



Brussels, 1.9.2015
C(2015) 6147 final

COMMISSION IMPLEMENTING DECISION

of 1.9.2015

**on the Annual Action Programme 2015 part 3 in favour of Palestine¹ to be financed
from the general budget of the European Union**

¹ This designation shall not be construed as recognition of a State of Palestine and is without prejudice to individual positions of the Member States on this issue.

COMMISSION IMPLEMENTING DECISION

of 1.9.2015

on the Annual Action Programme 2015 part 3 in favour of Palestine¹ to be financed from the general budget of the European Union

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action², and in particular Article 2 thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002³, and in particular Article 84(2) thereof,

Whereas:

- (1) The Commission has adopted a Single Support Framework (SSF) for the period 2014-2015⁴, providing for the following priorities:
- Support to governance at local and national levels;
 - Support to the private sector and economic development;
 - Support to water and land development.

In addition to the three focal sectors, and considering that Palestine has not yet attained statehood, the SSF also envisages temporary measures in support to the Palestinian Authority through PEGASE⁵ and to the United Nations Relief and Works Agency for Palestine Refugees (UNRWA) and yearly contributions for East Jerusalem.

- (2) The Commission has adopted on 10.02.2015 a first Decision in favour of Palestine including support to PEGASE and UNRWA. The second part of the Annual Action Programme 2015 comprises the support to the three focal sectors, with a geographical focus on the Gaza Strip, and the annual contribution to the East Jerusalem programme. Through the present Decision the Commission intends to committ the remaining available funds to PEGASE, including EUR 10 million additional contribution to the payment of social allowances to the poorest families, most of which are now located in the Gaza Strip.
- (3) The situation in Palestine continues to deteriorate with no immediate prospects for the peace negotiations, the Gaza Strip living conditions worsening under all aspects and

¹ This designation shall not be construed as recognition of a State of Palestine and is without prejudice to individual positions of the Member States on this issue.

² OJ L 77, 15.3.2014, p. 95.

³ OJ L 298, 26.10.2012, p. 1.

⁴ C(2014) 5128 of 25.07.2014.

⁵ *Mécanisme Palestino-Européen de Gestion de l'Aide Socio-Economique.*

finally the deep fiscal and economic crisis aggravated by the freeze of transfer of clearance revenues from Israel from December 2014 till April 2015.

- (4) The objectives pursued by this Annual Action Programme, to be financed under Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument⁶, are to provide urgent financial support to the Palestinian Authority to keep the delivery of basic services functioning.
- (5) The action entitled “PEGASE: Direct Financial Support to Recurrent Expenditures of the Palestinian Authority 2015 – Second tranche” aims at supporting the Palestinian Authority to deliver to the Palestinian population essential basic services by maintaining the functioning of the administration; at improving the economic opportunities of poor, vulnerable and isolated population; and at supporting the Palestinian Authority in reducing its budget deficit and implementing its reform agenda while increasing its transparency and accountability.
- (6) It is necessary to adopt a financing Decision, the detailed rules of which are set out in Article 94 of Commission Delegated Regulation (EU) No 1268/2012⁷.
- (7) It is necessary to allow the payment of interest due for late payment on the basis of Article 92 of Regulation (EU, Euratom) No 966/2012 and Article 111(4) of Commission Delegated Regulation (EU) No 1268/2012.
- (8) Pursuant to Article 94(4) of Commission Delegated Regulation No 1268/2012, the Commission should define changes to this Decision which are not substantial in order to ensure that any such changes can be adopted by the authorising officer responsible.
- (9) The action provided for in this Decision is in accordance with the opinion of the European Neighbourhood Instrument (ENI) Committee set up by Article 15 of the financing instrument referred to in Recital 4,

HAS DECIDED AS FOLLOWS:

Article 1

Adoption of the measure

The Annual Action Programme 2015 part 3 in favour of Palestine, as set out in the Annex, is approved:

The programme shall include the following action:

- Annex : PEGASE Direct Financial Support to Recurrent Expenditures of the Palestinian Authority 2015 – Second tranche

Article 2

Financial contribution

⁶ OJ L 77, 15.3.2014, p. 27.

⁷ Commission Delegated Regulation (EU) 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (OJ L 362, 31.12.2012, p. 1).

The maximum contribution of the European Union for the implementation of the programme referred to in Article 1 is set at EUR 48 million and shall be financed from budget line 21 03 01 04 of the general budget of the European Union for 2015.

The financial contribution provided for in the first paragraph may also cover interest due for late payment.

Article 3

Implementation modalities

The section “Implementation Issues” of the Annex to this Decision sets out the elements required by Article 94(2) of Commission Delegated Regulation (EU) No 1268/2012.

Article 4

Non-substantial changes

Increases or decreases of up to EUR 10 million not exceeding 20% of the contribution set by the first paragraph of Article 2, 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 94(4) of Commission Delegated Regulation (EU) No 1268/2012, provided that they do not significantly affect the nature and objectives of the actions.

The authorising officer responsible may adopt these non-substantial changes in accordance with the principles of sound financial management and proportionality.

Done at Brussels, 1.9.2015

For the Commission
Johannes HAHN
Member of the Commission