

Annex

Action Fiche for Israel

1. IDENTIFICATION

Title	Support to the European Neighbourhood Policy (ENP) Action Plan (ENPI/2011/23121)		
Total cost	EU contribution: EUR 4,000,000 (EUR 2,000,000 to be committed in 2011 EUR 2,000,000 to be committed in 2012)		
Aid method / Management mode	Project approach Direct centralised management		
DAC-code	43010	Sector	Multi-Sector Aid

2. RATIONALE

2.1. Sector context

The European Union (EU) and Israel maintained strong bilateral relations and an open political dialogue in 2010.

Against the background of a stalled Middle East Peace Process and in line with its decision of June 2009¹, in 2010 the EU did not resume the process of upgrading relations. At the Association Council, the EU agreed to explore further with Israel the opportunities still offered by the 2005 ENP Action Plan -which remains the reference document of EU-Israel bilateral relations- and to pursue technical talks to identify areas for future potential co-operation. The validity of the Action Plan (AP) has been extended by mutual consent until June.

Currently, the AP provides for the possibility for Israel to progressively participate in a number of EU programmes, to upgrade the scope and intensity of political co-operation, to examine the possibility to approximate Israeli legislation to the *EU acquis* as a means to progressively acquire stakes in the EU internal market. The identification of priorities is guided by the policy objectives of the EU-Israel Action Plan and focuses on those areas which are in the EU's strategic interest and consistent with Israel's priorities as detailed in the Country Strategy Paper (CSP).

¹ [...] That upgrade must be based on the shared values of both parties, and particularly on democracy and respect for human rights, the rule of law and fundamental freedoms, good governance and international humanitarian law. The upgrade needs also to be, and to be seen, in the context of the broad range of our common interests and objectives. These notably include the resolution of the Israel-Palestinian conflict through the implementation of the two-state solution, the promotion of peace, prosperity and stability in the Middle East and the search for joint answers to challenges which could threaten these goals.

2.2. Lessons learnt

EU co-operation with Israel had been limited to programmes in support of civil society, mainly in the context of the EU Partnership for Peace programme, the European Initiative for Democracy and Human Rights, the Information and Cultural programme and regional programmes under MEDA. Since 2006 Israel is also receiving support from the Technical Assistance and Information Exchange instrument and has since become one of the most frequent users of this instrument amongst European Neighbourhood & Partnership Instrument countries. The financing agreement for the first bilateral allocation in *Support to the European Neighbourhood Policy Action Plan* was signed in July 2008 in order to implement twinning activities. Two projects, financed from 2007 credits with the Ministry of Transport and with the Data Protection Agency respectively, have been completed. Concerning 2008 funds, a project with the Equal Employment Opportunities Commission is almost completed and a second project with the Ministry of Agriculture concerning veterinary standards is under way, albeit with a significant delay. The starting conference of a twinning with the Ministry of Communications was held on the 28th of March 2011.

Israel has limited experience in the management of EU programmes and has not so far established the mechanisms to handle this within its administration. This has resulted in delays in preparing projects, with the pipeline for 2009 and 2010 being significantly late. Most of the preparatory work as well as the project management is falling on the Delegation. Nevertheless, it is hoped that the recent appointment of a Regional Director for EU issues will contribute to an improvement of this situation.

Furthermore, participation in regional activities has frequently proved difficult for Israeli representatives in the absence of bilateral diplomatic relations between Israel and some Euro-Med partner countries. Therefore, at this stage, the Action Programme should be centrally managed with a view to possible decentralisation at a later date when the necessary conditions are complied with.

2.3. Complementary actions

Given Israel's high income level, the majority of donors do not provide funding. This is a unique action.

2.4. Donor coordination

Local level co-ordination takes place between the EU and EU Member States on dedicated issues such as: human rights, research, development and cultural activities. There is also ad hoc co-ordination with other donors, when necessary.

3. DESCRIPTION

3.1. Objectives

General Objective:

The general objective is to develop an increasingly close relationship between the EU and Israel aiming at achieving a significant level of economic integration and deepening political co-operation.

Specific objectives:

- To promote legislative approximation (including with regard to participation in European Union programmes);
- To strengthen the dialogue between the EU and Israel at political and administrative levels.

3.2. Expected results and main activities

The Action Programme supports the approximation of Israeli legislation to EU norms and standards with a view to facilitating and improving cooperation and paves the way to the participation in EU Programmes. Discussions with the Israeli authorities show that their main indicative priority areas are justice; freedom and security; environment; agriculture; trade related issues; market and regulatory reform; equal opportunities; communications; transport and people-to-people contacts and exchanges. Final identification of specific areas and actions will be in line with the priorities agreed within the EU-Israel AP and the CSP.

The expected results are:

- The reinforcement of the administrative capacity of Israel through partnership co-operation between Israel public administrations and those of EU Member States.
- The implementation of the priorities agreed in the Action Plan.

3.3. Stakeholders

The direct beneficiary of the programme is the Israeli Public Administration.

3.4. Risks and assumptions

Start up of activities could possibly be delayed due to limited experience on the Israeli side in dealing with EU programmes and the lack of resources attributed to the subject. This risk will be mitigated through initial central management of the funds.

3.5. Crosscutting Issues

During all phases of this Action Programme, particular attention will be devoted to the principle of equality of treatment and opportunity in both gender issues and minority rights.

4. IMPLEMENTATION ISSUES

4.1. Implementation method

The measure will be implemented through centralised management, under a Financing Agreement.

4.2. Procurement and grant award procedures

All contracts implementing the action must be awarded and implemented in accordance with the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question.

Twinning projects will be implemented in accordance with the applicable twinning manual.

4.3. Indicative budget and calendar

The total financial contribution of the European Union to the project is of EUR 4,000,000. EUR 2,000,000 will be committed in 2011 and a further EUR 2,000,000 in 2012. Each project component includes its own provision for evaluation, audit and visibility.

The implementation period of the project activities is 36 months from the date of the signature of the Financing Agreement.

4.4. Performance monitoring

Achievements will be monitored regularly by the European Commission and the key indicators will be the yearly results of the twinning activities undertaken.

4.5. Evaluation and audit

Audits will be performed in accordance to European Commission procedures. Additionally, a mid-term and an ex-post evaluation and *ad hoc* monitoring missions might also be carried out.

The European Commission will prepare the terms of reference and select the service providers for the audit, monitoring and evaluation missions. All audit and evaluation reports will be communicated by the European Commission to the beneficiaries. The beneficiaries will put at the disposal of the audits, monitoring or evaluation missions all necessary supporting documents.

4.6. Communication and visibility

The European Commission will ensure that adequate communication and visibility is given by the contracting parties to the projects.