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ANNEX

of the Commission implementing Decision on the Annual Action Programme 2014 -
Part 2 in favour of the ENI South countries

**Action Document for Middle East Peace Projects (MEPP) – EU Partnership for Peace
programme 2014 (PFP Programme)**

1. IDENTIFICATION

Title/Number	Middle East Peace Projects (MEPP) – EU Partnership for Peace programme 2014 (PFP Programme) CRIS number: ENI/2014/37594		
Total cost	Total estimated cost: EUR 6 100 000 Total amount of EU budget contribution: EUR 5 000 000		
Aid method / Management mode and type of financing	Project Approach Direct management: - grants – call for proposal - procurement of services		
DAC-code	15220	Sector	Civilian peace-building, conflict prevention and resolution

2. RATIONALE AND CONTEXT

2.1. Summary of the action and its objectives

The overall objective of the EU Partnership for Peace programme is to help support the conditions for promoting the peace process and provide a solid foundation at the societal level for a just and lasting peace in the Middle East by strengthening and increasing direct civil society relationships and co-operation based on equality and reciprocity between Palestinians and Israelis.

The specific objective is to strengthen civil society peace building actions and conflict transformation, focusing on initiatives which are likely to have an impact on people's everyday lives. In particular, the programme intends to support practical actions aiming at rebuilding mutual trust through reconciliation, building capacity for non-violent approaches to conflict resolution, promoting tolerance and launching joint development actions and strategies.

2.2. Context

A central objective of the EU in the Middle East is the achievement of peace by means of a just and lasting resolution to the Israeli-Palestinian conflict, with the State of Israel and an independent, democratic, contiguous, sovereign and viable State of Palestine, living side by side in peace and security and mutual recognition. This

includes a negotiated solution to all final status issues, including borders, Jerusalem, security, water and refugees. The EU has reiterated its readiness to contribute substantially to post-conflict arrangements for ensuring the sustainability of a peace agreement.

In December 2013, the EU Foreign Affairs Council offered both parties an unprecedented package of European political, economic and security support. In the event of a final peace agreement the EU will offer Israel and the future state of Palestine a Special Privileged Partnership including enhanced political dialogue, security co-operation, increased access to the European markets, closer cultural and scientific links, facilitation of trade and investments as well as promotion of business to business relations.

Following several years of stalemate in the Middle East Peace Process, the efforts of US Secretary of State John Kerry led to the resumption of direct final status negotiations between Palestinians and Israelis in July 2013. At the end of April 2014, the US announced a pause in the talks following Israel's decision to leave the negotiations in response to the announcement of a Hamas-PLO¹ Agreement on reconciliation on 22nd April.

Nevertheless, the EU has called on both sides to remain focussed on the negotiations and the unprecedented benefits peace can bring, and to avoid any action that could undermine peace efforts and the viability of a two-state solution. As regards Palestinian reconciliation, the EU has reiterated its support for intra-Palestinian reconciliation behind President Abbas and also recalled that it expects any new Palestinian government to uphold the principle of non-violence, to remain committed to achieving a two-state solution and to a negotiated peaceful settlement of the Israeli-Palestinian conflict, accepting previous agreements and obligations, including Israel's legitimate right to exist. At the same time the EU has welcomed the opportunity provided by reconciliation for democratic renewal through genuine democratic elections.

In November 2012, Palestine² obtained the status of non-member state at the United Nations, following a vote at the General Assembly and has recently submitted letters of accession to several international treaties and conventions.

At the regional level, the Arab Peace Initiative (API) remains the principal option for a comprehensive settlement of the conflict and normalisation of relations between Israel and the Arab neighbours. However, though the Initiative has been welcomed anew by the international community including the EU and the United States, Israel has not formally responded to the API and a number of government officials have dismissed elements of it and its alleged take-it-or-leave-it nature. The regional approach to the resolution of the Israeli-Arab conflict will have to take into account the fundamental changes across the Arab world.

Notwithstanding the endorsement of the API at the official and societal level, anti-normalisation movements in Palestine and Jordan have been increasingly vocal in

¹ Palestine Liberation Organization.

² 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.

advocating for a freeze of all joint activities between Palestinians and Israelis until the final settlement of the conflict.

In 2013, the European Commission published the Guidelines on the eligibility of Israeli entities and their activities in the territories occupied by Israel since June 1967 for grants, prizes and financial instruments funded by the EU from 2014 onwards, clarifying EU policy with regard to the territorial applicability of EU legislation and bilateral EU-Israel agreements³. The eligibility criteria formulated in these Guidelines shall apply for all actions under this programme, including with respect to third parties receiving financial support in the cases where the respective action involves financial support to third parties by grant beneficiaries in accordance with Article 137 of the EU's Financial regulation. It should be noted that the exemption made in the Guidelines under point 15 concerning activities shall also apply with regard to activities under this programme.

Since 1998, following the recommendations of the Luxembourg European Council in 1997 that the EU actively supports civil society initiatives in the Middle East as an essential means of reinforcing dialogue and restoring mutual confidence, the EU has consistently supported a large number of such initiatives. Initially such support was provided through the European Union's People to People (P2P) Programme (1998 - 2001) and subsequently from 2002 to the present, through its successor, the EU current Partnership for Peace Programme (PfP)⁴.

2.3. Lessons learnt

An external evaluation of the programme, conducted in 2009 for the period 2002-2007, and the consultation workshop with civil society in 2012 confirmed the relevance of the programme, as well as its demand-driven approach. Through its flexibility and diversity, the programme supported a large variety of projects, testing different approaches and methodologies, which have contributed to a vibrant civil society dialogue on conflict and peace on both sides.

On the basis of recommendations from this evaluation, since 2012, the EU PfP programme has introduced specific service contracts aimed at, on one hand enhancing specific skills of project beneficiaries (via for example training in monitoring & evaluation, gender and environmental mainstreaming), on the other at improving the visibility and the image of the programme, through strategic efforts for a more effective communication of both individual projects and the programme as a whole and more intense networking among the various actors involved. All these actions have been well received by project partners and have added value to the programme as a whole.

An ongoing evaluation launched in December 2013, will reach preliminary conclusions by the second semester 2014.

In recent years the PfP has had to face deepening internal divides on both the Israeli and Palestinian sides concerning the value of peace talks. This reflects increased scepticism on the issue across the region, especially following the failure of the latest round of peace talks launched by Secretary of State Kerry. Moreover, in recent years,

³ See Commission Notice Nr. 2013/C-205/05, OJEU C-205 of 19.7.2013.

⁴ http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/enpi-south/peace_en.htm.

anti-normalisation pressure upon Palestinian civil society engaging with Israelis has gained in strength at least in public. Against this background the programme will continue to support "national" projects in addition to cross-community projects, in order to strengthen constituencies, including political leadership and opinion-formers who promote peace through dialogue.

2.4. Complementary actions

The involvement of the EU in the Middle East peace process is driven by the basic principles and objectives of the European Neighbourhood Policy (ENP) Southern Partnership. The relationship between the EU and its Mediterranean Partner Countries aims at “turning the Mediterranean basin into an area of dialogue, exchange and co-operation guaranteeing peace, stability and prosperity” through “strengthening of democracy and respect for human rights, sustainable and balanced economic and social development, measures to combat poverty and promotion of greater understanding between cultures, which are all essential aspects of partnership (etc).”⁵ Such a partnership in the Mediterranean area is implemented in practise through the ENP and the relevant Action Plans, offering the countries involved an increasingly close relationship with the EU, and aiming to prevent the emergence of new dividing lines between the enlarged EU and its neighbours.

The PfP Programme will also take into account, seek complementarities with and avoid duplication with bilateral and regional actions under the European Instrument for Democracy and Human Rights, the Instrument contributing to Stability and Peace (IcSP), and the East Jerusalem Programme.

Finally, the PfP Programme will operate in a manner that is coherent with the Comprehensive Approach to the EU implementation of the United Nations Security Council Resolutions 1325⁶ and 1820⁷ on Women, Peace and Security encouraging applicants to mainstream gender in their proposals thus ensuring full involvement of women in the peace building activities and engagement in political processes.

2.5. Donor co-ordination

In general, donor co-ordination as regards peace-building initiatives has been limited, reflecting diverse strategies and funding mechanisms for this type of activities. Ad-hoc meetings are held with EU Member States and other donors from time to time.

The results of an EU commissioned mapping of donors' support to civil society in the peace building area, launched in 2012, confirmed fragmentation and lack of interest.

Informal co-ordination efforts amongst donors stepped up recently (June 2014) with the aim to share information on ongoing actions and partners in a more regular basis.

⁵ "Barcelona Declaration", adopted at the Euro-Mediterranean Conference, 27 and 28 November 1995, http://www.eeas.europa.eu/euromed/docs/bd_en.pdf.

⁶ United Nations Security Council Resolution, S/RES/1325, 31 October 2000., <http://daccess-dds-ny.un.org/doc/UNDOC/GEN/N00/720/18/PDF/N0072018.pdf?OpenElement>

⁷ United Nations Security Council Resolution, S/RES/1820, 19 June 2008, <http://www.securitycouncilreport.org/atf/cf/%7B65BFCF9B-6D27-4E9C-8CD3-CF6E4FF96FF9%7D/CAC%20S%20RES%201820.pdf>

3. DETAILED DESCRIPTION

3.1. Objectives

The **overall objective** of the EU Partnership for Peace Programme is to support the conditions for promoting the Israeli-Palestinian peace process and provide a solid foundation at the societal level for a just and lasting peace in the Middle East, by strengthening and increasing direct civil society relationships and co-operation based on equality and reciprocity between Palestinians and Israelis.

Specifically, the programme will aim at:

1. Promoting civil society peace building and conflict transformation actions, via initiatives which are likely to have an impact on people's everyday lives and attitudes.
2. Supporting practical actions aiming at rebuilding mutual trust through reconciliation, building capacity for non-violent approaches to conflict resolution, promoting tolerance, combatting incitement to violence, empowering marginalised parties and launching joint development actions and strategies.
3. Strengthening direct civil society relationships and co-operation based on equality and reciprocity between Palestinians and Israelis.

3.2. Expected results and main activities

Expected results of the overall programme as well as individual projects would include:

1. Confidence in the peace process and the two-state solution is enhanced among key constituencies.
2. New constituencies are persuaded to adopt non-violent approaches to conflict resolution.
3. The development of joint actions and strategies is strengthened, and awareness about and advocacy of existing methods to promote peace is raised.
4. Commitment to the peace process is strengthened by leaders/decision makers.
5. Youth and women in Palestine and Israel are more actively engaged in public debate and public actions on conflict management and conflict resolution.
6. The outcomes of the PfP projects are disseminated widely and the image of the programme and its values are reinforced.
7. Networking among PfP grant beneficiaries is ensured and their capacity strengthened.

Results 1 to 5 will be achieved through support for projects under a Call for Proposals.

Result 6 and 7 will be achieved by procurement contracts and engagement of EU staff.

The call for proposal will be (indicatively) organised around three priorities:

Priority 1: "Negotiated political resolutions"

Actions under this priority shall aim at putting into operation existing proposals for a negotiated settlement of the Israeli-Arab conflict; at offering support to new leaders, especially women and youth; to participate in strategies/initiatives for the peaceful settlement of the conflict; at researching and collecting information on the impact and/or of the solution of the conflict, among others. These actions should aim at making an impact on the political sphere.

Priority 2: "Culture of peace"

Actions under this priority shall promote tolerance, mutual understanding, non-violent approaches to conflict resolution, and confidence both internally (national) and externally (cross-community level) by, for example, organising public campaigns promoting PfP values, tolerance and understanding, media activities, scaling up at policy level successful pilot actions in the education field, promoting measures to combat incitement to violence etc.

Priority 3 "Joint efforts towards development"

Actions under this priority shall address local practical and strategic needs in terms of socio-economic development and quality of life of those communities most affected by the conflict, so as to help maintain the conditions for the viability of the two-state solution. Actions shall promote practical cross-border co-operation in areas such as environment, health, water, local governance, community and human development, business, social rights, etc.

All actions, regardless of the priority, must be implemented mainly in Palestine and/or Israel. Specific activities, within the scope of the action and for its benefit, may also be implemented in the region and abroad.

Institutionalisation of positive results and best practices as well as dissemination of outcomes at public level should be sought within each action.

Projects targeting 'veto' and 'blocking' groups (those communities considered hostile to the peace process such as religious or radical parties, settlers, etc.) will be welcomed. Projects aiming at expanding the constituencies through the involvement of marginalised groups such as youth, women and children and/or targeting sceptical or groups that are not committed to the peace process or to the values which the PfP supports are encouraged. Projects involving local communities as a whole, thus producing a multilevel and long term impact, will be particularly encouraged.

3.3. Risks and assumptions

As previous experience has shown, there is a high risk of disruption of activities linked to the instability of the political situation. Unilateral steps taken by both the Israeli and Palestinian authorities, the failure of the latest peace efforts and the escalation in violence between Gaza and Israel since 7th July, may therefore negatively affect the implementation of the programme.

These increased political tensions could jeopardise the willingness/ability of the stakeholders to carry out projects, or apply for funding. Joint activities run within the framework of the EU PfP Programme, such as networking, may become threatened by lack of participation. In addition, the anti-normalisation movement has attempted to hinder a number of joint activities in the past.

The flexible format of a call for proposals has been selected as this is considered to be the most effective way of responding to the changing political situation on the ground and addressing the real demands and priorities of civil society in respect of the peace process.

The recent upsurge of violence could result in a freeze of many of the activities supported by the PfP and a temporary suspension of the engagement of peace NGOs. In this case, and depending on the prevailing conditions during the call for proposal or project's implementation process, the following options will be considered: to stand-by the launch of the call for proposals; to delay the evaluation process; freeze implementation and/or grant a time extension to the contracts. These measures should allow civil society to return to regular activities once the situation has calmed.

Visibility could also be affected due to security reasons. In these cases, as learned previously, it is suitable to delay some activities and/or adopt a low profile approach. Each proposal will need in any event to thoroughly assess the risks and propose mitigation measures.

Lack of freedom of movement, especially for Palestinians, is an issue likely to hamper the smooth operation of activities and could lead to delays in the implementation of the projects. It could also affect the monitoring of the activities. The timing for group activities needs to be carefully assessed by the project manager in charge.

3.4. Cross-cutting issues

Cross-cutting issues, such as environmental sustainability, disability and gender equality will be taken into due consideration in the context of the programme by respectively encouraging applicants to adopt a gender-sensitive approach and raising their awareness on environmentally friendly operations.

3.5. Stakeholders

The main stakeholders of the programme are civil society organisations, including Community Based Organisations (CBOs), and leaders and opinion-formers in the region as well as their European partners and international organisations.

In recent years, several consultation seminars with stakeholders were held, the last being in July 2012 (which aimed at identifying priorities for the present call for proposals). Civil society has a fundamental role to play in peace-building in a number of ways. On one hand, due to the diversity of the organisations and interests encompassed by peace oriented civil society, at both the grass-roots and at the macro level, initiatives involving civil society organisations have a significant potential to reach out beyond the limits and barriers of more traditional outreach including diplomacy. On the other hand, by including organisations which are not specifically involved in peace-building efforts, but in more practical, community-based work, it is possible to demonstrate the practical potential dividends of peace to the

communities affected by conflict. Through its capacity to reach down to the grass-roots level, civil society organisations can also be effective in ensuring that national or more macro-level initiatives reflect real needs and perspectives on the ground.

Local Authorities have a significant task in socio-economic development and community representation. They have an important role in ensuring social cohesion among their constituents and are therefore among the potential stakeholders of the programme.

The final beneficiaries are the people of the Middle East and the Mediterranean Partner Countries.

4. IMPLEMENTATION ISSUES

4.1. Financing agreement

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

4.2. Indicative operational implementation period

The indicative operational implementation period of this action, during which the activities described in sections 3.2. and 4.3. will be carried out, is 60 months from the adoption of this Action Document, subject to modifications to be agreed by the responsible authorising officer in the relevant agreements. The European Parliament and the relevant Committee shall be informed of the extension of the operational implementation period within one month of that extension being granted.

4.3. Implementation components and modules

Direct management devolved to the EU Representative Office in Jerusalem as well as to the EU Delegations in Israel and in Jordan, with the Office in Jerusalem having a leading role in the management of the call for proposals.

Services at the EU Representative Office in Jerusalem will work jointly with the EU Delegations in Israel and in Jordan for the preparation of the call for proposals and for the evaluation process as well for the organisation of joint events, if any. They will also attend events, meetings and monitoring visits together when relevant and keep each other regularly informed on the projects progress.

As a general principle, the distribution between the different delegations in terms of contract and project management is made on the grounds of the nationality of the applicant: Palestinian and European applicants shall be managed by the Jerusalem office whereas Israeli ones shall be processed by the Delegation in Tel Aviv. Projects which have mainly activities in Jordan or Jordanian applicants shall be managed by the Amman Delegation.

4.3.1. Grants: call for proposal Partnership for Peace (direct management)

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

Each action grant has its own objectives and expected results deriving from the problems the action intends to address. As per the type of actions eligible for financing, they must be in line with the priorities described in point 3.2. In addition, all actions, regardless of the priority, must be implemented in Palestine and/or Israel (subject to Territorial Guidelines). Specific activities, within the scope of the action and if duly justified, can be implemented abroad.

(b) Eligibility conditions

- be legal persons, and
- be non-profit making, and
- be specific types of organisations such as: non-governmental organisations, local authorities, international (inter-governmental) organisations as defined by Article 43 of the Rules of Application of the EU Financial Regulation, and
- be established in a Member State of the European Union or in one of the European Neighbourhood Instrument (ENI) South Countries⁸ or in a country that is beneficiary of Pre-Accession Assistance or a Member State of the European Economic Area (EEA) (this obligation does not apply to international organisations).

(c) Essential selection and award criteria

The essential selection criteria are financial and operational capacity of the applicant (including the capacity of the applicant to implement the proposed action in coherence with overall EU policy goals and objectives in the Middle East Peace Process).

The essential award criteria are relevance of the proposed action to the objectives of the call; design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

(d) Maximum rate of co-financing

The maximum possible rate of co-financing for grants under this call is 80%. The rate may be higher if the auto-financing capacity of the targeted beneficiaries is weak.

The maximum possible rate of co-financing may be up to 100 % 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 essentiality of full funding will be justified by the responsible authorising officer in the award decision, in respect of the principles of equal treatment and sound financial management.

(e) Indicative trimester to launch the call

The call for proposals is expected to be launched in the fourth trimester of 2014.

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Entities located in East Jerusalem, that are compelled to abide to Israeli law of Charitable organisations, and which therefore have an Israeli legal status although being Palestinian or bi-national in nature, shall be considered eligible further to the assessment of their Palestinian or bi-national nature in their by-laws, mission's statement and composition of board.

4.3.2. Procurement (direct management)

Subject	Type	Indicative number of contracts	Indicative trimester of launch of the procedure
Networking and training	Service	1	3 rd trimester 2015

4.4. Scope of geographical eligibility for procurement and grants

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

The responsible authorising officer may extend the geographical eligibility in accordance with Article 9(2)(b) of Regulation (EU) 236/2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

4.5. Indicative budget

Module	Amount in EUR thousands	Third party contribution in EUR thousands (indicative, where known)
4.3.1. – Call for proposals Partnership for Peace (direct management)	4 400	1 100
4.3.3. – Procurement (direct management)	250	N.A.
4.7. – Evaluation and audit	0	N.A.
4.8. – Communication and visibility	350	N.A.
Totals	5 000	1 100

4.6. Performance monitoring

Continuous technical and financial monitoring is the beneficiaries' responsibility. The project will be monitored by each beneficiary according to relevant indicators of performance, including gender-disaggregated data. Each beneficiary shall establish a technical and financial monitoring system to the project, which will generate progress reports and safeguard internal control. The choice of key progress indicators will form part of the project formulation process and each grant agreement will be supported by a logical framework including objectively verifiable indicators to evaluate each stage's level of achievement. In case of non-availability of existing information on baseline values necessary to establish relevant indicators, the projects could be designed in such a way that the baseline is established during the first months of implementation and target values adapted accordingly.

The Commission services (the Office of the EU Representative in Jerusalem and the EU Delegations in Israel and Jordan) will ensure internal monitoring in order to measure progress of projects implementation. In addition, the Commission may carry out Results Oriented Monitoring via independent consultants, starting from the sixth month of project activities, which will be finalised at the latest 6 months before the end of the operational implementation phase.

4.7. Evaluation and audit

The Commission may carry out external evaluations -via independent consultants and in accordance with EU procurement rules- including: (a) a mid-term evaluation mission; (b) a final evaluation, at the beginning of the closing phase; and (c) an ex-post evaluation.

Where appropriate, external audits/verification missions on specific components/projects of the action will be undertaken by the EU. The Commission shall appoint, in accordance with EU procurement rules, an internationally recognised external auditor.

Final external evaluations of each project are encouraged and the relevant cost must be included in the project's budget. The project evaluation should mainly assess the project impact in terms of change of attitude of the target groups toward the peace process. This point will be duly highlighted in the Guidelines for Applicants in order for them to include it in the proposed budget. EU staff will facilitate the dissemination of these reports, upon authorisation of the grant Beneficiaries, so as to favour exchange of best practises.

Where deemed appropriate and necessary, external audits/verification missions on specific components of the action might be conducted. For that purpose, the Commission shall appoint, in accordance with EU procurement rules, an internationally recognised external auditor.

4.8. 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 before the start of implementation and supported with the budget indicated in section 4.5 above.

The measures shall be implemented either (a) by the Commission, and/or (b) by the partner country, contractors, grant beneficiaries and entrusted entities. Appropriate contractual obligations shall be included in, respectively, financing agreements, 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. Each action will incorporate information and communication activities to raise awareness of the action, the EU support and the impact of this support. Each contractor will be responsible for implementing those activities in line with the EU guidelines and in consultation with the EU Delegation

in charge. The beneficiary/contractor shall inform the EU about upcoming communication activities and invite the EU to visibility events.

It is expected that EU staff will continue to communicate widely on the programme as a whole and on the various individual projects. With regard to the latter, EU press and communication services remain involved in the delivery of training on EU communication and visibility requirements and assistance on any communication related activities. Finally, EU staff will ensure dissemination of projects' outputs among all PfP grant beneficiaries.

An estimated number of 2 contracts for the above-mentioned communication and visibility purposes shall be concluded in the form of procurement of services under direct management with an indicative total budget of EUR 350,000.