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Improving the Blending Instrument

Blending is an increasingly important financing instrument for the EU's External Action and it is estimated to represent up to 10% of the Budget for 2014-2020, compared to the 2% in the 2007-2013 financing period.

Blending is particularly relevant for the European Consulting Industry, since it covers all regions of EU external cooperation in sectors such as energy, transport and water infrastructure, social sectors and the environment. But the involvement of management and engineering consultants in Blending has been limited to date. The reasons lie in the lack of public information on the projects, the difficulty of tracking the technical assistance grants, the challenge of preparing tenders for a multiplying number of bilateral European financial institutions and to the lack of capacity of some of these institutions.

For several years now EFCA and FEACO have been advocating for more transparency, efficiency and effectiveness in the blending instrument, through the disclosure of full procurement plans for each project, the use of harmonised procurement rules, and a single source of information offering the same type of information at EU level (preferably the Supplement to the Official Journal of the EU-TED).

Although there is an agreement on the importance of tackling these issues, progress is still slow. EFCA and FEACO propose two specific measures that would contribute to improving transparency in blending:

- a) Publishing **a notice in the DG DEVCO website whenever a blending contract is signed**, including the relevant information and the IFI that would be leading the procurement.
- b) Including **an announcement in the EuropeAid website with a link to the contract notices** of all procurement opportunities related to blending contracts.

Conclusion: As the importance of the blending instrument grows in European External Cooperation, the measures to improve its transparency, efficiency and effectiveness become more urgent. EFCA and FEACO are proposing specific changes that facilitate and encourage the participation of the private sector.

Implementing the European External Investment Plan

Investment is an important means of implementing the 2030 Agenda, and the EU and its Member States are committed to scaling-up private and public investments in low-carbon, climate-resilient green economy. The European External Investment Plan (EEIP) is a new EU strategy to meet this objective and it is expected to be launched at the end of 2017. The Plan provides an integrated financial package to finance investments in Africa and the EU neighbourhood, and it is structured around three pillars: a European Fund for Sustainable Development; **technical assistance to develop sustainable projects and attract investors**; and a set of measures aimed at improved economic governance and business environments and engagement with the local private sector.

In EFCA and FEACO's view, providing sound technical assistance is crucial to the success of the EEIP. Attracting private investment to developing and emerging countries is not only a matter of providing financial guarantees, but of mitigating environmental, social, technical and economic risks in projects and ensuring the highest quality and integrity standards. European Consulting firms have the knowledge and experience to assist in the development of higher number of sustainable projects and should work hand in hand with European institutions and partner countries in making them a reality.

Conclusion: EFCA and FEACO support the creation of a centralised technical assistance service for EEIP managed by the European Commission that would offer complete, timely and easily accessible information to service-providers qualified for participating in the second pillar of the EEIP.

*The **European Federation of Engineering Consultancy Associations (EFCA)** has member associations in 26 countries, and is the sole European Federation representing the engineering and related services industry. EFCA also represents FIDIC (The International Federation of Consulting Engineers) in Europe. The EFCA's European External Aid Committee monitors developments within the European institutions involved in external aid such as the EIB, CEB, EBRD, EU and bilateral Aid of European Countries.*

*The **European Federation of Management Consultancies Associations (FEACO)** has the purpose to assist in the promotion and development of the profession of Management Consultancy in Europe. The FEACO Procurement Committee (FPC) has been running for more than 15 years and is dedicated to follow all activities that the International Financing Institutions (IFI's) drive around Development Aid financing, policies and more particularly their related procurement procedures.*