



Brussels, 14.6.2022
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COMMISSION IMPLEMENTING DECISION

of 14.6.2022

on the financing of the individual measure in favour of Palestine¹ for 2021-2023

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.

COMMISSION IMPLEMENTING DECISION

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on the financing of the individual measure in favour of Palestine¹ for 2021-2023

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 110 thereof,

Having regard to Regulation (EU) 2021/947³ of the European Parliament and of the Council of 9 June 2021 establishing the Neighbourhood, Development and International Cooperation Instrument - Global Europe and amending and repealing Decision No 466/2014/EU and repealing Regulation (EU) 2017/1601 and Council Regulation (EC, Euratom) No 480/2009 and in particular Article 23(3) thereof,

Whereas:

- (1) In order to ensure the implementation of the individual measure in favour of Palestine for 2021-2023, it is necessary to adopt a multiannual financing Decision, which constitutes the multiannual work programme, for 2021-2023. Article 110 of Regulation (EU, Euratom) 2018/1046 (“Financial Regulation”) establishes detailed rules on financing Decisions.
- (2) The envisaged assistance is to comply with the conditions and procedures set out by the restrictive measures adopted pursuant to Article 215 TFEU⁴.
- (3) The actions provided for in this Decision contribute to climate mainstreaming in line with the European Green Deal⁵ and the inter-institutional agreement⁶.
- (4) The Commission aims at adopting a multi-annual programming document for Palestine in the first half of 2022; this multi-annual document is expected to be a Joint Programming Document – Joint Strategy for the period 2021-2024 ‘Towards a democratic, accountable and sustainable Palestinian state’, currently under preparation with EU Member States, and should be aligned to the Palestinian National Development Plan of the Palestinian Authority. This programming document should

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² OJ L 193, 30.7.2018, p.1.

³ OJ L 209, 14.6.2021, p.1.

⁴ 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.

⁵ COM/2019/640 final.

⁶ OJ L433, 22.12.2020, p. 28.

cover the assistance to Palestine refugees envisaged in this action in line with the following priorities: 1. Democracy, Rule of Law and Human Rights, 2. Governance Reform, Fiscal Consolidation and Policy, 3. Sustainable Service Delivery, 4. Climate Change, Access to Self-Sufficient Water and Energy Services, 5. Sustainable Economic Development. The content of this individual measure will be reviewed to ensure consistency with the joint programming document.

- (5) So far, Palestine has not received EU funds from the 2021 budget. Considering the current fiscal situation of the Palestinian Authority, the EU's announced support for the Palestinian Authority's vaccination campaign against COVID-19, as well as the need to contribute to the international community's efforts for Gaza recovery, such funds are urgently needed. The adoption of this individual measure in the absence of a programming document is therefore justified.
- (6) The objectives pursued by the measure to be financed under the Neighbourhood geographic programme of Regulation (EU) 2021/947 are to preserve the viability of the two-state solution. The planning for this measure is set within the framework of the upcoming European Joint Strategy 2021-2024.
- (7) The action entitled 'PEGASE: Direct Financial Support to Recurrent Expenditures of the Palestinian Authority 2021' aims to contribute to democratic governance, effective and accountable institutions as well as improved well-being of the Palestinian population.
- (8) The action entitled 'Support to East Jerusalem' aims to "maintain the viability of the two-state solution with Jerusalem as capital of two states", in line with the European Union Council Conclusions on the Middle East Peace Process.⁷ It will do so by preserving the Palestinian identity of East Jerusalem and of its inhabitants and by strengthening the resilience of the Palestinian population of East Jerusalem.
- (9) The action entitled 'Promoting gender responsive policies and laws in Palestine' aims to make Palestine's policies more gender responsive by re-enforcing the national gender mechanisms, with a particular focus on women's economic empowerment.
- (10) The action entitled 'Gas for Gaza' aims to provide to Gaza access to affordable, reliable and more sustainable energy.
- (11) The action entitled 'Fostering Sustainable Economic Development in Palestine' aims to promote sustainable, social, gender-inclusive and innovative private-sector-led development as well as equitable access to natural resources, paving the way to Palestinian economic independence with an economy that works for the people.
- (12) The action entitled 'Access to self-sufficient water services' aims to improve availability, quality, equity and efficiency in the management of water resources in Gaza.
- (13) It is appropriate to authorise the award of grants without a call for proposals and to provide for the conditions for awarding those grants.
- (14) Pursuant to Article 26(1) of Regulation (EU) No 2021/947, indirect management is to be used for the implementation of the measure.
- (15) The Commission is to ensure a level of protection of the financial interests of the Union with regard to entities and persons entrusted with the implementation of Union

⁷ See *inter alia* Council Conclusions on the Middle East Peace Process, 22 July 2014.

funds by indirect management as provided for in Article 154(3) of the Financial Regulation.

To this end, such entities and persons are to be subject to an assessment of their systems and procedures in accordance with Article 154(4) of the Financial Regulation and, if necessary, to appropriate supervisory measures in accordance with Article 154(5) of the Financial Regulation before a contribution agreement can be signed.

- (16) It is necessary to allow for the payment of interest due for late payment on the basis of Article 116(5) of the Financial Regulation.
- (17) In order to allow for flexibility in the implementation of the measure, it is appropriate to allow changes which should not be considered substantial for the purposes of Article 110(5) of the Financial Regulation.
- (18) The measure provided for in this Decision is in accordance with the opinion of the Committee established under Article 45 of Regulation (EU) No 2021/947.

HAS DECIDED AS FOLLOWS:

Article 1
The measure

The multiannual financing Decision, constituting the multiannual work programme for the implementation of the individual measure in favour of Palestine for 2021-2023, as set out in the Annexes, is adopted.

The measure shall include the following actions:

- Annex I: PEGASE: Direct Financial Support to Recurrent Expenditures of the Palestinian Authority 2021
- Annex II : Support to East Jerusalem;
- Annex III: Promoting gender responsive policies and laws in the occupied Palestinian territory;
- Annex IV: Gas for Gaza;
- Annex V: Fostering Sustainable Economic Development in Palestine;
- Annex VI: Access to self-sufficient water services.

Article 2
Union contribution

The maximum Union contribution for the implementation of the measure for 2021-2023 is set at EUR 224 850 000 and shall be financed from the appropriations entered in budget line 14.020110 of the general budget of the Union.

The appropriations provided for in the first paragraph may also cover interests due for late payment.

The implementation of this Decision is subject to the availability of the appropriations provided for in the general budget of the Union for 2022 and 2023 as adopted by the budgetary authority.

Article 3
Methods of implementation and entrusted entities or persons

The implementation of the actions carried out by way of indirect management, as set out in the Annexes, may be entrusted to the entities or persons referred to or selected in accordance with the criteria laid down in point 4.3.4 of the Annex I, point 4.3.3 of the Annex II, point 4.3.1 of the Annex III, point 4.3.1 of the Annex IV, point 4.3.3 of the Annex V and point 5.3.1 of the Annex VI.

Article 4
Flexibility clause

Increases⁸ or decreases of up to EUR 10 million and not exceeding 20% of the contribution set in the first paragraph of Article 2, considering each financial year separately, or cumulated reassignments of funds between actions contained in an action plan not exceeding 20% of that contribution, as well as extensions of the implementation period, shall not be considered substantial within the meaning of Article 110(5) of Regulation (EU, Euratom) 2018/1046, where these changes do not significantly affect the nature and objectives of the actions.

The authorising officer responsible may apply the changes referred to in the first paragraph acting in accordance with the principles of sound financial management and proportionality.

Article 5
Grants

Grants may be awarded without a call for proposals in accordance with the conditions set out in the Annexes. Grants may be awarded to the bodies selected in accordance with point 4.3.1.1 of the Annex I, point 4.3.1 of the Annex II and point 4.3.1 of the Annex V.

Done at Brussels, 14.6.2022

For the Commission
Olivér VÁRHELYI
Member of the Commission

⁸ These changes can come from external assigned revenue made available after the adoption of the financing Decision.