

2.2 Problem Analysis

Priority Area and Sectors: Support Measures. The aim of the proposal is the implementation of actions that will support the efficient implementation of the MIP 2021-2027 and TEI through specialized technical assistance.

The appropriate **implementation of the MIP and TEI** will require support to the EUD and the Salvadoran stakeholders for the identification and formulation of specific interventions. This will not be limited to the different stages of the PCM, but with a broadening of support modalities (EFSD+) it also includes specialized studies that are necessary to support implementation during any stage of the Project Management cycle, and possible EFSD+ operations.

Key cross-cutting issues:

- (a) Climate change: The MIP contains a priority area on Green Transition, which aims at the reduction of GHG emissions in El Salvador through the increased share of renewable energy in the energy mix and reduction of emissions in urban public transport in alignment to El Salvador's INDCs. This will require important investment and this action can provide TA to assess the feasibility of specific interventions.
- (b) Environmental protection: Environmental protection is indirectly included in the MIP and TEI. Investments financed under EFSD+ mechanism will be object to EIAs, and interventions aimed at private sector development will include environmental, social and human rights considerations (TA could be financed for this purpose under this decision). Under regional programmes El Salvador will continue benefitting from actions for biodiversity conservation, reforestation, waste and water management
- (c) Gender equality: Gender equality is a crosscutting objective in El Salvador. Interventions in the MIP and TEI will be assessed for their impact on gender equality. Specific studies under this action can be considered as necessary for new interventions, in particular EFSD+, to include analyses on the impact on gender.
- (d) Conflict risks and fragility: El Salvador's conflict and fragility assessment will be taken under consideration for all interventions under the MIP, including this one, and will raise some key recommendations about Do-No-Harm approaches.

Identification of main stakeholders and corresponding institutional and/or organizational issues (mandates, potential roles, and capacities) to be covered by the action:

This intervention is aimed at supporting the implementation of the MIP 2021-2027 and the TEI. The main stakeholders are:

- **EU Delegation:** the action will support the EU Delegation in supporting the implementation of the MIP and TEI;
- **Team Europe Members:** The action aims, among other objectives, to support the implementation of the TEI, through the possibility of financing studies on feasible interventions or on improved coordination.
- **ESCO:** while the action does not foresee the signature of a financing agreement, specific actions under the TA component can be coordinated with the main government counterpart, ESCO (*Agencia de El Salvador de la Cooperación*);