

ANNEX 3

of the Commission Implementing Decision on the 2014 special measure in favour of Lebanon for the Syria crisis to be financed from the general budget of the European Union

Action Document for Access to basic services for the vulnerable population in Lebanon – Economic recovery and basic infrastructures (ABS-ECOINF)

1. IDENTIFICATION

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|--|---|--------|--|
| Title/Number | Access to basic services for the vulnerable population in Lebanon – Economic recovery and basic infrastructures (ABS-ECOINF) CRIS number: ENI/2014/037-715 | | |
| Total cost | Total estimated cost: EUR 15,000,000 Total amount of EU budget contribution EUR 15,000,000. | | |
| Aid method / Management mode and type of financing | Project Approach Direct management –grants – direct award | | |
| DAC-code | 14050 | Sector | Waste management / disposal |
| | 14030 | | Basic drinking water supply and basic sanitation |
| | 31140 | | Agricultural water resources |
| | 73010 | | Reconstruction relief and rehabilitation |

2. RATIONALE AND CONTEXT

2.1. Summary of the action and its objectives

The action aims at improving the overall efficiency and effectiveness of basic services provided to the Lebanese host communities affected by the influx of Syrian refugees. The action will directly contribute to alleviating the short- and medium term development needs in those areas in Lebanon which are most affected by the impact of Syrian refugees. This project will achieve its objective by enhancing basic public infrastructure and of income generating opportunities.

It aims to build capacity of existing Lebanese institutions, organisations and structures to deal with the repercussions of the Syrian crisis for Lebanon and to empower local communities socially and economically by ensuring sufficient access to services for the most vulnerable. The activities under the action are aligned with

priorities identified through structured dialogues held with broad groups of civil society organisations and local administrations.

The action will be designed to respond to the deterioration in access to basic goods and services for the most vulnerable in the country as a consequence of the influx of 1,176,971 refugees from Syria.¹ Vulnerable people will include Lebanese as well as refugees, but the avenue for support will be through strengthening of existing Lebanese structures such as local authorities, water establishments and civil society to assist the country to cope with the unprecedented and continuously growing pressure it and its population are experiencing since 2012.

The action will be aligned with priorities in the Government of Lebanon response plan to the consequences of the influx of refugees from Syria integrated in the international response as part of the United Nations High Commissioner for Refugees (UNHCR) led Regional Response Plans (RRP).

2.2. Context

Lebanon has so far been the main recipient country of refugees from Syria with 1,176,971 Syrian refugees registered or awaiting registration with UNHCR (29 August 2014) in addition to approximately 42,000 Palestine Refugees from Syria (PRS) recorded with the United Nations Relief and Works Agency (UNRWA) in Lebanon. Finally, there is an estimated 17,500 so-called 'Lebanese returnees' according to the International Organization for Migration (IOM). As some refugees are hesitant to register and as others still rely on own resources, the actual number of Syrian refugees is certain to be even higher.

There are now refugees from Syria in all parts of the country, spread across more than 1,600 locations. The concentration remains highest in the Bekaa Valley (36.6%) followed by Beirut and Mount Lebanon (27.0%), the North including the city of Tripoli, (24.7%) and finally the South (11.6%).² The influx of refugees represents an increase of the population by more than 25%. Some of the most affected localities have even experienced population increases of 50-100%.

The influx of refugees from Syria continues with a net increase of around 30-40,000 additional registrations per month.

2.2.1. Country context

2.2.1.1. Economic and social situation and poverty analysis

Lebanon's macroeconomic situation is deteriorating as a consequence of domestic and regional events, including the Syrian conflict and the ensuing refugee crisis. The influx of refugees is having a number of effects: strains on education, health and other infrastructure, fiscal costs, increasing poverty and unemployment levels, and pressures on the labour market. Economic growth remains positive but subdued, at less than 2% in 2014. The fiscal deficit is on an increasing trend (more than 11% of gross domestic product (GDP) in 2014), putting the government debt-over-GDP ratio (already one of the highest in the world at 141% of GDP in 2013) on an upward

¹ Refugee population as of 29 August 2014, UNHCR, <http://data.unhcr.org/syrianrefugees>.

² UNHCR, <http://data.unhcr.org/syrianrefugees/regional.php>.

trend. The current account deficit also remains at high levels (13% of GDP in 2013). The crisis has emphasised previously existing vulnerabilities and increased risks, pushing Lebanon's resilience to its limits.

Lebanon is characterised by regional socio-economic disparities with almost 30% of the population living under the poverty line and 8% under the extreme poverty line. Due to the absence of a modern legal framework on decentralisation, a lack of appropriate human and financial capacities and a non-performing fiscal system the quality and accessibility of public services is often quite low.

Even before the influx of refugees, access to resources and basic services was limited in many - especially poorer - areas. Often the refugee pressure has been the highest in the poorest communities of the country. After having hosted refugees, often for more than three years, the resources of these communities are stretched to the limit, increasing the risk of tension and conflict.

The Syrian conflict remains highly divisive in Lebanon and some groups are actively engaged in the conflict across the border, despite the official "disassociation policy" adopted in 2012 with the so-called Baabda Declaration, which meant to isolate Lebanon from the conflict.

2.2.1.2. National development policy

The Lebanese Prime Minister launched the "*Response of the Government of Lebanon to the Crisis of Syrian Displaced Families*" in December 2012. An inter-ministerial committee (IMC) headed by the Prime Minister was set up to implement the response plan with the Ministry of Social Affairs (MoSA) in charge of coordination. While the plan and the IMC were seen as the first official recognition of the urgency of the crisis and of the responsibility of the Government of Lebanon to address it, there has been limited follow up to the plan from the Government of Lebanon and the response has *de facto* been left for the UN system to deal with, with UNHCR in the lead. Since December 2012, it has participated in all the UN-led *Regional Response Plan* (RRP) exercises and over the summer of 2013 the Government of Lebanon requested the World Bank to lead an *Economic and Social Impact Assessment* (ESIA).³ Despite several encouragements, the Government of Lebanon has not yet developed a comprehensive response plan. A so-called "Stabilisation Roadmap"⁴ developed by the World Bank and the UN in October 2013 as a follow-up to the ESIA remains incomplete.

2.2.2. Sector context: policies and challenges

Lebanese infrastructures for solid waste disposal, wastewater management and water supply, already showing substantial weaknesses, are even more under pressure due to the number of users, increasing every day.

Most refugees have moved into the communities in Lebanon that were the least developed before the crisis due to lower living costs and perceived employment

³ <http://documents.worldbank.org/curated/en/2013/09/18292074/lebanon-economic-social-impact-assessment-syrian-conflict>. Exercise conducted with assistance of two EU funded experts.

⁴ Lebanon Roadmap of Priority Interventions for Stabilization from the Syrian Conflict, World Bank, 12 October 2013

opportunities, especially in agriculture, construction or unskilled labour. The increased pressures on public infrastructure (water, sanitation) as well as on labour opportunities are sources of increasing tension. Improving local infrastructures, in close cooperation with local or national authorities, will improve the delivery of basic services, provide relief to local communities under pressure, create additional employment opportunities as well as improve the use of natural resources and improve the environmental situation in Lebanon.

The local authorities (municipalities and unions of municipalities) and national authorities (Ministry of Energy and Water and the Regional Water Establishments) will be consulted and will coordinate the activities through regular monitoring. Memorandum of agreements will be signed between these Lebanese institutions, the civil society implementing the action and the contractors to address the needs of the population, to secure a real appropriation during the implementation and the sustainability once the action is finished.

Already before the current crisis, Lebanese infrastructures for solid waste disposal, wastewater management and water supply showed substantial weaknesses. This has only increased under the additional pressure due to the increased number of users following the refugee influx. The ESIA identifies requirements for up to USD 535 million for local infrastructure for the period 2012-2014 to cope with additional needs in the water, sanitation, solid waste management and municipal service sectors. In terms of livelihoods and employment the ESIA paint a concerning picture of an additional 220,000-324,000 Lebanese expected to become unemployed as a consequence of the crisis and the lower salaries accepted by refugees. To reduce the risk of tension and to support the resilience and social cohesion in most affected areas efforts to empower local communities through employment and income generating activities are essential.

As underlined in the Lebanese Response Plan, a number of socio-economic assessments have determined that the burden of the Syrian crisis has fallen acutely on host communities in Lebanon. Many of them have been cut off from their traditional sources of affordable goods or services and economic opportunities due to the conflict situation in Syria. This adds to already limited basic infrastructure, social services and employment opportunities. The Government of Lebanon, the International community and the EU have agreed to support these communities.

2.3. Lessons learnt

Already when the Syrian crisis began to have significant consequences for Lebanon in the summer of 2012, the EU recognised the need to upscale and accelerate its cooperation with Lebanon in order to respond to the growing needs of vulnerable Lebanese as well as the refugee population. As in previous crises the EU adopted a two-step approach where medium to long term needs in local communities are addressed in parallel to emergency humanitarian assistance to refugees. This is done in order to help alleviate the pressure felt by local communities as well as to reduce the risk of confrontation and conflict.

The response has focused on i) support to Lebanese institutions in dealing with crisis; ii) support to local communities (livelihood and basic infrastructure); iii) education; and later iv) primary health care. All interventions are aligned with the priorities identified in the RRP which include contributions from the Government of

Lebanon. Efforts have been made to implement directly through the Government of Lebanon, but due procedural obstacles making it difficult to sign financing agreements directly with the Government and concerns about weak financial management as well as very limited implementation capacity, the assistance is mainly implemented through UN agencies (UNHCR, the United Nations Children's Fund - UNICEF, UNRWA) and NGOs. Nevertheless, substantial efforts are made – and will continue to be made - to ensure close coordination and increased involvement of the Government of Lebanon and local administrations in the response.

Although having a smaller absorption capacity than UN agencies, both international and national NGOs have shown proactivity and ability to implement significant projects at a local scale. Following a number of calls for proposals, the EU Delegation has started negotiating direct contracts in order to ensure a swifter contracting and better coordinated interventions.

The importance of the local dimension of development is now widely recognised as a consensus that local governance can make public institutions more effective in meeting citizens' needs has taken a more leading role. Local governance aims to ensure that local authorities address issues more effectively at the local and municipal level. Municipalities and/or Union of Municipalities and their councils playing an important role in regional and local development achieve better goals through accountability and responsiveness to the needs and rights of their constituents. It is within this context that the European Union actively supports in Lebanon local authorities by strengthening their ability to carry out their tasks of public service as well as help carry out projects successfully.

In Lebanon, the EU has been implementing a longstanding cooperation supporting balanced regional development, poverty reduction, local governance and capacity building. By mid-2014 and through various instruments⁵, the EU is currently funding around 80 contracts with municipalities or Union of municipalities for a total amount of EUR 60 million. The EU intervenes in all Mohafazat, 19 Cazas and 260 municipalities.

The EU has developed a very strong partnership with those local institutions. The EU can also capitalise on some EU funded projects, such as ESFD (*Economic and Social Fund for Development*), who became through the last years, one of the main public implementing body as far as local development is concerned.

All responses to the crisis, including previous responses through the European Neighbourhood and Partnership Instrument (ENPI), have shown that the situation on the ground develops fast and often beyond projections made. For that reason, a large degree of flexibility will be required for any intervention addressing medium to long term needs in order to allow for an effective response to the evolving needs of the beneficiary populations.

⁵ Including bilateral funds under the European Neighbourhood and Partnership Instrument and thematic budget lines

2.4. Complementary actions

This action is complementary to the support already provided by the EU, certain EU Member States, other donor countries, international organisations and NGOs, to address the humanitarian and so-called 'stabilisation needs' caused by the conflict in Syria and the unprecedented influx of refugees to Lebanon.

In particular, the World Bank and the Government of Lebanon have established a multi donor trust fund to support the Lebanese society against the repercussions of the Syrian crisis. The guiding principle of the support package, the "Lebanon Roadmap of Priority Interventions for Stabilization from the Syrian Conflict", contains several projects in the fields of health, education, infrastructure and water and sanitation, in particular the component 1 "Emergency Response" – which will finance the provision of high priority municipal services and the component 2 "Rehabilitation of Critical Infrastructure" which will finance larger works to rehabilitate and/or develop critical infrastructure at the local level".

The complementarity of the proposed action will mainly concern (i) the nature of the financed actions and (ii) geographical areas of intervention (this new programme focusing on zones where basic infrastructure and socio-economic needs have not been addressed yet by the Government or by the international community). Numbers of supported vulnerable populations will increase, which shall contribute to enhance their resilience, thereby mitigating the risks of tensions and conflicts at community levels. In 2012 and 2013, the EU has allocated EUR 170.8 million for Lebanon through the European Neighbourhood Partnership Instrument (ENPI) budget to address medium and long term needs in the areas of: education, reinforcing the capacities of the Lebanese authorities to deal with crisis, local community empowerment and support to Palestine Refugees from Syria (PRS).

Through the Instrument for Stability (IfS)⁶ the EU has allocated EUR 27.5 million to strengthen the public health sector and to support PRS. The EU Humanitarian Aid and Civil Protection department (ECHO) has allocated EUR 172.3 million in emergency humanitarian assistance to Lebanon through UN agencies and European NGOs to meet basic needs of the refugee population.

Five interventions are of particular relevance to this action:

- ***EU contribution to the 'Government of Lebanon Response Plan to the Syrian Crisis'***,⁷ which allocated EUR 36 million through contribution agreements and a call for proposal to address among other education, capacity building of Lebanese institutions and child care;
- ***Support to enhance basic infrastructure and economic recovery in Lebanon***⁸, is a EUR 18 million programme to upgrade the provision of basic services and contribute to economic recovery, in particular to mitigate the impact of the Syrian crisis on Lebanon. It is implemented through international and national NGOs;

⁶ Since 2014, the Instrument contributing to Stability and Peace (IcSP).

⁷ C(2013)2348 adopted on 18 April 2013.

⁸ C(2013)5680 adopted on 9 September 2013.

- ***Upgrading water supply facilities for communities in Lebanon affected by the consequences of the conflict in Syria***⁹, which allocates EUR 14.8 million from ENPI to ensure that affected populations have access to adequate quantity of safe water and have means to store water safely;
- ***Recovery of local economies in Lebanon***¹⁰, which is a EUR 7 million intervention financed through funds from the Support for Partnership, Reform and Inclusive Growth (SPRING) programme. It aims to recover the local economies of communities particularly affected by the influx of refugees;
- ***Upgrading solid waste management capacities in the Bekaa and Akkar regions in Lebanon (SWAM)***¹¹, which allocates EUR 14 million in SPRING funds to establish two new sanitary landfills in the Bekaa and Akkar regions. These facilities will be essential for a responsible treatment of solid waste, of which the quantity has drastically increased as the population in Lebanon has increased by more than a quarter since the beginning of the crisis.

ECHO finances access to health care through NGOs and UN agencies that finance access to health services for individual refugees. Through IfS and ENPI funding focuses on building capacity in the existing Lebanese health infrastructure. Close coordination with humanitarian actors and especially with ECHO, EU Member States - France has launched a EUR 2.5 million project very similar to this action proposed with some of those NGO's - as well as the main national and international organisations involved in the response to the crisis is ongoing and will be maintained.

The local technical assistance mobilised for the "*Support to enhance basic infrastructure and economic recovery in Lebanon*" – EUR 18 million – will be also involved in the preparation on the actions as well as the current technical assistance to the Ministry of Energy and Water provided under the SISSAF project (*Support programme to infrastructure sector strategy and alternative financing*).

The EU Delegation will also organise at the local level the coordination through regular monitoring and meetings will all the stakeholders.

2.5. Donor coordination

Under the RRP process, 12 coordination working groups (WG) have been established on various subjects including education, child protection, sexual and gender-based violence (SGBV), health, water, sanitation and hygiene (WASH), as well as social cohesion and livelihood. The WGs meet regularly both at central (Beirut) and regional level and are open to all parties involved in the sectors, including donors.¹²

Coordination between EU Member States is undertaken regularly in the EU Development Coordination Group meetings organised at the EU Delegation in

⁹ C(2013)6371 adopted on 3 October 2013.

¹⁰ C(2014)2860 adopted on 25 April 2014.

¹¹ C(2014)2860 adopted on 25 April 2014.

¹² Information on the WGs, the calendar of meetings as well as minutes can be consulted on the UNHCR web-portal for the Syrian refugee crisis <http://data.unhcr.org/syrianrefugees/country.php?id=122>.

Beirut. Broader donor coordination is undertaken on a regular basis in an informal donor group of EU Member States, Canada, Japan, Norway, Switzerland and USA where exchange of information takes place and guest speakers are invited on occasion to brief on particular issues such as the so-called 'stabilisation agenda'.

3. DETAILED DESCRIPTION

3.1. Objectives

The **overall objective** is to contribute to supporting the most vulnerable population in Lebanon.

The **specific objectives** of this project are:

- To improve infrastructure at local level in areas most affected by the influx of Syrian refugees;
- To support economic recovery, income generating initiatives job creation and social activities.

3.2. Expected results and main activities

The strategy of this programme (in line with the Lebanese Response Plan) will focus on:

- improving and expanding essential services to the most affected communities by increasing adequate sanitation and clean water supply and providing better livelihoods opportunities;
- supporting the resilience and social cohesion of displaced and host communities by mobilising and empowering them through employment and income generating activities.

The following **indicative results** are expected in the frame of this programme:

a) The provision of basic services is improved:

- The number of persons benefitting from a clean environment with effective means to dispose of solid waste will have increased;
- Vulnerable people will have improved access to potable water and improved sanitation infrastructure and their health conditions will be improved.

b) Local socio-economic development is recovering and more jobs are being created:

- Low skilled workers will have improved access to the labour market;
- The average household income of refugees and Lebanese host communities' households will have increased in the short-term;
- Income generation, employment and market creation will be enhanced.

The expected results will be achieved through grant projects in the following areas:

- basic infrastructure (construction/rehabilitation of solid waste disposal facilities, water and sanitation infrastructure);
- Income generating activities and support to small and medium enterprises (SME) and other economic actors for promoting communal socio-economic development.

Main activities may include:

- Rapid participatory assessment, prepared by the NGO, in the targeted communities. The communities will be targeted based on exposure to the crisis and their capacity to cope with it (number of refugees within the community, needs, capacities and potential to implement and sustain the activities foreseen);
- Under the coordination of the Water Establishments and "on behalf" of the local authorities, design, tender, implementation and supervision of some rehabilitations of the water and sanitation networks in the targeted areas;
- Implementation of agricultural infrastructure projects that will improve irrigation distribution;
- Implementation of agricultural infrastructure projects that will improve the quality of water;
- Dissemination of useful and practical information related to agricultural and economic activities including, for example, the sustainable use and application of seeds, fertilisers (organic and inorganic), pesticides as part of integrated pest management, improved cultural practices and livestock;
- In coordination with the regional water establishments, support to water users' associations or community based associations (capacity building, trainings);
- Referral to ESFD Job creation component for business advisory services, designing business plans, preparing loan applications, and possibly supporting the submission of loan applications to ESFD partner commercial banks.

NGOs and the civil society in Lebanon, which shall represent the main beneficiaries of the grants, have the capacity to develop and implement such large economic recovery and social-service oriented actions.

3.3. Risks and assumptions

It is widely expected that the Syrian crisis will be protracted and that the influx of Syrian refugees to Lebanon will continue although possibly at a slower rate. In light of the unpredictability of the political and security situation in Syria, the project will need to maintain a high degree of flexibility in order to be able to adapt to an evolving context.

Risks include:

- The Syrian conflict could further spill-over into Lebanon. This could jeopardise the project and cut off access to Lebanese territory for international organisations and implementing partners;

- The Lebanese authorities will be hampered in dealing with the crisis due to political constraints and limitations on capacities and resources;
- Tensions between Lebanese hosts and refugees from Syria lead to violence in one or several locations;
- Increased demand for public services and lack of financing leads to a collapse of certain public services;
- Some actors in the international community (state and non-state actors) could provide interventions outside the established coordination mechanisms, which could lead to cases of duplication of support;
- Return of refugees to Syria due to end of conflict and improvement of living conditions in the country (positive "risk").

Mitigating measures include:

- In case of a severe deterioration of the security situation in certain areas of Lebanon either due to a further spill-over of the Syrian conflict into Lebanon or violent tensions between refugees and hosts, the activities of the intervention would be moved to areas deemed safe. In case of a severe deterioration of the security situation in the entire Lebanese territory, the intervention might have to be halted until the situation improves;
- In case of further political constraints for the Lebanese authorities in responding to the needs of the populations living in Lebanon or in case of a partial or complete collapse of public services delivery, basic public services could be continued through local authorities as well as local NGOs and civil society organisations;
- The risk of duplication of support is to be mitigated through continued and active participation in donor coordination for a as well as pro-active outreach to non-traditional donors;
- In case of an end to the violence in Syria and a substantial return of Syrian refugees the activities can continue as foreseen as the needs of the most vulnerable communities in Lebanon for improved public services are believed to persist.

3.4. Cross-cutting issues

During implementation of the intervention it will be ensured that all financed initiatives respect principles in particular human rights, gender equality, good governance and environmental impact as core elements. Conflict sensitivity, conflict mitigation and conflict resolution will also be considered and promoted to the furthest possible extent.

3.5. Stakeholders

Main stakeholders such as ministries, NGOs, local authorities and UN agencies have been consulted during the preparatory period to identify needs.

The direct beneficiaries include vulnerable populations in Lebanon benefiting from improved access to public services, irrespective of nationality and gender, as well as public service providers and institutions.

The main public institutions concerned by this intervention are the members of the Inter-Ministerial Committee (IMC) set up by the Prime Minister of Lebanon for in connection with the first Government of Lebanon Response Plan in December 2012.

Others include municipalities, unions of municipalities and local water establishments.

Indirect beneficiaries include the general Lebanese population as increased support for the most vulnerable communities will alleviate pressure on public finances and reduce the risk of tension and conflict caused by lack of access to basic services.

4. IMPLEMENTATION ISSUES

4.1. Financing agreement

In order to implement this action, it is not foreseen to conclude a financing agreement with the partner country, referred to in Article 184(2)(b) of Regulation (EU, Euratom) No 966/2012.

4.2. Indicative operational implementation period

The indicative operational implementation period of this action, during which the activities described in sections 3.2. and 4.3. will be carried out, is 48 months from the adoption of this Action Document, subject to modifications to be agreed by the responsible authorising officer in the relevant agreements. The European Parliament and the relevant Committee shall be informed of the extension of the operational implementation period within one month of that extension being granted.

4.3. Implementation components and modules

4.3.1. Grant: direct award (direct management) with NGOs, INGOs and water establishments to be determined.

- (a) Objectives of the grant, fields of intervention, priorities of the year and expected results

As referred to in section 3.2, the objectives of the grants will be to improve the provision of basic services (construction/rehabilitation of solid waste disposal facilities, water and sanitation infrastructure) and to contribute to the creation of income generating activities and support to SMEs and other economic actors for promoting communal socio-economic development.

- (b) Justification of a direct grant

Under the responsibility of the authorising officer by delegation, the grant may be awarded without a call for proposals to NGOs, INGOs and/or local authorities based on a thorough analysis of potential partners. Direct award will be used in particular to

ensure that interventions are well aligned and sufficiently involve local authorities such as municipalities and water establishments.

Under the responsibility of the authorising officer by delegation, the recourse to an award of a grant without a call for proposals is justified because Lebanon has been declared to be in a under the declared crisis situation in Lebanon as per Article 190(1)(a) of Commission Delegated Regulation (EU) No 1268/2012.

This arrangement in a crisis situation takes account of the urgency of providing continuing support and allows for the best possible targeting and complementarity between interventions can be ensured. The use of such flexible procedures will be made in strict compliance with the applicable rules for external actions.

(c) Eligibility conditions

In order to be eligible for a grant, potential beneficiaries should comply with the following non-exhaustive conditions:

- be a legal person, and
- be non-profit-making, and
- be a specific type of organisation such as: non-governmental organisation, public sector operator, local authority, international (inter-governmental) organisation as defined by Article 43 of the Rules of Application of the EU Financial Regulation, and
- be established in a Member State of the European Union, or in another country eligible according to Regulation (EU) No 232/2014 ("ENI Regulation"). This obligation does not apply to international organisations.

(d) Essential selection and award criteria

The essential selection criteria are financial and operational capacity of the applicant.

The essential award criteria are relevance of the proposed action to the objectives of the programme; design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

(e) Maximum rate of co-financing

The maximum possible rate of co-financing for this grant is 90%.

The maximum possible rate of co-financing may be up to 100% in accordance with Article 192 of Regulation (EU, Euratom) No 966/2012 if full funding is essential for the action to be carried out. The essentiality of full funding will be justified by the responsible authorising officer in the award decision, in respect of the principles of equal treatment and sound financial management.

(f) Indicative trimester to contact the potential direct grant beneficiaries

First semester of 2015.

- (g) Exception to the non-retroactivity of costs

The Commission does not authorise the eligibility of costs prior to the submission of the grant application.

4.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act shall apply.

The responsible authorising officer may extend the geographical eligibility in accordance with Article 9(2, b) of Regulation (EU) No 236/2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

4.5. Indicative budget

| Module | Amount in EUR thousands | Third party contribution (indicative, where known) |
|---|--------------------------------|---|
| 4.3.2. – Direct grant (direct management) | 14,900 | N.A. |
| 4.7. – Evaluation | 100 | N.A. |
| Total | 15,000 | N.A. |

4.6. Performance monitoring

The performance of the project will be closely monitored by the project implementing bodies (NGOs, local authorities). Appropriate reporting and reviewing measures will be built into each contract/agreement to ensure close follow-up on part of the Commission. The Commission reserves the right to carry out on-the-spot and monitoring missions as needed.

External results oriented monitoring missions may also be carried out by the Commission.

4.7. Evaluation and audit

The project may be subject to mid-term and final evaluations.

Without prejudice to the obligations applicable to contracts/agreements signed for the implementation of this project, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

These audit costs will be financed from sources outside the budget of this project.

4.8. 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.

The measures shall be implemented either (a) by the Commission, and/or (b) by the partner country, contractors, grant beneficiaries and entrusted entities. Appropriate contractual obligations shall be included in, respectively, financing agreements, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

The contracting of a communication company is foreseen under the programme “Access to basic services for the vulnerable population in Lebanon– Education & Health (ABS-EH)”, which is also part of this financing Decision, and will encompass all the related programmes, allowing coordinated messaging, consistent branding and economies of scale. An important budget will be allocated to ensure communication both to local and European audiences and that the various components of the EU's multi-sectorial response can be covered sufficiently.