



Brussels, 16.12.2022
C(2022) 9734 final

COMMISSION IMPLEMENTING DECISION

of 16.12.2022

on the financing of the annual action plan in favour of Palestine¹ for 2022

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

of 16.12.2022

on the financing of the annual action plan in favour of Palestine¹ for 2022

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU, Euratom) 2018/1046² 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 966/2012, 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, 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(2) thereof,

Whereas:

- (1) In order to ensure the implementation of the annual action plan in favour of Palestine for 2022, it is necessary to adopt an annual financing Decision, which constitutes the annual work programme for 2022. Article 110 of Regulation (EU, Euratom) 2018/1046 ('the Financial Regulation') establishes detailed rules on financing decisions.
- (2) The envisaged assistance should 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 and biodiversity mainstreaming in line with the European Green Deal⁵ and the inter-institutional agreement⁶.
- (4) The Commission has adopted the multiannual indicative programme for Palestine for the period 2021-2024,⁷ which sets out the following priorities: 1. Democracy, Rule of Law and Human Rights, 2. Governance Reform, Fiscal Consolidation and Policy, 3.

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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 of 11.12.2019

⁶ OJ L433, 22.12.2020, p. 28.

⁷ C(2022) 8279 final of 22.11.2022

Sustainable Service Delivery, 4. Climate Change, Access to Self-Sufficient Water and Energy Services, 5. Sustainable Economic Development.

- (5) The objectives pursued by the annual action plan to be financed under Neighbourhood geographic programme of Regulation (EU) 2021/947 should preserve the viability of the two-state solution.
- (6) The action entitled ‘PEGASE⁸ - Direct Financial Support to the Palestinian Authority 2022’ aims to contribute to a democratic, accountable, economically viable Palestinian state as well as the fulfilment of social rights. The Commission should acknowledge and accept contributions from other donors in accordance with Article 21(2) of the Financial Regulation, subject to the conclusion of the relevant agreements. Where such contributions are not denominated in euro, a reasonable estimate of conversion should be made.
- (7) 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.
- (8) The action entitled ‘Greening the Palestinian Economy’ aims to contribute towards inclusive and sustainable development by linking economic growth to environmental protection and mitigation/adaptation to Climate Change. This action recognises private sector development and job creation are the main lever to support Palestine green transition and at the same time respond to socio-economic development and food and nutrition needs.
- (9) The action entitled ‘European Joint Support to Area C’ aims to contribute to resilience of Palestinians living in Area C by ensuring that they are better equipped to protect their physical, economic and social assets and rights. The Commission should acknowledge and accept contributions from other donors in accordance with Article 21(2) of the Financial Regulation, subject to the conclusion of the relevant agreements. Where such contributions are not denominated in euro, a reasonable estimate of conversion should be made.
- (10) The action entitled ‘Support to Democratisation and Rule of Law’ aims to promote Democracy, Rule of Law and Human Rights as foundations of state-building in the pursuit of a two-state solution and as conditions for inclusive growth and sustainable development.
- (11) The action entitled ‘Support to Culture in Palestine’ aims to leverage Palestine’s rich cultural heritage and cultural creative sector to drive economic and social development in Palestine.
- (12) Pursuant to Article 26(1) of Regulation (EU) 2021/947 and Article 62(1)(c) of the Financial Regulation, indirect management is to be used for the implementation of the action plan.
- (13) The Commission is to ensure a level of protection of the financial interests of the Union with regards to entities and persons entrusted with the implementation of Union funds by indirect management as provided for in Article 154(3) of the Financial Regulation.

⁸ Palestino - Européen de Gestion et d'Aide Socio-Economique

- (14) 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)⁹ of the Financial Regulation and, if necessary, to appropriate supervisory measures in accordance with Article 154(5) thereof before a contribution agreement can be signed.
- (15) 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.
- (16) In order to allow for flexibility in the implementation of the action plan, it is appropriate to allow changes which should not be considered substantial for the purposes of Article 110(5) of the Financial Regulation.
- (17) The action plan provided for in this decision is in accordance with the opinion of the Committee established under Article 45 of Regulation (EU) 2021/947.

HAS DECIDED AS FOLLOWS:

Article 1
The action plan

The annual financing Decision, constituting the annual work programme for the implementation of the annual action plan in favour of Palestine for 2022, as set out in the annexes, is adopted.

The action plan shall include the following actions:

- ‘PEGASE - Direct Financial Support to the Palestinian Authority 2022’ set out in Annex I
- ‘Access to self-sufficient water services’ set out in Annex II
- ‘Greening the Palestinian Economy’ set out in Annex III
- ‘European Joint Support to Area C’ set out in Annex IV
- ‘Support to Democratisation and Rule of Law’ set out in Annex V
- ‘Support to Culture in Palestine’ set out in Annex VI

Article 2
Union contribution

The maximum Union contribution for the implementation of the action plan for 2022 is set at EUR 186 000 000, 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 interest due for late payment.

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

⁹ Except for the cases referred to in Article 154(6) of the Financial Regulation, where the Commission may decide, not to require an ex-ante assessment.

with the criteria laid down in point 4.3.4. of the Annex I, 4.3.1 of Annex II and III, 4.3.2. of the Annexes IV, V and VI.

Article 4
Flexibility clause

Increases¹⁰ 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 changes to the allocations of specific actions 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 the Financial Regulation, provided that 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.

Done at Brussels, 16.12.2022

For the Commission
Olivér VÁRHELYI
Member of the Commission

¹⁰ These changes can come from external assigned revenue made available after the adoption of the financing Decision