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THIS ACTION IS FUNDED BY THE EUROPEAN UNION

ANNEX III

of the Commission Implementing Decision on the financing of the multiannual action plan part I in favour of the Neighbourhood, Development and International Cooperation Instrument (NDICI) Regional South Neighbourhood for 2021-2023

Action Document for Support to the European Endowment for Democracy (EED) for the period 2022-2024

ANNUAL ACTION PLAN

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and action plan/measure in the sense of Article 23(2) of NDICI-Global Europe Regulation.

1. SYNOPSIS

1.1. Action Summary Table

1. Title CRIS/OPSYS Basic Act	Support to the European Endowment for Democracy (EED) for the period 2022-2024 Multi-annual action plan part I in favour of Southern Neighbourhood for 2021-2023 CRIS number: NDICI-GEO-NEAR/2021/043-045 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
2. Team Europe Initiative	No
3. Zone benefiting from the action	The action shall be carried out in Neighbourhood countries. As per Art. 43(1) of the Regulation (EU) 2021/947 the action will be extended to the following countries: <ul style="list-style-type: none"> • Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Republic of Moldova, Morocco, Palestine¹, Syria², Tunisia, Ukraine and the Russian Federation. Countries and territories neighbouring the Neighbourhood region: <ul style="list-style-type: none"> • Central Asia countries: Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan; Gulf Countries: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, United Arab Emirates – UAE; Countries from the Sahel:

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.

² Co-operation with the Government of Syria suspended since 2011.

	<ul style="list-style-type: none"> Chad, Mali, Mauritania, Niger, Sudan, Iran, Iraq, non-autonomous territory of Western Sahara. <p>This is justified as the “Regional South Multiannual Indicative Programme (2021-2027)”, makes reference to the importance of cross regional cooperation: “The future regional cooperation should have a flexible geographical and thematic scope, also allowing for interlinkages with other regions, where necessary and appropriate as highlighted in the Joint Communication on a renewed partnership with the Southern Neighbourhood.” and “The EU will be ready to explore further regional, sub-regional or trilateral cooperation and joint initiatives between partners in targeted areas of mutual interest and of a cross-border nature”.</p>
4. Programming document	<p>Communication for a renewed partnership with the Southern Neighbourhood JOIN (2021) 2 final of 09.02.2021</p> <p>Joint Communication: Eastern Partnership policy beyond 2020: Reinforcing Resilience – an Eastern Partnership that delivers for all JOIN(2020) 7 final of 18.03.2020</p> <p>Regional MIP for Southern Neighbourhood (2021-2027)³</p> <p>Regional MIP for the Eastern Neighbourhood</p>
5. Link with relevant MIP(s) objectives/expected results	<p>Regional MIP for Southern Neighbourhood,</p> <p><i>Priority Area 1: “Human development, good governance, and rule of law” (SO1: To promote democracy, fundamental rights, good governance and transparency)</i></p> <p><i>Expected result:</i> Human rights defenders, democracy activists and pro-democracy movements are supported</p> <p>Regional MIP for the Eastern Neighbourhood</p> <p><i>Priority area 5: Resilient, gender equal, fair and inclusive societies (SO1: Civil society capacity, youth participation, cultural cooperation and free media environment strengthened)</i></p> <p><i>Expected result:</i> Strengthened capacity of local CSOs as well as think tanks to meaningfully engage in policy making and dialogue, promote open civic space, foster social investment, and serve the needs of local communities.</p>
PRIORITY AREAS AND SECTOR INFORMATION	
6. Priority Area(s), sectors	150 Government and Civil Society
7. Sustainable Development Goals (SDGs)	Main SDG: 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
8 a) DAC code(s)	15160 - Human Rights 15150 - Democratic participation and civil society
8 b) Main Delivery Channel @	50000 Other

³ C(2021)9399 adopted on 16.12.2021.

9. Targets	<input type="checkbox"/> Migration <input type="checkbox"/> Climate <input type="checkbox"/> Social inclusion and Human Development <input type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input checked="" type="checkbox"/> Human Rights, Democracy and Governance			
10. Markers (from DAC form)	General policy objective @	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Aid to environment @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" 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"/>
	Disaster Risk Reduction @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers @	Not targeted	Significant objective	Principal 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"/>
11. Internal markers	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation @ Tags: digital connectivity digital governance digital entrepreneurship job creation digital skills/literacy digital services	<input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Connectivity @ Tags: transport people2people energy	<input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

digital connectivity		<input type="checkbox"/>	<input type="checkbox"/>
Migration @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reduction of Inequalities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
COVID-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

BUDGET INFORMATION

12. Amounts concerned	<p>Budget lines:</p> <p>14 02 01 10 (South allocation) – EUR 7 500 000</p> <p>14 02 01 11 (East allocation) – EUR 9 000 000</p> <p>Total estimated cost: EUR 18 150 000.00</p> <p>Total amount of EU budget contribution: EUR 16 500 000</p> <p>Contribution by the beneficiary: EUR 1 650 000</p> <p>The contribution is for an amount of EUR 5 500 000 from the general budget of the European Union for 2021 (EUR 2 500 000 South, EUR 3 000 000 East) and for an amount of EUR 5 500 000 from the general budget of the European Union for 2022 (EUR 2 500 000 South, EUR 3 000 000 East) and for an amount of EUR 5 500 000 from the general budget of the European Union for 2023 (EUR 2 500 000 South, EUR 3 000 000 East), subject to the availability of appropriations for the respective financial years following the adoption of the relevant annual budget, or as provided for in the system of provisional twelfths.</p>
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MANAGEMENT AND IMPLEMENTATION

13. Implementation modalities (type of financing and management mode)	<p>Project Modality</p> <p>Direct management through:</p> <p>– grants</p>
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1.2. Summary of the Action

Democracy support has always been a pivotal element of EU's external policies, with support for democratisation processes in non-EU states traditionally channelled through instruments like the European Instrument for Democracy & Human Rights (EIDHR), the Instrument for Stability, and the European Neighbourhood Instrument (ENI).

Most of the countries in the EU's Neighbourhood have a restrictive environment for civic engagement and in many cases this hampers even the support of the EU to the civil society organisations and independent media. Significant weaknesses remain in such contexts, with corruption being often endemic, weak institutions and governance, and a lack of democratic accountability as well as many barriers to civic engagement and political participation. Civil society and independent media play an important role in encouraging citizens' participation in democratic processes, in fighting corruption, and in many cases even provide essential services for local populations.

The European Commission has cofounded the European Endowment for Democracy (EED) with the goal to provide flexible support to pro-democracy activists, complementing other EU and member state democracy support programmes. EED specialises in cases where the space for civil society is shrinking due to administrative, legal, social and political barriers and accepts significant political and operational risks as part of its operations.

The direct beneficiary of this action is the EED with main purpose of direct grant-making to pro-democracy activist and/or organisations struggling for democratic transition in the European Neighbourhood and beyond, through specific flexible procedures.

The Overall Objective (Impact) of this action is to contribute to the democratisation and to the social and economic development of partner countries by supporting pro-democracy activists.

The Specific Objective (Outcome) of this action is to enable the functioning and activities of the European Endowment for Democracy as an actor to foster and encourage democratisation and deep and sustainable democracy in countries in political transition and in societies struggling for democratisation.

The action is based on Regional Multi-annual Indicative Programme for Southern Neighbourhood, Priority area: Human development, good governance, and rule of law where is addresses the specific objective To promote democracy, good governance, transparency and accountability with expected result: Human rights defenders, democracy activists and pro-democracy movements are supported.

It is also baes on Regional MIP for the Eastern Neighbourhood, Priority area 5: Resilient, gender equal, fair and inclusive societies where is addresses the Specific objective 1: Civil society capacity, youth participation, cultural cooperation and free media environment strengthened with expected result: Strengthened capacity of local CSOs as well as think tanks to meaningfully engage in policy making and dialogue, promote open civic space, foster social investment, and serve the needs of local communities.

The Action will contribute to SGD 16 (Peace, Security and Strong Institutions), namely the targets 16.7 (Ensure responsive, inclusive, participatory and representative decision-making at all levels) and 16.10 (Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements)

2. RATIONALE

2.1. Context

Democracy and human rights are core values of the European Union (EU) and vital elements for ensuring long-term stability both inside and outside its borders. Democracy support has always been a pivotal element of EU's external policies, with support for democratisation processes in non-EU states traditionally channelled through instruments like the European Instrument for Democracy & Human Rights (EIDHR), the Instrument for Stability, and the European Neighbourhood Instrument (ENI).

In such a context, the European Endowment for Democracy (EED) has the vocation to support those values and objectives, and to complement existing EU co-operation instruments by funding key political players and fostering democratic transition in the Neighbourhood region and beyond through rapid and flexible assistance.

The EED was established following the December 2011 '*Declaration on the Establishment of the European Endowment for Democracy*' by the Council⁴, which declared that it shall operate as an autonomous International Trust Fund. It was formally established at the end of 2012 with the support of the European Parliament, the European Commission, the High Representative of the Union for Foreign Affairs and Security Policy and the EU Member States. EED is steered by the Board of Governors, which is composed of members designated by or representatives of all Member States, nine members of the European Parliament (MEPs), of a member designated by representative(s) of European External Action Service (EEAS) and a member

⁴ http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/126505.pdf

designated by the European Commission. The Board of Governors has an oversight over EED's activities and ensure consistency with the EU policies.

EED is an independent, complementary mechanism for providing fast and flexible technical and financial support to democratisation and human rights promotion in the European Neighbourhood. In the delivery of its activities, in line with its statutes, the EED strives to avoid duplication and to ensure coherence, synergy, complementarity and added value with the activities carried out under EU financial instruments which are already providing very valuable outputs. These will include under the new NDICI, in particular, the Civil Society and Human Rights Thematic Programmes, the Geographic parts of NDICI including the Civil Society Facility 2021 (CSF) and IPA III. This will be ensured via established channels of communication between EED and the EC HQ and EUD which will allow for exchange of information. EED will maintain active contact with EUD in each country of their work and have at least one meeting (in presence or online) per year.

Empowered civil society is a key component of a just, equitable and democratic system. The Joint Communication⁵ "*Eastern Partnership policy beyond 2020, reinforcing resilience – an Eastern Partnership that delivers for all*", adopted in March 2020, and the Joint Staff Working Document⁶ on the future of the Eastern Partnership, published in July 2021, acknowledge the contribution of civil society to increasing public accountability, advancing human rights, sustainable growth and local development, as well as ensuring service delivery to the whole population in the region in the Eastern Neighbourhood. Building on innovative actions and engagement to date, the EU commits to continue supporting financial sustainability and capacity of CSOs as well as promoting cooperation with a range of social partners and enhancing leadership skills of civic actors.

The 25th Anniversary of the Barcelona Declaration in November 2020 was an opportunity to reflect on priorities of the EU partnership with the Southern Neighbourhood, especially in the context of a post-COVID-19 recovery, leading to a Joint Communication on "*A Renewed Partnership for the Southern Neighbourhood*"⁷, published on 9 February 2021. This Joint Communication calls for a renewed commitment to human rights, rule of law, democracy and good governance as the bedrock for stable and prosperous societies, respect for diversity and tolerance and a safe and predictable business environment.

The proposed action is in line with the EU Human Rights and Democracy Action Plan: (2020-2024): chapter I.b ("Invigorating Civil Society"), and more particularly objective 8 "Empowering Civil Society Organisations defending the rights of women and girls" and chapter II ("Addressing Human Rights Challenges") particularly Objective 14 "Promoting gender equality, women's rights, empowerment and participation of women and girls" that includes empowerment objectives for young women and men. This initiative is in line with the EU Gender Action Plan⁸ (GAP) III adopted in December 2020, which establishes gender equality and women empowerment (GEWE) as an essential means for achieving peace and security, human rights and sustainable development.

In 2017 the Board of Governors endorsed the proposal from the European Commission for EED to expand its operations to the Western Balkans and Turkey. Support for the Endowment's functioning in the Western Balkans and Turkey shall be provided by a parallel contribution to the EED operating costs from the Instrument for Pre-Accession Assistance (IPA).

The EED has been engaging with the Member States to attract funding to the EED's basket fund. Twenty-three European countries that are members of the Board of Governors have contributed over EUR 75m to EED's programme budget to date, as well as Canada through special grants for Ukraine and Belarus. 18

⁵ Eastern Partnership policy beyond 2020: *Reinforcing Resilience – an Eastern Partnership that delivers for all*, Joint Communication JOIN(2020) 7, https://eeas.europa.eu/sites/default/files/1_en_act_part1_v6.pdf

⁶ Joint Staff Working Document, Recovery, resilience and reforms: post 2020 Eastern Partnership priorities, https://eeas.europa.eu/sites/default/files/swd_2021_186_f1_joint_staff_working_paper_en_v2_p1_1356457_0.pdf

⁷ https://eeas.europa.eu/headquarters/headquarters-homepage/92844/joint-communication-southern-neighbourhood_en

⁸ <https://www.consilium.europa.eu/en/press/press-releases/2020/11/19/council-approves-conclusions-on-the-eu-action-plan-on-human-rights-and-democracy-2020-2024/>

European States contributed to the programme budget in 2020. The European Commission is the largest donor of EED covering all operating costs since the start and large part of action grants.

2.2. Problem Analysis

Short problem analysis

Most of the countries in the EU's Neighbourhood have a restrictive environment for civic engagement and in many cases this hampers even the support of the EU to the civil society organisations and independent media. Significant weaknesses remain in such contexts, with corruption being often endemic, weak institutions and governance, and a lack of democratic accountability as well as many barriers to civic engagement and political participation. Civil society and independent media play an important role in encouraging citizens' participation in democratic processes, in fighting corruption, and in many cases even provide essential services for local populations. Past several years were marked in many Neighbourhood countries with restrictive environments by ongoing attempts to curtail the operations of civil society. In some countries, there are growing restrictions on foreign funding for NGOs. Disinformation continues to be a tool used to undermine democratic values and discredit those who stand up for them, which has augmented in the times of the COVID-19 pandemic.

The European Commission has cofounded the EED with the goal to provide flexible support to pro-democracy activists, complementing other EU and member state democracy support programmes. EED specialises in cases where the space for civil society is shrinking due to administrative, legal, social and political barriers and accepts significant political and operational risks as part of its operations. Furthermore, EED, by engaging with beneficiaries directly, has established deep ties to grassroots CSOs and local media and pro-democracy actors. Importantly, it has a proven track record of operating in highly restricted contexts as well as tested methods to securely channel financial support and, when necessary, protect identities of the beneficiaries.

Since the outset of the COVID-19 pandemic, CSOs have played a critical role, both in delivering social, health and educational services, and in watchdog, monitoring and reporting activities on the implementation of these emergency measures as well as advocating on behalf of vulnerable groups and disproportionately effected sectors. CSOs, independent journalists and professional media have been key for providing fact-based and accurate information about the pandemic and its health risks, government measures and restrictions and countering growing disinformation. The COVID-19 crisis severely affected many CSOs and civil society activists. Financial and organisational survival is a risk some CSOs have had to face as donations dropped and the future funding may be reduced, while running costs continue.

Over the past years, the civil society environment across the Eastern Partnership countries has been affected by the increased political instability, in particular, the recent unprecedented crackdown on society in Belarus, break-out of hostilities in Nagorno Karabakh and protracted conflicts in Ukraine, Georgia and Moldova as well as increased societal polarisation ahead of and following elections in Georgia, Moldova and Armenia.

More specifically, in Armenia, civic environment is favourable, yet the political context is polarised and this has been even further exacerbated by the early elections in June 2020 and the Nagorno Karabakh conflict. The latter made the local CSOs to largely re-focused their work to emergency interventions. In Azerbaijan, the pandemic and the Nagorno–Karabakh conflict led to further restrictions of civil society environment and participation of CSOs in policy dialogue. Since 2014 and despite some minor amendments, the legislation for CSOs in Azerbaijan has remained restrictive and burdensome regarding both registration and access to funding, making the access to foreign funding limited. Following the falsified presidential elections in 2020 and continuous crackdown on pro-democracy activists, the enabling environment for civil society in Belarus has practically disappeared. State authorities in Belarus have adopted or amended several laws to restrict free flow of information further restricting civic and media space. In Georgia, where civil society sector is active and vibrant, the political landscape is polarised and a political crisis has triggered many actions and demonstrations by civil society. In the Republic of Moldova, the political landscape is fragile and the local

CSOs expanded their capacity to engage in policy dialogue with the government, however further capacity building is necessary, and the lack of financial sustainability and the uneven distribution of capacity between the capital city and the regions remain outstanding challenges. In Ukraine, civic space remains generally favourable towards civil society engagement. At the same time, attacks against civil society and journalists have intensified during the COVID-19 crisis while prosecution of high profile cases is slow and partly inadequate. Space for civic engagement in the non-government control areas and Crimea continues to shrink.

Moreover, during the pandemic governments in the Eastern Partnership region have responded to the situation by invoking emergency laws, restricting gatherings, democratic activities and expanding state surveillance. In countries, where restrictive laws have already been squeezing civil society even before the pandemic started, the state authorities took advantage of the extraordinary situation to undercut civil liberties even further and silence critical voices. In countries, where the environment remains conducive to CSOs, the governments still employed superfluous measures to curb the spread of the coronavirus, yet severely affecting the CSO work altogether. Against this backdrop of rapidly changing contexts, there is a continuous need for flexible and targeted EED support to established and civil society organisations, civic and media actors in the Eastern Partnership region, to sustain their short and long-term pro-democracy and reform agendas. The situation of civil society in the Southern Neighbourhood (SN) region differs from one country to another but some common features can be pointed out. The political context does not provide for enabling environment of civil society, with old and new legislation restricting its role, affecting freedom of assembly and association. Ten years after the so-called “Arab Spring” started, much remains to be done across the region to gain the necessary space for civil society to operate and contribute to sustainable socio-economic development and democratisation processes. The COVID-19 pandemic and related restrictive measures have exacerbated the tensions in the societies and further helped authorities to restrict the work of independent civil society.

Despite an increasing respect for minority rights for example in Morocco, torture and degrading and inhuman treatment continue to be perpetrated by security forces in a number of countries and the situation for civil society and free expression and participation in political activities have deteriorated especially in Algeria and Egypt. Here, a number of civil society activists have been imprisoned and governments have adopted restrictive laws for international support to civil society and its operation. Morocco is a particularly difficult context for civil society, with many activists sentenced to prison for any criticism of the country’s regime and civil society organisations denied legal status. By the same token, civil society remains crucial as a watchdog and creative proactive advocacy force in Tunisia, whose society continues to be shaken by pervasive political instability, economic disarray, and widespread distrust in political elites.

Supporting pro-democracy activists in conflict environments – such as Libya and Syria - brings particular challenges, as the lack of political stability and security can make it particularly difficult to operate safely. These can also be difficult environments for most donors and EED is committed to supporting populations who live in conditions of war and instability when at all possible. In the case of Syria, the EU has strongly condemned the systematic human rights violations by the Syrian regime and suspended all types of co-operation, imposed restrictive measures and kept them under constant review. The EU has only maintained aid that benefits the Syrian population, students, human rights defenders and the opposition. With Syria experiencing an unprecedented economic crisis and harsh humanitarian and socio-economic conditions, 83 percent of the population now live under the poverty line. While the security and political situation remains highly volatile, civil society actors help communities address their daily challenges and develop an alternative narrative based on democratic values, critical thinking and peace-building principles.

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

The direct beneficiary of this action is the European Endowment for Democracy. The EED’s main purpose is direct grant-making to pro-democracy activist and/or organisations struggling for democratic transition in the European Neighbourhood and beyond, through specific flexible procedures. Since its inception and by the

March 2021, EED has provided over 1,400 grants totalling over EUR 100 million and has evolved into a vibrant, innovative and respected member of the democracy support community.

3. DESCRIPTION OF THE ACTION

3.1. Objectives and Expected Outputs

The **Overall Objective** (Impact) of this action is to contribute to the democratisation and to the social and economic development of partner countries by supporting pro-democracy activists.

The **Specific Objective** (Outcome) of this action is to

1. enable the functioning and activities of the European Endowment for Democracy as an actor to foster and encourage democratisation and deep and sustainable democracy in countries in political transition and in societies struggling for democratisation.

The **Outputs** to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are:

1.1 contributing to Outcome 1 (or Specific Objective 1): the EED mechanism of financial support (direct grant support to beneficiaries) is well functioning

1.2 contributing to Outcome 1 (or Specific Objective 1): other activities that the EED performs as part of its mandate are implemented (seminars, studies, conferences, publications, networking events, workshops, training and visibility activities, capacity building for beneficiaries, including co-organised events, democracy events hosted by EU institutions and other stakeholders, and EED-organised events focused on specific countries or regional initiative)

3.2. Indicative Activities

The current financial support to the EED will be dedicated to cover its operating costs over a period running from 1st January 2022 until 31st December 2024. These operating costs correspond:

Activities related to Output 1.1:

- Every day running of the EED secretariat

Activities related to Output 1.2

- seminars, studies, conferences, publications, networking events, workshops, training and visibility activities, capacity building for beneficiaries etc.

The direct support to target groups through grants which is the main purpose of the EED is not funded through the present financial contribution: the funding of this direct support originates from the voluntary contributions received from EU Member States, other stakeholders, as well as separate Action grants of the Commission (covered under different decisions).

3.3. Mainstreaming

Environmental Protection, Climate Change and Biodiversity

Outcomes of the Environmental Impact Assessment (EIA) screening (relevant for projects and/or specific interventions within a project)

The EIA screening classified the action as Category C (no need for further assessment).

Outcome of the Climate Risk Assessment (CRA) screening (relevant for projects and/or specific interventions within a project)

The CRA screening concluded that this action is no or low risk (no need for further assessment)

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that building sustainable democracy also means ensuring gender equality and increasing the participation of women in political and economic life. . This Action will mainstream gender equality and youth issues and seek to integrate, and capitalise on existing thematic, regional and bilateral programmes that are already implemented with CSOs active in the fields of gender equality and support for youth, as well as Women’s CSOs active in other fields of intervention within this action.

In this respect, this Action contributes to the implementation of the GAP III and the advancement of EU gender equality objectives, in dialogue with the Renewed Partnership with the Southern Neighbourhood, by strengthening women's rights organisations and social movements as key strategic partners for good governance and human rights protection in the region, and in our cooperation. In so doing, this Action will meaningfully involve WCSOs as sub-grantees but also in other activities, seminars, consultations and any other action planned to achieve the expected results. Considering that WCSOs are mostly absent from decision-making processes and arenas, specific attention will be placed on ensuring a gender balance participation at output level, ensuring women’s and men’s equal participation to events, forums, structured dialogues etc. Gender data will be collected in order to track progress and identify potential hubs for unconscious gender bias.

Human Rights

The action aims to support the pro-democracy activists which include organisations and individuals working on promotion and protection of human rights as main target groups.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0.

Democracy

This action will primarily contribute to the democratisation and to the social and economic development of partner countries by supporting pro-democracy activists.

Conflict sensitivity, peace and resilience

As part of the context scrutiny and knowledge, due attention will also be given to conflict sensitivity and economic and social standards. The EED operates in a diverse range of countries across the European Neighbourhood and beyond, and each jurisdiction has its particular socio-political and economic environment. Contexts range from transitional, restrictive, or repressive to full-conflict environments and activities are tailored to such different realities.

3.4. Risks and Lessons Learned

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
Category 1 – Risks related to external environment	Risk linked to the fact that the budget for EED’s main activity (support to activists) is based on voluntary contributions of EU Member States or other sources, which are not scheduled in a regular manner and might tend to be somewhat ad-hoc. The	M	M	EED, helped by European Parliament and European Commission, leads constant advocacy actions towards EU Member States and other potential donors in order to secure regular funding.

	absence of reliable and recurring financial commitments from its contributors or default in fulfilling those commitments might jeopardise the flexibility of the Endowment and its ability to respond immediately to support requests.			
Category 1 – Risks related to external environment	Funds from Member State "ring fenced" to reflect national priorities.	M	M	Awareness-raising at Member State level of need for EED to be able to assist human rights defenders across all geographical fields of activity.
Category 1 – Risks related to external environment	Final beneficiaries of the EED support may be prosecuted or even imprisoned for their activities or the fact that they receive foreign funding so any contact can put them (or EED or EUD representative) in danger.	H	H	Headquarters and Heads of EU Delegations should be kept systematically informed of EED action and training activities in order to ensure coherence and efficiency between their respective actions. Especially Heads of Delegations should be alerted when EED interventions may raise concerns and questions from partner authorities, in order to be able to respond to the latter in a proper way. EED uses secure ways of communications with such beneficiaries to avoid such danger.
Category 3 – Risks related to people and organisation	The purported added value of the EED is its ability to act swiftly and to offer dedicated and rapid funding in risky environments. However, sound financial management requires a minimum level of procedural and regulatory conditions and transparency, which should also be applied by the EED. The principles of sound financial management may therefore limit the flexibility and swiftness expected.	M	M	Close co-operation between EED and European Commission allows efficient sharing of information about financial procedures and requirements. EED staff demonstrates to be strictly observing applicable legal and financial rules. Audit, expenditure verification and evaluation are also valuable tools of mitigation.

Lessons Learned:

The Commission has seen a decline in conditions of the work of civil society and in many countries the usual funding instruments of the EU are not able to efficiently support the grassroots organisations and new civic

movements occurring in the volatile environments. This is why EED has been a crucial partner for support to the independent civic activists and media which other Commission instruments are not able to reach.

EED established itself as a functioning democracy support organisation and it has provided grants in all countries of its mandate. As mentioned above, as of 1 March 2021, EED has approved funding for more than 1,400 initiatives (from over 7,000 requests received), for a total amount of more than EUR 100 million. Each year of EED's operations has seen a significant growth in number of awarded grants and a steady growth in funding received from EED's donors. At the same time, the political contexts in EED's countries of operations are evolving unpredictably, which requires quick adjustments, new procedures that would respond to new challenges.

EED's flexible funding mechanism has proved especially useful during the outbreak of COVID-19 pandemic that has affected the state of democracy all around the world and put civic activists and journalists under additional pressure for various reasons, ranging from additional needs for reporting that places greater strain on existing capacities, to plummeting revenues, to clampdowns on media freedom, among others.

One area where EED adds value compared to other donors is in relation to the direct support, learning, and development. Within the operations and management of the EED there is a significant component of non-grant support provided to prospective grantees and its current beneficiaries. It provides pre-award and post-award coaching and trainings on subjects such as financial management, strategic planning or application to EU grants.

To increase the awareness of democracy support issues, EED organises and co-hosts democracy-related discussions, as well as closed-door co-ordination meetings on sensitive countries, with partner organisations. Such events contribute to the exchange of best practice and latest developments in democracy support in the EU Neighbourhood, as well as increased co-operation with other democracy support actors.

In the recent evaluation of EED by independent experts it was noted that against a backdrop of democratic backsliding, the EED has filled gaps in democracy support left by more traditional donors, strengthened the readiness of pro-democracy actors to contribute to locally led and locally shaped political and civic process in line with ambitions and reasonable expectations, and contributed to the sustainability of pro-democracy actors. This was achieved without wasting resources.

The Commission is the single largest donor to the EED and the exclusive provider of its operating grant since the beginning. Given the significant increase in needs and funding, it was suggested to the Board of Governors of EED to start a reflection about the diversification of sources of funding to cover EED's operating costs. There is a need for a multi annual financial strategy, involving outreach to other donors that would allow additional support to EED costs, and to reduce its dependence on Commission funding, while maintaining the same high level of ambition in terms of activities.

3.5. The Intervention Logic

The underlying intervention logic for this action is that the action will allow for functioning of European Endowment for Democracy and mainly its mechanism for financial support to third parties focused on human rights and political activists, pro-democratic movements, civil society organisations, emerging leaders, independent media and journalists. By supporting them financial and with capacity building – and if the environment for civic engagement does not deteriorate – they will achieve greater freedom of action for human rights activities and increased space for civil society activity reported by EU Delegations, UN organisations and Human Rights NGOS. This shall contribute to the democratisation and to the social and economic development of partner countries.

This Action will be dedicated to cover the operating costs of EED over a period running from 1st January 2022 until 31st December 2024. Example of such operating costs are: staff costs, office rent, staff travel costs, IT costs, communication and visibility, additional consultancy costs etc. These operating costs enable the functioning of the mechanism of financial support (direct grant support to beneficiaries) and to the implementation of the other activities that the EED performs as part of its mandate: seminars, studies, conferences, publications, networking events, workshops, training and visibility activities, capacity building for beneficiaries etc. The EED will report on the results with number of grants awarded to human rights defenders and related activities (coaching, training, advocacy).

3.6. Indicative Logical Framework Matrix

Results	Results chain: Main expected results (maximum 10)	Indicators (at least one indicator per expected result)	Baselines (year)	Targets (year)	Sources of data (1 per indicator)	Assumptions
Impact	To contribute to the democratisation and to the social and economic development of partner countries by supporting pro-democracy activists.	Political rights and civil liberties upheld or improved	2021	2024 Improved or unchanged in the target countries	Freedom House Freedom in the World index (Global Freedom Score)	
Outcome 1	The European Endowment for Democracy was able to function and carry out its activities as an actor to foster and encourage democratisation and deep and sustainable democracy in countries in political transition and in societies struggling for democratisation.	Civil society and independent media in Southern Neighbourhood are supported in flexible manner including new social actors and individual activists.	CSO Sustainability Index for MENA (2019) ⁹ - Median score of Overall CSO Sustainability across SN	CSO Sustainability Index for MENA - Median score of Overall CSO Sustainability across SN unchanged or improved	CSO Sustainability Index for MENA	EED, backed up by European Parliament and European Commission, leads constant advocacy actions towards EU Member States and other potential donors in order to secure regular funding.
Output 1 related to outcome 1	Strengthened and efficient EED mechanism of financial support (direct grant support to beneficiaries)	Number of grassroots civil society organisations and independent media actors benefitting from (or reached by) EU support	0	400	Sources of verification are the official communication and reports from the EED.	Financial contributions from Member States are sufficient in complementing to this operating grant.
Output 2 related to outcome 1	Other activities performed by EED as part of its mandate: seminars, studies, conferences, publications, networking events, workshops, training and visibility activities, capacity building for beneficiaries etc.	Number of other activities performed: seminars, studies, publications etc.	0	35	EED annual workplans. Official communication and reports from the EED.	Awareness-raising and support at MS level of need for EED to be able to assist human rights defenders across all

⁹ <https://www.fhi360.org/sites/default/files/media/documents/csosi-mena-2019-report.pdf>

						geographical fields of activity.
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4. IMPLEMENTATION ARRANGEMENTS

4.1. Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement with the partner countries.

4.2. Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is until 31st December 2024. Within this implementation period, 3 successive operating grants will be awarded, covering the following successive implementation durations: three times one year from January to December (years 2022, 2023 and 2024).

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3. Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures¹⁰.

4.3.1. Direct Management (Grants)

a) Purpose of the grant(s)

To support the functioning and core activities of the European Endowment for Democracy as an actor to foster and encourage democratisation and deep and sustainable democracy in countries in political transition and in societies struggling for democratisation.

The action will be implemented under direct management through the award of three successive operating grants to the EED respectively awarded for the following periods: 1st January – 31st December 2022, 1st January-31st December 2023, 1st January-31st December 2024. The grants will be jointly funded by NDICI Neighbourhood South and East. Each successive award will be subject to (i) the submission by the grant beneficiary and approval by the Commission of a work programme and a budget; and (ii) the satisfactory implementation and performance, including in its financial aspects, of the predecessor grant(s) (including the current operating grant).

Satisfactory implementation may be assessed by the Commission through different means, which include: narrative and financial progress and final report(s); evaluation(s) including external evaluation; expenditure verification report(s); financial and/or system audit(s) including external audit(s); financial verification mission(s). Before the award of each successive operating grant, the Commission will recourse to some of these tools, choice of which will

¹⁰ www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

depend on previous year(s) assessment results and on specific risk assessments. In case of poor performance, the Commission may reduce the amount of a successor operating grant or not award it.

b) Type of applicants targeted

The beneficiary of the directly awarded grants will be European Endowment for Democracy (EED).

c) 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 based on Article 195 f) of the FR because EED is one of the rare actors in the landscape of the organisations providing financial support in the Neighbourhood region to activists who cannot benefit from financial support from the donors community through traditional funding due to their size, legal status (e.g. non-registered entities or individuals), geopolitical context (e.g. civil war situation) etc. The specificity and sensitivity of this particular type of intervention requires a body with appropriate technical competence, high degree of specialisation and mandate. In this respect, the EED offers trustful credibility and reliability thanks to its particular institutional set-up, being steered by representatives of the European Parliament, of the EU Member States, of the European External Action Service and of the civil society of the Neighbourhood countries. This unique position, combined with a good track-record despite their relatively short existence, with efficient award procedures (that are nevertheless compliant with the general principles applicable to the use of public funds) and with a standing good reputation, makes of EED an adequate organisation for providing financial support to local beneficiaries at a micro- or mini-scale which cannot be reached by other EU instruments. Such beneficiaries are for example non-registered associations, political movements, individual activists, bloggers etc.

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

The Commission’s authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.5. Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)	Third-party contribution (amount in EUR)
Objective 1: “To enable the functioning and activities of the European Endowment for Democracy as an actor to foster		

and encourage democratisation and deep and sustainable democracy in countries in political transition and in societies struggling for democratisation.” Composed of		
Grants – total envelope under section 4.3.1	16 500 000	1 650 000
Evaluation – cf. section 5.2 Audit – cf. section 5.3	will be covered by another decision	N.A.
Communication and visibility – cf. section 6	N.A.	N.A.
Totals	16 500 000	1 650 000

4.6. Organisational Set-up and Responsibilities

This action will be managed by the Commission services and, where relevant in close collaboration with other relevant EU institutional stakeholders (European Parliament, EEAS, EU Member States).

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

5. PERFORMANCE MEASUREMENT

5.1. 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) and the partner’s strategy, policy or reform action plan list (for budget support).

The Commission may undertake additional project 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).

5.2. Evaluation

Having regard to the nature of the action, a final or ex-post evaluations will be carried out for this action via independent consultants contracted by the Commission.

The final or ex post evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision)

The Commission shall inform the implementing partner at least 2 weeks in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to its premises and activities.

The evaluation reports shall be shared with key stakeholders where relevant. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluation(s) and, where appropriate jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the work programme(s).

The financing of the evaluation shall be covered by another measure constituting a financing Decision.

5.3. Audit and Verifications

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 audit or verification assignments for one or several contracts or agreements.

6. COMMUNICATION AND VISIBILITY

Communication and visibility is a contractual obligation for all entities implementing EU-funded external actions to advertise the European Union's support for their work to the relevant audiences.

To that end they must comply with the instructions given in the [Communication and Visibility Requirements of 2018](#) (or any successor document), notably with regard to the use of the EU emblem and the elaboration of a dedicated communication and visibility plan, to be completed for every action at the start of implementation.

These obligations apply equally, regardless of whether the actions concerned are implemented by the Commission, the partner country (for instance, concerning the reforms supported through budget support), contractors, grant beneficiaries or entrusted entities. In each case, a reference to the relevant contractual obligations must be included in the respective financing agreement, procurement and grant contracts, and contribution agreements.

Communication and visibility measures may be funded from the amounts allocated to the action. For the purpose of enhancing the visibility of the EU and its contribution to this action, the Commission may sign or enter into joint declarations or statements, as part of its prerogative of budget implementation and to safeguard the financial interests of the Union. Visibility and communication measures should also promote transparency and accountability on the use of funds. Effectiveness of communication activities on awareness about the action and its objectives as well as on EU funding of the action should be measured.

Implementing partners shall keep the Commission and concerned EU Delegation/Office fully informed of the planning and implementation of specific visibility and communication activities before work starts. Implementing partners will ensure adequate visibility of EU financing and will report on visibility and communication actions as well as the results of the overall action to the relevant monitoring committees.

However, in view of the nature of the operations that EED manages, and in particular the risks for those who benefit from the EED grant support and its other activities towards target groups and individuals, visibility may, where or when relevant, be reduced vis-à-vis media and political decision makers or adapted in the light of specific situations.