

## Phase Three of the Enhanced Integrated Framework (EIF)

### Guidance Note for building Prioritized Action Matrices (PAMs)

#### 1. Purpose of the PAM

EIF Phase Three aims to deepen support for the least developed countries (LDCs) in leveraging trade and investment for sustainable development. To ensure a transparent, evidence-based and results-oriented allocation of resources, EIF Phase Three uses the PAM as the foundational tool for each country's EIF Phase Three Country Programme Document (CPD).

The PAM:

- Defines *what* the country's trade and investment priorities are.
- Sequences these priorities into a structured roadmap.
- Serves as the baseline for aligning interventions, monitoring progress and mobilizing resources.
- Functions as a living document, updated regularly to reflect evolving national priorities, new opportunities and emerging evidence.

#### 2. Principles for developing the PAM

Countries should ensure that the PAM:

- Anchors in national strategies/plans (in the areas of trade, investment, development, industrial and sectoral).
- Builds on evidence from existing diagnostics, such as Diagnostic Trade Integration Studies (DTIS)/DTIS Updates (DTISU), sectoral competitiveness assessments, value chain analyses, investment climate studies, trade performance diagnostics and other technical research.
- Ensures inclusivity by engaging the government, the private sector, civil society and development partners in the prioritization process.
- Enables scalability of interventions and results.
- Supports catalytic financing, leveraging EIF funding to mobilize larger resources from governments, donors and private sector partners.

#### 3. Steps to build the PAM

##### *Step 1 – Evidence-gathering*

- Collect existing diagnostics: including DTISs/DTISUs, national development strategies, sectoral studies and value chain analyses.
- Map ongoing and planned trade and investment initiatives to avoid duplication.

### *Step 2 – Stakeholder consultations*

- Engage line ministries, private sector associations, micro-, small- and medium-sized enterprises (MSMEs), women- and youth-led enterprises and development partners to identify priority gaps and secure buy-in.

### *Step 3 – Prioritization*

Apply transparent criteria such as:

- Strategic relevance to national development and trade and investment strategies.
- Potential to catalyse further investment, reforms or partnerships (scaling potential and leveraging opportunities).
- Feasibility (institutional capacity, absorptive ability and funding prospects).
- Inclusivity (benefits to women, youth, MSMEs and marginalized groups).
- Synergies and spillover effects (ability to complement or reinforce other ongoing initiatives and avoid duplication).
- Timeframe/urgency (quick wins vs. long-term structural reforms, activities linked to deadlines and sequencing dependencies).
- Sustainability (likelihood that the initiative can be maintained after initial funding ends and environmental and social sustainability).

### *Step 4 – Structuring the PAM*

Each priority action should include:

- Priority area (e.g., strengthening trade facilitation, improving sanitary and phytosanitary standards and MSME export readiness).
- Concrete actions (what will be done) and their sources (where they come from).
- Responsible actors (lead ministry/agency, EIF National Implementation Unit, private sector and partners).
- Timeline.
- Indicative resource needs (with potential funding sources).
- Expected results/indicators.

### *Step 5 – Validation and endorsement*

- Present the draft PAM to the EIF National Steering Committee (or an ad hoc appraisal committee) for national endorsement.
- Ensure that minutes are recorded and submitted with the CPD.

### *Step 6 – Maintenance and updating*

- Treat the PAM as a dynamic tool updated at least annually.
- Adjust priorities based on new diagnostics, progress or changing trade/investment contexts.
- Use updates to mobilize new partnerships and resources.

#### 4. PAM template with sample entries (Annex 8 of the CPD – to be in Excel format)

Priority Area	Action	Source of action	Lead	Timeline	Indicative Budget (USD)	Potential Funding Sources	Expected Results/Indicators	Status/Updates
Trade policy and institutional strengthening	Update national trade policy to align with the African Continental Free Trade Area (AfCFTA)	National AfCFTA implementation strategy	Ministry of Trade	2025-2026	100,000	EIF Funding Facility 1 and Government co-funding	Revised policy adopted; cross-sector coherence ensured	Terms of reference drafted
Export diversification	Pilot value chain upgrading in agro-processing	DTISU Action matrix	Ministry of Trade	2026-2028	1,000,000	EIF Funding Facility 2 and private sector	200 MSMEs trained; 3 export-ready products certified	Not started
Infrastructure for trade facilitation	Upgrade logistics and warehousing facilities near main port	National Trade Development Strategy	Ministry of Transport/ Port Authority	2026-2029	5,000,000	Government co-funding and African Development Bank and private sector	Reduced clearance times; 20% decrease in logistics costs	Not started