

## 4 IMPLEMENTATION ARRANGEMENTS

### 4.1 Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with the Islamic Republic of Pakistan.

### 4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

### 4.3 Budget Support – NOT APPLICABLE

### 4.4 Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures<sup>8</sup>.

#### 4.4.1 Indirect Management with an entrusted entity

This action may be implemented in indirect management with an entity, which will be selected by the Commission's services using the following criteria:

- Proven track record of implementation of comparable projects.
- Long-standing work experience in Pakistan and physical presence in the country, preferably in Punjab and Sindh.
- Established contacts with relevant public and private actors in Pakistan for private sector development with focus on SMEs and related to environment, climate change and labour rights.
- Experience in competition formats such as call for proposals, ideas and solutions
- Extensive experience in facilitation of public-private dialogues (PPD) on different levels.
- MS agencies, in the spirit of stronger collaboration under Team Europe approach, will be favoured

The implementation by this entity entails the implementation of Component 1, 2, and 3 and will contribute to achieving the related Overall objective as described in chapter 3.1.

#### 4.4.2 Changes from indirect to direct management mode (and vice versa) due to exceptional circumstances (one alternative second option)

If the envisaged implementation modality under indirect management above cannot be implemented due to circumstances outside of the Commission's control, Specific Objective 2 may be implemented through direct management (grants). The type of applicants targeted will be legal entities, international organisations, NGOs and/or economic operators such as SMEs.

<sup>8</sup> <http://www.sanctionsmap.eu/>. Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.