



This action is funded by the European Union

ANNEX 7

of the Commission Implementing Decision on the Annual Action Programme 2015 in favour of the ENI South countries

Action Document for

EU support to the Secretariat of the Union for the Mediterranean in 2016

WORK PROGRAMME FOR GRANTS

This document constitutes the work programme for grants in the sense of Article 128(1) of the Financial Regulation (Regulation (EU, Euratom) No 966/2012) in section 5.3 concerning grants awarded directly without a call for proposals.

1. Title/basic act/ CRIS number	EU support to the Secretariat of the Union for the Mediterranean in 2016 CRIS number: 2015/359-702 financed under the European Neighbourhood Instrument
2. Zone benefiting from the action/location	Neighbourhood South Countries: Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Palestine ¹ , Syria and Tunisia. Countries neighbouring the Neighbourhood region: Bosnia and Herzegovina, Albania, Mauritania, Montenegro and Turkey. The action shall be carried out at the following location: countries as listed above.
3. Programming document	Programming of the European Neighbourhood Instrument (ENI) - 2014-2020. Regional South Strategy Paper (2014-2020) and Multiannual Indicative Programme (2014-2017)
4. Sector of concentration/ thematic area	Support regional and sub-regional institutional cooperation

¹ This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue.

5. Amounts concerned	<p>Total estimated cost: EUR 8.42 million</p> <p>Total amount of EU budget contribution EUR 4.21 million</p> <p>Budget line: 21.03.03.03</p> <p>This action is co-financed in joint co-financing by:</p> <ul style="list-style-type: none"> - EU budget contribution: EUR 4.21 million from the general budget of the European Union for financial year 2015; - UfM members for an amount of EUR 4.21 million. 			
6. Aid modality(ies) and implementation modality(ies)	<p>Project Modality</p> <p>Direct management – grants – direct award</p>			
7. DAC code(s)	15110 - Public sector policy and administrative management			
8. Markers (from CRIS DAC form)	General policy objective	Not targeted	Significant objective	Main objective
	Participation development/good governance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Aid to environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality (including Women In Development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Trade Development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, Maternal, New born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Main objective
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Global Public Goods and Challenges (GPGC) thematic flagships	N/A			

SUMMARY

The purpose of this action is to support the functioning of the Secretariat of the Union for the Mediterranean ('the Secretariat') in 2016 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 members 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 members of the UfM will permit the Secretariat to fulfil its mandate in 2016.

At the time of writing this action document, EU co-operation with Syrian governmental authorities is still suspended. In case this decision is reversed, the Commission will assess the opportunity to involve Syrian authorities in the implementation. The political instability and/or security situation in Syria will be assessed prior to that in order to confirm the feasibility/opportunity to: a) engage the stakeholders and b) implement the activities.

1 CONTEXT

1.1 Sector/Country/Regional context/Thematic area

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 sustainable development as well as understanding between cultures and civilisations in the Euro-Mediterranean region.

The UfM is a unique forum for dialogue among 43 Euromed partners that complements bilateral relations between the EU and its southern neighbours.

The UfM Northern Co-Presidency has 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.

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 members of the UfM.

The mandate of the Secretariat focuses on identifying, promoting and coordinating projects which enhance and strengthen regional co-operation 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 members 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.

The UfM Secretariat must operate as a catalyst to bring Countries, the EIB, National, Regional and International Financial Institutions and the private sector and civil society together around concrete projects of strategic importance and generating jobs, innovation and growth throughout the region. Partners' 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 members of the UfM.

1.1.1 Public Policy Assessment and EU Policy Framework

Four years after the Arab upheavals, the situation in the region remains very complex with increased fragmentation. Despite the unquestioned democratic gains (elections, more vocal civil society), the heated debates about the form of new social contracts and the role of religion are strongly polarising Arab societies. The economic situation remains worrisome and social demands still focus on political dignity (freedom, human rights) and improvement in social and economic conditions. The ongoing conflict in Syria with its international repercussions overshadows the whole situation.

The EU's strategic response to the Arab Spring came on 8 March 2011, with the Joint Communication proposing “A partnership for democracy and shared prosperity with the Southern Mediterranean”². This was followed by the Joint Communication on 25 May 2011 which initiated the launch of “A new response to a changing Neighbourhood”³.

In implementing the above, the EU has intensified dialogue and co-operation with regional actors. The EU as co-president of the Union for the Mediterranean (UfM) together with Jordan, gave a new impetus to the UfM, a unique forum for dialogue among 43⁴ Euromed partners that shares and builds upon the goals of the Barcelona Declaration and complements bilateral relations between the EU and its southern neighbours.

There has been also renewed impetus for co-operation with the League of Arab States (LAS) which is a key forum for finding political and security solutions to conflicts affecting the region. The EU is also developing contacts with the Organisation of Islamic Co-operation (OIC) and supports the sub-regional co-operation, i.e. in Maghreb with the 5+5 Dialogue.

After a long break, the UfM resumed holding of several Ministerial meetings in 2013 and 2014, first on the role of Women (September), and then on Transport (November), Energy (December), Industry (February 2014), Environment/Climate Change (May 2014) and Digital Economy (September 2014). This is a positive signal expressing a shared objective in establishing deeper regional co-operation both between EU and Southern countries and South –South co-operation.

1.1.2 Stakeholder analysis

The main stakeholders are the 43 UfM⁵ members and the co-Presidencies. Therefore and if relevant, partner countries other than ENI Southern Partner Countries (ENI SPCs) (Bosnia and Herzegovina, Albania, Mauritania, Montenegro, Turkey, Bahrain,

² COM(2011)200 of 8 March 2011.

³ COM(2011)303 of 25 May 2011.

⁴ 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.

⁵ With gathers: EU Member States, ENI South Countries, IPA II beneficiaries (except for Iceland) and Mauritania.

Comoros, Djibouti, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, Somalia, Sudan, United Arab Emirates and Yemen) shall be associated to the activities foreseen by this action, in accordance with Article 16(1) of Regulation (EU) No 232/2014.

2 RISKS AND ASSUMPTIONS

Risks	Risk level (H/M/L)	Mitigating measures
<p>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 members. Any delay in the delivery of UfM governments' 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.</p>	<p>H</p>	<p>UfM Secretariat , as well as the two co-Presidencies, leads constant actions towards UfM members and other potential donors in order to secure regular funding.</p>
<p>Assumptions</p>		
<p>The UfM Secretariat will revise and adapt its work plan for 2016 if UfM governments' contributions do not reach the 50% of the budget foreseen.</p>		

3 LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES

3.1 Lessons learnt

The overall co-ordination and interaction between EU staff and the UfMS has dramatically increased since 2011 with regular exchanges and meetings on transport, energy, environment, private sector development, urban development, gender and, most recently, climate change. The Secretariat's efforts to streamline and rationalise its internal procedures are also bearing fruit.

3.2 Complementarity, synergy and donor coordination

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).

The Heads of State and Government of the UfM members have established a co-presidency to ensure shared ownership of their co-operation. Senior officials convene regularly in order to prepare the ministerial meetings, endorse projects , take stock of and evaluate the progress of all components of the Union for the Mediterranean and review the annual work plan and budget. The UfM members co-finance it by making financial contributions and seconding officials to the Secretariat.

3.3 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, sustainable economic and social development; food security crisis; degradation of the environment, including desertification, as well as addressing climate change in relation to promoting sustainable development; energy; migration; the fight against terrorism and extremism; and promoting dialogue between cultures. Emphasis will be placed on streamlining gender issues into relevant activities.

4 DESCRIPTION OF THE ACTION

4.1 Objectives/results

The objective of the action is to support the UfM Secretariat in executing its mandate through an operating grant with co-funding from the members 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, to ensure the operational follow up of the decision of the Ministerial, and to act as a unique platform for dialogue and cooperation between stakeholders on thematic priorities for the region;
- b. To give an impulse to this process in terms of follow-up, promotion of new projects and wider sector initiatives and search for funding and for implementation partners;
- c. To be the focal point for multi-source funding of UfM projects.

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

Result 1: High quality regional 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 and constitute an operationalisation of the political mandate provided by the Ministerial declarations.

Result 2: The role of the Secretariat as a regional dialogue platform is reinforced.

Result 3: Relations with international and bilateral financial institutions and the private sector are strengthened.

Result 4: The internal functioning of the Secretariat is improved.

4.2 Main activities

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

While consolidating the current strategic partnerships achieved with institutions such as European Commission, European Investment Bank, European Bank for Reconstruction and Development Norwegian Aid, the UfM aims to scale up ongoing collaboration with key institutions such as 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, Swedish International Development Co-operation Agency, the Swiss Development Co-operation Agency and others in the Gulf region. A co-ordination meeting with IFIs will be held on an annual basis. Building strong private - public partnerships will catalyse conditions for solid development of the Mediterranean area.

Activities will focus on the continuous upgrade of the procedures for project monitoring of labelled projects, for processing proposals and projects submitted for 'labelling'. The manual of internal procedures 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 new on-line Project Monitoring System will become the unique tool of projects information internally and externally and will allow for a closer scrutiny of processes and follow up of implementation of projects. 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.

Apart from the projects activities, the UFMS, as an operational platform for cooperation, will continue encouraging consensus building, developing regional and sub-regional networks, and foster dialogue and exchange among all stakeholders from the Mediterranean region. This will be materialised through the organisation of specific high level conferences and experts forum/working groups or round tables in the areas of activity of the Secretariat's mandate.

4.3 Intervention logic

With a view at reaching the objectives and implementing the activities as described in sections 4.1 and 4.2, the present contribution will be delivered through an operating grant awarded to the UfM Secretariat and covering the period running from January 2016 until December 2016.

5 IMPLEMENTATION

5.1 Financing agreement

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

5.2 Indicative implementation period

The indicative operational implementation period of this action, during which the activities described in section 4.2 will be carried out and the corresponding contracts and agreements implemented, is 18 months from adoption by the Commission of this Action Document. Within this implementation period, one operating grant will be awarded, covering the following implementation durations: 12 months, from January to December 2016.

Extensions of the implementation period may be agreed by the Commission's authorising officer responsible by amending this decision and the relevant contracts and agreements; such amendments to this decision constitute Budget technical amendments in the sense of point (i) of Article 2(3)(c) of Regulation (EU) No 236/2014.

5.3 Implementation modalities

5.3.1 Grant: direct award (direct 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, in particular the work programme for 2016, through a financial contribution to the functioning of the organisation.

The field of intervention, priorities and expected results are those mentioned under sections 4.1 and 4.2.

(b) Justification of a direct grant

Under the responsibility of the Commission's authorising officer responsible, 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 partners, 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 UfM Secretariat.

The essential award criteria are 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 possible rate of co-financing for this grant is 50%.

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

(f) Indicative trimester to conclude the grant agreement

Fourth quarter of 2015.

5.4 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 and set out in the relevant contractual documents shall apply, subject to the following provision.

The Commission's authorising officer responsible may extend the geographical eligibility in accordance with Budget 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 in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

5.5 Indicative budget

	EU contribution (amount in EUR)	Indicative third party contribution, in currency identified
5.3.1 Direct grant to UfM Secretariat (direct management)	4,210,000	4,210,000

5.6 Organisational set-up and responsibilities

This action will be managed by Commission Services (Directorate-General for Neighbourhood and Enlargement Negotiations) and, where relevant, in close collaboration with other relevant EU institutional stakeholders (EEAS, European Parliament, EU Member States).

5.7 Performance monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) or the list of result indicators (for budget support). The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

5.8 Evaluation

Having regard to the nature of the action, an evaluation will not be carried out for this action.

5.9 Audit

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

The financing of the audit shall be covered by another measure constituting a financing decision.

5.10 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, to be elaborated at the start of implementation and supported with the budget indicated in section 5.5 above.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, 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.

APPENDIX - INDICATIVE LOGFRAME MATRIX (FOR PROJECT MODALITY) ⁶

The activities, the expected outputs and all the indicators, targets and baselines included in the logframe matrix are indicative and may be updated during the implementation of the action without an amendment to the financing decision. The indicative logframe matrix will evolve during the lifetime of the action: new lines will be added for listing the activities as well as new columns for intermediary targets (milestones) when it is relevant and for reporting purpose on the achievement of results as measured by indicators.

	Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
Overall objective: Impact	With the long-term objective of reinforcing regional cooperation in the Mediterranean region and building up a common agenda, the UFM Secretariat satisfactorily fulfils the mandate it has been given by the Heads of State and Government of the UfM in 2008, and according to its Statutes adopted in 2010.	Cooperation frameworks, agreements, partnerships, programmes built and implemented in the Mediterranean region for better socio economic development .	NA	NA		- Sufficient political commitment by UFM Members
Specific objective(s): Outcome(s)	The strengthening of the activities of the Secretariat is accompanied by a strengthening of its internal capacity.	Outcome indicators (such as number of beneficiaries of UFMS labelled projects in the region in various sectors) will depend on the specific projects to be labelled and launched in 2016 (see output indicators below)				

⁶ Mark indicators aligned with the relevant programming document mark with '*' and indicators aligned to the EU Results Framework with '**'.

Outputs	<p>Activities in terms of projects labelling, regional dialogues, operationalisation of ministerial mandates, preparation of senior officials meeting.</p>	<ul style="list-style-type: none"> - Regularity of Senior Officials meetings - Occurrence of Ministerial Meetings in priority areas of the UFM - Follow up in operational terms by the Secretariat of decisions made in the Ministerial declarations - Number of regional platform dialogue events organised and number of regional participants - Number of projects Labelled - Number of projects launched/implemented - Number of partnership agreements signed by the UFMS and external partners, and fund raised. 	<p>See the approved annual activity report of previous year (2014)</p>	<p>See the approved annual work program and budget for indication of the number of foreseen activities for 2015- On average, those figures should be maintained in 2016.</p>	<p>Sources of verification are the official communication and reports from the UFM and its Secretariat</p>	<p>Financial contributions are effective in complement to this operating grant</p>
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