engaged buy-in (Level 3) | Strategic interest in the success of the project, lends support to communication actions via cross-dissemination of communication actions through own channels. | (a) Non-state actors including NGOs, civil society and the private sector. (b) Regional policymakers, such as the Council of CDEMA and CARICOM institutions. (c) Other ACP sub-regional organisations with a DRM mandate. (d) Other development partners present in the region. | (a) Fully communicate the benefits of the action among its stakeholders. (b) Secure engagement of stakeholders via targeted activities of interest (cross-promotion of actions multiplication of messages) and regular updates. | The CARE Programme offers the opportunity for needed infrastructural development, capacity building and awareness building that can enhance climate and disaster resilience of the people and systems in the Caribbean. | Build an active communication stakeholder network, leveraging the existing communication channels of organisations, through their local and international channels, thus creating a rollout space for messages among the community. |
| Push communication (Level 4) | (a) Targeted one-way engagement via (for example) press releases, direct newsletter mailings, webinars, email communication, invitations to events or press conferences. (b) Limited but targeted two-way engagement, via invitations to influential climate journalists to participate in digital and in-person | Media and key influencers. | Establish this Action, and by extension the EU and CDB as key partners in the critical work of enhancing the region's resilience. | With the support of the EU the CARE Programme offers the opportunity for needed infrastructural development, capacity building and awareness building that can enhance climate and disaster resilience of the people and systems in the Caribbean. | (a) Actively engage and inform influencers through targeted communication actions and outputs, including, but not limited to press conferences, press releases, media support for |

| Communication Engagement Level | Description | Stakeholder Group | Goals | Messaging | Actions |
|-------------------------------------|--|-------------------|--|--|---|
| | engagement events e.g. panel discussions hosted by programme. | | | | seminars/training courses and newsletter mailouts. (b) Increase awareness through press and media outreach (in particular) of the work by the EU to enhance climate and disaster resilience in the region. (c) Increase awareness among regional and international influencers of the programme, its aims and its achievements. |
| Pull communication (Level 5) | One-way engagement e.g via content on the website, information on social media channels, videos placed on YouTube. | Public. | (a) Via a full suite of online digital tools, create a strong online presence centring on the action, its outputs and its outcomes. (b) Raise awareness through own communication channels and press and media outputs of the programme. (c) Increase EU and CDB visibility in the region. | With the support of the EU the CARE Programme offers the opportunity for needed infrastructural development, capacity building and awareness building that can enhance climate and disaster resilience of the people and systems in the Caribbean. | Create a full set of digital and social media tools. |

D: MAIN COMMUNICATION ACTIVITIES AND TOOLS

The main communication tools foreseen for this Action are:

- **Communications Kit:** The kit which will be continually updated, will include templates, guidelines, and relevant information for easy use by local point persons on the various projects.
- **Website:** The enhanced CDB website will be critical to efficient communication, particularly in large geographical areas. The website will be enhanced to include a dedicated page for activities related to the CARE Programme.
- **Social Media:** Social media channels, primarily Facebook and Twitter, will be used throughout the life of the action to reach target audiences.
- **Audio-Visual Material:** the action will generate a series of physical and digital items to support communication of visibility of the respective projects.
- **Correspondence Email:** an aggregator of project news, with links to the project website, emailed monthly.

These activities and tools are summarised in Table 2.

Table 2: Main Communication Activities and Tools

| Timing | Item | Channel | Audience(s) | Details |
|---|--|---|--|--|
| Before start of programme | Press release. | Distribution to regional media, Caribank.org, CDB social media. | (a) Stakeholders, (b) Media and key influencers, and (c) Public. | Press release announcing details of the programme, highlighting success stories from previous EU-CDB Climate/DRM initiatives. |
| Before start of programme | Social media graphics. | Distribution via CDB social media. | (a) Stakeholders, (b) Media and key influencers, and (c) Public. | Social media graphics campaign to be rolled out before the launch of the programme to sensitise publics to the relevant climate and DRR issues, highlighting previous successes of joint EU-CDB climate/DRM initiatives and outlining that a new programme is on the way. |
| Start of programme <i>(within first 3 months of implementation)</i> | Communications Kit. | (a) Email, (b) Social Media, and (c) Website. | (a) Stakeholders, (b) Media and key influencers, and (c) Public. | Create a kit that includes templates and guidance for easy use by local point persons on the various projects. This kit should be continually updated throughout the course of the programme with recent, relevant information on the projects implemented. The Kit should include: (a) Launch press release, (b) Relevant recent photos, (c) PowerPoint template, (d) Infographic on climate and disaster risk impacts on region, (e) Talking points, and (f) Fact sheet. |
| Throughout | Establishment and maintenance of web page and social media presence. | (a) CDB website, and (b) Social media. | (a) Stakeholders, (b) Media and key influencers, and (c) Public. | The web page will serve as a source of information related to the programme and relevant EU guidelines, and, CDB's guidelines and policies related to submission of proposals, disbursements, and due diligence. In addition, the online presence will include Facebook, LinkedIn and Twitter posts. |

| Timing | Item | Channel | Audience(s) | Details |
|-------------------------|--|---|--|--|
| | Media relations. | Physical and virtual sessions. | Media. | Using general outreach and targeted outreach to journalists who cover climate and environmental issues, employ a range of media relations strategies and activities, for the key activities/key milestones for the project including the launching event. |
| | Project signage. | TBD depending on project. | (a) Stakeholders, (b) Media and key influencers, and (c) Public. | Working with personnel from sub-projects to ensure they include signage with appropriate and accurate branding, as part of the project. |
| | Short videos. | CDB social media. | (a) Stakeholders, (b) Media and key influencers, and (c) Public. | Short, formatted videos highlighting stakeholders such as programme beneficiaries and officials of implementing organisations, government ministries will be produced. Videos should be formatted to be snapshots of the project that can be easily shared on short-format social media platforms. |
| | Newsletter. | (a) Email, (b) Social Media, and (c) Website. | (a) Stakeholders, (b) Media and key influencers, and (c) Public. | Include articles in CDB News Updates newsletter when key events or activities have taken place. |
| | Updates on projects, photos, infographics. | (a) Website, and (b) CDB social media. | (a) Stakeholders, (b) Media and key influencers, and (c) Public | Infographics, photos, videos, and updates on various projects under programme will be produced. |
| TBC | Internal news features. | Intranet. | CDB Staff. | Features on key events and activities during course of programme will be produced. |
| End of programme | Wrap-up video series. | (a) Distribution to regional media, Caribank.org, CDB social media | (a) Stakeholders (b) Media and key influencers (c) Public | Interviews with project beneficiaries, stakeholders, EU, and CDB representatives will be produced. |
| | Wrap up press release with photos, videos. | (b) Distribution to regional media, Caribank.org, CDB social media. | (a) Stakeholders, (b) Media and key influencers, and (c) Public. | Press releases summarising number of projects, number of people impacted, highlighting key success stories. |
| | Targeted press features. | Select regional media. | (a) Stakeholders, (b) Media and key influencers, and (c) Public. | Featured articles on select beneficiaries or projects that are unique or would be of distinct interest. Pitch to selected, appropriate media outlets, particularly specialist media covering climate, environmental issues. |

E: MEASUREMENT and MONITORING

Monitoring: There will be regular media monitoring and measurement at project level, incorporating the following quantitative and qualitative metrics:

- Monitor social media channels for engagement, amplification; and
- Monitor news outlets for mentions, tone of coverage.

In addition, the CDB will conduct, as part of its internal process of continuous assessment of performance indicators, satisfaction surveys of its role as implementing agency. This survey seeks feedback on the programme's communications and visibility.

F: RESOURCES INPUTS

Human Resources: CDB's Corporate Communications Unit will work closely with the EU Delegation in Barbados and selected personnel from sub-projects to implement the Communication and Visibility Plan.

Financial Resources: The project includes resources for communication and visibility actions.

FINANCING AGREEMENT 11TH EDF
ACP-EU NATURAL DISASTER RISK REDUCTION PROGRAMME
(See attached PDF)

Agreement N°ACP/FED/04I -233

FINANCING AGREEMENT
between
THE EUROPEAN COMMISSION
and
THE ACP GROUP OF STATES

11th EDF ACP-EU Natural Disaster Risk Reduction Programme

FINANCING AGREEMENT

SPECIAL CONDITIONS

The European Commission, hereinafter referred to as "**the Commission**", acting on behalf of the European Union, hereinafter referred to as "**the EU**",

of the one part, and

All ACP states represented by the Organisation of African, Caribbean and Pacific States (OACPS), hereinafter referred to as "**the Partner**",

of the other part

have agreed as follows:

Article 1 - Nature of the action

- 1.1. The EU agrees to finance and the Partner agrees to accept the financing of the following action:

11th EDF Intra-ACP Natural Disaster Risk Reduction Programme
CRIS number: FED/2020/041-233

This action is financed from the 11th European Development Fund under the following basic act: ACP-EU Partnership Agreement.

- 1.2. The total estimated cost of this action is EUR 110,500,00 and the maximum EU contribution to this action is set at EUR 100,000,000.
- 1.3. The Partner shall not co-finance the action.

The action is co-financed in joint co-financing by United Nations Development Programme (UNDP), United Nations Office for Disaster Risk Reduction (UNDRR) and World Bank (WB) / Global Facility for Disaster Reduction and Recovery (GFDRR). The breakdown of this financial contribution is shown in Annex I (Technical and Administrative Provisions).

Article 2 - Execution period

- 2.1. The execution period of this Financing Agreement as defined in Article 15 of Annex II (General Conditions) shall commence on the entry into force of this Financing Agreement and end 96 months after this date.
- 2.2. The duration of the operational implementation period is fixed at 72 months.
- 2.3. The duration of the closure period is fixed at 24 months.

Article 3 - Addresses

All communications concerning the implementation of this Financing Agreement shall be in writing, shall refer expressly to this action as identified in Article 1.1 of these Special Conditions and shall be sent to the following addresses:

a) for the Commission

Director General for International Cooperation and Development
Unit for Sustainable Energy and Climate Change
European Commission 049 Brussels, Belgium

b) for the Partner

Organisation of African, Caribbean and Pacific States (OACPS)
Department of Political Affairs and Human Development (PAHD)
Rue de l'Aqueduc 118
050 Ixelles, Belgium

Article 4 - OLAF contact point

The contact point of the Partner having the appropriate powers to cooperate directly with the European Anti-Fraud Office (OLAF) in order to facilitate OLAF's operational activities shall be:

Assistant Secretary General of the ACP Group of States
Department of Administration, Finance & Human Resources
Avenue Georges Henri 451
1200 Brussels, Belgium

Article 5 - Annexes

- 5.1. This Financing Agreement is composed of:
 - (a) these Special Conditions;

(b) Annex I: Technical and Administrative Provisions, detailing the objectives, expected results, activities, description of the budget-implementation tasks entrusted and budget of this Action;

(c) Annex II: General Conditions;

(d) Annex III: Reporting Template - not applicable to and not included in this Financing Agreement

(e) Annex IV: Management Declaration Template - not applicable to and not included in this Financing Agreement

5.2. In the event of a conflict between, on the one hand, the provisions of the Annexes and, on the other hand, the provisions of these Special Conditions, the latter shall take precedence. In the event of a conflict between, on the one hand, the provisions of Annex I (Technical and Administrative Provisions) and, on the other hand, the provisions of Annex II (General Conditions), the latter shall take precedence.

Article 6 - Provisions derogating from or supplementing Annex II (General Conditions)

The Commission intends to progressively introduce an electronic exchange system for the e-management of contracts and agreements (the "System"). The Partner will be required to register in and use the System to allow for the e-management of Financing Agreements. The Commission will inform the Partner in writing at least three months prior to the date of application of the individual components of the System.

As a first step, the reporting on results for partial delegation and programme estimate will have to be processed via the System for all reports. As a second step, all documents related to this Agreement (including reports, payment requests and formal amendments as per Article 25.1 of Annex II) will have to be processed via the System.

Articles 18, 19, 25.3, 25.4 and 25.5 of Annex II (General Conditions) do not apply to those activities entrusted to an entity pursuant to Annex I under this Financing Agreement.

In addition to Article 20.1 of Annex II (General Conditions), where a visa facilitation agreement is applicable which includes detailed provisions on the subject, its provisions shall apply as well. In all other cases, the Partner shall apply its most favourable visa regime or establish facilitating procedures for issuing visas for natural persons and persons representing legal persons participating in procurement and grant procedures.

In addition to Article 21 of Annex II (General Conditions), the Partner undertakes to authorise the import or purchase of the foreign currency necessary for the implementation of the action. It also undertakes to apply its national foreign exchange regulations in a non-discriminatory manner to the natural and legal persons participating in implementing contracts and agreements.

Article 7 -Entry into force

This Financing Agreement shall enter into force on the date on which it is signed by the last party.

Done in 2 original copies, one copy being handed to the Commission and one to the Partner.

For the Partner:

For the Commission:

[e-signed]

Georges Rebelo Pinto Chikoti
Secretary-General of the Organisation
of African, Caribbean, and Pacific States

Carla MONTESI
Director Authorising Officer of the EDF



EN

THIS ACTION IS FUNDED BY THE EUROPEAN UNION

ANNEX I TO FINANCING AGREEMENT N° FED/2020/041-233

TECHNICAL AND ADMINISTRATIVE PROVISIONS

Action Document for the "Intra-ACP Natural Disaster Risk Reduction Programme"

PROGRAMME

This document constitutes the work programme in the sense of Article 110(2) of the Financial Regulation and action programme/measure in the sense of Articles 2 and 3 of Regulation N° 236/2014.

| | |
|--|--|
| 1. Title/basic act/ CRIS number | 11th EDF Intra-ACP Natural Disaster Risk Reduction Programme CRIS number: FED/2020/041-233 Financed under the 11th European Development Fund (EDF) |
| 2. Zone benefiting from the action/location | Africa, Caribbean and Pacific Regions (ACP) The action shall be carried out in all the ACP countries |
| 3. Programming document | Intra-ACP Cooperation – 11th European Development Fund – Strategy Paper and Indicative Programme approved in 2015 (Objective 2.5.) Strategy Paper and Indicative programme 2014-2020 ¹ |
| 4. Sustainable Development Goals (SDGs) | Main SDG: <ul style="list-style-type: none"> ● SDG13: Take urgent action to combat climate change and its impacts Other significant SDGs: <ul style="list-style-type: none"> ● SDG1: End poverty in all its forms everywhere; ● SDG9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation; and, ● SDG11: Make cities and human settlements inclusive, safe, resilient and sustainable. |

Commission Decision on the adoption of the 2014-2020 Strategy Paper and Indicative Programme for intra-ACP cooperation between the European Union and the ACP Group of States C(2015)7766 final of 13.11.2015.

[1]

| | | | | |
|--|--|----------------------|------------------------------|----------------------------|
| 5. Sector of intervention/ thematic area | Disaster Risk Reduction | DEV. Assistance: YES | | |
| 6. Amounts concerned | <p>Total estimated cost: EUR 110 500 000</p> <p>Total amount of EDF contribution EUR 100 000 000</p> <p>This action is co-financed in joint co-financing by:</p> <ul style="list-style-type: none"> - United Nations Development Programme (UNDP) / United Nations Office for Disaster Risk Reduction (UNDRR) for an amount of EUR 500 000; - World Bank (WB) / Global Facility for Disaster Reduction and Recovery (GFDRR) for an amount of EUR 10 000 000. | | | |
| 7. Aid modality(ies) and implementation modality(ies) | <p>Project Modality</p> <p>Indirect management with the entity(ies) to be selected in accordance with the criteria set out in section 5.4.1</p> | | | |
| 8 a) DAC code(s) | 43060-Disaster Risk Reduction – 100% | | | |
| b) Main Delivery Channel | <p>The Global Facility for Disaster Reduction and Recovery- 47502</p> <p>The United Nations Development Programme -41114</p> <p>The Caribbean Development Bank -46009</p> <p>The African Union -47005</p> <p>The Southern African Development Community -47089</p> <p>The Pacific Community -47096</p> | | | |
| 9. Markers (from CRISDAC form) | General policy objectives | Not targeted | Significant objective | Principal objective |
| | Participation development/good governance | D | X | D |
| | Aid to environment | D | D | X |
| | Gender equality and Women's and Girl's Empowerment | D | X | D |
| | Trade Development | X | D | D |
| | Reproductive, Maternal, New born and child health | X | D | D |
| | Disaster Risk Reduction | D | D | X |
| | Inclusion of persons with disabilities | D | X | D |
| | Nutrition | X | D | D |
| | Intervention markers | Not targeted | Significant objective | Principal objective |
| | Biological diversity | X | D | D |
| | Combat desertification | X | D | D |
| | Climate change mitigation | X | D | D |
| | Climate change adaptation | D | D | X |
| 10. Internal markers | Policy objectives | Not targeted | Significant objective | Principal objective |

| | | | | |
|--|--|---|---|---|
| | Digitalisation | x | D | D |
| | Migration | x | D | D |
| | COVIDresponse | D | x | D |
| 11. Global Public Goods and Challenges (GPGC) thematic flagships | Global Climate Change Alliance Plus (GCCA+) Initiative | | | |

SUMMARY

This action will deeply embed commitment to disaster risk reduction, adaptation to climate change and resilient recovery in African, Caribbean and Pacific (ACP) Member State governance systems. It builds on previous investments by the EU and partners, presenting a once-in-a decade opportunity to turn commitments at Sendai and Paris into lives saved, vital assets protected and resilient businesses across ACP.

The need for this action is clear and growing. The average number of disasters per year now tops 329 - double the average 20 years ago. Pandemics become global and deadlier, with significant economic and social cascade effects, as for the COVID-19 outbreak. Population growth, urbanisation, over-exploitation of natural eco-systems and climate change have ramped up risk levels and losses. Weak governance systems exacerbate this phenomenon. The humanitarian response system cannot cope with escalating demand and, quite simply, should not need to. Investments in Disaster Risk Reduction (ORR), which are reported to yield at least four times their worth, and climate change adaptation are economically sound and make for good governance. ACP Member States are among those with the least capacity to prepare for, finance and respond to disasters and climate change and at the same time are the most vulnerable to the impacts of climate change and natural disasters.²

This strategic collaboration at the intra ACP level and between regional ACP entities and major ORR institutions (UNOP, WB/GFORR, UNDRR) targets key ORR weaknesses, namely the need for: stronger and more sustainable governance systems; sustained and wider investment in ORR and refined preparedness systems for more effective response (three of the Sendai Framework³ priorities). It also targets integration to support risk-informed development of climate-smart, resilient cities; and leveraging the private sector for risk reduction and recovery.

With an investment of EUR 110.5 million over 6 years, strategic and implementing partners will reduce risk for the population⁴ of 79 countries. Working in synergy, partners will strengthen systems and capacities at all levels of government, establishing and implementing inter-sectoral and vertical coordination mechanisms that bring all actors on board and working towards the same goals. They will mainstream ORR in policy, planning and budgeting

² UNDRR (2019), Global Assessment Report on Disaster Risk Reduction, Geneva, Switzerland, United Nations Office for Disaster Risk Reduction (UNDRR).
A/RES/69/283 of 3 June 2015

⁴ <https://www.un.org/pga/69/050615> statement-acp-group-states-new-global-order/

processes, ensuring that it is integral to each country's development agenda. With partners' support and guidance, ACP governments will be able to develop disaster risk financing tools and access sources of risk financing, enhance their Early Warning Systems, and continue to foster innovation to build resilient cities where most of their population will reside. Last but not the least, partners and governments will work together to strengthen systems for risk-aware recovery, ensuring that post-disaster efforts and investments also reduce risk in the longer-term. All of this will be done with an all-of-society approach – making sure that communities, local and municipal stakeholders and national governments build the relationships and processes that will sustain the benefits of the EU's investment and contribute to building resilience at local level.

Through this action, the EU will simultaneously enact multiple agreements (The Sendai Framework for Disaster Risk Reduction 2015-2030, the Paris Agreement) and contribute to the United Nations 2030 Agenda for Sustainable Development Goals (2030 Agenda), the European Consensus on Development (2017)⁵, The Gender Action Plan II (2016- 2020)⁶ and the European Green Deal⁷.

In 2026, at the end of the implementation period, governments in ACP countries will have allocated resources to reducing risk across sectors and levels of government, have solid institutional capacity to implement risk-informed plans, and will be ready to integrate the Build Back Better principle into post-disaster recovery processes. They will be ready to commit themselves to meet the targets of the Sendai framework and the Sustainable Development Goals, and will have advanced in the implementation of actions contributing to the Paris Agreement global goal on adaptation.

⁵ **The New European Consensus on Development 'Our World, Our Dignity, Our Future' Joint Statement by the Council and the Representatives of the Governments of The Member States Meeting within the Council, the European Parliament and the European Commission.** https://ec.europa.eu/international-partnerships/european-consensus-development_en

⁶ JOINT STAFF WORKING DOCUMENT Gender Equality and Women's Empowerment: Transforming the Lives of Girls and Women through EU External Relations 2016-2020. SWD(2015) 182 final

⁷ Commission's Communication COM(2019)640 of 11 December 2019

1 DESCRIPTION OF THE ACTION

1.1 Overall objective, specific objective(s), expected outputs and indicative activities

The overall objective of the action is to contribute to reduce the impact of disasters, including those related to climate change and biological hazards, and increase resilience in ACP countries.

The specific objectives of the action, in line with the Sendai Framework for Disaster Risk Reduction, are:

SO1: Disaster risk governance to manage disaster risk is strengthened;

SO2: Investment in disaster risk reduction for resilience is increased;

SO3: Disaster preparedness for effective response and to "Build Back Better" in recovery, rehabilitation and reconstruction is enhanced.

1.1.1 *Expected Outputs*

Output 1.1: ACP Regional Institutions Capacities are strengthened

Implemented tentatively by AUC, UNDP/UNDRR, WB/GFDRR, SADC, CDB and SPC

In almost all regions of the world, regional organisations are playing increasingly active roles in disaster risk management. Each region has unique characteristics that shape the nature and activities of its regional organisations, according to evolving needs and capacities.

Participating regional institutions, as well as their key partners such as universities, technical institutes and research centres, will be able to leverage additional expertise, technical knowledge and best operational practices from a wide range of stakeholders.

Output 1.1 will aim to support the ACP Regional Institutions to enhance their capacities to better assist their respective Member States in making risk informed decisions. Output 1.1 will also further strengthen politically endorsed ACP DRM/CC Regional Institutions' natural disaster emergency programmes and natural disaster response activities and enhance DRM advocacy and communication. The action will improve existing multi-stakeholder coordination mechanisms across the regions. It will also seek to bring together climate change adaptation and DRR, and promote coordination across institutions/departments mandated with DRR and CCA, as necessary.

Output 1.2. Intra-ACP South-South action is consolidated and coordination and monitoring mechanisms are operational

Implemented by ACP Secretariat

Output 1.2 will focus on supporting the ACP Secretariat to deliver on its role as Contracting Authority to conduct an overarching crosscutting coordination of the programme as well as to monitor and evaluate the implementation, in order to suggest for amendments or modifications when necessary to achieve expected results. This Output will not replace the monitoring and evaluation conducted by implementing partners. The ACP Secretariat will be

in charge of knowledge management and sharing for the action, including ACP information exchange meetings and South-South Coordination. The Action will promote the inclusion and participation of women at decision-making level of the supported ACP Regional Institutions.

Output 1.3. Integrated solutions for risk-informed development planning and budgeting are provided

Implemented tentatively by UNDP/UNDRR, SADC, CDB and SPC

The continuous improvement of risk governance capacity is critical to face the increasing exposure of populations and assets to natural hazards, including epidemics, exacerbated by environmental degradation, climate change, and unsustainable development practices. The political and economic imperative for DRR and climate change adaptation is often weak in the face of competing priorities and there is little integration across levels of governance and sectors to support risk-informed development. This is further compounded by the weak integration of risk considerations into development planning, processes and tools. The empirical basis for DRR and for application of risk assessments is constrained by scarce or scattered data environments in risk-prone and poor developing countries with inadequate technical expertise, resources and conflicting institutional mandates. Furthermore, the impacts of climate change on disaster risk and its integration in risk assessments is still a challenge.

Output 1.3 will address these challenges by linking the institutional base for DRR and climate change adaptation through harmonized policies and legal frameworks, and institutional arrangements that foster the integration of systemic risks into development planning and budgeting decisions, providing support in collection and analysis of existing data as well as generating new data as required. The focus will be on delivering greater public and private sector accountability to reduce/manage existing risks and to prevent the emergence of new risks. Also links with environmental resource management, gender, and diversity issues will be pursued. Good practices from regional and international stakeholders will be shared to improve the development of inclusive and holistic strategies as well as to ensure their coherent and effective implementation.

Through this outcome, the action will also contribute to the work of the Warsaw International Mechanism.

Output 2.1. Support to mainstream DRR and CCA into national and priority sector policies and investment planning is provided

Implemented tentatively by WB/GFDRR

Output 2.1. will support mainstreaming of DRM and CCA policies that enhance resilience and preparedness at regional, national and local level in ACP countries. This will be achieved through demand-driven i) technical work, including economic analysis, risk analytics, and preparedness diagnostics, among others, that strengthens the evidence base for informed, country-specific policy and institutional actions or investments decisions; and, ii) assistance to design and implement country-specific policy actions and/or investment planning that can be used as the foundation for a broad range of financing operations, including contingent loans (i.e. IDA/IBRD Development Policy Loans with Catastrophe Deferred Draw Down Options), results based financing operations (i.e. World Bank's Program For Results Based Financing

instruments) and investment project financing for resilience development and recovery processes.

In addition, Intra-ACP DRM initiatives, such as workshops, training sessions, including those in conjunction with ORM and CCA international fora, will be undertaken, so that beneficiary ACP countries, regional organisations, decision makers and communities of practice will be able to leverage additional expertise and best DRR and CCA technical knowledge and operational practices.

Output 2.2 Risk financing tools and strategies are developed in targeted countries.

Implemented tentatively by AUC, CDB, SPC and WB/GFDRR

Many ACP countries typically lack financial protection against the impacts of disasters and rely on ex-post measures (e.g. budget reallocations, donor assistance, tax increases, and post disaster loans) to attempt to meet financing needs. There is a growing consensus that developing countries need new ways to finance disaster preparedness, response, recovery, and rebuilding. Disaster risk financing and insurance (DRF) helps minimise the cost and optimise the timing of meeting post-disaster funding needs without compromising development goals, fiscal stability, or wellbeing. DRF promotes comprehensive financial protection strategies and market-based disaster risk financing and insurance solutions (such as sovereign catastrophe risk transfer solutions for governments or domestic catastrophe risk insurance for public and private assets) to ensure that governments, homeowners, small and medium-sized enterprises, agricultural producers, and people in the most vulnerable situations can meet post-disaster funding needs as they arrive.

The EU, mainly through the WB and GFDRR, has supported many countries over the past decade pioneering innovative financial tools and strategies to increase post-disaster financial response capacity. Output 2.2 will build on these achievements in order to:

- Improve the capacity of ACP countries to make informed decisions on disaster risk financing informed by sound financial analysis.
- Support the development of risk financing strategies at regional, national and local levels to help ACP countries make informed decisions
- Improve financial response capacity post disaster of ACP countries, including response to epidemics (specifically in the aftermath of the COVID-19 crisis), through innovative disaster risk financing and insurance tools and mechanisms, including:
 - o Long-term finance, which is used for recovery and rebuilding; and,
 - o Short-term finance, which is deployed quickly to cover most urgent needs and limit losses through early response.
- Support the InsuResilience Global Partnership to stimulate the creation of effective climate-risk insurance solutions and markets, and the smart use of insurance-related schemes for people and assets at risk in developing countries.

Output 2.3 Urban and Peri-Urban resilience mechanisms are improved in targeted cities.

Implemented tentatively by WB/GFDRR, SADC, CDB and SPC

Across the globe, cities already concentrate most disaster risk. At the same time, there is a real opportunity to invest in cities that are designed to use energy more efficiently and that are more resilient to disasters, including climate change related. This includes improved urban planning and housing, smart transport systems for mass transit, enhanced drainage and water and sanitation supply systems, the inclusion of urban farming, as well as energy efficient designs. Addressing urban risks requires strong information systems, gender and inclusion sensitiveness, cross sectoral coordination and collaboration, and risk informed territorial and investment planning, all of which are limited and urgently needed in most ACP cities. It is indeed at the local level where most synergies between DRR and CCA can be found at the practical level.

Activities will focus on addressing selected urban climate and disaster risks, and where practical will also include co-benefits of climate mitigation as well. Output 2.3 will seek to leverage technical support from the World Bank's City Resilience programme and other knowledge communities to maximize impact and technical quality. Activities will be consistent and build synergies with the Global Covenant of Mayors for Climate and Energy, and EU support to the regional Covenants.

Output 3.1 Early Warning Systems are operational in targeted regions and countries.

Implemented tentatively by CREWS Partners, WB/GFDRR, World Meteorological Organization and UNDRR.

Every year, disasters caused by weather, water and climate extremes – such as tropical cyclones and severe storms, floods, heat waves, droughts and forest fires - lead to significant loss of life and negative socio-economic impacts, hampering poverty reduction and sustainable development, particularly in resource-constrained countries, affecting disproportionately people in the most vulnerable situations. Multi-Hazard Early Warning Systems (MHEWS), as a critical component of effective disaster preparedness, can help to substantially reduce the loss of life and livelihoods caused by climate and weather related hazards. To address long-term drivers of risk, countries and communities need access to reliable and actionable risk information across timescales, as well as the capacity to digest and use this information to inform effective risk management investments and optimize economic production.

The capacities of different countries and regions to implement early warning systems varies strongly in ACP countries; this includes ability to issue critical warnings to the national and local authorities and residents quickly, reliably, accurately and in an easily understandable format triggering specific actions for the responsible authorities and the general public for the forecasted impact-scenario. Output 3.1 will support a range of technical assistance for the delivery of more accurate, timely and user-friendly products and services to decision-makers and end-users; as well as impact-based forecasting and strengthening MHEWS at regional and sub-regional level; and piloting development of sustainable business models including engagements between National Meteorological and Hydrological Agencies and the private and academic sectors to improve the delivery of hydromet services and functioning of the EWSs. The activities will be implemented through (or aligned with) the Climate Risks and Early Warning Systems (CREWS) Initiative.

Output 3.2 Communities and local stakeholders are more risk aware and able to take action that reduces risk.

Implemented tentatively by UNDP/UNDRR, SADC, CDB and SPC

The impact of disasters, climate change and epidemics and their inter-linkages with development manifests itself acutely at the local level in the lives and livelihood of rural populations. Whilst efforts to mainstream disaster and climate risks into local development plans and strategies have become more widespread, the ensuing investments in local and community level risk management capacities are still heavily concentrated on preparedness and emergency response rather than enabling communities and local stakeholders to reduce disaster/climate/epidemic risks and build resilience. Most countries face challenges in scaling-up piloted disaster and climate risk management interventions at the community level due to their disconnections from the local development planning process and insufficient financial resources.

Output 3.2 will address these challenges by raising public risk awareness and investing for strengthening risk management capacities in rural contexts among local governments, municipalities, and district administrations, communities and community organisations and local stakeholders. Through community-based disaster and climate risk management interventions, the initiative will seek to scale-up investments in risk-informed local development in order to build resilience of people, socio-economic development assets and community livelihoods. The active involvement of local communities to identify most appropriate measures will facilitate their smooth implementation and sustainability beyond the duration of the programme. Synergies with line European Commission services will be actively sought in the framework of this Output.

The Output 3.2 will strengthen the capacity and raise awareness of civil society organisations to work effectively with communities, especially those who are representing interests and rights of the most affected by disaster/climate risk.

Output 3.3. Post Disaster recovery capacities are strengthened in targeted countries

Implemented tentatively by UNDP/UNDRR

As disasters inflict greater human and economic costs, the process of recovery is extremely important to help people cope with the impact of disasters, restoring their sense of well-being and resuming their pathway to development. The concept and practice of recovery includes strengthening governance systems, improving basic services, or rebuilding peoples' assets and diversifying livelihoods and reconstructing houses and infrastructure with better standards and specifications, with a human rights and gender perspective, so that recovery leads to a greater resilience, including in the face of climate change and epidemics. Post-disaster recovery in Africa, the Caribbean and Pacific (ACP) region as a systematic process within ORM system is still at a nascent stage. Governments' responses tend to focus more on humanitarian assistance to the affected populations. Countries find it difficult to develop and implement recovery programmes without international assistance. The transition from disaster response to risk-centred resilience is still in development, a process that needs to be encouraged and supported.

Output 3.3 will help governments strengthen their capacity to conduct gender-sensitive and inclusive needs assessments and develop a recovery framework. It will work in the post disaster context to strengthen institutional and legislative arrangements, and set up monitoring

mechanisms to manage recovery processes. The programme will also aim at equipping regional intergovernmental organisations with experts to support Member States in post-disaster recovery processes. Coordination will be sought with the Strengthening Capacities for Crisis Assessment and Recovery Programme and the activities undertaken under the EU-WB-UN joint declaration on post-crises assessments and recovery planning (PDNAs).

1.1.2 *Indicative Activities*

The list of Activities is indicative and will be adapted to the context of different geographic areas and implementing partners' capacity during the negotiation of Indirect Management Agreements.

Output 1.1: ACP Regional Institutions Capacities are strengthened

Implemented tentatively by AUC, UNDP/UNDRR, WB/GFDRR, SADC, CDB and SPC

1. Build capacity to support the ORM units within regional institutions to enhance their capacities for ORM coordination, including donor coordination, and for interfacing with CCA teams/institutions, as relevant;
2. Support analytical work to create and disseminate regional knowledge for ACP member states in disaster risk and climate change adaptation, considering specificities related to gender, diversity, persons with disabilities and age;
3. Establish a resilience academy platform, organising universities and research institutes/partnerships around tailored resilience issues and ensure linkages to global science and technology efforts;
4. Develop inter-alia annual programme reports, regional ORR status reports, and for Africa, a biennial report on ORR, with a focus on solutions and successful action that can be scaled up and scaled out;
5. Strengthen and promote harmonization of regional ORM platforms and integration/synergies with CCA platforms to enhance knowledge exchange among academia, technical institutes, national agencies and CSOs and convey regional position in key international fora related to disaster risk management;
6. Improve/establish open source tools and standard operating procedures to enhance the gathering, exchange and analyses of ORR data and information to support coordination and inclusive and coherent policy making, including on how climate change may affect disaster risks.

Output 1.2. Intra-ACP South-South action is consolidated and coordination and monitoring mechanisms are operational

Implemented by ACP Secretariat

1. Engage ORM dedicated and gender balanced human resources within ACP Secretariat to manage the programme;
2. Promote women's participation and leadership in decision making and coordination organs
3. Convene a global programme Steering Committee to analyse progress on the implementation of the programme;
4. Support regional organisations in the organisation of regional programme Steering Committees;

5. Convene the programme technical working groups twice per year and the advisory group when necessary.
6. Organise programme related technical events for information sharing among implementing partner and ACP countries (training sessions, study visits, twinning's, workshops, amongst others) and facilitate ACP representatives' participation;
7. Promote technical cooperation and learning exchange between the ACP Secretariat and UNDP/UNDRR/GFDRR through technical assistance support, expert exchange initiatives or official secondments programmes, amongst others.
8. Develop a programme reporting methodology to monitor global logframe (tool for the implementation of all outputs);
9. Collect and collate information from all programme components into an annual report;
10. Develop and maintain communication tools for awareness raising and knowledge sharing;
11. Coordinate and disseminate programme knowledge generated at regional and country level;
12. Coordinate and disseminate programme communication and visibility plan;
13. Produce and disseminate public awareness materials in English, French, Portuguese and Spanish;
14. Organise events such as the celebration of the International Day for Disaster Risk Reduction bearing in mind the circular economy in Brussels, and support regional organisations in the preparation of such event abroad.

Output 1.3. Integrated solutions for risk-informed development planning and budgeting are provided

Implemented tentatively by UNDP/UNDRR, SADC, CDB and SPC

1. Support coherent policy and legal frameworks that set incentives for risk reduction, including the systemic risks, epidemics and climate change, and adaptation in public and private sector.
2. Support countries develop and implement DRM Strategies that are aligned with the Sendai Framework, National Adaptation Plans (NAPs), Nationally Determined Contributions (NDCs), and the SDGs;
3. Support national risk information systems by establishing or strengthening disaster loss accounting systems to inform country specific risk assessments and the monitoring of internationally agreed frameworks, such as the Sendai Framework and the SDGs, fostering their coherent implementation, and contribute to the enhanced transparency framework of the Paris Agreement, as appropriate;
4. Strengthen risk governance in ACP countries by integrating DRM and CCA into development planning and budgeting at national, subnational and sectoral levels through practical tools and policy provisions, using e.g., disaster risk reduction-sensitive budget analysis;
5. Foster integrated institutional arrangements for DRM and CCA by strengthening coordination across sectors and stakeholders operating at different scales through joint analysis, planning and problem-solving;
6. Foster access to global good practices in integrated risk governance solutions for replication and learning at country level, through technical and peer review exchanges between governments, the private sector, academia and civil society, including their

documentation in the form of knowledge products for dissemination by the ACP Secretariat and UNDP/UNDRR and its partner networks.

7. Share lessons and insights, as well as actively engage as relevant, in relevant activities of the Executive Committee of the Warsaw International Mechanism and the Santiago Network on averting, minimising and addressing loss and damage.

Output 2.1. Support to mainstream ORR and CCA into national and priority sector policies and investment planning is provided.

Implemented tentatively by WB/GFORR

1. Build and/or strengthen ACP country capacity to understand risk, in particular by providing analytical work such as hazard mapping, exposure modelling, vulnerability analysis, probabilistic risk models and spatial data management, including how climate change may affect risk profiles, as well as risk and damage assessments including on natural assets, and economic and non-economic analyses.
2. Provide demand driven technical assistance to ACP countries to design and implement country-specific risk informed policy, investment projects and institutional strengthening actions in key sectors, such as infrastructure, public buildings, housing, spatial planning, fiscal planning and tourism, amongst others;
3. Support ACP countries to mobilize additional financing for resilience and recovery investments from the World Bank, other development partners and/or the private sector;
4. Support participation of ACP delegates to conferences, training and seminars including regional and international DRR fora and conferences (11th EDF ACP EU DRM/CC Experts meetings, Global and Regional Platform for Disaster Risk Reduction, World Reconstruction Conferences, Understanding Risk forums, etc.);
5. Finance Intra-ACP and multi-country knowledge exchange (e.g., exchange programmes between ACP countries; strengthening cooperation among regional institutions; Small Island States Resilience Initiative community of Practice).

Output 2.2 Risk financing tools and strategies are developed in targeted countries.

Implemented tentatively by AUC, COB, SPC and WB/GFORR

1. Provide technical assistance support to build capacity of ACP countries to guarantee wide-ranging understanding of disaster risk finance and insurance solutions, including in the area of epidemics related natural hazards;
2. Support ACP countries to elaborate comprehensive disaster risk finance strategies, including the integration of responses in the aftermath of the COVID-19 crisis;
3. Support ACP countries to adopt innovative disaster risk finance and insurance solutions (such as national disaster funds, contingent credit lines, parametric disaster risk insurance, or catastrophe bonds, amongst others) integrated within prevention, preparedness, response and recovery plans anchored national systems able to respond to disasters caused by natural hazards, including responding to Covid19 crisis;
4. Implement sector-specific disaster risk financing solutions in priority sectors like agriculture, fisheries, and housing to ensure targeted support and that the financial protection needs of specific sectors can be tied to incentives for physical risk reduction.
5. Enhance capacity of public financing sector professionals in fiscal management in designing resilient budgeting frameworks;

6. Strengthen technical capacity at country level of private financing entities, financing regulators and relevant academic institutions to design, price and set a conducive legal and institutional environment of disaster financing products and services;
7. Support the InsuResilience Global Partnership through participation in facilities covering ACP regions, such as, the African Risk Capacity, regional risk insurance providing capacity building and forecast-based sovereign insurance (mainly against drought) and related services to members of the African Union, in alignment with the African Adaptation Initiative and in coordination with the Global network against food crisis.
8. Support regional partnerships in the Caribbean through technical cooperation with entities such as CDEMA or the Caribbean Catastrophe Risk Insurance Facility (CCRIF), to ensure that donor priorities and external activities support risk financing needs of Caribbean.

Output 2.3 Urban and Peri-Urban resilience mechanisms are improved in targeted cities

Implemented tentatively by WB/GFDRR, SADC, CDB and SPC

1. Support climate and disaster risk analysis to build awareness of urban risk, inform project and programme planning, seeking to leverage public financing and regulatory improvements for improved climate resilience; this will build, as relevant, on the work done in the context of the Global Covenant of Mayors for Climate and Energy (CCA part in particular);
2. Enhance technical capacity to empower cities to pursue comprehensive investment programmes in order to strengthen resilience and help influence larger development investments, including through IDA and IBRD financing;
3. Develop operational services that harness new technological opportunities in risk mapping and in developing new risk-based data products at metropolitan and local scales;
4. Work with civil society and academia to strengthen participatory resilience planning and data generation processes and related skills building;
5. Foster public/private partnerships (PPP) for climate smart urban planning and infrastructure, smart development and architecture (roof gardens, wall gardens, etc.).
6. Use of hazard and risk information in settlement planning and location/design of infrastructure services and in the planning of trunk infrastructure to guide settlement development onto less hazardous urban/peri-urban areas.

Output 3.1 Early Warning Systems are operational in targeted regions and countries.

Implemented tentatively by CREWS Partners, WB/GFDRR, World Meteorological Organization and UNDRR.

1. Improve the service delivery of national meteorological and hydrological entities, including development of long-term service delivery strategies and plans;
2. Support the use of information and communication technology for early warning systems including through the adoption of common alerting protocols;
3. Conduct technical studies to inform investment projects and development operations, as well as implementation support to large integrated warning-related investments;

4. Support the development of concepts of operations and standard operating procedures for agencies in charge of hydromet and early warning, including support for technical and managerial training of staff, study tours, etc.;
5. Facilitate operational partnerships between national agencies and regional/ global centres of excellence and align their activities with ongoing EU and global initiatives of the European Commission (such as the Commission's Copernicus Emergency Management Service and the Disaster Risk Management Knowledge Centre) as well as private actors where relevant;
6. Provide access to risk information to guide early warning systems through the development of impact-based risk scenarios and related early warning thresholds, enhancing comparability of results and transboundary risk management;
7. Facilitate the integration of early warning procedures in preparedness and disaster response plans and related table top/field exercises;
8. Support gender-sensitive training and the provision capacity building programmes for **women**;
9. Roll out awareness raising campaigns accessible to all (e.g. language, educational level, gender, disability, age) to inform the general public about self-protection measures to be adopted in response to specific early warning messages.
10. Identify potential public and private end-users (water management, agriculture, energy, tourism ...) of meteorological and climatological services, and their specific needs, to facilitate the establishment of a financial mechanism to support the established EWS

Output 3.2 Communities and local stakeholders are more risk-aware and able to take actions that reduce risks

Implemented tentatively by UNDP/UNDRR, SADC, CDB and SPC

1. Support the scaling-up of community-based disaster and climate risk management interventions by institutionalizing these in the form of nation-wide, government-led programmes with innovative financing mechanisms
2. Strengthen the capacity of civil society and community-based organisations to support CBDRM interventions, and maintain feedback channels from communities to national and local governments;
3. Strengthen accountability of elected representatives vis-a-vis at-risk communities by ensuring that local development decision-making and budgetary processes take into account the particular needs and priorities of at-risk communities;
4. Integrate gender empowerment, youth and disability considerations into local DRM action by specifically targeting women-headed households and persons with disabilities for a more inclusive approach that ensures access of socially and economically excluded segments of the society to risk reduction and adaptation measures.

Output 3.3 Post Disaster recovery capacities are strengthened in targeted countries

Implemented tentatively by UNDP/UNDRR

1. Build recovery management capacity by supporting ex-ante country preparedness to undertake gender-sensitive and inclusive post-disaster assessments and develop recovery frameworks.
2. Conduct Post-disaster Needs Assessment (PDNA) adjusted to the type and scale of the disaster.

3. Set up or strengthen the institutional and legislative mechanisms and enhance technical capacities at the national and local level for the implementation of recovery programme.
4. Provide governments with technical assistance for specific aspects of recovery programme including housing, livelihoods, education, health services, community infrastructure and restored local ecosystem services, in collaboration with UN agencies.
5. Support governments to set up monitoring mechanisms for recovery and facilitate a consultative / participatory forums through which the affected populations, especially people in vulnerable situations, engage in decision-making and monitor the impact of recovery programme.
6. Support regional organisations in developing technical capacities for support related to PDNA and resilient recovery processes.

1.2 Intervention Logic

As stated above, the ultimate aim of this action is sustainable development through the management of risk and resilient recovery. The programme is anchored on three of the four priorities for action⁸ (P2, 3 and 4) of the Sendai Framework for Action which are widely acknowledged to be the critical components of successful risk reduction. Figure 7 portrays the **Theory of Change** underpinning the intervention logic. The action features three Specific Objectives (SOs, see middle column under Figure 7) to be implemented in concert; they and the activities

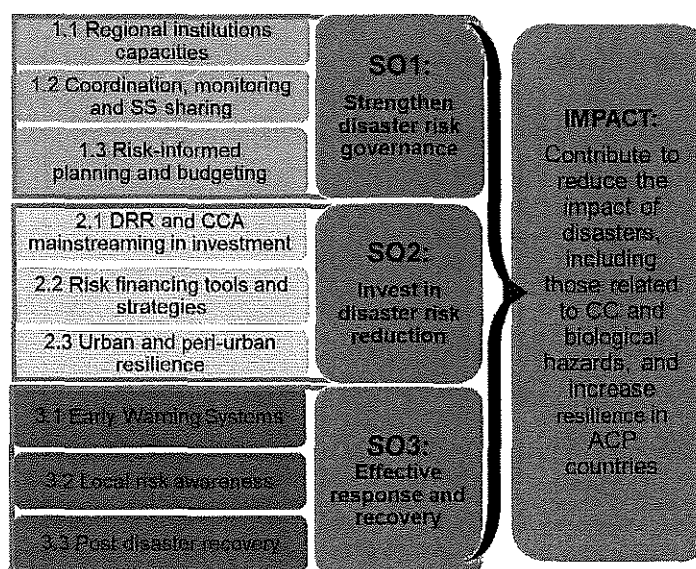


Figure 7: Theory of Change

(column to the very left under Figure 7) that comprise them are interdependent. Risk is reduced when all three are achieved in the areas of highest risk within the same region, country, city or local context. This indicates that programme actors should not work in isolation in separate countries, but rather, should jointly choose the most at-risk settings and stage the three-pronged action in harmony.

The theory of change for this action indicates that **if** regional DRR institutions are equipped with refined processes, knowledge and capacity (Output 1.1), the full programme is coordinated and monitored (Output 1.2) and countries own the process of risk informed planning and budgeting (Output 1.3), then disaster risk governance will be strengthened (SO 1). In parallel, **if DRM** and CCA are mainstreamed in investment (Output 2.1), countries buy into the foundations of risk financing and cities continue to build resilience (Output 2.3), then public investments will be protected (SO 2). Lastly, **if** end-to-end early warning systems are consolidated (Output 3.1), local awareness is strengthened (Output 3.2) and capacity to

⁸ Over the last years, 10^h EDF investment largely focused on Sendai Priority 1 forming a baseline for this action.

manage recovery processes is primed, then preparedness will lead to the most effective response and lives and assets will be saved when the next disaster hits.

The action takes an inter-linked full spectrum approach seeking to address the causal risk drivers, strengthen risk governance institutions, build systemic capacity and connect the national to the local for a more integrated risk management outcome. Accompanying ACP regions and countries as they reduce existing risk and prevent the creation of new risk will foster a risk-informed development paradigm leading to the overall objectives of resilience building and sustainable development envisioned in the 2030 Agenda.

With no doubt, there are many assumptions across the ACP regions that must hold true for the targeted change to occur (see Risks and Assumptions section). It is important to note that weaknesses in the Intra-ACP Programme Building Disaster Resilience to Natural Hazards in Sub-Saharan African Regions, Countries and Communities⁹ were largely attributed to assumptions that went unchecked or were unsatisfied. In this action the monitoring will carefully track the risks and assumptions (i.e. as part of Output 1.2). The programme Logical Framework assumes that political stability at regional and national levels will prevail thereby aiding the smooth implementation of the programme. Any risk of "societal shocks" (natural and man-made) that could disrupt or stop the Programme need to be duly tracked. Administrators need to mitigate risks and assumptions before they become a reality; the design and logical framework of the programme may subsequently need to be altered or made more relevant.

1.3 Mainstreaming

Climate change, biodiversity conservation, and environmental protection are at the core of the action, therefore no negative impact on the environment is expected. Indeed, this action will actively promote stronger linkages between disaster risk reduction, climate change adaptation and environmental protection by raising awareness of local communities and supporting decision makers to promote sustainable practices so as to reduce land degradation by scaling up sustainable agriculture, improving protection of forest cover and coastal soils and habitats, reducing inefficient water use, restoring degraded ecosystems and upscaling ecosystem based approaches to disaster risk reduction and climate change adaptation.

The action will take **gender** considerations into account. Women play a specific and important role in the management of both ecosystems and livelihoods and play a pioneering role in the adoption of sustainable and innovative practices. The programme will ensure that activities promote gender equality and enhance women as agents of change as natural resource and disaster risk managers within their households and communities. Given that women are often more adversely affected by disasters than men, the project will enhance women's capacities and decision-making roles, both as natural resource and risk managers. This will be done through a process of discussion and community participation towards gender transformation, whereby both men and women take part in the process. The action will promote women's representation and participation at decision making and coordination level, in the national and transnational DRR institutions. A **rights-based approach** will be used by devoting efforts and resources to identifying potential beneficiaries especially sensitive to

⁹ FED/2013/24496;

climate change impacts during implementation and adjusting the implemented activities to reach vulnerable populations.

People and institutions in fragile and conflict-affected states are much more vulnerable to natural hazards. This action will consider **fragility and conflict** as core drivers of vulnerability and ensure that the intersections between natural disasters, conflict, fragility, forced displacement and other crises are well addressed in the foreseen activities.

1.4 Contribution to Sustainable Development Goals (SDGs)

This intervention is relevant for the 2030 Agenda. It contributes primarily to the progressive achievement of *SDG 13: Take urgent action to combat climate change and its impacts*, while also contributing to *SDG 1: End poverty in all its forms everywhere*; *SDG 9 (Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation)*; and *SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable*.

There are several ways that disaster risk reduction is recognised in the SDGs, including the direct references to the Sendai Framework: four of the 25 targets of the SDGs overlap with five of the targets of the Sendai Framework for DRR as seen in the diagram below. In effect, monitoring of the Sendai Framework complements monitoring of SDG indicators, see Figure 8.

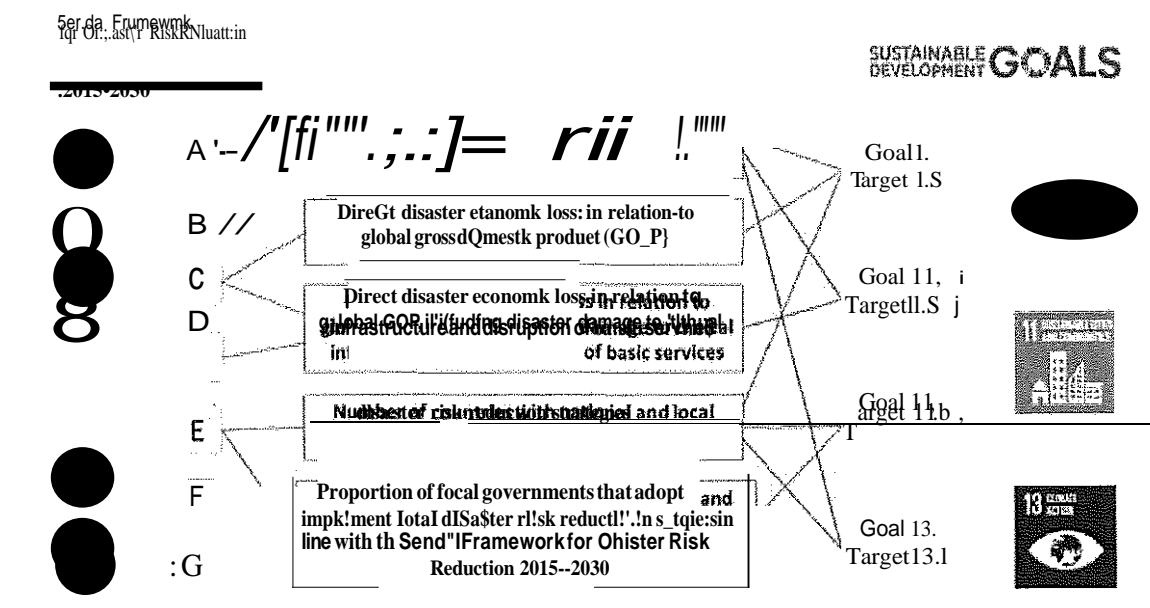


Figure 8: Sendai compared to SDGs

Furthermore, disaster risk reduction cuts across different aspects and sectors of development contributing to 10 of the 17 Sustainable Development Goals. 25 SDG targets are related to disaster risk reduction confirming the critical role of disaster risk reduction in poverty reduction and as a key enabler of sustainable development.

2 IMPLEMENTATION

2.1 Implementation modalities

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 measures¹⁰.

2.1.1 *Indirect management with an international organisation*

2.1.1.1 Indirect Management with an international organisation

A part of this action may be implemented in indirect management with an international organisation active in the area of DRM in ACP countries, such as tentatively the United Nations Development Programme in coordination with the United Nations Office for Disaster Risk Reduction. This implementation entails Outputs 1.1 ACP Regional Institutions Capacities are strengthened, 1.3 Integrated solutions for risk-informed development planning and budgeting are provided, 3.2 Communities and local stakeholders are more risk aware and prepared, and 3.3 Post Disaster recovery capacities are strengthened in targeted countries in the Africa, Caribbean and Pacific region. The envisaged entity has been selected using the following criteria: 1) it is deeply grounded in country realities with its strong field presence and technical and operational capacity in every ACP country as well as at the regional and sub-regional level; 2) policy and programmatic functions ensure that it is fit for purpose to respond to today's global challenges, such as the increasing exposure to disaster risk or climate change impacts; 3) has a dedicated global and regional advisory capacity in Disaster Risk Reduction and Recovery covering the ACP Region; and, 4) has proven experience in the areas of Integrated Risk Governance, Local and Community-based DRM Action and Post disaster recovery.

In case the envisaged entity would need to be replaced, the Commission's services may select another replacement entity using the same criteria. If the entity is replaced the decision to replace it needs to be justified.

2.1.1.2 Indirect Management with an international organisation

A part of this action may be implemented in indirect management with an international organisation active in the area of DRM in ACP countries, such as tentatively the World Bank Group, through GFDRR, in accordance with the applicable EU-World Bank Group Framework Agreement. This implementation entails Outputs 1.1 ACP Regional Institutions Capacities are strengthened, 2.1 Support to mainstream DRR and CCA into national and priority sector policies and investment planning is provided, 2.3 Urban and Peri-Urban resilience mechanisms are improved in targeted cities, and 3.1 Early Warning Systems are operational in targeted regions and countries in the Africa, Caribbean and Pacific region. The envisaged entity has been selected using the following criteria: 1) A strong field presence with technical, operational and country specialists in beneficiary regions, sub-regions and countries; 2) A long-term experience

¹⁰ 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.

in capacity building on disaster risk management and developing innovative solutions to mitigate risk and mainstream DRM into countries' development strategies; and, 3) the capacity to effectively link EU funding with broader development support by the World Bank and/or other programmes (GEF, GCF, CREWS) thus scaling up the impact of operations and ensuring long-term sustainability.

For Outputs 1.1, 2.1, and 2.3, an Administration Agreement with the World Bank for a Stand Alone Trust Fund or equivalent with the Global Facility for Disaster Reduction and Recovery (GFDRR) is foreseen.

For Output 3.I, a Contribution Agreement to the World Bank Financial Intermediary Fund (FIF) or equivalent for the Climate Risk and Early Warning System Initiative is foreseen. Implementing Partners of this FIF are the WB/GFDRR, WMO and UNDRR. In case an agreement for a direct contribution to the CREWS Initiative would not be reached, Output 3. I would be included in the SDTF or equivalent for the implementation of Outputs I.I, 2.1, and 2.3 described above.

In case the envisaged entity would need to be replaced, the Commission's services may select another replacement entity using the same criteria. If the entity is replaced the decision to replace it needs to be justified.

2.1.2 Indirect management with a regional organisation

2.1.2.1 Indirect Management with a regional organisation

A part of this action may be implemented in indirect management with a regional organisation active in the area of DRM in Africa, such as tentatively the African Union, represented by African Union Commission (AUC). This implementation entails Outputs I.I ACP Regional Institutions Capacities are strengthened and 2.2 Risk financing tools and strategies are developed in targeted countries in the Africa Region. The envisaged entity has been selected using the following criteria: 1) it has a mandate in the areas of energy, climate change, disaster risk management; 2) it has technical expertise in the area of DRR with a specialized unit in place; 3) has access to a range of associated organisations with technical expertise that could add value to the project; 4) has experience with the implementation of EU funded programmes.

AUC will tentatively work with the African Risk Capacity Agency (ARC) on risk financing. ARC is an Agency of the African Union established in 2012 to help member states to plan, prepare and respond to weather related events and other disasters through risk pooling and risk transfer. Sub-contractual arrangements will be entered into between AUC and ARC through which AUC will transfer funds to ARC on instalment basis. AUC will ensure implementation of the sub-contract is in line with EU grant management guidelines and procedures.

If negotiations with the above-mentioned entity fail, the part of this action relating to Outputs 2.2 may be implemented in indirect management with the World Food Programme (WFP). Indeed, if a delegation of funds from the AUC to the ARC is not feasible, a contribution agreement with the WFP for a direct delegation of funds to the ARC will be pursued. The implementation by this alternative entity would be justified because of the following criteria 1) it is the trustee of the multi donor trust fund to the African Risk Capacity.

In case the envisaged entity and the replacement entity mentioned above would need to be replaced, the Commission's services may select another replacement entity using the same criteria. If the entity is replaced the decision to replace it needs to be justified.

2.1.2.2 Indirect Management with a regional organisation

A part of this action may be implemented in indirect management with a regional organisation active in the area of DRM in the Pacific, such as tentatively the Pacific Community. This implementation entails Outputs 1.1 ACP Regional Institutions Capacities are strengthened, 1.3 Integrated solutions for risk-informed development planning and budgeting are provided, 2.2 Risk financing tools and strategies are developed in targeted countries, 2.3 Urban and Peri-Urban resilience mechanisms are improved in targeted cities, and 3.2 Communities and local stakeholders are more risk aware and prepared in the Pacific Region. The envisaged entity has been selected using the following criteria: 1) Has a strong mandate in the Pacific regional energy sector, climate change, disaster risk management and education/capacity building; 2) Has a broad range of scientific and technical expertise that could add value to the implementation of this action; and, 3) has previous experience with EU funded projects.

In case the envisaged entity would need to be replaced, the Commission's services may select another replacement entity using the same criteria. If the entity is replaced the decision to replace it needs to be justified.

2.1.2.3 Indirect Management with a regional organisation

A part of this action may be implemented in indirect management with an international organisation active in the area of DRM in the Caribbean, such as tentatively the Caribbean Development Bank. This implementation entails Outputs 1.1 ACP Regional Institutions Capacities are strengthened, 1.3 Integrated solutions for risk-informed development planning and budgeting are provided, 2.2 Risk financing tools and strategies are developed in targeted countries, 2.3 Urban and Peri-Urban resilience mechanisms are improved in targeted cities, and 3.2 Communities and local stakeholders are more risk aware and prepared in the Caribbean Region. The envisaged entity has been selected using the following criteria: 1) a clear mandate in the area of DRR in the Caribbean Region; 2) available technical expertise; 3) a well established relationships of trust and cooperation with regional and local partners; and, 4) capacity to respond to requests from Caribbean countries for assistance with post-disaster rehabilitation.

If negotiations with the above-mentioned entity fail, the part of this action relating to Outputs 2.2 and 2.3 may be implemented in indirect management with the WB/GFDRR. The implementation by this alternative entity would be justified because of the following criteria: 1) a clear mandate in the area of DRR; 2) available technical expertise; 3) a well established relationships of trust and cooperation with regional and local partners; and, 4) capacity to respond to requests from Caribbean countries for assistance with post-disaster rehabilitation.

In case the envisaged entity and the replacement entity mentioned above would need to be replaced, the Commission's services may select another replacement entity using the same criteria. If the entity is replaced the decision to replace it needs to be justified.

If negotiations with the above-mentioned entity fail, the part of this action relating to Outputs 1.1, 1.3 and 3.2 may be implemented in direct management in the form of a direct Grant

2.1.2.4 Changes from indirect to direct management mode due to exceptional circumstances

Where indirect management with the Caribbean Development Bank cannot be implemented due to circumstances outside of the Commission's control this part of this action may be implemented in direct management in the form of a direct grant with CDEMA (Outputs 1.1, 1.3 and 3.2) and in indirect management with the WB/GFDRR (Outputs 2.2 and 2.3).

2.1.2.5 Indirect Management with a regional organisation

A part of this action may be implemented in indirect management with a regional organisation active in the area of DRM in Southern Africa, such as tentatively the Southern African Development Community. This implementation entails Outputs 1.1 ACP Regional Institutions Capacities are strengthened, 1.3 Integrated solutions for risk-informed development planning and budgeting are provided, 2.3 Urban and Peri-Urban resilience mechanisms are improved in targeted cities, and 3.2 Communities and local stakeholders are more risk aware and prepared in the SADC region. The envisaged entity has been selected using the following criteria; 1) it has a mandate in the areas of energy, climate change, disaster risk management; 2) it has technical expertise in the area of DRR with a specialized unit in place; 3) has access to a range of associated organisations with technical expertise that could add value to the project; 4) has experience with the implementation of EU funded programmes.

In case the envisaged entity would need to be replaced, the Commission's services may select another replacement entity using the same criteria. If the entity is replaced the decision to replace it needs to be justified.

2.1.2.6 Secretariat of the African, Caribbean and Pacific Group of States

A part of this action with the objective to coordinate the action, monitor results and consolidate Intra ACP South-South cooperation (Output 1.2) and support post disaster recovery in ACP Countries (Output 2.3) may be implemented in indirect management with the Secretariat of the African, Caribbean and Pacific Group of States (ACP Group) according to the following modalities:

The Secretariat of the African, Caribbean and Pacific Group of States will act as the contracting authority for the procurement and grant procedures. The Commission will control ex- ante all the procurement and grant procedures.

Payments are executed by the Commission. The regional organisation shall apply the Commission's rules on procurement and grants. These rules will be laid down in the financing agreement to be concluded with the regional organisation.

(a) Overview of implementation

| | | |
|-------------------------------------|---------|---|
| Activity/objective/output, location | include | Type of financing (works, supplies, or service contract, grant, programme estimate) |
|-------------------------------------|---------|---|

| | |
|---------------------------|--|
| Output 1.2(ACP Countries) | Service Contract -Technical Assistance |
| Output 3.3(ACP Countries) | Service Contract -Technical Assistance |

This Technical Assistance deployed in ACP Secretariat will be responsible for supporting the ACP Secretariat with promoting the Intra-ACP nature of the action, through south-south and triangular cooperation and Intra-ACP fora. The TA contract will serve the function of monitoring and reporting of the entire action.

2.2 **Scope of geographical eligibility for procurement and grants**

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

2.3 Indicative budget

| | EU contribution (amount in EUR) | Indicative third party contribution, in currency identified |
|---|---------------------------------|---|
| <i>Indirect management with an international organisation¹¹</i> | | |
| <i>The United Nations Development Programme I The United Nations Disaster Risk Reduction (UNDPIUNDRR)</i> | 17 750 000 | 500 000 |
| <i>The World Bank Group/ Global Facility for Disaster Reduction and Recovery (WB/ GFDRR)</i> | 19 625 000 | 10 000 000 |
| <i>Climate Risk Early Warning System Initiative/ The World Bank Group! Global Facility for Disaster Reduction and Recovery (CREWSIWB/GFDRR)</i> | 10 000 000 | |
| <i>Indirect management with a regional organisation</i> | | |
| <i>The African Union (AUC)</i> | 13 500 000 | |
| <i>The Pacific Community (SPC)</i> | 14 000 000 | |
| <i>The Caribbean Development Bank (CDB)</i> | 14 000 000 | |
| <i>The Southern African Development Community (SADC)</i> | 4 625 000 | |
| <i>Secretariat of the African, Caribbean and Pacific Group of States (ACP)</i> | 5 500 000 | |
| Evaluation (cf. section 5.9), Audit (cf. section 5.IO)/Expenditure verification | 400 000 | N.A. |
| Communication and visibility (cf. section 5.II) | 200 000 | N.A. |
| Contingencies | 400 000 | N.A. |
| Totals | 100 000 000 | 10 500 000 |

¹¹ Organizations indicated in Section 5.6 Indicative Budget are tentatively selected

2.4 Organisational set-up and responsibilities

The oversight and strategic orientation of the programme will be attributed to a **Global Programme Steering Committee (GPSC)**. The GPSC will be established to provide overall guidance to the programme and facilitate monitoring and evaluation. The Committee will comprise of representatives of the European Commission, implementing partners, and ACP regional organisations benefitting from the Action. The ACP Secretariat, as Contracting Authority, will chair and coordinate the Global Programme Steering Committee, while the Technical Assistance to the ACP Secretariat will act as the secretary. The GPSC will meet every two years.

Given the complexity of the programme, **Regional Programme Steering Committees (RPSC)** - one in Africa, one in the Caribbean, and one in the Pacific- will be established. The RPSC will meet on an annual basis.

In addition, the implementation of the programme will be monitored through bi-annual **Technical Working Group** meetings at which implementing partners will review the implementation of the programme with the ACP Secretariat, the European Commission, and EU Delegations involved in the programme. These meetings will be held back-to-back when possible with yearly fora using the most cost-effective means including through video-conference systems.

In order to address the cross-sectorial nature of this action, the link to international and regional users will be sought through an **Advisory Group** composed of technical international and regional organisations. Given the action's wide range of priority areas, the composition of the Technical Advisory Group will vary according to these priority areas according to the action needs. The Group will be invited by the Global Programme Steering Committee (PSC) for specific thematic support in relation to the work plan of the action at ad-hoc basis. This feedback and advice will be integrated in the programme following the decision of the Global Programme Steering Committee.

All corresponding agreements will be signed by the Commission who will work with the ACP Secretariat to ensure before signing the agreements that all budgeted items are coherent across all agreements. Although the Programme will be coordinated at global level, the responsibility for coordinating the programming of activities at regional and national level will remain with the relevant EU Delegations and the European Commission as well as the ACP Secretariat. Specifically, in terms of management, the EU Delegation to the African Union will be responsible for the Delegation agreement to the African Union; the EU Delegation to Barbados for the Delegation agreement to the Caribbean Development Bank; and, the EU delegation to Fiji for the Delegation Agreement to the Pacific Community. The European Commission will be responsible for the Delegation Agreements to the United Nations Development Programme/United Nations Disaster Risk Reduction and the World Bank Group/GFDRR/CREWS Initiative.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

2.5 Performance and Results monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partners' responsibilities. To this end, all implementing partners shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (in principle not less than annual unless otherwise decided by the PSC) and final reports. Every report shall provide an accurate account of implementation of the action, challenges and difficulties encountered, changes introduced, as well as gender sensitive monitoring of the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the log-frame matrix. The template for the narrative report will be agreed at the start of implementation and strictly followed by all implementing parties.

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 reports, narrative and financial, will cover the entire period of the action implementation.

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

The ACP Secretariat may also undertake additional Project monitoring visits both through its own staff and through independent consultants.

2.6 Evaluation

Having regard to the importance of the action, a mid-term and final evaluations will be carried out for this action or its components via independent consultants contracted by the Commission.

The evaluations will be carried out for problem solving, accountability, and learning purposes at various levels (including for policy revision), taking into account in particular the complexity of the action.

The Commission shall inform the implementing partner at least one month in advance of the dates foreseen for the evaluation missions. The implementing partners shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partners, the ACP Secretariat and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the ACP Secretariat, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Evaluation services may be contracted under a framework contract.

2.7 Audit

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

It is foreseen that audit services may be contracted under a framework contract.

2.8 Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU. Likewise, appropriate visibility of the ACP Group shall be ensured in line with Annex IV – Article 12.3 of the Cotonou Partnership Agreement.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation. Each grant beneficiary and/or entrusted entity will elaborate a Communication and Visibility Plan in the framework of their respective Delegation Agreement or Grant Contract for the part of the action delegated/entrusted to them. The coordination of the different Communication and Visibility Plans will be ensured by the grant beneficiaries and/or entrusted entities. A technical assistance contract to the ACP Secretariat will supervise and facilitate coordination.

For the purpose of enhancing the visibility of the EU and its contribution to this action, the Commission may sign or enter into joint declarations or statements, as part of its prerogative of budget implementation and to safeguard the financial interests of the Union.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Requirements for European Union External Action (or any succeeding document) shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

It is foreseen that a contract for communication and visibility may be contracted.

PRE-CONDITIONS

N/A

APPENDIX -INDICATIVE LOGFRAME MATRIX ¹²

| | Results chain: Main expected results | Indicators (at least one indicator per expected result) | Sources of data | Assumptions |
|---------------------------------------|---|---|---|---|
| Impact (Overall Objective) | To contribute to reduce the impact of disasters, improve the use of related technologies, and increase the resilience in AGP countries | # of countries demonstrating positive trend in relation to SDG and Sendai common indicators | Sendai Framework Monitoring Report | Not applicable |
| Outcome(s) (Specific Objective(s)) | <p>S01: Increase the resilience of the population and the economy in disaster-prone areas</p> <p>S02: Reduce the risk of disaster and the impact of disasters on the population and the economy</p> <p>so: Prepare and implement disaster risk reduction strategies and plans</p> | <p>Indicator for S01:</p> <p># of countries demonstrating positive trend in relation to SDG and Sendai common indicators</p> <p>Indicator for S02:</p> <p># of countries demonstrating positive trend in relation to SDG and Sendai common indicators</p> | <p>Sendai Framework Monitoring Report</p> <p>1.2. National Disaster Risk Reduction Strategies</p> <p>1.3. National Disaster Risk Reduction Strategies</p> | <p>Economic and political situation is sufficiently stable.</p> <p>Global policy frameworks on DRR/CC do not hamper coherence at country level.</p> <p>Development is recognized as key driver of risk.</p> <p>Disaster risk reduction is championed and considered a priority for achieving sustainable development objectives.</p> <p>Disaster events offer opportunities for risk governance reforms/improvements.</p> <p>Sufficient evidence-base is available to underpin policy formulation/review.</p> |

¹² Mark indicators aligned with the relevant programming document mark with * and indicators aligned to the EU Results Framework with **

¹³ Politically endorsed declarations can include, among others, AUC declarations, Regional Platform declarations or Ministerial conclusion.

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|------------|--|---|--|--|
| | | <p>2.3. # of disaster risk management strategies implemented by countries/regions/municipalities (disaggregated by country, region @ municipality) in areas of the Action, (01/1/2012)</p> <p>Indicator for SO3:</p> <p>1.1. # of population with access to early warning and risk information on natural hazards*</p> <p>3.1. Number of local government representatives by action that adopt and implement local policies, strategies, projects with the action, SEND (disaggregated by country) (Output 3)</p> <p>3.3. Number of disaster affected countries supported with the capacity to conduct assessments, formulate recovery plans, in the "Build Back Better" principle as a result of the Action</p> | <p>2.3. PRF strategies. wow! The progress! Wrt .</p> <p>3.1. Early Warning Bulletin</p> <p>3.1. National Monitor, progress reports</p> <p>3.3. Semi-annual Monitor, progress reports</p> | <p>Key government departments are genuinely interested in strengthening disaster risk governance and integrated solution. Participation and multi-stakeholder involvement can be ensured.</p> <p>Government supports CBO and CSO networks and engagement.</p> <p>Government approval can be obtained for new/revised policy and laws.</p> <p>Countries have large scale disasters which trigger the need for PONA and Recovery Frameworks.</p> |
| Output 1.1 | ACP regional institutions capacities are strengthened. (S.O. 1) | <p>1.1.1. # of analytical/knowledge products elaborated with the support of the action that incorporate analysis of disaster and climate risks.</p> <p>1.1.2. Status of the Resilience Academy Platform.</p> <p>1.1.3. # member states of regional organisations that received support from the action, using common open source platform and standard operating procedures for gathering, exchange and analysis of DRR data and information.</p> <p>1.1.4. # of ACP DRR practitioners trained (disaggregated by sex and organisation/institution type) in DRR and showed knowledge in the subject*</p> | <p>1.1.1. Progress reports</p> <p>1.1.2. Progress reports</p> <p>1.1.3. Progress report, Regional organisations reports;</p> <p>1.1.4. Meeting reports; Knowledge tests;</p> | Regional organisations maintain an ongoing engagement in ORM and CCA |
| Output 1.1 | Intra-ACP South-South action is consolidated and coordination and monitoring | <p>1.2.1. # of Steering Committees (disaggregated by level) held with the support of the action.</p> <p>1.2.2. Status of the monitoring and reporting system of the</p> | <p>1.2.1. Minutes Steering Committee</p> <p>1.2.2. TA progress</p> | Stakeholders maintain an ongoing engagement in ORM and CCA |

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|-------------------|--|--|---|---|
| | mechanisms are operational (S.O. 1) | 1.2.3. programme. # of DRR events organised/supported by the Action for exchange of information amongst ACP countries. | 1.2.3. reports. Minutes of the event, TA progress reports. | |
| Output 1,3 | Integrated solutions for risk-informed development planning and budgeting are provided (S.O.1) | 1.3.1. # of DRR, CC and SDG harmonized policies and legal frameworks, disaggregated by country supported by the Action 1.3.2. # of integrated institutional or coordination arrangements for DRR, CC and SDG (disaggregated by type and country) in place supported or developed by the Action 1.3.3. Status of national disaster loss accounting systems that are disaggregated by sex, age, disability supported by the Action (disaggregated by country) 1.3.4. Status of systems to track public expenditures for DRR and climate adaptation supported by the Action (disaggregated by country). | 1.3.1. National policies and legal frameworks 1.3.2. Analysis of risk governance arrangements 1.3.3. National disaster loss databases 1.3.4. Progress reports, mid-term reviews and periodic evaluations | Availability of historical data from past disaster events and existence of effective mechanisms and capacities for collection and analysis of data. Competing development priorities do not limit Government's ability to allocate adequate financial resources for DRR and climate adaptation. Governments prioritize DRR and promote multi-stakeholder and multi-sectoral coordination platforms. |
| Output 1,1 | Support to mainstream DRR and CCA into national and priority sector policies and investment planning is provided. (S.O. 2) | 2.1.1. # of analytical/knowledge products elaborated with the support of the action related to disaster and climate risks 2.1.2. # of DRM/climate resilience policies and plans proposed with the support of the action (disaggregated by country and by sector if not at the national level)* 2.1.3. # of resilience investment plans or projects developed with the support of the action (disaggregated by country). 2.1.4. # of ACP DRR practitioners trained with support of the intervention in disaster and climate risk informed policy design and analysis (disaggregated by sex and organisation/institution type) showing increased knowledge in the subject * | 2.1.1. Progress reports, analytical products 2.1.2. Progress reports, policies and plans 2.1.3. Progress reports, investment plans 2.1.4. Knowledge tests, training reports | Governments maintain an ongoing engagement on DRM and CCA |
| Output 2.2 | Risk financing tools and strategies are developed in | 2.2.1. # of disaster risk financing tools or strategies developed with the support of the action | 2.2.1. Implementing partner progress | Governments supported by the programme maintain an |

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| | targeted countries (S.0.2) | <p>2.2.2. # of public financial management procedures that are revised with the support of the Action to incorporate use of risk financing instruments¹⁴</p> <p>2.2.3. # of ACP DRR practitioners trained (disaggregated by sex and organisation/institution type) on disaster risk financing tools and strategies showing increased knowledge in the subject*</p> | <p>2.2.2. report Implementing partner progress report</p> <p>2.2.3. Knowledge tests, training reports</p> | ongoing engagement on disaster risk financing to support decision-making |
| Output 2J | Urban and Peri-Urban resilience mechanisms are improved in targeted cities. (S.0.2) | <p>2.3.1. # of analytical products¹⁵ developed with the support of the Action focused on risk and vulnerability in urban areas</p> <p>2.3.2. # of urban initiatives (disaggregated by type¹⁶), supported by the action in targeted areas</p> <p>2.3.3. # of ACP DRR practitioners trained (disaggregated by sex and organisation/institution type) on urban resilience related topics showing increased knowledge in the subject*</p> | <p>2.3.1. Progress reports, publications,</p> <p>2.3.2. Progress reports, urban initiatives</p> <p>2.3.3. Knowledge tests, training reports</p> | Governments, including administrations at city level, maintain an ongoing engagement on DRM and CCA |
| Output 3. | Early Warning Systems are operational in targeted regions and countries. (S.0.3) | <p>3.1.1. # of early warning systems that are operational (disaggregated by status and country) in countries targeted by the Action;</p> <p>3.1.2. # of EWS related analytical, policy and regulatory documents developed with the support of the Action;</p> <p>3.1.3. # of response plans, contingency plans, standard operational procedures to issue warnings strengthened or developed with the support of the Action;</p> <p>3.1.4. # of ACP DRR practitioners (disaggregated by sex and organisation/institution type) trained in early warning systems showing increased knowledge in the subject.*</p> | <p>3.1.1. Early warning systems, CREWS reports</p> <p>3.1.2. CREWS reports</p> <p>3.1.3. CREWS reports</p> <p>3.1.4. Knowledge tests, training reports;</p> | Governments have the institutional capacity to support the activities and to share information and promote cooperation between national institutions. |

¹⁴ Public financial management improvements can include, among others, procedures for budget reallocation post disaster; waivers of ex-ante controls in case of emergency; emergency procurement systems (including standby systems); procedures for ex-post audits.

¹⁵ Analytical products can include, among others, technical assessments, economic analysis, or risk profiles.

¹⁶ Urban initiative can include, among others, resilience policies, plans, or investment projects

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|-------------------|--|---|---|--|
| <p>Output 1.2</p> | <p>Communities and local stakeholders are more risk aware and able to take action that reduces risk. (S.0.3)</p> | <p>3.2.1. # of government-led programmes that build community and local level resilience at scale for livelihood co-benefits of women, children, youth, disabled and socio-economically marginalized.</p> <p>3.2.2. # risk-informed local development plans and DRR Strategies developed with the support of the action (aggregated by country).</p> <p>3.2.3. # of people working for Local Governments and CSO trained in community level disaster risk reduction and preparedness showing increased knowledge in the subject.*</p> | <p>3.2.1. Progress reports, mid-term reviews and periodic evaluation</p> <p>3.2.2. Annual reports by local administration</p> <p>3.2.3. Reports of CBOs and CSOs working at local level, knowledge tests, training reports,</p> | <p>Prioritization of local level risk management and resilience building by local administrations.</p> <p>Adequate capacities in local administrative units and active engagement of CBOs and CSOs in local level risk management and resilience building.</p> <p>Local administrations and communities invest in DRRICCA and EWS'</p> |
| <p>Output 3.3</p> | <p>Post Disaster recovery capacities are strengthened in targeted countries. (S.0.3)</p> | <p>3.3.1. # of countries supported by the action with finalized Recovery Frameworks* (disaggregated by status);</p> <p>3.3.2. # of countries with operational people centred/consultative mechanisms to monitor the implementation and progress of recovery with the support of the action;</p> <p>3.3.3. # of officials in regional organisations (disaggregated by sex and organisation/institution type) who demonstrate capacity to support member states in conducting PDNAs and developing Recovery Frameworks.</p> | <p>3.3.1. Progress reports, government reports and partner web with PDNAs/DRFs.</p> <p>3.3.2. Progress report, Records of consultations with local communities on progress of recovery</p> <p>3.3.3. Knowledge tests, training reports, reports of staff of regional organisations deployed for PDNA, Government records of expert deployment and tasks completed</p> | <p>Government willingness to commission PDNAs and DRFs after a disaster</p> <p>Government openness to accept regional and international experts to support recovery</p> <p>Government willingness to have social audits and consultations with communities on recovery</p> <p>Governments' engagement with regional organisations extend to disaster recovery.</p> |

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Annex fl a Action Document -March 2019 (DEVCO Companion 9.0)

— Electronically signed on 11/11/2020 10:42 (UTC+01) in accordance with article 11 of Commission Decision C(2020) 4482

ANNEX II - GENERAL CONDITIONS

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Part One: Provisions Applicable to Activities for which the Partner is the Contracting Authority

Article 1 - General principles

I.1 The purpose of Part One is to define the tasks entrusted to the Partner in indirect management as described in Annex I (Technical and Administrative Provisions) and to define the rights and obligations of the Partner and of the Commission in carrying out these tasks.

Part One shall apply to the tasks related to the EU contribution alone or in combination with the funds of the Partner or of a third party where such funds are implemented in joint co-financing, i.e. where they are pooled.

These tasks encompass the implementation by the Partner as contracting authority of procedures for the award of procurement contracts, grant contracts and contribution agreements as well as the awarding, signing and enforcing of the resulting procurement contracts, grant contracts and contribution agreements. For the purpose of Part One of this Financing Agreement, every reference to grant contracts shall also include contribution agreement and every reference to grant beneficiaries shall also include organisations having signed contribution agreements.

The designation of entities pertaining to the Partner's government or administrative structure and identified in Annex I (Technical and Administrative Provisions) to carry out certain tasks, does not qualify as sub-delegation. Such entities shall respect the rights and obligations laid down in Part One for the Partner as contracting authorities, while at the same time the Partner remains fully responsible for the fulfilment of the obligations stipulated in this Financing Agreement. References in the Financing Agreement to Partner also encompass those entities.

As contracting authority, the Partner shall act under partial delegation, except when it acts under the imprest component of a programme estimate or under a Partner managed pool fund:

Under partial delegation, the Partner acts as contracting authority for procurement contracts, grant contracts, whereby the Commission controls ex ante all award procedures and executes all related payments to the contractors and grant beneficiaries;

Under the imprest component of a programme estimate, the Partner acts as contracting authority for procurement and grant contracts, whereby it may, up to established thresholds, conduct procurement and grant award procedures without or with limited ex ante control of the Commission and execute payments to the contractors and grant beneficiaries, as well as in the context of direct labour.

Under a Partner managed pool fund, the Partner acts as contracting authority for procurement contracts and grant contracts, whereby the Commission does not control ex ante any award procedure and the Partner executes all related payments to the contractors and grant beneficiaries.

Where the Partner is an ACP State and the action is financed by the EDF pursuant to Article 1.1

of the Special Conditions, the tasks entrusted shall be those listed in points (c) to (k) of the sixth subparagraph of Article 35(1) and in Article 35(2) of Annex IV to the ACP-EC Partnership Agreement

Where the Partner is an OCT and the action is financed by the EDF pursuant to Article 1.1 of the Special Conditions, the implementation of tasks entrusted shall also respect the conditions of Article 86(3) of Council Decision 2013/1755/EU of 25 November 2013 on the association of the overseas countries and territories with the European Union (Overseas Association Decision).

- 1.2 The Partner shall remain responsible for the fulfilment of the obligations stipulated in this Financing Agreement even if it designates other entities identified in Annex I (Technical and Administrative Provisions) to carry out certain tasks. The Commission, in particular, reserves the right to suspend payments, and to suspend and/or terminate this Financing Agreement on the basis of the acts, omissions and/or situations of any designated entity.
- 1.3 The Partner shall set up and ensure the functioning of an effective and efficient internal control system. The Partner shall respect the principles of sound financial management, transparency, non-discrimination, visibility of the European Union in the implementation of the action and avoid situations of conflict of interest.

A conflict of interest exists where the impartial and objective exercise of the functions of any responsible person is compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other direct or indirect personal interest.

Internal control system is a process aimed at providing reasonable assurance that operations are effective, efficient and economical, that the reporting is reliable, that assets and information are safeguarded, that fraud and irregularities are prevented, detected and corrected, and that risks relating to the legality and regularity of the financial operation are adequately managed, taking into account the multiannual character of the activities as well as the nature of the payments concerned.

In particular, where the Partner carries out payments under the imprest component of a programme estimate or in the framework of a Partner managed pool fund, the functions of the authorising and accounting officers shall be segregated and mutually incompatible and the Partner shall operate an accounting system that provides accurate, complete, reliable and timely information.

- 1.4 Outside the cases where the Partner applies its own (including in the case of a Partner managed pool fund, those agreed upon by the pool fund's donors) procedures and standard documents for the award of procurement contracts and grant contracts, the Partner shall conduct the award procedures and conclude the resulting contracts and agreements in the language of this Financing Agreement.
- 1.5 The Partner shall take the necessary measures to ensure the visibility of EU funding for the activities entrusted to it or for other activities under this action. These measures shall either be defined in Annex I (Technical and Administrative Provisions) or shall be agreed later between the Partner and the Commission.

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These communication and information measures shall comply with the Communications and Visibility Requirements for EU External Actions laid down and published by the Commission, in force at the time of the measures.

- 1.6 Under partial delegation and under the imprest component of a programme estimate, the Partner shall keep all relevant financial and contractual supporting documents from the date of the entry into force of this Financing Agreement or as from an earlier date which is stipulated as the start date of cost eligibility in Article 6 of the Special Conditions for five years as from the end of the execution period, in particular, the following:

Procurement procedures:

- a. Forecast notice with proof of publication of the procurement notice and any corrigenda
- b. Appointment of shortlist panel
- c. Shortlist report (incl. annexes) and applications
- d. Proof of publication of the shortlist notice
- e. Letters to non-shortlisted candidates
- f. Invitation to tender or equivalent
- g. Tender dossier including annexes, clarifications, minutes of the meetings, proof of publication
- h. Appointment of the evaluation committee
- i. Tender opening report, including annexes
- j. Evaluation /negotiation report, including annexes and bids received¹
- k. Notification letter
- l. Supporting documents
- m. Cover letter for submission of contract
- n. Letters to unsuccessful candidates
- o. Award /cancellation notice, including proof of publication
- p. Signed contracts, amendments, riders and relevant correspondence

Calls for proposals and direct award of grants:

- a. Appointment of the evaluation committee
- b. Opening and administrative report including annexes and applications received'
- c. Letters to successful and unsuccessful applicants following concept note evaluation
- d. Concept note evaluation report

¹ Elimination of unsuccessful bids five years after the closure of the procurement procedure

² Elimination of unsuccessful applications three years after the closure of the grant procedure.

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- e. Evaluation report of the full application or negotiation report with relevant annexes
 - f. Eligibility check and supporting documents
 - g. Letters to successful and unsuccessful applicants with approved reserve list following full application evaluation
 - h. Cover letter for submission of grant contract
 - 1. Award/cancellation notice with proof of publication
 - j. Signed contracts, amendments, riders and relevant correspondence.
- 1.7 The Partner shall ensure an appropriate protection of personal data. Personal data means any information relating to an identified or identifiable natural person.

Personal data shall be:

- Processed lawfully, fairly and in a transparent manner in relation to the data subject;
- Collected for specified, explicit and legitimate purposes and not further processed in a manner that is incompatible with those purposes;
- Adequate, relevant and limited to what is necessary in relation to the purposes for which they **are processed**;
- Accurate and, where necessary, kept up to date;
- Processed in a manner that ensures appropriate security of the personal data and
- Kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the personal data are processed. Personal data included in documents to be kept by the Partner in accordance with Article 16.1 has to be deleted once the deadline set out in Article 16.1 has expired.

Any operation involving the processing of personal data, such as collection, recording, **organisation, storage, adaption or alteration, retrieval, consultation, use, disclosure, erasure or destruction**, shall be based on rules and procedures of the Partner and shall only be done as far as it is necessary for the implementation of this Financing Agreement.

In particular, the Partner shall take appropriate technical and organisational security measures concerning the risks inherent in any such operation and the nature of the information relating to the natural person concerned, in order to:

- a) Prevent any unauthorised person from gaining access to computer systems performing such operations, and especially unauthorised reading, copying, alteration or removal of storage media; unauthorised data input as well as any unauthorised disclosure, alteration or erasure of stored information;
- b) Ensure that authorised users of an IT system performing such operations can access only the information to which their access right refers;
- c) Design its organisational structure in such a way that it meets the above requirements.

Article 2 - Deadline for the signature of contracts and agreements by the Partner

- 2.1 The procurement contracts and grant contracts shall be signed during the operational implementation period of this Financing Agreement.

When implementing a multi-donor Action, the procurement contracts and grant contracts shall be concluded within the contracting deadline set out in the Special Conditions or set out for the imprest component of the programme estimate.

When the Action is not a multi-donor Action, procurement contracts and grant contracts shall be concluded at the latest within three years of the entry into force of this Financing Agreement.

Additional procurement contracts and grant contracts resulting from an amendment to this Financing Agreement which increases the EU contribution shall be signed at the latest within three years of the entry into force of that amendment to this Financing Agreement, or for a multi-donor Action within the fixed contracting deadline for the additional EU contribution.

The three years-deadline for non-multi-donor Actions may not be extended, except when the action is financed by the EDF. In such cases, the extension shall be stipulated in Article 6 of the Special Conditions.

- 2.2 However, the following transactions may be signed at any time during the operational implementation period:
- a. amendments to procurement contracts and grant contracts already signed;
 - b. procurement contracts and grant contracts to be concluded after early termination of existing procurement contracts and grant contracts;
 - c. contracts relating to audit and evaluation, which may also be signed during the closure period;
 - d. operating costs referred to in Article 5.1;
- 2.3 After expiry of the deadlines referred to in Article 2.1, the financial balance for the related activities entrusted to the Partner for which contracts have not been duly signed shall be decommitted by the Commission.
- 2.4 No such decommitment shall apply to the funds budgeted for audit and evaluations referred to in Article 2.2.c) or the operating costs referred to in Article 2.2.d).

Likewise, no such decommitment shall apply to any financial balance of the contingency reserve or to funds available again after early termination of a contract referred to in Article 2.2.b), which both may be used to finance contracts referred to in Article 2.2.

Article 3 - Exclusion and administrative sanctions

- 3.1 Exclusion criteria

- 3.1.1 When applying the procedures and standard documents laid down and published by the Commission for the award of procurement and grant contracts, the Partner shall accordingly ensure that no EU financed procurement or grant contract is awarded to an economic operator or grant applicant if the economic operator or grant applicant either itself, or a person having powers of representation, decision making or control over it, is in one of the exclusion situations provided for in the relevant procedures and standard documents of the Commission.
- 3.1.2 When applying its own (including, in the case of a Partner managed pool fund, those agreed upon by the pool fund's donors) procedures and standard documents for the award of procurement and grant contracts, the Partner shall adopt measures, in accordance with its own national legislation, to ensure that no EU financed procurement or grant contract is awarded to an economic operator or grant applicant if the Partner becomes aware that these entities:
- a) or persons having powers of representation, decision making or control over them, have been the subject of a final judgement or of a final administrative decision for fraud, corruption, involvement in a criminal organisation, money laundering, terrorist-related offences, child labour or trafficking in human beings;
 - b) or persons having powers of representation, decision making or control over them have been the subject of a final judgement or of a final administrative decision for an irregularity affecting the EU's financial interest;
 - c) are guilty of misrepresentation in supplying the information required as a condition of participation in the procedure or if they fail to supply this information;
 - d) have been the subject of a final judgment or of a final administrative decision establishing that the entities have created an entity under a different jurisdiction with the intention to circumvent fiscal, social or any other legal obligations of mandatory application in the jurisdiction of its registered office, central administration or principal place of business;
 - e) have been created with the intention described in point d) above as established by a final judgment or a final administrative decision.

The Partner may take into account, as appropriate and on its own responsibility, the information contained in the Commission's Early Detection and Exclusion System when awarding procurement and grant contracts. Access to the information can be provided through the liaison point(s) or via consultation to the Commission (European Commission, Directorate-General for Budget, Accounting Officer of the Commission, BRE2-13/505, B-1049 Brussels, Belgium and by email to BUDG-CO1-EXCL-DB@ec.europa.eu in copy to the Commission address identified in Article 3 of the Special Conditions). The Commission may refuse payments to a contractor or grant beneficiary in an exclusion situation.

3.2 Information duty

The Partner shall inform the Commission when an economic operator or grant applicant is in a situation referred to in Article 3.1, or has committed irregularities and fraud, or has been found in serious breach of its contractual obligations.

3.3 Administrative sanctions

Where the Partner becomes aware of one of the situations referred to in Article 3.I in the implementation of the tasks described in Annex I, the Partner shall, under the conditions of its national legislation, impose upon the economic operator or grant applicant, an exclusion from its future procurement or grant award procedures and/or a financial penalty proportional to the value of the contract concerned. Such financial penalties or exclusions shall be imposed following an adversarial procedure ensuring the right of defence of the person concerned.

The Partner may be exempted from the obligations under the first paragraph where:

- the Partner's national legislation does not allow to impose an exclusion and/or a financial penalty,
- the protection of the EU's financial interests requires to impose an administrative sanction within deadlines incompatible with the Partner's internal procedures,
- the imposition of an administrative sanction requires a mobilisation of resources beyond the Partner's means,
- its national legislation does not allow to exclude an economic operator from all EU financed award procedures.

In such cases, the Partner will notify its impediment to the Commission. The Commission may decide to impose to the economic operator or grant applicant an exclusion from future EU financed award procedures and/or a financial penalty between 2 % and 10 % of the total value of the contract concerned.

Article 4 - Partial delegation

Award procedures

- 4.1 The tasks shall be carried out by the Partner in accordance with the procedures and standard documents laid down and published by the Commission for the award of procurement contracts and grant contracts, in force at the time of the launch of the procedure in question.

Ex ante control

4.2 To allow ex ante control, the Partner shall submit tender dossiers and documents for calls for proposals, to the Commission for approval before launching invitations to tender and calls for proposals. Likewise, the Partner shall invite the Commission to the opening of tenders and proposals, and shall provide the Commission with copies of tenders and proposals received. The Partner shall notify the Commission of the results of the examination of tenders and proposals and shall submit the award proposal, as well as the draft procurement contracts and grant contracts to the Commission for approval.

During the implementation of the procurement contracts and grant contracts, the Partner shall equally submit draft addenda and draft administrative orders thereto, to the Commission for prior approval.

The Partner shall invite the Commission for provisional and final acceptance.

Report / Management Declaration

- 4.3 If Article 5 of the Special Conditions so provides, the report on the implementation of the tasks entrusted to the Partner shall follow the template provided in Annex III and the management declaration shall follow the template provided in Annex IV. An independent external audit opinion on the management declaration, performed in accordance with internationally accepted auditing standards, does not have to be provided in this case as the Commission shall conduct the audits for this action. These audits will verify the truthfulness of the assertions made in the management declaration and the legality and regularity of the underlying transactions made.

Payment procednres

- 4.4 The Partner shall provide the Commission with the approved payment requests within the following deadlines, starting from the date of receipt of the payment request, not counting the periods of suspension of the time-limit for payment:
- (a) for pre-financing specified in the procurement contract and grant contract:
 - (i) 15 calendar days for an action financed under the Budget;
 - (ii) 30 calendar days for an action financed under the EDF;
 - b) 45 calendar days for other payments

The Commission shall act in accordance with Articles 4.9 and 4.10 within the period amounting to the time-limit for payment provided for in the procurement contract and grant contracts minus the above deadlines.

- 4.5 Upon receipt of a payment request from a contractor, or grant beneficiary, the Partner shall inform the Commission of its receipt and shall immediately examine whether the request is admissible, i.e. whether it contains the identification of that contractor or grant beneficiary, the contract or agreement concerned, the amount, the currency and the date. If the Partner concludes that the request is inadmissible, it shall reject it and inform the contractor or grant beneficiary of this rejection and of its reasons within 30 days of receipt of the request. The Partner shall also inform the Commission of this rejection and its reasons.
- 4.6 Upon receipt of an admissible payment request, the Partner shall examine whether a payment is due, i.e. whether all contractual obligations justifying the payment have been fulfilled, including examining a report, where applicable. If the Partner concludes that a payment is not due, it shall inform the contractor or grant beneficiary thereof and of the reasons. The dispatch of this information suspends the time-limit for payment. The Commission shall receive a copy of the information so dispatched. The Commission shall also be informed of the reply or corrective action of the contractor or grant beneficiary. That reply or action aimed at correcting the non-compliance with its contractual obligations shall restart the time-limit for payment. The Partner shall examine this reply or action pursuant to this paragraph.
- 4.7 If the Commission disagrees with the Partner's conclusion that a payment is not due, it shall inform the Partner thereof. The Partner shall re-examine its positions and, if it concludes that the payment is due, it shall inform thereof the contractor or, grant beneficiary. The suspension of the time-limit for payment shall be lifted upon dispatch of this information. The Partner shall also inform the Commission. The Partner shall further proceed as provided for in Article 4.8.

If disagreement between the Partner and the Commission persists, the Commission may pay the undisputed part of the invoiced amount provided that it is clearly separable from the disputed amount. It shall inform the Partner and the contractor or grant beneficiary of this partial payment.

- 4.8 Where the Partner concludes that the payment is due, it shall transfer the payment request and all necessary accompanying documents to the Commission for approval and payment. It shall provide an overview of how many days of the time-limit for payment are left and of all periods of suspension of this time-limit.
- 4.9 After transfer of the payment request pursuant to Article 4.8, if the Commission concludes that the payment is not due, it shall inform the Partner and, in copy, the contractor or grant beneficiary thereof and of the reasons. Informing the contractor or grant beneficiary shall have the effect of suspending the time-limit for payment, as provided for in the contract concluded. A reply or corrective action of the contractor or grant beneficiary shall be treated by the Partner in accordance with Article 4.6.
- 4.10 Where the Partner and the Commission conclude that the payment is due, the Commission shall execute the payment.
- 4.11 Where late-payment interest is due to the contractor or grant beneficiary, it shall be allocated between the Partner and the Commission pro rata to the days of delay in excess of the time limits stipulated in Article 4.4, subject to the following:
- (a) the number of days used by the Partner is calculated from the date of the registration of an admissible payment request referred to in Article 4.6 to the date of the transfer of the request to the Commission referred to in Article 4.8 and from the date of information by the Commission referred to Article 4.9 to the following transfer of the request to the Commission referred to in Article 4.8. Any period of suspension of the time-limit for payment shall be deducted.
 - (b) the number of days used by the Commission is calculated from the date following that of transfer of the request by the Partner referred to in Article 4.8 to the date of payment and from the date of transfer to the date of informing the Partner pursuant to Article 4.9.
- 4.12 Any circumstances unforeseen by the above procedure shall be solved in a spirit of cooperation between the Partner and the Commission by analogy to the above provisions while respecting the contractual relations of the Partner with the contractor or grant beneficiary.
- Where feasible, one party shall cooperate at the request of the other party in providing useful information for the assessment of the payment request, even before the payment request is formally transferred to or returned from the first party.
- 4.13 A procurement contract or grant contract which has not given rise to any payment within two years of its signature shall be automatically terminated and its funding shall be decommitted, except in case of litigation before judicial courts or arbitral bodies.

Article 5 - Imprest component of the programme estimate

Application

5.1 The programme estimate is a document laying down the programme of activities to be carried out and the human and material resources required, the corresponding budget and the detailed technical and administrative implementing arrangements for the execution of these operational activities over the operational implementation period of this Financing Agreement.

The programme estimate implementing the Financing Agreement must respect the procedures and standard documents concerning programme estimates laid down by the Commission, in force at the time of the adoption of the programme estimate in question.

The body implementing those operational activities within the programme estimate, may be the central government of the Partner itself (central operations) or a commissioned public law or private law body with a public-service mission (public commissioned operations) or, under EDF only, a private law body without a public-service mission on the basis of a service contract (private commissioned operations).

The programme estimate shall have an imprest component and may have a component of specific commitments.

Under the component of specific commitments, Article 4 shall apply.

Under the imprest component of the programme estimate, the implementing body may, up to established thresholds, conduct procurement and grant award procedures without or with limited ex ante control of the Commission and execute payments to the contractors and grant beneficiaries, as well as in the context of direct labour.

Direct labour relates to the operational activities which the implementing body executes directly using staff it employs and/or its existing resources (machinery, equipment, other inputs).

The operating costs incurred by the implementing body may be eligible for EU financing under the imprest component of the programme estimate. If so, they shall be eligible for EU financing during the entire duration of the execution period of this Financing Agreement, unless an earlier start of cost eligibility is stipulated in Article 6 of the Special Conditions. Operating costs are costs of the implementing body incurred in carrying out implementation tasks and include local staff, utilities (e.g. water, gas, and electricity), rental of premises, consumables, maintenance, short-term business trips and fuel for vehicles. They shall not include procurement of vehicles or of any other equipment, or any operational activity. Such ordinary operating costs may be charged and paid in accordance with the implementing body's own procedures.

Award procedures

5.2 Under the imprest component of the programme estimate, the implementing body may carry out, totally or partially, the award procedures for procurement and grant contracts in accordance with its own procedures and standard documents, to the extent that prior evidence is obtained by the Commission that the Partner's implementing body:

ensures the functioning of an effective and efficient internal control system, and
applies appropriate rules and procedures for procurement and/or grants.

To the extent that no such evidence is obtained, the award procedures for procurement and grant contracts shall be carried out by the implementing body in accordance with the procedures and standard documents laid down and published by the Commission, in force at the time of the launch of the procedure in question.

Ex ante control

- 5.3 Under the imprest component, unless the Technical and Administrative Arrangements of the programme estimate stipulate otherwise, the implementing body shall submit to the Commission for prior approval, the tender dossiers and proposals for award decision of procurement contracts whose value exceeds 1 000,000 EUR, as well as all guidelines for applications and proposals for award decisions of grant contracts, which follow the procedures and standard documents laid down and published by the Commission.

In addition to the record-keeping obligations laid down in Article 1.6 of these General Conditions, the Partner shall, during the same period, keep all relevant financial and contractual supporting documents.

Management declaration

- 5.4 The Partner shall submit to the Commission annually, by the date stipulated in Article 6 of the Special Conditions, a management declaration signed by the Partner using the template in Annex IV.

An independent external audit opinion on the management declaration, performed in accordance with internationally accepted auditing standards, does not have to be provided in this case as the Commission shall conduct the audits for this action. These audits will verify the truthfulness of the assertions made in the management declaration and the legality and regularity of the underlying transactions made.

Payments

- 5.5 The Commission shall transfer the first pre-financing instalment, upon signature of the programme estimate by all parties, within 60 calendar days where the programme estimate is financed by the EDF and 30 calendar days where it is financed from the EU Budget,

The Commission shall pay the further pre-financing instalments within 60 calendar days of receiving and approving the payment request and its reports.

Late-payment interest shall be due pursuant to the applicable Financial Regulation. The time-limit for the payment may be suspended by the Commission by informing the Partner, at any time during the period referred to above, that the payment request cannot be met, either because

the amount is not due or because the appropriate supporting documents have not been produced. If information which puts in doubt the eligibility of expenditure appearing in a payment request comes to the notice of the Commission, the Commission may suspend the time-limit for the payment for the purpose of further verification, including an on-the-spot check, in order to ascertain, prior to payment, that the expenditure is indeed eligible. The suspension and the reasons for it shall be communicated to the Partner as soon as possible. The time-limit for the payment shall resume once the missing supporting documents have been provided or the payment request has been corrected.

- 5.6 The Commission shall make payments to a bank account opened at a financial institution accepted by the Commission.
- 5.7 The Partner shall guarantee that funds paid by the Commission can be identified in this bank **account**.
- 5.8 Transfers in euro shall, if necessary, be converted into the Partner's national currency as and when payments have to be made by the Partner, at the bank rate in force on the day of payment by the Partner.

Article 6 - Pool fund managed by the Partner

Application

- 6.1 The Partner managing a pool fund, may be eligible for an EU Contribution to that pool fund, to the extent that prior evidence is obtained by the Commission that the managing entity within the Partner:

ensures the functioning of an effective and efficient internal control system,

uses an accounting system that provides accurate, complete and reliable information in a timely manner;

is subject to an independent external audit, performed in accordance with internationally accepted auditing standards by an audit service functionally independent of the entity or person concerned;

applies appropriate rules and procedures for procurement and grants;

ensures the ex post publication of information on recipients; and

ensures a reasonable protection of personal data.

Award procedures

- 6.2 As regards the EU Contribution to a Partner managed pool fund, the managing entity within the Partner shall carry out the tasks in accordance with its own procedures and standard documents for the award of procurement and grant contracts, or with those agreed upon among the donors.

Implementation

- 6.3 As regards the EU Contribution to a Partner managed pool fund, in addition to the rights and obligations already laid down in these General Conditions, further rules detailed in Annex V to the Financing Agreement shall apply to the Partner for the implementation of the EU Contribution to the pool fund.

Article 7 - Publication of information on procurement and grant contracts by the Partner

- 7.1 The Partner undertakes to publish each year in a dedicated and easily accessible place of its internet site, for each procurement and grant contract for which it is contracting authority under the imprest component of the programme estimate referred to in Article 5 and the pool funds referred to in Article 6, its nature and purpose, the name and locality of the contractor (contractors in case of a consortium) or grant beneficiary (grant beneficiaries in case of a multi-beneficiary grant), as well as the amount of the contract.

The locality of a natural person shall be a region at NUTS2 level. The locality of a legal person shall be its address.

If such internet publication is impossible, the information shall be published by any other appropriate means, including the official journal of the Partner.

Article 6 of the Special Conditions shall stipulate the location, on the internet or otherwise, of the place of publication; reference shall be made to this location in the dedicated place of the internet site of the Commission.

- 7.2 Education support and direct financial support to natural persons most in need shall be published anonymously and in an accumulated manner by category of expenditure.

Names of natural persons shall be replaced by "natural person" two years after publication. The name of a legal entity containing that of a natural person involved in this entity shall be treated **as a natural person's name.**

Publication of names of natural persons shall be waived if such publication risks violating their fundamental rights or damaging their commercial interests.

The Partner shall present a list of data to be published on natural persons with any justifications for proposed waivers of publication to the Commission which must grant prior authorisation to this list. Where necessary, the Commission shall complete the locality of the natural person limited to a region at NUTS2 level.

- 7.3 Publication of the procurement and grant contracts concluded (i.e. signed by the Partner and the contractor or grant beneficiary) during the reporting period shall take place within six months following the date for submitting the report pursuant to Article 6 of Special Conditions.
- 7.4 Publication of contracts may be waived if such publication risks harming the commercial interests of contractors or grant beneficiaries. The Partner shall present a list with such justifications to the Commission which must grant prior authorisation to such publication

waiver.

- 7.5 Where the Commission carries out payments to contractors or grant beneficiaries pursuant to Article 4, it shall ensure the publication of information on procurement contracts and grant contracts according to its rules.

Article 8 - Recovery of funds

- 8.1 The Partner shall take any appropriate measures to recover the funds unduly paid.
- Amounts unduly paid and recovered by the Partner, amounts from financial guarantees lodged on the basis of procurement and grant award procedures, amounts from financial penalties imposed by the Partner, as well as damages awarded to the Partner shall be returned to the Commission.
- 8.2 Without prejudice to the above responsibility of the Partner to recover funds unduly paid, the Partner agrees that the Commission may, in accordance with the provisions of the Financial Regulation applicable and this Financing Agreement, formally establish an amount as being unduly paid under procurement contracts and grant contracts financed under Part One and proceed to its recovery by any means on behalf of the Partner, including by offsetting the amount owed by the contractor or grant beneficiary against any of its claims against the EU and by forced recovery before the competent courts.
- 8.3 To this end, the Partner shall provide to the Commission all the documentation and information necessary. The Partner hereby empowers the Commission to carry out the recovery in particular by calling on a guarantee of a contractor or grant beneficiary of which the Partner is the contracting authority or by offsetting the funds to be recovered against any amounts owed to the contractor or grant beneficiary by the Partner as contracting authority and financed by the EU under this or another Financing Agreement or by forced recovery before the competent courts.
- 8.4 The Commission shall inform the Partner that the recovery proceedings have been initiated (including where necessary before a national court).
- 8.5 Where the Partner is a grant beneficiary of an entity with which the Commission concluded a contribution agreement, the Commission may recover funds from the Partner which are due to the entity but which the entity was not able to recover itself.

Article 9 - Financial claims under procurement and grant contracts

The Partner undertakes to confer with the Commission before taking any decision concerning a request for compensation made by a contractor or grant beneficiary and considered by the Partner to be justified in whole or in part. The financial consequences may be borne by the EU only where the Commission has given its prior authorisation. Such prior authorisation is also required for any use of funds committed under the present Financing Agreement to cover costs arising from disputes relating to contracts.

Article 10 - Cost overruns and ways of financing them

- 10.1 Individual overruns of the budget headings of the activities implemented by the Partner shall be dealt with by reallocating funds within the overall budget, in accordance with Article 25 of these General Conditions.
- 10.2 Wherever there is a risk of overrunning the amount foreseen for the activity implemented by the Partner, the Partner shall immediately inform the Commission and seek its prior authorisation for the corrective activities planned to cover the overrun, proposing either to scale down the activities or to draw on its own or other non-EU resources.
- 10.3 If the activities cannot be scaled down, or if the overrun cannot be covered either by the Partner's own resources or other resources, the Commission may, at the Partner's duly substantiated request, decide to grant additional EU financing. Should the Commission take such a decision, the excess costs shall be financed, without prejudice to the relevant EU rules and procedures, by the release of an additional financial contribution to be set by the Commission. This Financing Agreement shall be amended accordingly.

Part Two: Provisions Applicable to Budget Support

Article 11 - Policy dialogue

The Partner and the EU commit to engage in a regular constructive dialogue at the appropriate level on the implementation of this Financing Agreement.

Where the Partner is an ACP State and this action is financed under the EDF pursuant to Article 1.1 of the Special Conditions, this dialogue may form a part of the broader political dialogue provided for in Article 8 of the ACP-EC Partnership Agreement.

Article 12 - Verification of conditions and disbursement

- 12.1. The Commission shall verify the conditions for the payment of the tranches of the budget support component, as identified in Annex I (Technical and Administrative Provisions).
- Where the Commission concludes that the conditions for payment are not fulfilled, it shall inform the Partner thereof without undue delay.
- 12.2. Disbursement requests submitted by the Partner shall be eligible for EU financing provided that they are in accordance with the provisions set out in Annex I (Technical and Administrative Provisions) and that they are submitted during the operational implementation period.
- 12.3. The Partner shall apply its national foreign exchange regulations in a nondiscriminatory manner to all disbursements of the budget support component.

Article 13 - Transparency of budget support

The Partner hereby agrees to the publication by the Commission, of this Financing Agreement and any amendment thereof, including by electronic means, and of such basic information on the budget support which the Commission deems appropriate. Such publication shall not contain any data in violation of the EU laws applicable to the protection of personal data.

Article 14 - Recovery of budget support

All or part of the budget support disbursements may be recovered by the Commission, with due respect to the principle of proportionality, if the Commission establishes that payment has been vitiated by a serious irregularity attributable to the Partner, in particular if the Partner provided unreliable or incorrect information, or if corruption or fraud was involved.

**Part Three: Provisions Applicable to this Action as a Whole,
Irrespective of the Management Mode**

Article 15 - Execution period and contracting deadline

15.1 The execution period of this Financing Agreement shall comprise two periods:

an operational implementation period, in which the operational activities of the action are carried out. This period shall start on the entry into force of this Financing Agreement or on the date stipulated in the Special Conditions and end with the opening of the closure period.

a closure period, during which final audit and evaluation are carried out and contracts and the programme estimate for the implementation of this Financing Agreement are technically and financially closed. The duration of this period is stipulated in Article 2.3 of the Special Conditions. It starts after the end of the operational implementation period.

These periods shall be reflected in the agreements to be concluded by the Partner and by the Commission in the implementation of this Financing Agreement, in particular in contribution agreements and procurement and grant contracts.

15.2 Costs related to the operational activities shall be eligible for EU financing only if they have been incurred during the operational implementation period; the costs incurred before the entry into force of this Financing Agreement shall not be eligible for EU financing unless provided otherwise in Article 6 of the Special Conditions. Costs related to final audits and evaluation, to closure activities and operating costs referred to in Article 5.1 shall be eligible until the end of the closure period.

15.3 Any balance remaining from the EU contribution shall be automatically decommitted no later than six months after the end of the execution period.

15.4 In exceptional and duly substantiated cases, a request may be made for the extension of the operational implementation period or the closure period, as well as correlatively of the execution period. If agreed upon, the Financing Agreement shall be amended accordingly.

- 15.5 Article 2 of these General Conditions shall apply to procurement contracts, grant contracts and contribution agreements awarded by the Commission as contracting authority with the exception of the last subparagraph of Article 2.1.

Article 16 - Verifications and checks by the Commission, the European Anti-Fraud Office (OLAF) and the European Court of Auditors

- 16.1 The Partner shall assist and support the verifications and checks carried out by the Commission, OLAF and the European Court of Auditors at their request.

The Partner agrees to the Commission, OLAF and the European Court of Auditors conducting documentary and on-the-spot controls on the use made of EU financing under the activities under this Financing Agreement and carrying out a full audit, if necessary, on the basis of supporting documents of accounts and accounting documents and any other documents relating to the financing of the activities, throughout the duration of this Financing Agreement and for five years from the end of the execution period.

- 16.2 The Partner also agrees that OLAF may carry out on-the-spot checks and verifications in accordance with the procedures laid down by EU law for the protection of the EU's financial interests against fraud and other irregularities.

To that end, the Partner shall grant officials of the Commission, OLAF and the European Court of Auditors and their authorised agents access to sites and premises at which operations financed under this Financing Agreement are carried out, including their computer systems, and to any documents and computerised data concerning the technical and financial management of those operations, and to take every appropriate measure to facilitate their work. Access by authorised agents of the Commission, OLAF and the European Court of Auditors shall be granted on conditions of strict confidentiality with regard to third parties, without prejudice to public law obligations to which they are subject. Documents must be accessible and filed in a manner permitting easy inspection, the Partner being bound to inform the Commission, OLAF or the European Court of Auditors of the exact location at which they are kept.

- 16.3 The checks and audits described above shall also apply to contractors, grant beneficiaries, organisations having signed contribution agreements and subcontractors who have received EU financing.

- 16.4 The Partner shall be notified of on the spot missions by agents appointed by the Commission, OLAF or the European Court of Auditors.

Article 17 - Tasks of the Partner in fighting irregularities, fraud and corruption

- 17.1 The Partner shall immediately inform the Commission of any element brought to its attention which arouses suspicions of irregularities, fraud or corruption and of any measure taken or planned to deal with them.

- 17.2 The Partner shall ensure and check regularly that the actions financed from the budget are

effectively carried out and implemented correctly. It shall take appropriate measures to prevent, detect and correct irregularities and fraud and where necessary, bring prosecutions and recover funds unduly paid.

"Irregularity" shall mean any infringement of this Financing Agreement, implementing contracts and programme estimate or of EU law resulting from an act or omission by anyone who has, or would have, the effect of prejudicing the funds of the EU, either by reducing or losing revenue owed to the EU, or by an unjustified item of expenditure.

"Fraud" shall mean any intentional act or omission concerning:

the use or presentation of false, incorrect or incomplete, statements or documents which has as its effect the misappropriation or wrongful retention of funds from the general budget of the EU or the EDF;

non-disclosure of information in violation of a specific obligation, with the same effect;

the misapplication of such funds for purposes other than those for which they are originally granted.

17.3 The Partner undertakes to take every appropriate measure to prevent, detect and punish any practices of active or passive corruption during the implementation of the Financing Agreement.

"Passive corruption" shall mean the deliberate action of an official, who, directly or through an intermediary, requests or receives advantages of any kind whatsoever, for himself or for a third party, or accepts a promise of such an advantage, to act or refrain from acting in accordance with his duty or in the exercise of his functions in breach of his official duties, which has, or would have, the effect of harming the EU's financial interests.

"Active corruption" shall mean the deliberate action of whosoever promises or gives, directly or through an intermediary, an advantage of any kind whatsoever to an official, for himself or for a third party, to act or refrain from acting in accordance with his duty or in the exercise of his functions in breach of his official duties, which has, or would have, the effect of harming the EU's financial interests.

17.4 If the Partner does not take appropriate measures to prevent fraud, irregularities and corruption, the Commission may adopt precautionary measures including the suspension of this Financing Agreement.

Article 18 - Suspension of payments

18.1 Without prejudice to the suspension or termination of this Financing Agreement according to Articles 26 and 27, respectively, the Commission may suspend payments partially or fully, if:

- a) the Commission has established or has serious concerns that, on the basis of information it received, and needs to verify, the Partner has committed substantial errors, irregularities or fraud in the procurement and grant award procedure or in the implementation of the action, or the Partner has failed to comply with its obligations under this Financing Agreement, including obligations regarding the implementation of the Communication and Visibility plan;

- b) the Commission has established or has serious concerns that, on the basis of information it received, and needs to verify, the Partner has committed systemic or recurrent errors, irregularities, fraud or breach of obligations under this or other Financing Agreements, provided that those errors, irregularities, fraud or breach of obligations have a material impact on the implementation on this Financing Agreement or call into question the reliability of the Partner's internal control system or the legality and regularity of the underlying expenditure;
 - c) the Commission suspects that the Partner committed substantial errors, irregularities, fraud or breach of obligations in the procurement and grant award procedure or in the implementation of the action and needs to verify whether they have occurred.
 - d) it is necessary to prevent significant damage to the financial interests of the EU.
- 18.2 The Commission shall immediately inform the Partner about the suspension of payments and of the reasons for this suspension.
- 18.3 The suspension of payments shall have the effect of suspending payment time-limits for any payment request pending.
- 18.4 In order to resume payments the Partner shall endeavour to remedy the situation leading to the suspension as soon as possible and shall inform the Commission of any progress made in this respect. The Commission shall, as soon as it considers that the conditions for resuming payments have been met, inform the Partner thereof.

Article 19 - Allocation of funds recovered by the Commission to the action

Where the action is financed under the EDF, amounts unduly paid and recovered by the Commission, amounts from financial guarantees lodged on the basis of procurement and grant award procedures, amounts from financial penalties imposed, as well as damages awarded to the Commission shall be allocated to this action.

Article 20 - Right of establishment and residence

- 20.1 Where justified by the nature of the procurement contract, grant contract or contribution agreement, the Partner shall entitle natural and legal persons participating in invitations to tender for works, supply or service contracts or calls for proposals and organisations expected to sign contribution agreements with a provisional right of establishment and residence in the Partner's territory(ies). This right shall remain valid for one month after the contract is awarded.
- 20.2 The Partner shall also entitle procurement contractors, grant beneficiaries, organisations having signed contribution agreements and natural persons whose services are required for the performance of this action and members of their families with similar rights during the implementation of the action.

Article 21 - Tax and customs provisions and foreign exchange arrangements

21.1 The Partner shall apply to procurement contracts, grants contracts and contribution agreements financed by the EU the most favoured tax and customs arrangements applied to States or international development organisations with which it has relations.

Where the Partner is an ACP State, account shall not be taken of arrangements applied by it to the other ACP States or to other developing countries for the purpose of determining the most-favoured-State treatment.

21.2 Where a Framework Agreement is applicable, which includes more detailed provisions on this subject, these provisions shall apply as well.

Article 22 - Confidentiality

22.1 The Partner agrees that its documents and data held by an entity with which the Partner is in a contractual relationship regarding them may be forwarded to the Commission by that entity for the sole purpose of implementing this or another Financing Agreement. The Commission shall respect all confidentiality arrangements agreed between the Partner and that entity.

22.2 Without prejudice to Article 16 of these General Conditions, the Partner and the Commission shall preserve the confidentiality of any document, information or other material directly related to the implementation of this Financing Agreement that is classified as confidential.

22.3 The Parties shall obtain each other's prior written consent before publicly disclosing such information.

22.4 The Parties shall remain bound by the confidentiality until five years after the end of the execution period.

22.5 The Partner shall also comply with the obligations under Article 1.7 where the Commission provides personal data to the Partner, for example in the context of procedures and contracts managed by the Commission.

Article 23 - Use of studies

The contract related to any study financed under this Financing Agreement shall include the right for the Partner and for the Commission to use the study, to publish it and to disclose it to third parties.

Article 24 - Consultation between the Partner and the Commission

24.1 The Partner and the Commission shall consult each other before taking any dispute relating to the implementation or interpretation of this Financing Agreement further pursuant to Article 28 of these General Conditions.

24.2 Where the Commission becomes aware of problems in carrying out procedures relating to

management of this Financing Agreement, it shall establish all necessary contacts with the Partner to remedy the situation and take any steps that are necessary.

- 24.3 The consultation may lead to the amendment, suspension or termination of this Financing Agreement.
- 24.4 The Commission shall regularly inform the Partner of the implementation of activities described in Annex I which do not fall under Parts One and Two of these General Conditions.

Article 25 - Amendment of this Financing Agreement

- 25.1 Any amendment of this Financing Agreement shall be made in writing, including an exchange of letters.
- 25.2 If the request for an amendment comes from the Partner, the latter shall submit that request to the Commission at least three months before the amendment is intended to enter into force, except in cases which are duly substantiated by the Partner and accepted by the Commission. In the exceptional cases of an adjustment of the objectives of the action and/or an increase in the EU contribution, such request shall be submitted at least six months before the amendment is intended to enter into force.
- 25.3 If the adjustment both does not significantly affect the objectives of the activity implemented pursuant to Part One of these General Conditions, and if it concerns matters of detail which do not affect the technical solution adopted, and if it does not include the reallocation of funds, or if it concerns reallocations of funds for an amount equivalent to the amount of the contingency reserve, the Partner shall inform the Commission of the adjustment and its justification in writing as soon as possible and may apply that adjustment.
- 25.4 The use of the contingency reserve provided for an action shall be subject to the Commission's prior written approval.
- 25.5 Where the Commission considers that the Partner ceases to perform satisfactorily the tasks entrusted pursuant to Article 1.1 of these General Conditions and without prejudice to Articles 26 and 27 of these General Conditions, the Commission may decide to retake the tasks entrusted from the Partner in order to continue the implementation of the activities on behalf of the Partner after informing the latter in writing.

Article 26 - Suspension of this Financing Agreement

- 26.1 The Financing Agreement may be suspended in the following cases:

The Commission may suspend the implementation of this Financing Agreement if the Partner breaches an obligation under this Financing Agreement.

The Commission may suspend the implementation of this Financing Agreement if the Partner breaches any obligation set under the procedures and standard documents referred to in Articles I, 4, 5 and 6 of these General Conditions.

The Commission may suspend this Financing Agreement if the Partner breaches an

obligation relating to respect for human rights, democratic principles and the rule of law, in serious cases of corruption or if the Partner is guilty of grave professional misconduct proven by any justified means. Grave professional misconduct is to be understood as any of the following:

- a violation of applicable laws or regulations or ethical standards of the profession to which a person or entity belongs, or
- any wrongful conduct of a person or entity which has an impact on its professional credibility where such conduct denotes wrongful intent or gross negligence.

This Financing Agreement may be suspended in cases of force majeure, as defined below. "Force majeure" shall mean any unforeseeable and exceptional situation or event beyond the parties' control which prevents either of them from fulfilling any of their obligations, not attributable to error or negligence on their part (or the part of their contractors, agents or employees) and proves insurmountable in spite of all due diligence. Defects in equipment or material or delays in making them available, labour disputes, strikes or financial difficulties cannot be invoked as force majeure. A party shall not be held in breach of its obligations if it is prevented from fulfilling them by a case of force majeure of which the other party is duly informed. A party faced with force majeure shall inform the other party without delay, stating the nature, probable duration and foreseeable effects of the problem, and take any measure to minimise possible damage.

Neither of the Parties shall be held liable for breach of its obligations under this Financing Agreement if it is prevented from fulfilling them by force majeure, provided it takes measures to minimise any possible damage.

- 26.2 The Commission may suspend this Financing Agreement without prior notice.
- 26.3 The Commission may take any appropriate precautionary measure before suspension takes place.
- 26.4 When the suspension is notified, the consequences for the on-going procurement and grant contracts, contribution agreements and programme estimate shall be indicated.
- 26.5 A suspension of this Financing Agreement is without prejudice to the suspension of payments and termination of this Financing Agreement by the Commission in accordance with Article 18 and 27 of the General Conditions.
- 26.6 The parties shall resume the implementation of the Financing Agreement once the conditions allow with the prior written approval of the Commission. This is without prejudice to any amendments of this Financing Agreement which may be necessary to adapt the action to the new implementing conditions, including, if possible, the extension of the operational implementation period, or the termination of this Financing Agreement in accordance with Article 27.

Article 27 - Termination of this Financing Agreement

- 27.1. If the issues which led to the suspension of this Financing Agreement have not been resolved within a maximum period of 180 days, either party may terminate this Financing Agreement at 30 days' notice.
- 27.2. This Financing Agreement shall be automatically terminated, if no implementing contract has been signed within the deadlines of Article 2.
- 27.3 When the termination is notified, the consequences for the on-going procurement contracts, grant contracts, contribution agreements and programme estimate shall be indicated.

Article 28 - Dispute settlement arrangements

- 28.1 Any dispute concerning this Financing Agreement which cannot be settled within a six-month period by the consultations between the parties provided for in Article 24 of these General Conditions may be settled by arbitration at one of the parties' request.

Where the Partner is an ACP State or an ACP regional body or organisation and this action is financed under the EDF, the dispute shall be submitted, prior to arbitration and after the consultations provided for in Article 24 of these General Conditions, to the ACP-EC Council of Ministers, or, between its meetings, to the ACP-EC Committee of Ambassadors, pursuant to Article 98 of the ACP-EC Partnership Agreement. If the Council or Committee does not succeed in settling the dispute, either party may request settlement of the dispute by arbitration in accordance with Articles 28.2, 28.3 and 28.4.

- 28.2 Each party shall designate an arbitrator within 30 days of the request for arbitration. Failing that, either party may ask the Secretary-General of the Permanent Court of Arbitration (The Hague) to designate a second arbitrator. The two arbitrators shall in their turn designate a third arbitrator within 30 days. Failing that, either party may ask the Secretary-General of the Permanent Court of Arbitration to designate the third arbitrator.
- 28.3 The procedure laid down in the Permanent Court of Arbitration Optional Rules for Arbitration Involving International Organisations and States shall apply. The arbitrators' decisions shall be taken by a majority within a period of three months.
- 28.4 Each party shall be bound to take the measures necessary for the application of the arbitrators' decision.