

EN

ANNEX

**Neighbourhood, Development and International Cooperation Instrument (NDICI) —
Global Europe**

**Rapid response foreign policy needs action plan on disinformation, trade and
technology, and engagement**

1. IDENTIFICATION

Action: ‘EU foreign policy needs on disinformation, trade and technology, and engagement.’

Action ref.: NDICI FPN 2021/2

Cost: EUR 5 780 000 (EU contribution)

Budget line: 14 02 03 10

Duration: 72 months¹

Lead service: FPI

2. ACTION SUMMARY

This action aims to enable the EU to address short and medium-term foreign policy needs and opportunities in and with non-EU territories by supporting innovative policies/initiatives and by deepening EU relations and dialogues, forging alliances and partnerships, in the fields of disinformation, trade and technology, and engagement.

3. BACKGROUND AND RATIONALE

3.1 BACKGROUND

Priority ‘Disinformation’: Disinformation and Foreign Information Manipulation and Interference (FIMI) in the information space remain one of the key challenges of our time. Foreign actors and their proxies continue to use tactics, techniques and procedures (TTPs) to manipulate, corrode and destabilise our democracies and societies – both in the EU and in many geographic regions (not least in our neighbourhood and Western Balkans). These activities, while not illegal per se, are highly harmful and present a threat to our security, values and political procedures and a challenge for the EU’s foreign policy objectives. In order to address them adequately, a “whole of society approach”, including involving international partners, civil society and private industry, is necessary. The EU has considerably stepped up its work in this area, not least since the adoption of *the 2020 European Democracy Action Plan (EDAP)*, which is one of the political priorities of this Commission. In addition, the European Parliament has established a *Special Committee on*

¹ This can be extended for a period not exceeding the same duration.

Foreign Interference (INGE), which is following the issue closely and calling on the EEAS to further invest in this area. While the EU has developed over the past few years many new instruments and approaches, gaps in the EU's ability to address these challenges remain.

Priority 'EU-US Trade and Technology Dialogue': The EU and the US account for about a third of the world's trade and 60% of global investments. The standards and policies we set reach every corner of the world. Our technology leadership gives us an unprecedented window of opportunity to set a joint EU-US agenda on issues at the nexus of trade, technology and security. This makes us natural partners to harness rapid technological change, steer the digital transformation of the global economy, and face the challenges of rival systems of digital governance, while improving our EU-US trade and investment partnership. A high-level Trade and Technology Council was established by the EU and US Presidents during the EU-US Summit of 15 June 2021 as part of a Joint Transatlantic Agenda for the post-pandemic era. It was first proposed in "A New EU-US agenda for global change" adopted by the Commission on 2 December 2020², which sees the Trade and Technology Council as a cornerstone of a positive trade agenda based on transatlantic common values, interests and global influence. To increase the benefit of such cooperation, the inclusion of EU and US stakeholders is crucial. The Trade and Technology Council will deliver on its mission if its aims are supported and influenced by civil society, innovators, researchers, trade unions and industry associations on both sides of the Atlantic. While some projects are already ongoing or are planned, a support platform dedicated to this key initiative would be essential in view of mobilizing support amongst the above-mentioned stakeholders.

Priority 'EU – Hong Kong Engagement': The EU has a significant stake in the stability and prosperity of Hong Kong. Accordingly, it attaches great importance to the preservation of Hong Kong's high degree of autonomy, in line with the Hong Kong Basic Law and with international commitments, as well as to the respect for the 'One Country, Two Systems' principle. The Council Conclusions³ on 24 July 2020, in a response to the National Security Law, consider a re-orientation (downgrading) of the EU relationship with Hong Kong. A calibrated engagement with Hong Kong's civil society and political institutions is suggested in areas of particular EU (and joint) interest, such as climate change, regulatory cooperation, finance, trade, multilateralism, the digital economy and people-to-people. On the one hand, this engagement would allow the EU (and European business) to retain its stake in Hong Kong, while further mobilising stakeholders on key topics of EU and mutual interest (climate change, sustainable development, multilateralism, etc.). On the other hand, strengthening people-to-people ties is an important component in the EU's reaction to the undermining of protected freedoms in Hong Kong, including through the National Security law (NSL).

Priority 'EU-Taiwan Engagement': EU-Taiwan trade and investment flows continue to expand. The promotion of EU regulatory principles and standards and the EU agenda on digitalisation become increasingly relevant for both the public and the private sector. As a vibrant Chinese-speaking democracy, Taiwan is a key partner in the context of the upcoming EU Indo-Pacific strategic approach and the EU's increased geopolitical interest in the region. Taiwan's democracy, already a model for the region, can further benefit from the development of its human rights institutions, the promotion of an independent and critical press and further exposure to EU policies and practices; be it on the promotion of fundamental values, the

² Joint Communication to the European Parliament, the European Council, and the Council "A new EU-US agenda for global change", Brussels, 2.12.2020, JOIN(2020) 22 final

³ <https://www.consilium.europa.eu/media/45222/council-conclusions-on-hong-kong.pdf>

Green Deal or regional integration. Taiwan can also become a key partner for the EU when it comes to fighting disinformation and foreign influencing campaigns. Dialogues, exchanges and actions to promote standards and regulatory principles for secure investment environments, advanced technological capabilities and financial instruments will be impactful over the next few years to reinforce and create new value chains for EU industries and services and deepen the EU-Taiwan economic partnership. Taiwan's political priorities to expand renewable energy generation and reduce carbon emissions create opportunities for meaningful EU engagement on climate change, green energy, sustainability and the circular economy. Other policy areas of interest and importance include disinformation, decent work, gender equality, human rights including the abolition of the death penalty. Supporting policy and regulatory dialogues in the above fields of interest to both the EU and Taiwan, but also engagement through business cooperation, people-to-people exchanges, support to civil society actors, and similar means will facilitate progress of the EU global and bilateral agenda, especially with regards to the EU's role as a global actor and standard setter, and strong EU support for the rules-based multilateral global order. Raising the profile of the EU through public diplomacy activities will not only enhance the impact of EU action on the issues detailed above, but also strengthen the EU's role as a global actor in Taiwan and throughout the region, thereby supporting the EU's open strategic autonomy.

3.2 RATIONALE FOR NDICI RAPID RESPONSE FOREIGN POLICY NEEDS ACTIONS

Article 4(4)(c) and Annex IV (paragraph 3) of Regulation (EU) 2021/947 provide for the use of the NDICI rapid response pillar to support actions that address Union foreign policy needs and priorities, and enable the EU to:

- (a) address short and medium-term foreign policy needs and opportunities in non-EU territories/partners where there is a need for rapid reaction that is difficult to address with other means; and
- (b) support innovative policies/initiatives and deepen EU relations and dialogues, forging alliances and partnerships with partners of strategic interest across political, economic and security issues that may cover the following areas:
 - (i) support for the Union's bilateral, regional and inter-regional cooperation strategies, promoting policy dialogue and developing collective approaches and responses to challenges of global concern, such as migration and forced displacement, climate change and security issues, including mediation, and exploiting windows of opportunity in this regard;
 - (ii) support for Union trade policy and the negotiation, implementation and enforcement of trade agreements; and for improving access to partner country markets and boosting trade, investment and business opportunities for companies from the Union, in particular SMEs, while eliminating barriers to market access and investment and protecting intellectual property rights, by means of economic diplomacy, business and regulatory cooperation, with the adaptations necessary for the specific situation of the partner country, taking into account the principle of policy coherence for development as laid down in Articles 208 and 212 TFEU and the international commitments referred to in Article 3(1) of the Regulation;

- (iii) contributions to the implementation of the international dimension of internal Union policies such as, *inter alia*, environment, climate change, energy, science and education and cooperation on management and governance of the oceans as well as supporting regulatory convergence; and
- (iv) promotion of widespread understanding and visibility of the Union and of its role on the world scene, by means of strategic communication, public diplomacy, people-to-people contacts, cultural diplomacy, cooperation in educational and academic matters, and outreach activities to promote the Union's values and interests.

3.3 RISKS AND ASSUMPTIONS

Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
Activities affected by disruptions and delays caused by the COVID-19 pandemic.	H	L	Contingency plans and virtual/remote activities will be planned.
Irritants coming from political developments that negatively affect EU relations with key partners.	M	H	Careful monitoring of the political agenda, continuous engagement with main stakeholders and diversification of interlocutors/partners, constant identification of less sensitive topics of mutual interest that could be explored
Limited budget and short/medium-term intervention against needs to be covered at global level.	M	L	Prioritisation of needs in the short/medium-term and parallel planning of a longer-term action will significantly reduce such risk.
Inability to work with specific local stakeholders, given the changing political and security environment.	M	M	Constant engagement in identification of possible alternative local partners and on possible means of engagement.

4. OBJECTIVES

4.1 OVERALL OBJECTIVE

The Overall Objective of this action is to enable the EU to address short and medium-term foreign policy needs and opportunities, globally and in non-EU territories, in particular in the United States of America, Hong Kong and Taiwan, by supporting innovative policies/initiatives and by deepening EU relations and dialogues, forging alliances and partnerships, in the fields of disinformation, trade and technology, and engagement.

4.2 SPECIFIC OBJECTIVES

1. Enhance resilience against disinformation and Foreign Information Manipulation & Interference (FIMI) and strengthen the EU's role as a global security provider and defender of democratic values.
2. Strengthen the EU-US partnership on trade and investment, supporting an inclusive digital transformation based on democratic values and interests and promoting innovation and technological leadership by US and European firms, while enhancing the benefit for EU and US consumers and workers.
3. Support the EU-Hong Kong Engagement Agenda through further engagement in key domains for EU-Hong Kong cooperation⁴
4. Support to EU-Taiwan Engagement Agenda through further engagement in key domains for EU-Taiwan cooperation

5. ACTION COMPONENTS AND EXPECTED RESULTS

The main expected results/outcomes include:

1. Creation of a space to experiment, to reflect and learn via interconnected expert-led Incubator Labs.

The project will focus on creating a network and developing a platform for stimulating the development of a collective toolbox for countering disinformation and foreign information manipulation and interference (FIMI). It shall incubate strategic and operational thinking on FIMI by supporting partners committed to working at scale to reframe, guide and align key policy debates and approaches, and action (toolbox) development. This flexible framework for working with partners and experts will offer a community network by fostering peer-based collaboration and connection to key actors in the work field (international org /govt. experts, private sector, academic community, and civil society).

Activities (indicative): Organisation of dialogues, meetings, events, closed-door roundtables, joint researches and analysis, exchanges of experiences and best practices and the provision of specialised technical assistance in key priority topics.

⁴ While the objective is mostly dedicated to Hong Kong, opportunities for minor engagement with Macao will be looked at, as relevant.

2. Establishment of and support to an EU-US Trade and Technology Dialogue (TTD) that underpins the Joint Transatlantic Agenda for the post-pandemic era and the EU-US Trade and Technology Council.

Activities (indicative): transatlantic conferences, workshops, discussions and exchanges to aid the convergence of positions and views in the EU and the US, preparation and organisation of the Trade and Technology Council with white papers and reports based on stakeholders' input, organisation of complementary events with its target groups alongside high-level meetings of the Trade and Technology Council, outreach activities to raise awareness of the successful cooperation in the EU and the US.

3. Support to the annual EU/HK Structured Dialogue and public diplomacy outreach, including people-to-people, that strengthen sectoral engagement of key relevant stakeholders on topics of mutual interest and that identify areas with potential for further enhancing bilateral ties.

Activities (indicative): organization of events, technical cooperation, production of policy briefs, preparation of communication material, human rights-promoting measures, academic and think tank exchanges, media activities, or activities involving creative industries.

Topics covered by the activities could include: climate change and carbon neutrality, environment protection (waste reduction/ management), resource efficiency/circular economy, smart cities, sustainable urbanization, green transport, fight against human trafficking, vocational training, social issues, health, customs cooperation, IPR, connectivity (e.g. aviation, shipping, logistics), anti-money laundering, financing of terrorism, AI, sustainable trade policy, including on protection of multilateralism and WTO reform. Support can extend to topics such as green procurement, digital transition in services, protection of IPR, green finance, green business, or CSR/decent work.

4. Follow up on the EU-Taiwan Annual Consultations (on trade and non-trade issues) and public diplomacy outreach that advance existing dialogues and identify areas with potential for further enhancing bilateral ties.

Activities (indicative): events, technical cooperation, dialogues and exchanges, trainings and workshops, development of knowledge products and communication materials in areas of mutual interest, in particular on disinformation and death penalty.

6. IMPLEMENTATION

6.1 IMPLEMENTATION MODALITIES

The Commission will ensure that the appropriate EU rules and procedures for providing financing to third parties are respected, including through reviews where appropriate, and that the action complies with EU restrictive measures⁵.

6.1.1 Grant (direct management)

(a) Purpose of the grant

The grants will contribute to achieving the specific objective 1 in section 4.2.

(b) Type of applicants targeted

Cultural and civil society networks, academic and student networks, scientific/technical institutions and think tank networks, trade and business associations, financial institutions, social partners, pro-European organisations and media outlets, universities.

(c) Justification of a direct grant

Under the responsibility of the Commission's authorising officer responsible, the grant may be awarded without a call for proposals in accordance with the provisions of Article 195 f) of the Financial Regulation, in particular because the action has specific characteristics requiring a specific type of beneficiary for its technical competence. This is justified because the very sensitivity of the topic, i.e. disinformation and Foreign Information Manipulation & Interference, requires a beneficiary that the EU can trust.

6.1.2 Procurement (direct management)

The procurement will contribute to achieving the specific objectives 2, 3 and 4 in section 4.2.

In relation to specific objective 2, this call has been launched on 1st October 2021 under a suspensive clause prior to the adoption of this Decision. This is justified because the action responds to a commitment taken by the EU at the EU-US Summit on 15 June 2021, therefore implementation must start by first quarter 2022.

6.2 INDICATIVE BUDGET

The total European Union contribution under this Financing Decision will not exceed **EUR 5 780 000**. A breakdown among components is provided hereunder, and is indicative.

⁵ www.sanctionsmap.eu;

The sanctions map is an IT tool for identifying sanctions regimes. It is based on information from legal acts published in the Official Journal. In the event of discrepancy, it is those acts that prevail.

Indicative budget breakdown

Components	EU contribution (amount in EUR)	Indicative third party contribution, in currency identified
Grants – total envelope under section 6.1.1	3 000 000	N/A
Procurement – total envelope under section 6.1.2	2 780 000	N/A
Total	5 780 000	N/A

6.3 ORGANISATIONAL SET-UP AND RESPONSIBILITIES

The action shall be implemented under direct management. It will be managed by the Commission, with the support of the European External Action Service and relevant EU Delegations for the policy steering and the monitoring of the actions.

6.4 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 partner's 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 outcomes) as measured by corresponding indicators, using as reference the Logframe matrix. The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional 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).

6.5 EVALUATION

Having regard to the importance of the actions, mid-term and/or final evaluation(s) may be carried out for this action or its components via independent consultants contracted by the Commission.

The Commission shall inform the implementing partners at least one month in advance of the dates foreseen for the evaluation missions. The implementing partner 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 premises of the action and its activities.

The financing of the evaluation shall be covered by another measure constituting a financing decision.

6.6 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.

The financing of the audit shall be covered by another measure constituting a financing decision.

6.7 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, to be elaborated at the start of implementation.

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.

7. COMPLEMENTARITY, COORDINATION AND FOLLOW-UP

The European Commission will ensure complementarity with ongoing EU-funded programmes. Complementarities will be explored with actions managed by other Commission departments and relevant interventions by other donors. It will be important continuously to monitor actions relevant to the identified priority areas, in particular those taken by EU Member States, in order to ensure complementarity, build on good experiences and avoid duplication. Commission services will be regularly informed about the activities and about the final results of this action so that they can be taken into account in the planning of activities under other EU programmes as relevant.

Complementarity with, and continuity under, geographical or thematic NDICI programmes will be sought.