

ANNEX 2

of the Commission Decision on the ENP Regional South Annual Action Programme 2013 —
Part II

Action Fiche for EU support to the Secretariat of the Union for the Mediterranean in 2014

1. IDENTIFICATION

Title/Number	EU support to the Secretariat of the Union for the Mediterranean in 2014 CRIS number: ENPI/2013/24886		
Total cost	Total estimated cost: EUR 8.42 million Total amount of EU budget contribution: EUR 4.21 million This action is co-financed by UfM member countries for an amount of EUR 4.21 million.		
Aid method / Method of implementation	Direct centralised management Grant — direct award		
DAC-code	15110	Sector	Public sector policy and administrative management

2. RATIONALE AND CONTEXT

2.1. Summary of the action and its objectives

The purpose of this action is to support the functioning of the Secretariat of the Union for the Mediterranean ('the Secretariat') in 2014 through an operating grant covering 50% of the cost of the organisation. The remainder of the resources necessary for the functioning of the Secretariat will be covered by the member countries of the Union for the Mediterranean (UfM) through financial contributions and the secondment of staff. This operating grant by the EU together with the contributions from the member countries of the UfM will permit the Secretariat to fulfil its mandate in 2014.

2.2. Context

The Union for the Mediterranean (UfM) was launched in July 2008 at the Paris Summit for the Mediterranean. It builds on the Euro-Mediterranean Partnership (Euro-Med), which was established at the Barcelona Conference in 1995 as the reference framework for political, economic and social relations between the European Union and the Southern Mediterranean Countries, also known as the Barcelona Process.

The UfM shares and builds upon the goals of the Barcelona Declaration, namely to establish an area of peace, stability, security and shared economic prosperity, to uphold democratic principles, human rights and fundamental freedoms and to promote understanding between cultures and civilisations in the Euro-Mediterranean region.

The UfM is a unique forum for dialogue among 43¹ Euromed partners that complements bilateral relations between the EU and its southern neighbours.

The Secretariat of the Union for the Mediterranean (UfMS) was established by a decision of Heads of State and Government of the UfM and its Statutes were adopted on the 3 March 2010 by virtue of a decision by the Senior Officials of the member countries of the UfM.

The mandate of the Secretariat focuses on identifying, promoting and coordinating projects which enhance and strengthen regional cooperation and impact directly on the livelihoods of the citizens in order to improve socio-economic development, regional integration, sustainable development and the exchange of knowledge among and within the countries of the UfM. As per the Joint Declaration of the Paris Summit for the Mediterranean of 13 July 2008, the Secretariat is mandated to detail a number of key initiatives in the following areas: De-pollution of the Mediterranean, Maritime and Land Highways, Civil Protection, Alternative Energies: Mediterranean Solar Plan, Higher Education and Research, Euro-Mediterranean University; the Mediterranean Business Development Initiative.

As highlighted in the two Joint Communications “A partnership for democracy and shared prosperity with the Southern Mediterranean”² and “A new response to a changing Neighbourhood”,³ the High Representative and the Commission are ready to play a bigger role in the UfM in line with the Lisbon Treaty.

Revitalising the UfM requires a switch to a more pragmatic and project-based approach. The UfM Secretariat must operate as a catalyst to bring states, the EIB, National, Regional and International Financial Institutions and the private sector together around concrete economic projects of strategic importance and generating jobs, innovation and growth throughout the region. Partner countries’ participation in these projects could follow the principle of variable geometry depending on their needs and interests.

In light of the above, the EU is providing support to the UfM Secretariat in the form of an operating grant since 2010 in co-funding with the member countries of the UfM. The UfM Northern Co-Presidency has also been transferred to the EU in March 2012, allowing for more dynamic and coordinated political exchanges and better articulation of UfM activities with EU sector policies and programmes.

¹ Austria, Albania, Algeria, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, The Czech Republic, Denmark, Egypt, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Israel, Jordan, Latvia, Lebanon, Lithuania, Luxemburg, Malta, Mauritania, Monaco, Montenegro, Morocco, The Netherlands, Palestine, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Syria, Sweden, Tunisia, Turkey, The United Kingdom and Libya as an observer. The participation of Syria is currently suspended.

² COM(2011) 200 of 8 March 2011.

³ COM(2011) 303 of 25 May 2011.

2.3. Lessons learnt

The overall coordination and interaction between EU staff and the UfMS has dramatically increased since 2011 with regular exchanges and meetings on transport, energy, environment and private sector development urban development and civil protection. The Secretariat's efforts to streamline and rationalise its internal procedures are also bearing fruit.

2.4. Complementary actions

The regular exchange of information between the UfM Secretariat, Commission services and EEAS staff and other donors and international financing institutions permits the Secretariat to fully account for all on-going actions in the design of projects to be given the UfM endorsement (so called labelling).

2.5. Donor coordination

The Heads of State and Government of the UfM countries have established a co-presidency to improve the balance and joint ownership of their cooperation. Senior officials convene regularly in order to prepare the ministerial meetings, including projects to be endorsed, take stock of and evaluate the progress of all components of the Union for the Mediterranean and submit the annual work plan and budget. The UfM member countries co-finance it by making financial contributions and seconding officials to the Secretariat.

3. DETAILED DESCRIPTION

3.1. Objectives

The objective of the action is to support the UfM Secretariat in executing its mandate through an operating grant with co-funding from the member countries of the UfM.

It will help the Secretariat to perform the following tasks:

- a. To work with all structures of the process, particularly with the co-presidencies, e.g. drafting working documents for the senior officials and through them for the other decision making bodies.
- b. To give an impulse to this process in terms of follow-up, promotion of new projects and the search for funding and for implementation partners;
- c. To be the focal point for multi-source funding of UfM projects.

3.2. Expected results and main activities

The action will make an essential contribution to the attainment of the following results.

Result 1: Projects and initiatives in the six priority areas (Transport and Urban Development, Energy, Environment including Climate Change and Water, Higher Education and Research, Social and Civil Affairs, Business Development) are given the UfM label or endorsed.

The activities focus on the steps to be taken by the Secretariat to develop and appraise project proposals with the objective of submitting new proposals to UfM countries and then to get the projects started.

Result 2: Relations with international and bilateral financial institutions and the private sector are strengthened.

While consolidating the current strategic partnerships achieved with institutions such as European Commission, European Investment Bank, Swedish International Development Cooperation Agency, Norwegian Aid and Spanish Agency for International Development Cooperation, the UfM aims to scale up ongoing collaboration with key institutions such as the European Bank for Reconstruction and Development, the World Bank, the African Development Bank, and the Islamic Development Bank. It will also reach out to potential new partners and network with other bilateral institutions such as the Kreditanstalt für Wiederaufbau, the Agence Française de Développement, the Swiss Development Cooperation Agency and others in the Gulf region. A coordination meeting with IFIs and bilateral institutions will be held on an annual basis. Building strong private - public partnerships will catalyse conditions for solid development of the Mediterranean area.

Result 3: The internal functioning of the Secretariat is improved.

Activities will focus on the continuous upgrade of the manual of internal procedures and workflows, and on procedures for processing proposals and projects submitted for 'labelling'. The manual will include all the policies and regulations needed for the smooth running of the organisation, and the workflows and internal control mechanisms to be introduced to increase efficiency and transparency in line with Commission rules. The projects submitted should take account of EU policies and priorities, particularly the European Neighbourhood Policy and the external dimension of EU policies on topics such as the environment, energy, transport, civil protection, small and medium-sized enterprises, higher education, research and food safety.

3.3. Risks and assumptions

The main risks and possible constraints derive from the fact that the global budget of the UfM Secretariat relies upon contributions from the European Union (around 50%) and the 43 UfM member countries. Any delay in the delivery of UfM government's contributions or in the fulfilment of the corresponding commitments might lead to a disruption of the implementation of the approved work plan of the Secretariat.

The UfM Secretariat will revise and adapt its work plan for 2014 should a substantial budget reduction arise.

3.4. Cross-cutting issues

The 2008 Paris Summit declared that the UfM could play an important role in addressing common challenges facing the Euro-Mediterranean region, such as regional security, economic and social development; food security crisis; degradation of the environment, including climate change and desertification, in relation to promoting sustainable development; energy; migration; the fight against terrorism and extremism; and promoting dialogue between cultures.

3.5. Stakeholders

The main stakeholders are the 43 UfM member countries and the co-Presidencies.

4. IMPLEMENTATION ISSUES

4.1. Financing agreement

No financing agreement with any partner country, as referred to in Article 184(2)(b) of the Financial Regulation, is foreseen.

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 12 months, subject to modifications to be agreed by the responsible authorising officer in the relevant agreements.

4.3. Implementation components and modules

4.3.1. Grant: direct award (direct centralised management)

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

The objective of the grant is to support the Secretariat of the UfM in executing its mandate through a financial contribution to the functioning of the organisation.

The field of intervention, priorities and expected results are those mentioned under section 3.2.

- (b) Justification of a direct grant

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 UfM constitutes a unique forum of dialogue among the 43 Euromed partner countries, complementing the relations between the EU and each of its Southern neighbours. The Secretariat plays a key role within the institutional architecture of the UfM to contribute to achieving the political goals of the UfM initiative as agreed during the Paris Summit of 2008.

- (c) Eligibility conditions

N/A.

- (d) Essential selection and award criteria

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

The essential award criteria are the relevance of the proposed work programme to the Secretariat's mandate, and the design effectiveness, feasibility, sustainability and cost-effectiveness of the work programme.

(e) Maximum rate of co-financing

The maximum rate of co-financing for this grant is 50%.

This may be raised to 100% under Article 192 of the Financial Regulation if full funding is essential for the action to be carried out. In the award decision, the responsible authorising officer must give reasons why full funding is essential, in accordance with the principles of equal treatment and sound financial management.

(f) Quarter in which the potential direct grant beneficiary will be contacted (indicative)

Fourth quarter of 2013.

(g) Exception to the 'no retroactive costs' rule

N/A

4.4. Scope of geographical eligibility for procurement in direct centralised and decentralised management

Subject to the following, the geographical eligibility conditions in terms of place of establishment for participating in procurement procedures and in terms of origin of supplies and materials purchased as established in the basic act shall apply.

The responsible authorising officer may extend the geographical eligibility in accordance with Article 21(7) of the basic act on the basis of the unavailability of products and services in the markets of the countries concerned, for reasons of extreme urgency, or if the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

4.5. Indicative budget

Module	Amount in EUR	Third party contribution in EUR
Direct grant to UfM Secretariat (direct centralised)	4,210,000	4,210,000

4.6. Performance monitoring

The European Union may conduct monitoring missions, using external expertise according to needs. The Secretariat and the European Union shall analyse the conclusions and recommendations of the evaluations and jointly decide on the follow-up action to be taken and any adjustments necessary, including, the reorientation of the action.

4.7. Evaluation and audit

Financial execution and statement will be subject to annual external audits, to be undertaken by independent auditors directly contracted by the Secretariat.

4.8. Communication and visibility

The Secretariat will, in all documentation and communication detailing its functioning and activities — in writing and when participating in public events — make appropriate mention of the EU logo and EU support, fully in line with the Visibility Manual for EU External actions.⁴

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http://ec.europa.eu/europeaid/work/visibility/index_en.htm.