

ACTION DOCUMENT

THE EUROPEAN UNION EMERGENCY TRUST FUND FOR STABILITY AND ADDRESSING THE ROOT CAUSES OF IRREGULAR MIGRATION AND DISPLACED PERSONS IN AFRICA

1. IDENTIFICATION

Title	Reference: T05-EUTF-SAH-GH-02 Boosting green employment and enterprise opportunities in Ghana			
Zone benefitting from the action / Localisation	Ghana (Ashanti and Western regions)			
Total cost	Total estimated cost: 20 600 000 EUR Total amount drawn from the Trust Fund: 20 000 000 EUR Co-financing amount: 500 000 EUR from SNV (NL) Co-financing amount : 100 000 EUR from UNCDF			
Aid modality(ies) and implementation modality(ies)	Indirect management Contribution agreement with the United Nations Capital Development Fund (UNCDF) Direct management Grant agreement with SNV Netherlands Development Organisation			
DAC – codes	16020			
Main delivery channels	UNCDF 41111 SNV 13000			
Markers	Policy objectives	Not targeted	Significant objective	Principal objective
	Participatory development / good governance	<input type="checkbox"/>	<input type="checkbox"/>	X
	Aid to environment	<input type="checkbox"/>	<input type="checkbox"/>	X
	Gender equality and empowerment of women and girls	<input type="checkbox"/>	X	<input type="checkbox"/>
	Trade development	<input type="checkbox"/>	X	<input type="checkbox"/>
	Reproductive, maternal , newborn and child health	X	<input type="checkbox"/>	<input type="checkbox"/>
	Rio Markers	Not targeted	Important objective	Principal objective
	Biological diversity	<input type="checkbox"/>	X	<input type="checkbox"/>
	Combat desertification	X	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input type="checkbox"/>	X	<input type="checkbox"/>
	Climate change adaptation	<input type="checkbox"/>	X	<input type="checkbox"/>
	Migration marker	<input type="checkbox"/>	X	<input type="checkbox"/>
SDG	SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for			

	<p>youth.</p> <p>SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</p> <p>SDG 13: Take urgent action to combat climate change and impact.</p>
Valetta Action Plan Domains	1. Development benefits of migration and addressing the root causes of irregular migration and forced displacement
Strategic priorities of the Trust Fund	1. Economic development and employment
Beneficiaries of the action	<p>Direct beneficiaries: youths, women, voluntary returning migrants</p> <ul style="list-style-type: none"> - at least 5,000 people trained and coached for employability and entrepreneurship - at least 3,500 people have created or developed self-employment opportunities - at least 100 MSMEs have been incubated or accelerated to expand their business (disaggregated by number of employees, sector and district) - at least 1,500 decent and sustainable jobs created by MSMEs - a total of 70,000 trainees in financial literacy - a total of 70,000 beneficiaries accessing financial services
Derogations, authorized exceptions, prior agreements	Prior approval 20a, 20 f EVR 20b

2. RATIONALE AND CONTEXT

2.1. Summary of the action and objectives

The action's overall objective is to contribute to addressing the root causes of irregular migration through green and climate resilient local economic development and improving future prospects of beneficiaries, by creating employment and enterprise opportunities in selected sectors and regions (Ashanti and Western).

The action aims at supporting job creation in regions of departure, transit and return of Ghana, creating local ecosystems that facilitate the development of Micro, Small and Medium Enterprises (MSMEs) and enabling the transition of local economies to green and climate resilient development. Ashanti region is one of the main areas of origin of returned migrants whilst Western Region is increasingly a location many Ghanaian migrants return to; hence, implementation will take place in these regions.

The action will channel finance through performance-based grants to selected Metropolitan, Municipal and District Assemblies (MMDAs) in Ghana. In close collaboration with communities, it will help them develop and implement green and climate resilient local investments that foster employability for returnees, youth and women through cash for work and procurement to local SMEs.

Simultaneously, the programme will improve skills development for beneficiaries of selected regions, combined with market matching, coaching and mentoring into (self-) employment and enterprise development. In addition, the action will support the incubation and/or acceleration of green and inclusive MSMEs, while also promoting access to finance for returnees, youth, women and MSMEs. This will be done through a market systems approach, and by leveraging remittances for community development and private investment.

The action will be implemented during a period of 48 months by UNCDF and SNV in close partnership with the Ministry of Local Government and Rural Development, and other relevant Ministries, NGOs, the private sector and the International Organisation for Migration (IOM).

2.2. Context

2.2.1. National context, where appropriate

Ghana is a country of origin, transit and destination of regional migration, both legal and irregular. Close to 39% of international migrants in Ghana are economically disengaged youth between 15 and 25 years of age in search of a more prosperous life abroad. While men still lead in the migration process, a significant number of women are part of it, accounting for around 50% of internal migration according to Ghana's last census. Although mobility is widely used as a livelihood strategy in response to social and environmental changes, many vulnerable groups do not have the resources to migrate in order to avoid the impact of floods, storms, and droughts¹; hence, the need to invest in community-based measures to build resilience to climate change. In Ghana, poverty is endemic among rural communities who depend on subsistence agriculture, which lacks resources such as irrigation systems, market access, agricultural inputs and credits, and are increasingly impacted by climate change². The highest poverty rates are observed in the Northern, Upper East and Upper West regions of Ghana. However, poverty depth have risen significantly since 2006 in the Western, Central, Volta and Ashanti regions, meaning that more efforts can be done to improve the lives of the people from these regions³. With the increase of returnees into the Western region, the growth effect may have contributed to worsening poverty rates⁴.

2.2.2. Sector context: policies and challenges

Ghana's growth has not translated into sufficient productive employment, particularly for the youth which represent the majority of the population (57% of the population are under 25

¹ IPCC 5th Assessment 2014

² Ghana National Climate Change Adaptation Strategy (NCCAS)

³ Ghana Poverty and Inequality Report. UNICEF, 2016.

⁴ GL GSS Poverty profile report 2005-2017

years of age)⁵ and projected to increase to 12.7 million by 2050. 25.5% of the youth population in 2015 was not in education, employment or training⁶. According to the 2015 Labour Force Report issued by the *Ghana Statistical Service* :

"About two-thirds (67.6%) of the labour force are employed, 9.1 percent are unemployed and 23.3 percent are currently not in the labour force. Irrespective of sex, the population in rural areas (70.4%) is more likely to be employed than those in urban areas (65.1%). The proportion of males (71.4%) that are employed is relatively higher than females (64.7%). The proportion of the population who are not in the labour force is higher among the age group 15-19 years (67.2%) and those age 65 years and older (51.2%) compared to the other age groups (...) This report adopts the relaxed definition of unemployment. Thus, the unemployment rate has been computed based on persons 15 years and older, who within the reference period, were without jobs and "potentially" available for jobs. Based on this definition, the total unemployment rate for Ghana is 11.9 percent; the rate is higher among females (12.5%) than males (11.1%).

"Using Ghana's definition, the proportion of the youth that are employed is relatively lower in urban (57.0%) than in rural (62.8%) areas. On the other hand, the proportion of unemployed youth is higher in the urban (13.6%) than rural (10.4%) areas (...) the data show that 90 percent of the currently employed population 15 years and older are in the informal sector, with males constituting 45.1 percent and females, 54.9 percent. The data further show that 96.2 percent of the currently employed population 15 years and older in the rural areas are in the informal sector compared to 84.1 percent in the urban areas. Nearly 1 in 2 persons 15 years and older (47.3%) in Ghana had moved to their current location at some point in time and the proportion is similar to that reported in the 2010 Population and Housing Census."

The key drivers of GDP growth on which Ghana primarily depends to meet the livelihood needs of its growing population (2.4 % from 2000-2010) are also the very sources and causal factors of degradation and depletion of natural resources upon which the country's ecological capital is based⁷. Ghana⁸ is experiencing climate change with more extreme weather conditions, such as heat waves, uncertain rainfall patterns, higher occurrences and longer periods of flooding and drought⁹. Innovative green economic sectors provide opportunities for employment and for youth empowerment as well as for addressing some of the country's main environmental challenges, such as waste, including WEEE pollution, deforestation, and soil erosion.

Over the last 5 years, the Government of Ghana (GoG) has gradually developed an increasingly clear and consistent policy framework for reforming the public administration system along the principles of decentralisation by devolution to the Metropolitan, Municipal and District Assemblies (MMDAs). Strengthening the MMDAs to perform their roles is key to stimulating sustainable and climate resilient local economies. Although MSMEs can be

⁵ CIA Factbook

⁶ ILO, Key Indicators of the Labor market, 2015

⁷ EU Country Environmental Profile, 2012

⁸Reference to Ghana's Intended Nationally Determined Contributions (https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Ghana%20First/GH_INDC_2392015.pdf).

Ghana has proposed 20 mitigation and 11 adaptation actions in 7 priority economic sectors for implementation in the 10 year period.

⁹ According to the GCCA+ Index, the EU climate-resilient development index developed by the Joint Research Centre (JRC) of the European Commission; Ghana is among the countries around the world most at risks to occurrence of flooding, storms and droughts (0,71 on a maximum scale of 0,78) and among the countries most exposed from the region (0,71 on a maximum scale of 0,9).

considered drivers of economic growth and job creation, they face several hindering factors, including low skills, restrictive legislation and lack of connection to real economic opportunities. Limited access to finance is cited as the main obstacle to start up and develop a business¹⁰, particularly for youth and women. Although remittances have a great untapped potential for sustainable local economic development, they are constrained by costs¹¹ and limited formal transfer services as well as the regulatory framework¹².

2.2.3. Justification

In sub-Saharan Africa and in particular in Ghana, adverse drivers of migration include natural and human-made crises, rural poverty, food insecurity, inequality, unemployment, lack of social protection as well as natural resources depletion due to environmental degradation and climate change, which are some underlying causes of out migration¹³. Climatic and environmental pressure, combined with lack of economic opportunities, has been documented¹⁴ as contributing to internal migration and associated with international migration. In a context of complex migratory dynamics and climate change, the action's overall objective is to contribute to addressing the root causes of irregular migration through green and climate resilient local economic development and to improve future prospects of beneficiaries, by creating employment and enterprise opportunities in selected sectors in regions of departure, transit and return.

The Action will be implemented under the European Union Emergency Trust Fund for Africa (EUTF), as the action is aligned with the EUTF overall objective of addressing root causes of irregular migration and displaced persons in Africa, and more specifically its strategic objective n°1 to create greater economic and employment opportunities. The action focuses on creating climate resilient communities, addressing skills gaps and increasing access to finance of returnees, youth and women, while supporting job creation and self-employment opportunities with a focus on MSMEs.

The action matches the priority criteria endorsed by the EUTF Board in September 2018, as it aims at providing sustainable and decent employment to youth and women and facilitates reintegration efforts in the country; in so doing the Action, linked to the EU-Ghana Migration Dialogue and the Joint EU-Ghana Roadmap currently under discussion, is to contribute to the implementation of Pillars 1 and 5 of the Valletta Action Plan.

2.3. Lessons learnt

UNCDF:

¹⁰ World Bank (2017). What is happening in the missing middle? Lessons from financing SMEs.

¹¹ Average cost of the remittance in Ghana is estimated at 10%. IOM "Assessment of Remittance-Related Services and Practices of Financial Institutions in Ghana", 2017.

¹² Since most of the remittances are sent through informal channels, the average cost is 10%, but it could be as high as 20% of the transaction. Receiving the remittance through formal channels have the potential to lower those costs and to encouraging more saving and enabling better matching of saving with investment opportunities. Unfortunately, very few financial services providers (FSP) offer services adapted to the needs of remittance receivers. An example of over-restrictive regulatory framework relate to the restrictive Know Your Customer (KYC) requirements and high opening balance requirements which prevent people from opening bank accounts to receive the remittance, and limits imposed by the Central Bank of Ghana to the daily allowable transfer.

¹³ <http://www.fao.org/fao-stories/article/en/c/1072891/>

¹⁴ Third National Communication Report to the UNFCCC (2015)

The action will use the lessons learnt from Performance-Based Climate Resilience Grants (PBCRGs) which support investments for green and resilient local economies across 14 countries. Building on 25 years work on performance-based grants¹⁵, PBCRGs complement regular allocations by the central level to local governments through intergovernmental fiscal transfer system. The approach has successfully been piloted in three MMDAs in Ghana leading to the inclusion of climate indicators in the country's performance-based grant system of the decentralisation sector. Over the years, UNCDF has experienced that effective involvement of the communities, for example, in the construction of local infrastructure or rehabilitation of ecosystems, can create short-term job opportunities. "Cash for work" opportunities appear through the prioritisation of investments for youth, women and other vulnerable groups inter alia, for sustainable land management, infrastructure building and other public works.

The pilot (phase I) of Local Climate Adaptive Living Facility - LoCAL¹⁶ Ghana with an initial 3 MMDAs (Effutu, Fantekwa and Ada East) could be scaled up with to include more MMDAs in the northern regions amongst others in phase II. The longer-term ambition is to extend LoCAL to all MMDAs (phase III) as an integrated part of the intergovernmental fiscal grant system.

After a successful first cycle of phase I which ended in January 2017, it culminated into an Annual Performance Assessment in June 2017. Although the MMDAs didn't meet the minimum conditions (MCs), technical assistance of a consultancy was initiated to enable the MMDAs meet the MCs by conducting a vulnerability assessment report of the 3 pilot MMDAs. The essence of this is that, it will inform the MMDAs' planning and budgeting for climate change adaptation investments of which needs to be reflected in their District Medium Term Development and Annual Action Plans. This initiative was completed in August 2018 and lessons learned integrated into the mechanism. Grants will now be released for the 3 pilot MMDAs to continue with the 2nd cycle of phase I by the end of Q2, 2019.

With this programme, MMDAs will benefit from the support of field officers, national and international technical assistance from UNCDF completed with experts in decentralisation and climate change. The size of the grants by MMDA will be informed by the costs of typical small-scale green and climate change-related investments, the size of local governments' budgets, the (absorptive) capacities of the MMDAs and the size of meaningful PBCRGs to make an impact.

According to the Consultative Group to Assist the Poor (CGAP-World Bank), Ghana is emerging as one of the most successful and fastest growing mobile money markets in Sub-Saharan Africa. The latest Findex data (2017) show that 39% of Ghanaian adults are now mobile money account owners vs. 13% in 2014. This growth can be explained thanks to a change in the regulatory framework. The 2008 Branchless Banking Guidelines were actually not conducive to the development of digital finance in the country. For example, it restricted e-money issuance to some banks, and left few incentives for MNOs (Mobile Network Operators) to invest in new products and services. In 2013, a regulatory reform process began, which permitted MNOs to own and operate mobile money networks under the Bank of Ghana supervision. In less than a year, MNOs were investing in agent recruiting and customer education. By 2017, Ghana had over 11 million active mobile money accounts, and an explosion of new use cases had made it possible for Ghanaians to do everything from open a savings account to purchase government treasury bills on their phones.

¹⁵ <http://www.uncdf.org/ield/performance-based-grant-systems>

¹⁶ <https://www.local-uncdf.org/>

Ghana has a diverse marketplace for Digital Financial Services providers with mobile money leaders MTN mobile money, Vodacom, Airtel Tigo, as well as banks such as Ecobank, Fidelity bank. UNCDF in Ghana has worked with Fidelity Bank, GN Bank and Sinapa Savings and Loans to expand access to savings in Ghana, and particularly, to link informal savings groups to banks and other formal financial institutions. We supported Fidelity Bank and GN Bank to link Village Savings and Loans Associations (VSLAs) created by CARE to the bank through a combination of agents and mobile banking. Thanks to this support, now VSLA members can access their savings via digital means. UNCDF also supported Sinapa Savings and Loans to transform from a microfinance institution to a savings and loan institution. It also digitized their savings collection processes. Digitizing the doorstep savings collection process brings additional convenience to customers who receive this service.

We plan to build into this experience and support the FSPs to create second generation digital services (ie. savings, loans etc) that better respond to the needs of beneficiaries of the programme and that are really getting to the last mile where the programme will be implemented. We will also, link the provision of these services to non-financial services like financial education delivered through digital applications of digital platforms.

The action will build on lessons learned from UNCDF's YouthStart programme, a US\$12 million programme that brought access to financial services to nearly 666,000 youth in 8 different countries in sub-Saharan Africa¹⁷. One key lesson from the programme is that the developmental impact of increasing access to financial services to the youth was greater when the youth, participating in technical and vocational training were simultaneously saving a portion of the cash for work stipends. Another lesson learned from YouthStart has to do with the need of linking training and financial services to concrete local economic opportunities.

SNV:

The action will leverage the experience of SNV with its Opportunities for Youth Employment (OYE) programme, SNV's most advanced multi-country programme thus far, which targeted 27,000 rural out of school youth in Tanzania, Rwanda and Mozambique. The programme has been implemented in the agriculture and renewable energy sectors. Through the OYE programme, SNV realized that it would only be effective and achieve sustainable results in engaging with private sector companies with a strict focus on their business/profitability interest. Currently, OYE has become a global SNV product and new OYE projects have started in other countries, such as Mali and Niger, both funded by EUTF.

The action will also benefit from SNV's efforts to strengthen the work of MSMEs in various value chains in green economy under the agriculture, energy and WASH (Water Sanitation & Hygiene) sectors. In Ghana, SNV is currently working on three projects, which use a decentralised business hub approach aiming at creating and accelerating entrepreneurs.

IOM:

The integrated approach to reintegration assistance rolled out by IOM in the West and Central African Region under the EU-IOM Joint Initiative (EUTF) combines support for returnees and their communities. Some of the lessons learnt highlighted the importance of involving community members who are not returnees. These experiences will inform all results of the

¹⁷ <https://www.youtube.com/watch?v=5HEcaOCcATs&feature=youtu.be>

action. A decentralised approach that supports projects at the MMDAs and community levels will be used, which will provide the means for individuals or groups to develop projects.

2.4. Complementary actions and synergies

The action will develop synergies with EU programmes, the EUTF and other development and government partners, in particular in the Ashanti and Western regions of Ghana.

- The EUTF “Strengthening the management and governance of migration and the sustainable reintegration of returning migrants in Côte d’Ivoire, Ghana, Guinea and Guinea Bissau” (EUR 13.9 million, 2017-2021). The project aims to increase awareness of communities in high migration areas and migrants on the consequences and viable alternatives to irregular migration. With a strong focus on climate change, the action will provide lessons learned on climate change and migration to the IOM programme. It will also offer an integrated approach to support the reintegration of returnees in targeted regions of Ghana.
- The EUTF “Archipelago: an African-European TVET initiative” programme (Burkina Faso, Cameroon, Chad, Ivory Coast, The Gambia, Ghana, Guinea, Mali, Mauritania, Niger, Nigeria, and Senegal, EUR 15 million, 2018-2021). The programme implemented by SEQUA GmbH in partnership with EUROCHAMBRES and CPCCAF will increase local employment opportunities and employability by developing local training and vocational resources adapted to private sector needs.
- The Ghana Decentralisation Support Programme, second phase (2018-2020) of EU support to Decentralisation in Ghana (EUR 45 million, Sector Reform Contract). The proposed action will build on the Sector Reform Contract by complementing the capacity building of MMDAs and the funding in the targeted region for local investments, with a focus on job creation and reintegration through green and resilient local economies.
- The EU funded “No Business as Usual” project in Ghana (EUR 1.1 million) by SOS Children’s Villages. The project aims to support youth in finding employment or starting a business, through “the Next Economy” structure. This action will build on the incubation hub established in Kumasi and on the collaboration with local authorities and communities.
- The IOM programme “Connecting the diaspora for development project” funded by The Netherlands. The programme aims to transfer knowledge and skills of competent professionals within the diaspora community in The Netherlands, to selected priority sectors in Ghana. The learning from the programme will be capitalised and will inform the action.
- The EU funded “resilient agriculture against climate change” (REACH), starting early 2019, will assist districts and communities to develop and implement climate-smart development plans and community action plans. It will operate in the Upper West region and surrounding bordering districts of the Northern region. It will include work aimed at characterizing linkages between agriculture and migration in the Savannah Accelerated Development Authority (SADA) Zone six, across the 3 northern regions of Ghana.
- The “SWITCH Africa Green” programme funded by the EU (Burkina Faso, Ghana, Kenya, Mauritius, South Africa and Uganda) contributes to poverty reduction in Africa in the context of sustainable development through support to private sector led inclusive

green growth, which fosters transformation towards green economy. Specifically in Ghana, SWITCH Africa Green supports the E-waste Management in Ghana: From Grave to Cradle project, which aims at contributing to an effective implementation of the Ghanaian Hazardous and Electronic Waste Control and Management Act (Act 917) by fostering formalisation of informal Micro, Small and Medium-sized Enterprises (MSMEs), establishing a collection mechanism for e-waste, disseminating best practices through capacity building and training of trainers, providing decision support and creating awareness among the key target groups of the project.

In addition to targeting specific regions (different from other projects) and beneficiaries (returnees and their communities, youth and women), the project goes beyond existing approaches to addressing climate change or job creation, by proposing a fully integrated approach that combines capital investments in local economies through MMDAs, skills development and entrepreneurship building and access to finance.

2.5. Donor coordination

Coordination with donors will take place through regular participation in government-led working groups on relevant issues (e.g. sector-wide approach (SWAp) for Decentralisation; environment and climate change; financial inclusion working group). UNCDF and SNV will closely coordinate with IOM to ensure adequate coordination, exchange of information and synergies.

A Programme Steering Committee (PSC) will be set up as the highest management organ. The PSC is charged with overall programme monitoring, particularly the monitoring of results put forward in the work plan and the progress of partners receiving grants. The programme core management team from UNCDF and SNV will provide a status update on the programme's activities to the PSC, with a specific focus on partners receiving funding or technical assistance. The PSC will meet a minimum of twice a year. The PSC will be co-chaired by the EU and by a senior government official from the Ministry of Local Government and Rural Development and the Ministry of Finance. In addition, it will include representatives of the programme's key stakeholders: the Ministry of Interior, the Ministry of Employment and Labour Relations, the Central Bank of Ghana, the National Development Planning Commission, the Office of the Head of Local Government Service, the Ministry of Gender and Social Protection, the Ministry of Youth and Sports and the Ministry of Environment, Science, Technology and Innovation, as main Government representatives. It will also include selected representatives from financial service providers¹⁸ (FSPs), NGOs and TVETs and from youth and women's group associations.

At the regional level, coordination will take place through the MMDAs and with district level and regional structures that facilitate migrant assistance and reintegration.

¹⁸ Financial Services Providers are any institution providing financial services and products to the public. These range from Savings and Credit Loans Associations, Microfinance Institutions, to Commercial Banks, Credit Union Networks, Insurance Companies and with the explosion of digital financial services, Mobile Network Operators and FinTechs are also considered Financial Services Providers

3. DETAILED DESCRIPTION

3.1. Expected objectives and results

The overall objective of this action is to contribute to addressing the root causes of irregular migration through green and climate resilient local economic development and to improve prospects of beneficiaries, by creating employment and enterprise opportunities in selected sectors in regions of departure, transit and return.

The specific objectives are the following:

Specific objective 1: To support the transition of local economies to green and climate resilient development.

Specific objective 2: To improve the employability and entrepreneurship capabilities of selected people, by matching them with market opportunities and mentoring them into (self-) employment and enterprise development (with a focus on green and climate resilient local economies).

Specific objective 3: To create and strengthen local ecosystems that support youth (self-) employment and the development of MSMEs.

The main 4 results are the following:

Result 1: Local economies are stimulated and short-term job opportunities for youth, women and returnees are created through green and climate resilient investments.

Result 2: Employability and entrepreneurship capabilities of youth, women and returnees are improved in sectors of economic opportunities, for the benefit of green and climate resilient local economies.

Result 3: Increased access and usage of financial services, leveraging remittances, adapted to the needs of (i) youth, women and returnees benefiting from cash for work schemes and (ii) local communities and MSMEs.

Result 4: SMEs, offering decent and sustainable jobs to youth, women and returnees, are incubated and/or accelerated and contribute to green and climate resilient local economies.

An indicative logical framework reflecting objectives and results is included in Annex 1 of this Action Document.

3.2. Main activities

3.2.1. *Describe activities associated with results:*

Result 1: Local economies are stimulated and short-term job opportunities for youth, women and returnees are created through green and climate resilient investments

A.1.1. Strengthen capacities (“learning by doing”) of MMDAs in the preparation of climate risk informed, participatory and gender-sensitive local economic development planning.

A.1.2. Deliver green and resilient local infrastructure / investments (including those to be co-financed by the diaspora) under the oversight of MMDAs, through cash for work (benefitting the youth, women and returnees) and procurement to local SMEs.

A.1.3. Design and deploy a performance-based grants system (PBGS) that can be scaled up and attract various sources of finance, including private finance, international finance and diaspora funds to build resilient local economies.

Result 2: Employability and entrepreneurship capabilities of youth, women and returnees are improved in sectors of economic opportunities, for the benefit of green and climate resilient local economies

A.2.1. Carry out comprehensive and multi-sectoral needs assessment, market research, and analysing existing programmes in the main return areas, in order to inform priorities in terms of skills development, curriculum design and training delivery, in line with actual market opportunities and trends.

A.2.2. Deliver core employability life skills, entrepreneurship and technical training, supported by coaching and mentoring.

A.2.3. Provide job placement opportunities to support beneficiaries to effectively participate in the cash for work programme start a viable business and/or join running green SMEs.

Result 3: Increased access and usage of financial services, leveraging remittances, adapted to the needs of (i) youth, women and returnees benefiting from cash for work schemes and (ii) local communities and MSMEs

A.3.1. Build financial capability of the diaspora, the youth, women and returnees, including those working in the green and climate compatible infrastructure /investments (Result 1) to understand and use financial services to their advantage.

A.3.2. Support FSPs to provide financial services (including match savings accounts) adapted to the needs of the youth, women and returnees and in line with local economic opportunities of the targeted areas (Result 1).

A.3.3. Support FSPs to develop test and scale up affordable and accessible financial services that are linked to remittances, for MSME investments.

A.3.4. Build on existing diaspora crowdfunding platforms for local resilient community investments (to be delivered under Result 1), youth, and women-led MSMEs.

Result 4: SMEs, offering decent and sustainable jobs to youth, women and returnees, are incubated and/or accelerated and contribute to green and climate resilient local economies.

A.4.1. Establish/strengthen regional business hubs to incubate and accelerate green and inclusive MSMEs/entrepreneurs by providing a full range of business services, advisory, technical assistance and market development support. For A .4.1., the approach will be two-fold:

- Supporting the establishment of new (youth and women-led) enterprises with the scope of future employment creation.
- Strengthening existing enterprises (business development services, access to finance) with growth potential in order to create future (self-) employment for youth, women and returnees.

A.4.2. Establish an accessible and affordable early-stage facility to help MSMEs/entrepreneurs fine-tuning their ‘greentech’ solutions and inclusive business model until they become investment ready.

A.4.3. Boosting inclusive business through incubation, acceleration and diaspora platforms.

The action will contribute to creating an enabling environment and **sustainability** through (i) empowering selected beneficiaries, so that they can in turn advocate for the development and implementation of policies conducive to green and resilient local communities and economies; (ii) strengthening the performance of and dialogue between key stakeholders in green job creation; (iii) boosting (green) opportunities for long-term business growth and income creation; and (iv) creating a systemic change, to be used for **replicability**. The design and deployment of a performance-based grants system for climate resilience (PBGS) under result 1 will allow replication in other regions and MMDAs and to attract various sources of finance, including private finance, international finance and diaspora funds to build resilient local economies. The approach to be used under result 3 also aims to support strong FSPs with the potential of scale up and sustain the provision of affordable and accessible financial services at the national level.

As part of the formulation/inception phase, under result 4, SNV will explore further to identify suitable partners and existing or future network of impact investors in Ghana (i.e Investisseurs et Partenaires); and any other private, NGOs or development partners involved in managing crowdfunding platforms and /or mobilizing the diaspora's investment Europe (i.e the British Council; IFAD through its African Posta Service Initiative). The project will engage with impact investors such as Wangara Capital, which is sponsored by innohub through the Ghana Climate Venture Facility, to support SMEs and boost green economies, or with Fidelity Bank for (self-) entrepreneurs, and continue using the Inclusive Business Accelerator¹⁹ that connects entrepreneurs and mentors, facilitates their knowledge exchange and supports their business ideas.

Green jobs exist in every sector of the economy and involve many different levels of skill and occupations. Green jobs aim at reducing negative environmental impacts, ultimately leading to environmentally, economically, and socially sustainable enterprises and economies for example: (i) reduce energy and raw material consumption; (ii) limit greenhouse gas emissions; (iii) minimize waste and pollution; and (iv) protect and restore ecosystems. The development of local infrastructure and public works play a major part in adaptation²⁰ to climate change.

3.2.2. *Describe target groups and final beneficiaries*

Direct beneficiaries: the beneficiary profile and the selection method in particular for their involvement into the cash for work under result 1 will be finalised during the formulation phase. All vulnerable group members including women, and returnees will be targeted through an inclusive approach.

¹⁹ <https://iba.ventures>

²⁰ The 3 main areas for climate adaptation : (i) water and soil conservation through resource management to address the variability and intensity of water supply and improve the quality of existing land through community forestation, irrigation and watershed management; (ii) flood protection infrastructure to manage the variability and frequency of water availability in urban and rural areas, and (iii) rural transport improvement and maintenance to ensure that rural road networks can withstand the increased level of rainfall and flooding.

- At least 5,000 people trained and coached for employability and entrepreneurship (youth²¹: 60% to 80%, women²²: 40% to 60% and returnees²³: 5% to 10 %);
- At least 3,500 people have created or developed self-employment opportunities (youth: 60% to 80%, women: 40% to 60%, and returnees: 5% to 10%);
- At least 100 MSMEs have been incubated or accelerated to expand their business (disaggregated by number of employees, sector and district) ;
- At least 1,500 decent and sustainable jobs created by MSMEs (youth: 60% to 80%, women: 40% to 60%);
- A total of 70,000 trainees (youth: 60% to 80%, women: 40% to 60%) in financial literacy;
- A total of 70,000 beneficiaries accessing financial services (youth: 60% to 80%, women: 40% to 60% and returnees: 5% to 10%).

(Local investment multiplier effect could bring indirect beneficiaries close to a total of 375.000)

3.3. Risks and assumptions

Risks	Level of Risk (L, M, H)	Mitigation measures
Limited capacities of MMDAs and communities	M (to high)	<ul style="list-style-type: none"> ● Performance-based grants system provide incentive for continuous and inform annually the needs for technical and capacity building support (Result 1). ● Dedicated activities for skills development (Result 2) and financial education (Result 3) are embedded in the programme. ● Strong prior capacity assessment done at local level and adequate training and TA deployed at the beginning of the project.
High financial transaction cost and use of informal channels are hampering access to financial services	M	<ul style="list-style-type: none"> ● Assessment of existing experiences in attracting diaspora funding into both productive investments and public investments ● Workshop organised during the formulation phase ● Testing at smaller scale prior to support full-fledged pilot (Result 4)
Lack of resources and technical capacities of the technical providers, and lack of coordination	M	<ul style="list-style-type: none"> ● Applying SNV's OYE model, which essentially engage national and local stakeholders, as well service providers (and sets up a coordination mechanism), orienting skills training providers and business coaching towards relevant market-based products and services.

²¹ 15-35 years male and female excluding returnees

²² Excluding returnees

²³ Returnees 15-61+ both male and female (but mostly men)

among the different actors involved in skills development		<ul style="list-style-type: none"> Connecting and complementing stakeholders and implementing partners in strengthening beneficiaries' employment ecosystems.
Lack of official recognition of skills developed during the project	M	<ul style="list-style-type: none"> More practical, market-based and beneficiary-friendly skills trainings will be promoted. Evidence of their effectiveness will be used for advocacy towards accreditation.
No conducive regulatory environment for FSPs	M	<ul style="list-style-type: none"> Ensure selection of strong FSPs that are able meet liquidity and other requirements enacted by the regulator to stabilize the sector.
Environment and climate risks	M	<ul style="list-style-type: none"> Local information systems (LIS) identify socio-economic, environmental and climate risks and opportunities to be integrated into MMDA planning (Result 1).
Clients experience with digital technology is not optimal	M	<ul style="list-style-type: none"> The methodology used is progressive. FSPs first develop a prototype, then piloted and scaled up. Throughout those phases, the action will be able to identify obstacles that could be removed to ensure there is a take up of the technology. All the applications will be developed using UDS (Uniform Data systems) so that beneficiaries can use the application with a very simple mobile phone. FSPs and peer educators will be equipped with tablets to disseminate the financial education.
Misuse of funds by government officials (maladministration, corruption or "clientelism")	M	<ul style="list-style-type: none"> Regular financial checks and annual performance assessments act as a deterrent to corruption and "clientelism" or identify any misuse of funds at the earliest opportunity. Financial reports received from the authorities must comply with pre-defined quality requirements to secure the disbursement of a next tranche of funds. Good governance and audit results are integrated in the design of the PBG system (in the form of minimum conditions to access the grants at local level each year).
Low level of participation of returnees and youth in skills development and job opportunities	M	<ul style="list-style-type: none"> Skills development modules are developed based on market needs analysis <u>and</u> demand formulated during consultations with returnees and youth. Appropriate channels and messages are used to ensure targeted beneficiaries are aware of the opportunities. Green business development will focus on appealing subsectors. Decent remunerations and work conditions will be emphasised for cash for work and work placement.
Insufficient level of managerial skills to drive growth and	M	<ul style="list-style-type: none"> Mentorship from senior entrepreneurs and financiers will provide guidance to green MSMEs and entrepreneurs under the action.

investment readiness		<ul style="list-style-type: none"> ● Tailor-made business advisory services will support the specific needs of entrepreneurs.
Limited leverage of additional investments	M	<ul style="list-style-type: none"> ● Impacts and financial returns will be closely monitor to build strong business cases. ● Selected financing vehicles will allow easy funding top-up. ● Investment readiness of MSMEs will be reinforced through business support.
Insufficient political buy-in	M	<ul style="list-style-type: none"> ● The advocacy activities will build on evidence generation and strong leaders and networks for lobbying. ● At the national level, government policies will be regularly revised to monitor alignment with the action.
Lack of inclusive financial services (eligibility criteria and affordability)	L	<ul style="list-style-type: none"> ● Digital tools will be mobilised to increase outreach and lower costs. ● Alternatives to loans will be promoted, such as saving groups, remittances and crowdfunding. ● Additional guarantee mechanisms will be considered to lower financial risks.
Limited synergies with voluntary returnee programmes Competition with other programmes	L	<ul style="list-style-type: none"> ● Close coordination with the EU-IOM Joint Initiative for Migrant Protection and Reintegration (EUTF) is ensured through technical dialogue and their participation in the governance of the programme. ● Dialogue is established with IOM Ghana and IOM division for migration, environment and climate change, Department of Management. ● Multi-stakeholder platforms are established or reinforced to strengthen synergies between programmes.
Delays in programme launch and implementation	L	<ul style="list-style-type: none"> ● Preparatory work will be undertaken with co-financing (UNCDF): <ul style="list-style-type: none"> - Design of the delivery mechanism (Result 1). -Human Centered Design study on financial inclusion (Result 3). ● Market scans and enterprise opportunity analysis will be undertaken in project start-up phase (Results 2 and 4). SNV's market scan approach is practical and focused, hence relatively short and iterative during implementation. It is essentially intervention-focused, including the preparation of partnerships with private sector companies. ● Synergies with existing programmes from the partners.

The assumptions for the success of the project and its implementation include:

- Local counterparts are committed to develop the necessary capacities to benefit from action.
- The country remains politically stable.

- FSPs have enough capacity to use technology with clients and the market is in an advanced stage to use those innovations.
- Effective participation by the project stakeholders, target beneficiaries and project partners in the planned project activities in accordance with the set timeline.
- Absence of negative external factors with major repercussions on socio-economic development (e.g. natural disasters).

3.4. Cross-cutting issues

Gender disparities, reinforced by women's underrepresentation in decision making, remain critical in the labour market of Ghana, with men dominating the wage employment while women being often self-employed with more vulnerable working conditions²⁴. Equal opportunities for young women and men, and women's economic empowerment to enhance gender equality will therefore be integrated in the design of the project and the specific activities. To truly achieve inclusive finance for women and youth, products and channels need to be designed with them at the centre (human-centric design) and take into account their various roles in the economy, their lifecycles, time poverty, etc. In addition, laws and regulatory frameworks need to be pro-women and pro-youth. For instance, encouraging governments and the private sector to procure from women-owned businesses, land titling, access to national IDs, lower the legal age to open and manage a savings account, etc. Women and youth's agency can be increased through groups, which give them a platform to support each other and speak as one voice. Lastly, financial literacy and financial education need to be included in any intervention, particularly with the rise in digital financial services.

The Third National Communication (2015) highlights that Ghana's major economic sectors continue to be sensitive to the impacts of climate change. The negative effects extend to many sectors such as i.e. agriculture, forests, health and water resources and the Guinea and Sudan Savannah ecological zone is facing an extreme risk of out-migration, indirectly affecting other zones and regions like Ashanti and Western²⁵. Major drivers of deforestation and forest degradation include agricultural expansion (50%), wood harvesting and charcoal production (35%), urban sprawl and infrastructure development (10%) and mining and exploration (5%). Water resources are under pressure from artisanal and small-scale mining, increasing rural-urban migration and urban sprawl with poor sanitation practices and deforestation of wetland catchments. Women and children are also particularly vulnerable to climate change and environmental degradation. They are the first victims of indoor-pollution due to smoke particulates from the use of charcoal and petroleum products for cooking and lighting (EU CEP, 2012) and share the increased burden of water collection as well as of collecting and buying firewood. Gender issues and environmental and climate risks and opportunities will therefore be integrated into MMDA planning, in a participatory manner. The menu of eligible investments will concentrate on (informed) green and resilient local investments to be delivered through cash for work and procurement to local SMEs, directly benefitting women. The participation of communities and of women's groups in planning, execution, monitoring and management of the investments will be incentivised through the grants system established.

²⁴ According to the Ghana Living Standard Survey done in 2014, 30% of men are in wage employment vs. 12% for women.

²⁵ Ghana Third National Communication Report to the UNFCCC, 2015

3.5. Stakeholder analysis

The Ministry of Local Government and Rural Development (MLGRD) ensures good governance and balanced development of MMDAs through the formulation of policies on governance (including decentralisation), rural/urban development and environmental sanitation. Furthermore, MLGRD develops guidelines on the development of sector plans and provides management advisory services to the Assemblies. The design and delivery of systems to set targets for and monitor the performance of Assemblies is done through the annual FOAT/DDF²⁶ performance assessments system.

The Ministry of Finance established a Fiscal Decentralisation Unit (FDU) to spearhead work on fiscal decentralisation. From 2012, it succeeded in completing a process of composite budgeting for all MMDAs with publication of all MMDA budgets from 2012 onwards on its website²⁷. The Financial Sector Division of the Ministry of Finance is responsible to provide policy-based and strategic analysis on Ghana's financial sector and oversee the implementation of the National Financial Inclusion Strategy that was launched in 2017.

The Inter-Ministerial Coordinating Committee on Decentralisation (IMCC)²⁸ is responsible for coordinating all decentralisation reform initiatives within the public service as well as for removing cross-cutting bottlenecks and clearing policy and implementation issues. It is a salient institution operating at the highest level of decision-making for decentralisation chaired by the President of Ghana and in charge of coordinating the policy transformation agenda and monitoring its performance.

The Ministry of Works and Housing is mandated to initiate and formulate policies for the Works and Housing sector, as well as coordinate, monitor and evaluate the implementation of plans, programmes, and performance of the sector for national development.

Over the last 5 years, GoG has gradually developed an increasingly clear and consistent policy framework for reforming the public administration system along the principles of decentralisation by devolution to the MMDAs. The Metropolitan, Municipal, District Assemblies (MMDAs) are the highest units of local government being headed by the Municipal or District Chief Executive which the President appoints. One third of all District Assemblies members are appointed by the President. The 110 assemblies that existed in 1988 have been increased by 28 in 2003, 23 in 2007, and then 46 in 2012, bringing the total to 216. This number has further increased in 2018 by 38 bringing the total number of MMDAs at 254. However, from 2019 onwards the current government plans to have all MMDA Chief Executives elected through open and fair democratic suffrage. In October 2016, a long anticipated new Local Governance Act 2016 (Act 936) was passed by Parliament together with the Public Finance Management (PFM) 2016 (Act 921) and the Public Procurement (Amendment) 2016 (Act 916), which sets a new momentum for decentralisation in Ghana. In addition, the DDF has investment and capacity building components, linking access to discretionary development funds to regular performance assessments and capacity building support.

The Ministry of Environment, Science, Technology & Innovation (MESTI) is at the forefront of promoting sustainable development through a better management of natural resources,

²⁶ Functional and Organisational Assessment Tool (FOAT) / District Development Facility (DDF)

²⁷ <http://www.mofep.gov.gh/?q=divisions/fdu/local-government-composite-budget-in-ghana-documentation>

²⁸ It is comprised of the Ministers of Local Government, Finance, Education, Health, Food and Agriculture, Gender, Children and Social Protection, the Attorney General and Minister of Justice, Head of the Local Government Service, Head of the Civil Service and Chairman of the National Development Planning Commission.

focused on strengthening the Green Economy and enhancing capacity to adapt to the impacts of climate change. MESTI uses market driven Research and Development for sound Environmental Governance, Science, Technology and Innovation through intensive awareness creation, collaboration and partnership. By doing so, it plays a key role in stakeholders' coordination and knowledge exchange to ensure the development of a modern, competitive, resilient and green economy.

The Ghana's Youth Employment Agency (YEA) supports youth between the ages of 15 to 35 years through skills training and internship modules to transit from a situation of unemployment to that of employment. For the development and delivery of entrepreneurship support services, potential partner institutions include youth serving organisations (YSOs), business development service providers, universities, incubators and international organizations. NGOs working on climate change in the Ashanti and Western regions of Ghana, inter alia, Nature Conservancy Research Centre (NCRC), Tree of Life, Friends of the Earth, and ABANTU will also be associated.

The Central Bank of Ghana has embarked on a comprehensive reform agenda to strengthen the regulatory and supervisory framework of the country and is currently developing a financial inclusion policy. Through the Bank, the Government is a member of the Alliance for Financial Inclusion, a member owned network that promotes and develops evidence-based policy solutions to increase financial inclusion. The Bank is also a signatory of the Maya Declaration, which promotes the development of regulation that ensures the protection of clients of FSPs and a member of The Better than Cash Alliance, which proofs the commitment of the Government to enabling digital financial inclusion.

MTN, Tigo/Airtel, Vodafone, Fidelity Bank and e-Zwitch are the digital financial services (DFS). In addition to these DFS providers, FSPs with the greatest outreach and potential to better serve the rural youth and women such as Rural Banks (207 in both regions) and Credit Unions (84 and 27 respectively for Ashanti and Western regions)²⁹ are also key stakeholders.

The Ministry of Business Development is an institution created 2 years ago under the current Government in 2017. The government is committed to creating an enabling environment for local businesses to grow. In November 2018, the Government announced a 3-year tax-break for start-ups to create a supportive ecosystem for young Ghanaian entrepreneurs of age 35 years and below. The Government has stated that it is also working towards putting a special funding mechanism in place, starting with GH¢20m, to support start-up businesses across various sectors. There is also the flagship National Entrepreneurship and Innovation Plan (NEIP) which has made available, through the Government, USD 10 million to support innovative ideas.

In a vibrant local business environment, including incubators, accelerators, FabLabs and working spaces, the Ghana Technology and Business Hub network brings together key players, thereby supporting the development of inclusive, social and green businesses. Beyond Accra (Ghana Climate Innovation Center, Kosmos Innovation Center, Impact Hub, InnoHub, Ghana Innovation Center, Ispace Foundation, Hopin Academy, Meltwater Entrepreneurial School of Technology), hubs are also set up in other areas of the country (Kumasi Hive, KNUST Business Incubator, Eqwib Hub, No Business As Usual, Takoradi Innovation Centre Hub, Enterprise Development Centre).

The Council for Technical and Vocational Education and Training (COTVET) is a national body set up to co-ordinate and oversee all aspects of technical and vocational education and

²⁹ Financial Inclusion Lab. Mix Market

training in the country. A major objective (with them) is to formulate policies for skills development across the broad spectrum of pre-tertiary and tertiary education, formal, informal and non-formal sectors.

4. IMPLEMENTATION ISSUES

4.1. Financing agreement, if relevant

N/A

4.2. Indicative operational implementation period

The implementation period will be 48 months from the date of contract signature.

4.3. Implementation modalities and governance structure

4.3.1 Implementation modalities

This action may be implemented in indirect management with UNCDF in accordance with Article 58(1) (c) of Regulation (EU, Euratom) No 966/2012 applicable by virtue of Article 17 of Regulation (EU) No 323/2015, and in direct management with SNV, under a grant agreement given its non-profit status.

The action will be implemented through a contribution agreement (or PAGODA) to be signed between the European Commission and UNCDF, and a grant agreement to be signed between the European Commission and SNV.

4.3.2 Governance structure

A Programme Steering Committee (PSC) will be set up as the highest management organ. The PSC is charged with overall programme monitoring, particularly the monitoring of results and delivery of activities put forward in the work plan. The PSC will be chaired by the EU and by a senior government official from the Ministry of Local Government and Rural Development (MLGRD), which will be our main counterpart for this Action. Next to MLGRD, other key stakeholders involved in the PSC will consist of representatives from: the Ministry of Finance, the Ministry of Interior, the Ministry of Employment and Labour Relations, the Central Bank of Ghana, the National Development Planning Commission, the Office of the Head of Local Government Service, the Ministry of Gender and Social Protection, the Ministry of Youth and Sports and the Ministry of Environment, Science, Technology and Innovation, as main government representatives. It will also include selected representatives from FSPs, NGOs and TVETs and from youth and women's group associations.

The programme core management team from UNCDF and SNV will provide a status update on the programme's activities to the PSC, with a specific focus on partners receiving funding or technical assistance. It is expected that the PSC will meet a minimum twice a year.

4.4. Indicative budget

Component	EU contribution to UNCDF	EU contribution to SNV	UNCDF contribution	SNV contribution	Total
	Amount in EUR'000	Amount in EUR'000	Amount in EUR'000	Amount in EUR'000	Amount in EUR'000
R1. Local green and resilient investments and economies	3500	0	50		3550
R2. Improved employability and entrepreneurship capabilities	1500	4950	0	250	6700
R3. Increased access and usage of financial services	3500	0	50	0	3550
R4. Green and inclusive SMEs incubation and acceleration	0	3450	0	250	3700
Programme management & coordination	540	545	0	0	1085
Coordination and communication and visibility	250	250	0	0	500
Overhead (7%)	650	645	0	0	1295
SUB-TOTAL	9.940	9.840	100	500	20.380
Evaluation and audits (Directly managed by EC)	60	160	0	0	220
TOTAL	10.000	10.000	100	500	20.600

4.5. Monitoring and reporting

The implementing partner must establish a permanent internal, technical and financial monitoring system for the action and prepare regular progress reports and final reports.

In the initial phase, the indicative logical framework agreed in contract and / or the agreement signed with the implementing partner must be complemented by benchmarks and targets for each indicator. Progress reports provided by the implementing partner should contain the most recent version of the logical framework agreed by the parties and showing the current values for each indicator. The final report should complete the logical framework with reference points and final values for each indicator.

The final report, financial and descriptive, will cover the entire period of the implementation of the action.

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

The implementing partner(s) will report on a number of common EUTF indicators of the selected results for this Action.³⁰

Project Implementing Partners will be required to provide regular data, including the evolution of the actual values of the indicators (at least every three months) to the contracting authority, in a format which is to be indicated during the contract negotiation phase. The evolution of the indicators will be accessible to the public through the EUTF website (<https://ec.europa.eu/trustfundforafrica/>) and the Akvo RSR platform (<https://eutf.akvoapp.org/en/projects/>).

The day-to-day technical and financial monitoring of the implementation of this action, including projects resulting from a call for proposals will be a continuous process and part of the implementing partners' responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, including gender sensitive indicators, using as reference the log frame matrix (for project modality) or the list of result indicators (for budget support). The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

UNCDF and SNV have agreed to prepare and conduct joint project supervision missions at least once a year. Supervision missions will be organized closely with the Government of Ghana and the EU and will take place in conjunction with the Programme Steering Committee. UNCDF will transmit to the EU, bi-annual and annual reports. UNCDF and SNV will transmit annual technical and financial reports.

³⁰ EN : https://ec.europa.eu/trustfundforafrica/sites/euetfa/files/eutf_results_indicators_41.pdf
FR : https://ec.europa.eu/trustfundforafrica/sites/euetfa/files/eutf_results_indicators_41_fr.pdf

4.6. Evaluation and audit

If necessary, ad hoc audits or expenditure verification assignments could be contracted by the European Commission for one or several contracts or agreements.

Audits and expenditure verification assignments will be carried out in conformity with the risk analysis in the frame of the yearly Audit Plan exercise conducted by the European Commission. The amount allocated for external evaluation and audit purposes should be shown in EUR. Evaluation and audit assignments will be implemented through service contracts, making use of one of the Commission's dedicated framework contracts or alternatively through the competitive negotiated procedure or the single tender procedure.

4.7. Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU. This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, which will be developed early in the implementation. The measures are implemented by the Commission, the partner country, the contractors, the beneficiaries and / or the entities responsible in terms of legal obligations regarding communication and visibility. Appropriate contractual obligations will be included in the financing agreement, purchase and grant agreements and delegation agreements.

Communication and visibility requirements for the European Union are used to establish the communication and visibility plan for the action and the relevant contractual obligations.

Annex: Indicative Logical Framework Matrix (max. 2 pages)

The indicative logframe matrix will evolve during the lifetime of the action and can be revised as necessary: The activities, the expected outputs and related indicators, targets and baselines included in the logframe matrix are indicative and may be updated during the implementation of the Action, no amendment being required to the financing decision. The logframe matrix should be used for monitoring and reporting purposes: new lines will be added for including baselines / targets for each indicator at contracting or inception stage new columns may be added to set intermediary targets (milestones) for the output and outcome indicators whenever it is relevant, as well as to regularly update values (“current value”) for reporting purpose. The inception report should include the complete logframe (e.g. including baselines/targets). Progress reports should provide an updated logframe with current values for each indicator. The final report should enclose the logframe with baseline and final values for each indicator.

Additional note: The term "results" refers to the outputs, outcome(s) and impact of the Action (OECD DAC definition).

	Results chain	Indicators	Reference points (Baseline 2019)	Targets ³¹
Overall objective: Impact	To contribute to addressing the root causes of irregular migration through green and climate resilient local economic development and improving future prospects of beneficiaries, by creating employment and enterprise opportunities in selected sectors in regions of departure, transit and return	Rate of (young) people who are neither in employment nor in education or training in target region(s) (disaggregated by sex, age, sector and region)	To be defined during inception phase	
		Number of young people and returnees who intend to stay and earn a living in Ghana - Ashanti and Western regions (disaggregated by sex, age and region)		
Specific objective (a)	SO 1: Support the transition of local economies to green and climate resilient development.	Number of MMDAs that have initiated a transition to green and resilient local economies through the integration of these issues in local plans and investments programmes ³²	0	9 MMDAs

³¹ Targets have been set based on previous experience of SNV and UNCDF in Ghana and other similar markets

³² Aligned with EU Results Framework 3.4 and EU TF Common Output indicators 2.5/2.8

	SO 2: To improve the employability and entrepreneurship capabilities of selected, by matching them with market opportunities and mentoring them into (self-) employment and enterprise development (with a focus on green and climate resilient local economies)	Number of decent and sustainable jobs ³³ created (disaggregated by sex, age, sector and region)	To be defined during inception phase	
	SO 3: To create and strengthen local ecosystems that support youth (self-) employment and the development of MSMEs	Number of people benefitting from job placement ³⁴ in the targeted sectors (disaggregated by sex, age, sector and district) Number of young people and returnees who created or strengthened enterprises (self-employment).		
Results	Result 1: Local economies are stimulated and short-term job opportunities for youth, women and returnees are created through green resilient public investments	1.1 Number of short-term jobs ³⁵ (full time equivalent – during a month) created (disaggregated by sex, age, sector and district)	0	2,750 short term jobs created ³⁶
		1.2 Value of investments delivered by local SMEs ³⁷ (disaggregated by volume, sector and district)	0	EUR 500,000 investments delivered by local SMEs
		1.3. Value of investments delivered and funded through the diaspora crowdfunding platform ³⁸ (disaggregated by sector and district)	0	EUR 100,000 investments delivered and funded through the diaspora
		1.4. Number of beneficiaries with improved access to green and resilient infrastructure services ³⁹ across sectors (disaggregated by sex, age and district)	0	375,000 beneficiaries of improved infrastructure services (women ⁴⁰ 40% to 60%)
	Result 2: Employability and entrepreneurship capabilities of youth, women and returnees are improved in sectors of economic opportunities,	2.1. Number of people having acquired basic life, business and technical skills through training and/or internship ⁴¹ (disaggregated by sex, age, and district)	0	More than 5,000 people trained on basic life and business skills (youth ⁴² 60% to 80%, women ⁴³ 40% to 60% and returnees ⁴⁴ 5% to

³³ <https://www.ilo.org/global/topics/decent-work/lang--en/index.htm>

³⁴ Aligned with EUTF Common output indicator 1.5

³⁵ Aligned with EUTF Common output indicators 1.1 and EU Results Framework 2.11

³⁶ Full time equivalent – during a month

³⁷ Aligned with EUTF Common output indicators 1.7

³⁸ Aligned with EU Results Framework 3.5

³⁹ Aligned with EU TF Common output indicators 2.2 and EU Results Framework 2.11

⁴⁰ Above 35 female excluding returnees

⁴¹ Aligned with EU TF Common output indicators 1.2 and EU Results Framework 2.15

	for the benefit of green and climate resilient local economies			10%)
		2.2. Number of (self-)entrepreneurs who have demonstrably benefited from longer-term mentorship, such as practical business plans (disaggregated by sex, age and district)	0	At least 3,500 people have created or developed (self-) employment opportunity (youth 60% to 80%, women 40% to 60% and returnees 5% to 10%)
	Result 3: Increased access and usage of financial services, leveraging remittances, adapted to the needs of (i) youth, women and returnees benefiting from cash for work schemes and (ii) local communities and (iii) MSMEs	3.1 Number of trainees in financial literacy ⁴⁵ training/modules (disaggregated by sex, age and district)	0	70,000 people trained in financial literacy (youth: 60% to 80%, women: 40% to 60%)
		3.2 Number of beneficiaries accessing financial services ⁴⁶ (disaggregated by sex, age and district)	0	70,000 people accessing financial services (youth: 60% to 80%, women: 40% to 60%) and returnees (5% to 10%)
		3.3 Volume of savings mobilized (disaggregated by sex, age and district)	0	EUR 1,400,000 savings mobilized
		3.4 Volume of savings matched (disaggregated by sex, age and district)	0	EUR 400,000 savings matched (50% from women and 30% from returnees)
		3.5. Total portfolio of loans granted to MSMEs ⁴⁷	0	EUR 1,700,000 of loans granted to MSMEs
		3.6 Volume of funds mobilized from the diaspora through crowdfunding platforms invested in MSMEs	0	EUR 300,000 funds mobilized from the diaspora
		3.7 Cost of remittances	10%	6% to 3%

⁴² 15-35 years male and female excluding returnees

⁴³ Excluding returnees

⁴⁴ Returnees 15-61+ both male and female (but mostly men)

⁴⁵ Aligned with EU Results Framework 2.13

⁴⁶ Aligned with EU Results Framework 2.13

⁴⁷ Aligned with EU TF Common Output Indicators 1.7

<p>Result 4: SMEs, offering decent and sustainable jobs to youth, women and returnees, are incubated and/or accelerated and contribute to green and climate resilient local economies</p>	4.1 Number of SMEs created (disaggregated by employees, size, sector and district)	0	At least 100 SMEs have been created (disaggregated by number of employees, sector and district)
	4.2 Number of SMEs that have created decent and sustainable jobs (disaggregated by employees, size, sector and district)	0	At least 1,500 decent and sustainable jobs created by SMEs (youth: 60% to 80%, women: 40% to 60%) At least 100 SMEs have expanded their business through (at least 1,500) decent and sustainable jobs (disaggregated by number of employees, sector and district)
	4.3 Number of localized, accessible and cost-efficient business incubators established in intervention zones	0	At least 100 SMEs have been incubated or accelerated to expand their business (disaggregated by number of employees, sector and district)
	4.4 Number of climate friendly solutions deployed by SMEs	0	At least 8 climate solutions have been deployed by SMEs to expand their business