

HEADING 4: Global Europe

European Neighbourhood Instrument (ENI)

Lead DG: NEAR

Associated DGs: EAC, REGIO

I. Overview

What the programme is about?

The European Neighbourhood Instrument (ENI) is the main financial instrument for implementing the European Neighbourhood Policy (ENP) and provides the bulk of EU funding to the 16 ENP partner countries: Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Republic of Moldova, Morocco, Syria ⁽¹⁾, Palestine ⁽²⁾, Tunisia, and Ukraine. Union support under the ENI is also used to enable the Russian Federation to participate in particular in cross-border cooperation (CBC) and other relevant multi-country programmes, including in cooperation on education (Erasmus+).

The ENI is designed to promote development, institution and capacity building, democracy, rule of law and good relations and integration of partner countries into the EU market.

EU added value of the programme

The EU has a strategic interest in seeing greater prosperity, economic development better governance, state and societal resilience in its neighbourhood and in promoting stability and security in the region. Although the responsibility for this lies primarily with the countries themselves, the EU can effectively encourage and support their reform and modernisation efforts. The objective of the European Neighbourhood policy (ENP) is to build, together with partners, a prosperous, secure and stable neighbourhood based on shared values and common interests. By acting at the Union level and by streamlining financial resources the EU has greater leverage to achieve a common goal: prevent the emergence of new dividing lines between the EU and its neighbours. The EU provides financial resources to support partners' own reforms and thus stimulates their transition and modernisation programmes. In addition, the EU has a leading role in bringing together donors, including major actors outside the EU, to work together on providing a comprehensive response to the new challenges in the region.

Regional cooperation programmes within the framework provided by the Union for the Mediterranean and the Eastern Partnership are structured around common goals and allow partner countries to discuss and seek solutions to common problems and challenges.

Implementation mode

Directorate-General for Neighbourhood and Enlargement Negotiations (DG NEAR) is the lead DG for the programme implementation.

The vast majority of ENI funding is used for bilateral cooperation, tailor-made to each Neighbourhood partner country. In this context, our assistance to partner countries in the Neighbourhood is framed by jointly agreed documents (Partnership Priorities, Association Agendas and equivalents) between the EU and each partner country. These documents sets out strategic priorities and serve as the political framework guiding the priorities for cooperation.

In addition to bilateral cooperation, ENI funding also supports regional, Neighbourhood-wide and Cross Border Cooperation programmes. These programmes are designed to complement bilateral cooperation programmes.

ENI funded activities are implemented and managed in various ways. Under direct management, the implementation of the budget is carried out directly by the Commission. Under indirect management, budget implementation tasks are delegated to and carried out by entities entrusted by the Commission. They can be the ENI beneficiaries or entities designated by them, an agency of a Member State or, exceptionally, of a third donor country, an international organisation or an EU specialised (but not executive) agency. In other words, the Commission delegates the management of certain actions to external entities, while still retaining overall final responsibility for the general budget execution. Under shared management, implementation tasks are delegated to EU Member States for cross-border cooperation programmes.

II. Programme Implementation Update

Implementation Status (2017-2019)

From 2017 to 2019 the Commission adopted Annual Action Programmes, Multi-Annual Action Programmes, Special Measures and Individual Measures reaching EUR 7.7 billion in commitment appropriations, out of which EUR 2.5 billion in 2017 (100 % budget execution reached), 2.5 billion in 2018 (100 % budget execution reached) and EUR 2.7 in 2019 (100 % budget execution reached). Commitments included allocation through the ENI 'umbrella programme' of:

⁽¹⁾ EU Cooperation with Syria is currently suspended due to the political situation since May 2011.

⁽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.

- EUR 196.5 million (2017);
- EUR 204.3 million (2018);
- EUR 215.1 million (2019).

In 2017 the following programmes were adopted:

- 15 Annual Action Programmes (including 1 regional East, 1 regional South, 1 Neighbourhood wide)
- 6 Special Measures (1 on Israel and 1 on Syria, 2 on Ukraine, 1 Palestine, 1 Libya)
- 2 Special Measure for the 2017 ENI contribution to the European Union Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa
- 2 Special measures for the 2017 ENI contribution to the European Union Regional Trust Fund in response to the Syrian crisis

In 2018 the following programmes were adopted:

- 15 Annual Action Programmes (including 1 regional East, 1 regional South and 1 Neighbourhood wide)
- 2 Multi-annual Action Programme for 2018, 2019 and 2020 (1 for Palestine and 1 for Egypt)
- 4 Special Measures (1 on Israel, 1 on Libya, and 1 on Syria, 1 on Belarus)
- 2 Special measures for the 2018 ENI contribution to the European Union Regional Trust Fund in response to the Syrian crisis
- 1 Special measure for the 2018 ENI contribution to the European Union Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa
- 1 Individual measure for Support to Democratisation in the Southern Neighbourhood through the European Endowment for Democracy (EED)

In 2019 the following programmes were adopted:

- 12 Annual Action Programmes (including 1 regional East, 1 regional South and 1 Neighbourhood wide)
- 3 Multi-Annual Action programmes for 2019 and 2020 (1 for Azerbaijan, 1 for Jordan, 1 for Lebanon)
- 3 Special Measures (1 on Israel, 1 on Libya, and 1 on Syria)
- 2 Special Measures for the ENI contribution to the European Union Regional Trust Fund in response to the Syrian crisis.
- 1 Special Measure for the ENI contribution to the European Union Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa.

Key achievements

The ENI proved to be a flexible and responsive instrument addressing the priorities established under the European Neighbourhood Policy framework and react to needs and challenges in the region, including to protracted crises.

Southern Neighbourhood

Through the ENI, the EU has responded to the **Syrian crisis** by supporting the broader needs of the Syrian population inside the country and in neighbouring Lebanon, Jordan and Iraq. Part of that funding has been channelled for implementation to the EU Regional Trust Fund in Response to the Syrian Crisis (EUTF). As of 30 June 2019, the results monitoring showed that the EUTF had reached more than 4.3 million people with access to various services; over 28,000 people had been trained and almost 2,000 local facilities had their capacities strengthened as part of different capacity development initiatives. This information is based on 56 ongoing and 7 concluded EUTF projects, equalling funding of EUR 1.3 billion. The EUTF activities are deployed mainly in Lebanon, Jordan, Iraq and Turkey and tackle the education, livelihoods, health and water, sanitation and hygiene (WASH) sectors. Education-related actions show good progress, with 284,518 children having access to basic formal and non-formal education 14,872 teachers trained; 238 education facilities constructed or refurbished; 5,982 young people with access to higher and further education. Protection-related components have guaranteed access to psychosocial support and specialised services to 313,814 beneficiaries, including through child protection and gender-based violence support. The EUTF 32 actions aiming at better livelihoods, through better employability and increased financial capacity of the target groups, continue to show positive progresses. Actions in the livelihoods sector have so far reached 1,385 organisations, mainly MSMEs and more than 217,038 individuals, of which 65 % are women and around 60 % belong to the Syrian refugee community. Within the 16 actions that provide support in the health sector 2,580,033 individuals have been reached by primary healthcare consultations and health education activities, 5,530 staff has been trained in primary, secondary or tertiary healthcare services and 92 health infrastructures have been upgraded, refurbished and equipped, in the region. In the Water, Sanitation and Hygiene sector, the EUTF so far benefits 178,297 people. 104 out of 224 planned water and waste-water facilities have been completed.

To tackle economic fragility in **Jordan**, actions in 2019 were devoted to economic growth and job creation (EUR 35 million), to support to education and vocational training (EUR 45 million) and to youth inclusion (EUR 10 million).

In **Lebanon**, the ENI continues to support a wide variety of activities benefiting citizens directly. Examples of this are the reforms in the Justice system, improving access to water services and private sector development, which were completed in 2019.

Lebanon – EU support to Justice Sector Reform: Automation of Court procedures: The EU’s court automation programme (EUR 8 million) supported Lebanon’s judicial system to improve its operational performances, reduce inefficient manual court procedures, which are important cause of backlogs contributing in particular to the high number of pre-trial detentions in Lebanon. Manual operations in the complex justice sector lead to unnecessary delays that in turn may result in the denial of court access and in dwindling public confidence. In order to render the Lebanese judicial system more efficient, transparent and independent, in 2019 the EU successfully completed the implementation of the programme for the automation of 12 pilot courts in Lebanon addressing systematic delays in the administration of justice, enhancing the speed and fairness of judicial proceedings and in turn increases the trust of citizens and businesses in the legal system. EU support targeted a number of 12 pilot courts in the areas of Beirut, Jdeideh and Jounieh, and in full alignment with the Master Plan for automation of the Ministry of Justice. Software applications were developed and hardware infrastructure setup, including networks and Data Centres. These projects in a nutshell supported the development of the judiciary ICT infrastructure and systems required for the justice sector to gradually reach modern standards of effectiveness with regard to judicial dossier/document management, archiving, decision-making and final rulings. In addition, the EU programme provided substantial tailor-made IT training to 3,100 judiciary staff (i.e. judges and office clerks) allowing them to deal with and follow-up of cases through the IT system.

Lebanon – Improving access to water services at municipal level: Under ENI and EUTF funding several initiatives have been funded in the water sector to improve access to water services for Lebanese Municipalities hosting refugee population. The approach proposed by EU projects combined infrastructural improvements with social activities (to promote subscription to the service and its financial sustainability) and with technical assistance to the Regional Water Establishments in charge of the operations. Most of the targeted Municipalities are located in remote areas neglected by previous national investments. Through 17 different projects, EU funds (approximately 87 M euro since the beginning of Syrian crisis) have supported more than 600.000 beneficiaries with tangible improvement of their water services. Approximately 80 % of the beneficiaries are Lebanese living in hosting communities and the remaining 20 % Syrian refugees.

Among the achievements of the projects are the following:

- Construction or rehabilitation of approx. 500 km of main pipelines;
- Construction or rehabilitation of more than 20 Municipal or Regional Water reservoirs for a total capacity of more than 20 000 m³;
- Drilling and equipping more than 25 boreholes and rehabilitation of 20 existing pumping stations;
- Installation of solar pumping in 4 deep boreholes;
- Installation of more than 10 000 water meters to promote a change in the management of the service and conservation of the water resources;
- 2 Municipal Wastewater treatment plants with approx. 40 km of sewer lines;
- Improvement of Water and Sanitation access in more than 40 schools, 5 Health Centres and in Detention centres.
- Several trainings for 3 Regional Water Establishments for operation, maintenance, communication toward citizens, financial management and business development;

Most of the projects presented elements of piloting for better water conservation practices and application of green technologies have been shared in several national conferences supported by EU (Lebanese Water Forum).

Lebanon – EU Support to Private Sector Development. The flagship programme Private Sector Development Programme (PSD-P) (EUR 15 M) came to an end in 2019 after three years of activities promoting the productivity and competitiveness of MSMEs with a value chain approach: more efficient and cost-effective use of inputs and resources; facilitating access to finance; market access; and creating jobs as a result of increased production and sales. The programme had been working on agri-business and wood processing sectors in Tripoli, Akkar, Bekaa. It is estimated that the programme benefitted more than 2,600 beneficiaries along the value chain. Some of the programme achievements include: increase in the quantity and quality of agricultural production through provision of technical and business support, establishment of demo plots, etc. certification of farmers, enabling them to access new and more demanding markets; reinforcement of existing agriculture cooperatives; increase in sales through marketing events (farmers markets; prospective visits; attendance to fairs; testing events; organization of international exhibitions; etc.), support to the development of marketing strategies and creation of new brands.

As a response **to migration challenges in Africa**, the Commission continued to activate its dedicated financial instruments. The pace of implementation of the North of Africa window of the EU Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa (EUTF for Africa) continued to increase considerably with new programmes approved for a total amount of EUR 807 million, including expansion of ongoing actions with top-up in order to respond to increasing needs coming from the region. The Commission increased its engagement in the protection of vulnerable migrants and the fight against trafficking of human beings and smuggling of migrants, including through support to border management. Assistance to Libyan municipalities to promote alternative livelihoods and support the resilience of local communities hosting migrants remained a key priority. The EUTF for Africa also adopted a large new budget support programme to support the actions of the Moroccan authorities on the management of migratory flows. The EUTF adopted also new programmes to promote mobility and legal migration from North Africa region as a safe alternative to irregular migration and in line with the priorities of the new Commission.

In **Libya**, in 2019, amidst crisis, the ENI continues to support a process of institution building activities in the broader area of governance (EUR 28 million) as well as private sector development, notably through support to SME’s (EUR 4 million).

Tunisia benefits from one of the largest shares of the ENI South country allocations with approximately EUR 300 million in financial assistance yearly. To support its economic transition programmes launched in 2019 contribute to re-inforce economic governance (business climate, public policies) and job creation in rural areas (EUR 170 million) with in parallel, social inclusion and fight against poverty (EUR 100 million). The EU supports a wide variety of sectors directly benefiting Tunisian citizens. Examples of this are programmes on cultural cooperation, support to small and medium-sized enterprises, gender equality and social cohesion and local infrastructure:

Tunisia – Tfanen programme. Implemented by EUNIC network, this programme embodies a truly European approach. Through different calls for projects (cultural offer, cultural production, local engagement, enhancement of heritage, support for festivals, professionalization), the Tfanen project supports around a hundred actions throughout the territory, thus ensuring excellent visibility for the EU. All activities are fully carried out by Tunisian partners for the Tunisian public. The Ministry of Cultural Affairs – and its decentralized regional institutions, cultural centres, and libraries -is associated with the major actions, benefits from training, workshops (regional labs) and studies on cultural policies. Projects are also accompanied by ad hoc expertise, which can be mobilized on demand. For its relevance, impact and sustainability, this EUR 6 million project has been extended with an allocation of additional funds (EUR 20 million including EUR 5 million on top up and EUR 15 million in the context of the EU4YOUTH program). Tfanen complements EU support in the Culture sector, through twinning with the Tunisian Ministry, membership in Creative Europe and the formulation of a Tunisian cultural policy strategy.

Tunisia – Support to small and medium size enterprises. The Programme in support of Service Competitiveness ('PACS Program') implemented by the EBRD aims to strengthen the services sector by focusing on the following sub-sectors: Information and communication technologies (ICT); Transport and Logistics; Professional services; Tourism and crafts. More than 600 SMEs have benefited from technical assistance actions since the start of the program; about 140 market and sector development activities have been implemented, including visibility events, training for consultants and women entrepreneurs and workshops to disseminate good practices. A total of 10 professional associations have benefited from capacity building actions; around 450 women entrepreneurs have been trained. The EBRD attaches great importance to regional development with more than 67 % of its technical assistance projects carried out outside the capital Tunis. In one year of consultancy project, 79 % of beneficiary clients in Tunisia increased their turnover, 58 % improved their productivity and developed their activity, 61 % increased the job creation rate and 27 % of clients were able to obtain external funding to support their development objectives.

Tunisia – Moussawat – gender equality. The programme, of EUR 7 million, achieved important results in 2019: it strengthened the capacities of institutional actors to understand the issue of the gender approach and to integrate it into the development plan, into training courses, into statistics, and in the budget to make it gender sensitive. This was possible thanks to the introduction of the gender approach in the organic budget law in 2019. In terms of combating violence against women, the program supported 6 reception and accommodation centers for women victims violence and a free hotline. The State has, for the first time, allocated a budget to finance part of the operation of these centers from 2020. Another significant achievement has been the Tunisia's request for accession to the Council of Europe's Istanbul Convention in October 2019 and the updating of the national strategy. The program also enabled the creation of support centers for entrepreneurship and initiatives in the craft, honey and cosmetology sectors.

Tunisia – Proville programme. In Tunisia, the EU acts to strengthen social cohesion and local infrastructure. With support from the European Union and the French development agency (AFD), the EUR96.7 million Proville programme has been enabling Tunisia's Urban Rehabilitation and Renewal Agency (ARRU) to improve the living conditions of inhabitants of deprived urban areas and support the reform of city policy. The programme sought to uphold basic urban infrastructure and public services, as well as to develop social, community and economic facilities in more than 155 underprivileged neighbourhoods.

In **Morocco**, programming 2019 focussed on social sectors, supporting Moroccan national strategies to integrate its education sector, and improve its health system, including through advance regionalisation (EUR 105 million), and continued its support to public administration reform with a view to improved delivery for citizens (EUR 40 million). Democracy consolidation is addressed through support to the Parliament and to the Human Rights National Council (EUR 9 million).

In **Palestine**, in a context marked by unpredictability of revenues due to the fiscal crisis, PEGASE has continued not only to provide predictable support to ensure the uninterrupted delivery of key public services to the Palestinian population but particular efforts have also been made by the services to frontload the EU's PEGASE contribution for 2019 (EUR 167.3 million) in order to alleviate the fiscal crisis. The EU's political and financial support to UNRWA in 2019 was of critical significance in maintaining the agency's operations and in preserving basic services to Palestine refugees. The 2018-2019 EU Peacebuilding Initiative (EUPI) programme between Israel and Palestine aimed to support and promote the conditions for a sustainable resolution of the Israeli-Palestinian conflict through civil society and the positive engagement of citizens of the region. The new EUPI programme for 2020 will follow the same approach including with a focus on grass-root organisations. It will soon be published.

In **Egypt**, the ENI continues essential support for the reform and development of the energy and water sectors (EUR70m), social development through a project of support for basic education (EUR 25 million), public economic governance (EUR8million) and fundamental rights and gender equality with support for ending of Female Genital Mutilation (EUR 7 million). The EUR 9 million 'Support for Partnership, Reforms and Inclusive Growth programme (SPRING)' implemented with four international NGOs (INGOs) came to an end in 2019, having supported grassroots socioeconomic civil society activities in the most deprived areas of Egypt. In Luxor, Esna and Armant, where communities have been facing significant poverty and socioeconomic challenges affecting the most isolated rural areas, the programme supported 81 multi-sectoral micro-projects implemented by 61 community-based organisations. Over 9,000 women, children, youth, farmers and vulnerable households received direct support through

income generation, vocational training, innovative environmental solutions impacting the rural areas, access to productive resources, health and nutrition services. In the most deprived villages of Sohag and Qena Governorates, the programme benefitted some 23,000 residents, mostly women and youth belonging to disadvantaged households. 214 innovative partnerships for socioeconomic development were set up, between community-based organisations, local authorities and the private sector (business associations or enterprises). In Beni Suef and Assiut Governorates, the programme supported income-generating activities for women, with the involvement of 151 community development organisations and agricultural cooperatives. In Alexandria and Beheira, 97 cooperation protocols were signed so to facilitate sustainability. Overall the programme supported some 150,000 direct beneficiaries of which over 70 % were women, 471 civil society organisations and 553 mostly rural communities.

In **Algeria**, the EU continues to provide support to the economic sector with a view to diversify economy away from the hydrocarbon production through development of the tourism sector and related job opportunities for youth and support to innovation capacity of the Algerian research system. The PAP-ENPARD (pilot projects in agriculture and rural development) is one of the first sector programmes where a classical technical assistance component was combined with a call for proposals. The main service contract mobilizes a team of key experts based in Algiers and in the 4 regions of intervention, as well as a significant number of short-term experts for training and studies. The call resulted in five additional grant contracts, implemented by consortia of international and local NGOs. This expanded the zone of intervention from 4 to 17 regions, spanning from natural parks in remote mountain areas in the North of Algeria to the oasis in the South. The PAP-ENPARD managed to federate this great variety of activities and actors around a shared understanding of local development and the importance of a bottom-up drive. Working under the same PAP-ENPARD label, the NGOs also found space for exchanges, collaboration and mutual learning among themselves as well as with other stakeholders activated through the technical assistance component. The Ministry also chose to invest in long-term sustainability: some of the results were developed into tools to be handed over to other departments and institutions that will integrate them in their own line of work or in other projects. The PAP-ENPARD was extremely active and very effective in terms of public communication, thus offering multiple opportunities for EU visibility and media coverage in and outside Algiers. In 2019, success stories linked to PAP-ENPARD (rural development) were featured on social media (in English, French and Arabic) through the EU Neighbours hub.

At regional level, ENI funds continued supporting institutions, such as **the Union for the Mediterranean**, networks and fora to foster dialogues from political to technical levels in energy, transport, environment, economy and job creation as well as civil society organisations. Blending, through the Neighbourhood Investment Platform, continued to be a powerful instrument to leverage investments. In 2019, 17 new investments proposals were approved for a total amount of EUR 308 million in climate change and environment sectors as well as to support SMEs.

Eastern Neighbourhood

The EU remains a major partner for countries of the **Eastern Partnership**. In addition to the bilateral agreements in place, the Eastern Partnership multilateral framework has been guided by the result-oriented and jointly owned agenda ‘20 Deliverables for 2020’. In 2019, as the partnership marked its 10th anniversary, the European Commission carried out a broad and inclusive consultation to define the future policy objectives. Overall, there is a consensus that the Eastern Partnership is robust and delivers tangible benefits to the daily lives of people across the region. On 18 March 2020, the European Commission put forward a proposal for the long-term policy objectives of the Eastern Partnership beyond 2020. These aim at increasing trade, strengthening connectivity and deepening economic integration with Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova and Ukraine, strengthening democratic institutions, the rule of law, environmental and climate resilience, supporting the digital transformation, and promoting fair and inclusive societies.

In **Armenia**, the EU provides companies with funding, training, and export support to new markets, including through the EU4Business initiative. Since 2009, the EUR 40 million of funds invested by the European Union have triggered additional loans of over EUR 450 million and additional financial assistance; this benefitted 25 000 SMEs and created over 3 200 new jobs. Under Erasmus+ (2014-2020), close to 2 500 students and academic staff from Armenia have studied or taught in Europe, and 1 250 Europeans went to Armenia. In addition, over 8 000 young people and youth workers took part in short-term exchanges, mobility, training and volunteering projects.

In **Azerbaijan**, EUR 227 million of EU-backed loans have been provided for 12 500 Azerbaijani companies since 2009. This is one of the ways in which the EU contributes to economic diversification and modernisation and improving the business and investment climate in the country. Also, in the past 10 years, over 25 ministries and public institutions in Azerbaijan have participated in almost 50 projects bringing EU public sector expertise to their Azerbaijani counterparts. Upgraded air quality monitoring and introduction of a mandatory health insurance are examples of successful EU and Azerbaijan cooperation.

Belarus has access to EUR 10 million for key projects in energy efficiency and environmental protection through the EBRD-managed Eastern Europe Energy Efficiency and Environment Partnership. The first project – Puhovichi Solid Waste – has helped to leverage total investments of EUR 7 million. A new investment grant for wastewater treatment facilities in 6 cities in Belarus was also approved at the end of 2019. EU support has helped to improve energy efficiency in educational facilities for the benefit of 2 000 school and pre-school children, and support to modernisation has improved the living conditions of 10 000 citizens and reduced electricity bills for 10 municipalities. In the area of transport, under the TEN-T indicative investment plan, a total of 890 km of road and 200 km of rail improvements will bring better connectivity, improved road safety and use of intelligent transport systems. First works on renovation of the M7 road (Minsk – Lithuanian border) will start in 2020.

In **Georgia**, the EU is modernising agriculture through the European Neighbourhood Programme for Agriculture and Rural Development (ENPARD), by supporting the rollout of the agriculture cooperative model, leading to the establishment of 1,200 cooperatives in the country. The EU's financial and technical support to them aims to help farmers improve their working conditions and income. EU support has also helped establish 59 information and consultation centres around the country, which have trained over 250 000 farmers. Through Local Action Groups, the EU has supported 360 local development initiatives in rural areas, which have provided better employment conditions for over 1 000 households and improved living conditions for over 10 000 people.

In **Moldova**, the EU actively supports improvements in transport, environment, agricultural sector (via its ENPARD programme) and energy. Thus, a road bypass around Ungheni, fully funded by the EU, was opened on 3 August 2018. Around 700 kilometres of roads have been or will be rehabilitated in the Republic of Moldova thanks to EU support. Public transport has been improved in Chişinău and Bălţi with modern trolley buses. New drinking water supply infrastructure was built with EU support. As a result, approximately 15 700 people have access to sufficient and safe drinking water. Biomass heating systems have been installed in more than 225 schools, kindergartens, community centres and village halls, making heating cheaper and diversifying the country's energy sources. 47 of these sites were also equipped with solar hot water systems. 35 new biomass businesses were set up and over 400 new jobs have been created. The EU is also co-financing a permanent interconnection between the electrical networks of Moldova and Romania.

In **Ukraine**, more than EUR 15 billion have been mobilised in grant and loans since 2014 to support reforms in economy, governance, environment, connectivity and society. The Deep and Comprehensive free Trade Agreement (DCFTA) is a major milestone in bilateral trade offering new economic opportunities to both sides. The DCFTA triggers reform of Ukraine's legal framework and will improve the overall business climate in Ukraine, including by curbing corruption. The DCFTA supported the continuous increase of bilateral trade between the EU and Ukraine since its provisional application in January 2016, with bilateral trade reaching EUR 44.6 billion in 2019. Governance reforms have received more than EUR 300 million since 2014, via programmes on decentralisation (U-LEAD with Europe), anti-corruption (EUACI), the rule of law (PRAVO), public administration reform (EU4PAR) and public finance management (EU4PFM). The U-LEAD with Europe programme (EUR 130 million) supports the decentralisation reform improving transparency and accountability of local and regional authorities as well as their capacity to offer better services. The EU supports anti-corruption institutions in Ukraine with an overall commitment of EUR 30 million to the fight against corruption. The EU contributes substantially to the Ukrainian Energy Efficiency Fund (EUR 104 million) and supports raising awareness and public support for energy efficiency investments.

In addition to bilateral programmes, **regional programmes** benefitting more than one country have also achieved results, such as:

- Since the launch of the Eastern Partnership in 2009, The EU has supported more than 125 000 enterprises, backing EUR 2 billion worth of loans, and sustained over 250 000 jobs and helped the creation of around 34 000 new jobs.
- EU-EaP trade has nearly doubled turning the partner countries into the EU's 10th largest trading partner. The EU is the first trading block for four partner countries (Azerbaijan, Georgia, Moldova and Ukraine), while for Armenia (over EUR1.2 billion worth of trade in 2018) and Belarus the EU is the second biggest trading partner. These trade relations have also led to diversification in exports of goods from partner countries, and to their better integration in global value chains. Furthermore, the number of companies exporting to the EU from Georgia has increased by 46 %, from Moldova by 48 % and from Ukraine by 24 %. This clearly reflects the mutual benefits of EaP.
- ERASMUS + has enabled more than 30 000 students and academic staff from the Eastern Partnership countries to study or teach in EU countries, since 2009. In September 2019, the first European School outside EU borders successfully launched in Georgia in 2018 welcomed its second cohort of 30 students. Preparations are ongoing for the third year.
- 'EU4Business' – an umbrella initiative covering all EU support for small and medium-sized enterprises (SMEs) in the Eastern Partnership region – improves SMEs access to finance and the business environment across the region. With an active portfolio of almost EUR 320 million of EU support (complementary to other forms of support), since 2016 EU4Business has supported at least 90 000 jobs in the region and more than 18 000 SMEs.
- A decision on extending the Trans-European Transport Network to the eastern Neighbourhood by 2030 was reached in 2016 as a concrete step towards better connections and a streamlined approach to infrastructure investments. This decision complements reforms in the sector in view of making transport more secure, safer and more environmentally friendly.
- Over 300 municipalities, covering 20 million people in the Eastern Partnership countries, signed up to the EU's Covenant of Mayors. This aims to reduce their CO2 emissions by almost 20 million tonnes by the end of 2020, which is equivalent to planting almost 500 million trees.

Beyond the Eastern Partnership multilateral framework, ENI funds continued to support two other policies, namely the Northern Dimension and the Black Sea Synergy, promoting effective regional cooperation with the Eastern Neighbourhood and beyond.

Evaluation /studies conducted

A study report covered EU support for Rule of Law in Neighbourhood Countries and Candidates and Potential Candidates of Enlargement (2010-2017) and was conducted by DG NEAR to provide an independent, evidence-based assessment of the scope and performance of implemented and on-going EU support for Rule of Law. The second evaluation assessed the Twinning instrument in the period 2010-2017 in order to inform the debate on the future of this delivery mechanism to support enlargement and neighbourhood countries in meeting their respective commitments in the framework of their relationships with the EU.

In addition, a Staff Working Document on Economic Governance was finalised and published following the completion of the corresponding evaluation at the end of 2017, in accordance with the Better Regulation principles.

Several strategic evaluations were under implementation (thematic evaluations on EU info centres, civil society, migration and local authorities and a country evaluations of Armenia) in 2019. In addition, several new evaluations have been launched in 2019 (gender equality, and country evaluations for Moldova, Morocco and Tunisia) as well.

Forthcoming implementation

Southern Neighbourhood

External factors such as political instability and the security situation are hampering the progress in the Southern Neighbourhood. Cooperation with the North Africa partner countries is challenging and subject to the evolution of the situation notably in Libya. We expect the situation in the Middle East to remain a matter of concern. Across the region, the impact of ongoing conflicts, insecurity and poor governance will foreseeably continue to destabilise our partners, to disrupt trade and investment and, therefore, to limit opportunities for the population. Consequently, ENI cooperation will continue focusing in 2020 on stabilising the region with the objective to promote both sustainable development and good governance. Programming priorities for 2020 are being shaped on the basis of Partnership Priorities, which constitute the political framework for the Single Support Frameworks/Multi-annual Indicative Programmes, currently in place for most partner countries and for regional South until the end of 2020. In the case of Palestine ⁽³⁾, a European Joint Strategy is valid until the end of 2020. In addition, we will support service provision, on which pressure is already high, and encourage an enabling environment for business with a view to promote economic growth and create enough jobs to help the countries cope with the demographic trends. It should be noted that large numbers of refugees and displaced persons exacerbates all these structural deficiencies. Therefore, greater efforts will be put to support state accountability towards their citizens.

Eastern Neighbourhood

In the Eastern Neighbourhood, the 2020 programming takes place after the 10 year anniversary of the Eastern Partnership. The 2020 programming constitutes the last year's programming of the current multi-annual financial framework. This last programming exercise will be key to showcase concrete results to citizens towards completion of the '20 deliverables for 2020'. Targeted support will continue across all the Eastern Partnership priorities reconfirmed at the Eastern Partnership Summit in November 2017 (stronger economy, stronger governance, stronger connectivity, stronger society). Programming priorities for 2020 are being shaped on the basis of the Association Agendas and/or Partnership Priorities, which set out strategic priorities and serve as the political framework for the Single Support Frameworks/ Multi-Annual Indicative Programmes for the period 2017-2020 (Armenia, Georgia, Moldova, and Regional East) and 2018-2020 (Azerbaijan and Ukraine). In the case of Belarus, until an agreement on Partnership Priorities is reached, continued use of Special Measures is likely to be made. To maximise impact, the full alignment between policy and its implementation will be ensured, in close coordination with EU Member States and International Financial Institutions. Complementary use will be made of TAIEX and Twinning as a catalyst for reforms, while strategic communication – factored into EU programmes from the start and running in parallel to their implementation – will support the successful implementation and illustrate delivery of results on the ground. At regional level, beyond the Eastern Partnership multilateral framework, due consideration will be given to supporting the other two policies, namely the Black Sea Synergy and the Northern Dimension

Outlook for the 2021-2027 period

On 14 June 2018, the European Commission adopted the Proposal for a Regulation of the European Parliament and of the Council establishing the Neighbourhood, Development and International Cooperation Instrument (NDICI). This proposal is part of a set of new proposed instruments for EU external action under the new Multiannual Financial Framework 2021-2027. It is the result of an ambitious plan to streamline the external action architecture and make the financing instruments more flexible, more coherent and more effective.

It is proposed that the biggest share of external action funds, would be channelled through the NDICI contributing to poverty eradication and promotion of sustainable development, prosperity, peace and stability, including the European Neighbourhood through bilateral and multi-country programmes under the geographic pillar.

These actions could be further complemented through activities under the thematic pillar (support to human right and democracy, civil society, stability and peace), the rapid-response pillar (conflict prevention and respond to situations of crisis or instability, as well as EU's foreign policy needs and priorities) and the emerging challenges and priorities cushion (emerging challenges and priorities).

It is proposed that the NDICI would contain an investment framework for external action to raise additional financial resources for sustainable development from the private sector. It will consist of the European Fund for Sustainable Development (EFSD+) and the External Action Guarantee, with increased guarantee capacity. The new instrument proposes to preserve the core specificities of the European Neighbourhood Policy, on which basis the EU develops a special relationship with neighbouring countries.

⁽³⁾ This designation shall not be construed as a recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue.

The European Neighbourhood Policy specificities are maintained and reinforced, notably co-ownership, differentiation and the performance-based approach ('more for more'), the differentiation approach, thus providing incentives for jointly-agreed political and economic reforms.

Cross-border cooperation between EU Member States and partner countries, both in the Eastern and in the Southern Neighbourhood, is also proposed to continue in view of the positive results achieved so far.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument	2014 – 2020	15 432,6

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	2020	Total Programme
Administrative support	57,5	44,6	45,4	47,8	48,3	51,1	50,9	345,6
Operational appropriations	2 254,7	2 338,4	2 277,2	2 430,5	2 427,8	2 685,0	2 618,0	17 031,7
Executive Agency	2,8	2,8	2,4	2,4	2,3	1,9	1,9	16,5
Total	2 315,0	2 385,8	2 325,0	2 480,7	2 478,4	2 738,0	2 670,8	17 393,8
<i>Of which contribution to Erasmus+</i>	<i>103,3</i>	<i>93,4</i>	<i>98,0</i>	<i>104,8</i>	<i>82,0</i>	<i>98,7</i>	<i>90,1</i>	<i>670,4</i>

2. Implementation rates

	2019				2020			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	2 737,998	99,98 %	1 870,464	99,66 %	2 683,227	23,60 %	1 840,587	22,56 %
Authorised appropriations (*)	2 771,516	99,86 %	1 903,040	99,06 %	2 691,152	23,76 %	1 860,259	22,50 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2020

3. Performance information

Programme performance

The European Neighbourhood Instrument (ENI) is making progress towards achieving its objectives. The performance has been delivering mixed results, with some indicators achieving their milestones and some only partially. For the indicators under General objective 1⁽⁴⁾, there have been positive developments. Note that the statistical data usually becomes available later in the year. For example, the World Bank most recent data on GDP per capita cover 2018. However, there is a positive development in Eastern Neighbourhood, with growth for third year in a row and at this rate the target might be reached.

Also under Specific objective 1⁽⁵⁾, for example under indicator 2, which is a composite indicator based on eight external sources, the progress has been more modest than anticipated in foreseen milestone and target. This is to a great extent also due to the indicators being based mostly on perceptions and the fact that they do not necessarily reflect the impacts made by the EU assistance and policy in these areas. There are also many external factors, which might influence overall scores (such as political instability, security situation, etc.).

On Specific objective 6, it should be noted that the Eastern High-Level event dedicated to the 10th anniversary of the EaP held in May 2019 highlighted strong achievements in 3 out of 4 Priority Areas: 1) Stronger economy, 2) Stronger connectivity, and 3) Stronger society. However, more progress is needed in the areas of rule of law, fighting corruption, shrinking spaces for civil society and lack of media independence. The following are some concrete examples of achievements:

- Stronger economy: over 1 250.000 loans to SMEs (over half in local currency);
- Stronger connectivity: 100 000 families could reduce energy bills thanks to EU support on energy efficiency;
- Stronger society: more than 80 000 youth exchanges including through ERASMUS+ programme;

(4) Establishing an area of shared prosperity and good neighbourliness involving the Union and the partner countries by developing a special relationship founded on cooperation, peace and security, mutual accountability and shared commitment to universal values of democracy, the rule of law and respect for human rights in accordance with the Treaty on EU.

(5) Promoting human rights and fundamental freedoms, the rule of law, principles of equality and fight against discrimination in all its forms, establishing deep and sustainable democracy, promoting good governance, fight against corruption, strengthening institutional capacity at all levels and developing a thriving civil society including social partners

- Stronger governance: public service delivery one stop shops in place in all 6 EaP countries.

One of the essential elements of the ENI regulation is the incentive-based approach, also referred to as ‘more for more’. Indeed, the share of available resources offered to partner countries is adapted primarily to their progress in building and consolidating deep and sustainable democracy and in implementing agreed political, economic and social reform objectives.

On the other hand, the mid-term review of external action instruments, published in December 2017, has highlighted the need to strengthen the coordination and coherence between various external action instruments. This issue is being addressed in the Commission proposal for a Neighbourhood, Development and International Cooperation Instrument (NDICI), which has been designed to reinforce a policy-driven approach to EU cooperation. The aim is to make it more strategic and responsive to the EU’s interests as well as both to the political priorities of the renewed European Neighbourhood Policy and the general policy framework. It also simplifies the current architecture providing a common, integrated framework for the Union’s external action policies, while preserving their specificities, in particular for development cooperation and the Neighbourhood policies. Having a broad financing instrument would better serve the goals and priorities of the European Neighbourhood policy. Cooperation with EU neighbours will gain from being financed by the NDICI, as it would give more means and flexibility in support of the special relationship between the EU and its Neighbours. It will be better equipped to address challenges that span across regions covered currently by different instruments. Additional funding could be mobilised easily through the ‘Emerging challenges and priorities cushion’. The possibilities offered by the ‘Cushion’ would make the EU prepared to challenges that may raise in the future. Some features currently reserved to the European Development Fund would also be extended to the Neighbourhood, including the ability to carry-over unused funds from one year to the following one or to reuse decommitted funds. This is particularly appropriate for the management of actions in the Neighbourhood, which is characterised by a highly volatile environment requiring continuous adaptation.

General objectives

General Objective 1: Establishing an area of shared prosperity and good neighbourliness involving the Union and the partner countries by developing a special relationship founded on cooperation, peace and security, mutual accountability and shared commitment to universal values of democracy, the rule of law and respect for human rights in accordance with the Treaty on EU.

Indicator 1: Number of comprehensive agreements and individual ENP Action Plans in place with interested neighbouring countries

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2012	Milestones foreseen							2020
Neighbourhood East: 5 AA & 5 AP				The negotiations and conclusions of agreements and ENP action plans show a positive trend.				15 Association or similarly comprehensive Agreements in force and 16 Action Plans or similar documents adopted by 2020. NB: This level of target comes from the objectives of European Neighbourhood Policy and takes into account the 16 Neighbourhood countries (10 in the South and 6 in the East).
	Actual results							
	3 & 3	3 & 3	3 & 3	4 & 4	5 & 5	5 & 5		
2012	Milestones foreseen							2020
Neighbourhood South: 8 AA				The negotiations and conclusions of agreements and ENP action plans show a positive trend.				16 Association or similarly comprehensive Agreements in force and 16 Action Plans or similar documents adopted by 2020. NB: This level of target comes from the objectives of European Neighbourhood Policy and takes into account the 16 Neighbourhood countries (10 in the South and 6 in the East).
	Actual results							
	8 & 8	8 & 8	8 & 8	8 & 8	8 & 8	8 & 8		
2012	Milestones foreseen							2020
CBC: 2 ENPI CBC Programmes								900 projects implemented by ENI CBC programmes (there are 950 projects financed under the current ENPI CBC)
	Actual results							
	CBC: adoption of ENI CBC implementing	13 ENI CBC joint operational	2 more ENI CBC JOPs adopted (15	7 more FAs signed (23 overall)	Partnership	All FAs in force; 411 projects		

	rules and of one ENI CBC support programme	programmes (JOPs) adopted	overall) and 16 Financing Agreements (FAs) signed			contracted, including 47 LIPs (484 overall)		
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Narrative:

South:

Baseline 2012: Association agreements in force with 8 of the 10 southern partners (i.e. excluding Libya and Syria). Three First generation Action Plans (or equivalent documents) adopted or in place: Israel, Egypt and Palestine. 2nd generation action plans for Jordan and Morocco approved. Political agreement on the second generation of the Tunisia and Lebanon Action Plans but formal adoption by Council pending.

2014-2018: 8 AA, 8 AP or similar documents (Partnership Priorities).

2019: 8 AA still in force for the southern countries. No AA with Syria and Libya due to crisis situations in these countries. 8 AP or similar documents (Partnership Priorities) in force.

East:

Baseline 2012: Five Partnership and Cooperation Agreements in force, one Association Agreement (Ukraine) initialled on 30.03.2012. Negotiations for Association Agreements ongoing with 4 countries: Republic of Moldova (launched in January 2010), Armenia, Azerbaijan & Georgia (July 2010). Five Action Plans in force.

2014-2020: three Association Agreements entered in force with Georgia, Moldova and Ukraine, a Comprehensive and Enhanced Partnership Agreement (CEPA) entered provisionally into force with Armenia, and Partnership Priorities (PP) signed with Azerbaijan (with whom the Partnership and Cooperation Agreement in force since 1999 is still the basis for relations). All the five countries count with equivalent documents to Action Plans (Association Agendas for Georgia, Moldova and Ukraine; a CEPA Roadmap for Armenia, and the PP for Azerbaijan).

Comment: Libya: Discussions on the negotiations for a Framework Agreement are stalled due to the crisis situation since June 2014. Ratification of Association Agreement is suspended. Preliminary discussions on future EU-Israel and EU-Palestine Partnership Priorities have been initiated. The UE has adopted Compacts with Jordan and Lebanon. The second phase of the ENI programming (2017-2020) was launched and Single Support Frameworks for 2017-2020 are being finalised with the Governments of Lebanon, Palestine, Egypt, Jordan and Tunisia. Palestine has materialised the Joint Programming process in the first-ever European Joint Strategy in the Neighbourhood that will cover 2017-2020. With Morocco, the EU has deployed every effort in maintaining a constructive relationship throughout the year in the area of technical and financial cooperation, amid a tense atmosphere pertaining to the ECJ ruling on the agreement on the free trade of agricultural products. In Libya the EU focused on reactivating initiatives in order to support the Government of National Accord and to contribute to improving the living conditions of Libyans and migrants stranded there. A policy dialogue on cooperation issues was established in 2016 in order to better define the needs and possibilities to expand our assistance.

Unit of measure: Agreements (AA) & Action plans (AP) in force

Indicator 2: GDP per capita as percentage of EU-28 (current prices)								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2010	Milestones foreseen							2020
Neighbourhood East: 10.86 %				increase				increase
	Actual results							
	11.94 %	9.94 %	8.86 %	9.89 %	10.54 %			
2010	Milestones foreseen							2020
Neighbourhood South: 14.76 %				increase				increase
	Actual results							
	14.58 %	11.35 %	15.18 %	12.94 %	12.58 %			

Comment: The indicator shows the degree of economic convergence of Neighbourhood countries towards the European average. The projections are based on a hypothesis of growth rate of 1.9 % for the EU area and 3.5 % for both Neighbourhood South and Neighbourhood East.

Availability of Data: The 2014 value does not include Libya, Lebanon and Syria, for which data are not available. The 2015 value on Neighbourhood South only includes Algeria, Morocco, Jordan and Palestine, for which data on GDP are available. The 2016 and 2017 value only excludes Syria.

Source: World Bank

Unit of measure: As percentage of EU-28 in current prices

Specific objectives

Specific Objective 1: Promoting human rights and fundamental freedoms, the rule of law, principles of equality and fight against discrimination in all its forms, establishing deep and sustainable democracy, promoting good governance, fight against corruption, strengthening institutional capacity at all levels and developing a thriving civil society including social partners.

Performance

Indicator 1 assesses how the ENP partner countries progress in implementing the political reforms agreed in bilateral legal (for example: Partnership and Cooperation Agreements, Association Agreements) and political (for example: ENP Action Plans,

Association Agendas) frameworks. The target is coherent with 2014-2020 programming period and is based on the past trend, the baseline value and the benchmarks. Following the ENP Review of 2015 the annual progress reports (jointly prepared by the European Commission with the EEAS) have been replaced by a new style of assessment, timed to provide the basis for a political exchange of views in the relevant high-level meetings with partner countries. The EU remains a major partner for countries of the Eastern Partnership. For example and in addition to the bilateral agreements in place, the current Eastern Partnership framework is guided by the result-oriented and jointly owned agenda ‘20 Deliverables for 2020’ which focuses on four broad areas: 1) Strengthening institutions and good governance; 2) Economic Development and Market opportunities; 3) Connectivity, energy efficiency, environment and climate change and 4) Mobility and people-to-people contacts; as well as cross-cutting areas such as support to civil society, gender equality and non-discrimination, and independent media. There is a broad consensus that the current framework has been delivering particularly in economy, connectivity, people-to-people contacts, and to a lesser extent in the area of governance and rule of law.

Indicator 2 takes the scores from eight publically available external sources taken in three groups:

1. Corruption Index (Transparency International) and Control of Corruption (World Bank);
2. Press Freedom (Reporters without Borders) and Freedom of Press (Freedom House);
3. Government Effectiveness (World Bank), Rule of Law (World Bank), Regulatory Quality (World Bank) and Voice and Accountability (World Bank).

It should be noted that the indicators are based mostly on perceptions and do not necessarily reflect the impacts made by the EU assistance and policy in these areas. Overall, the trend in the neighbourhood has been fluctuating, but an improvement in comparison with the baseline is noted. There are also many external factors, which might influence overall scores (such as political instability, security situation, etc.), which make these indicators only subject to be indirectly influenced by EU action.

Indicator 1: Progress made in achieving political reforms, as assessed by relevant reports								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
	Milestones foreseen							2020
Eastern Partnership countries:	Actual results							Further Progress
	Some Progress	Some Progress	Some Progress	Some Progress	Some Progress	Some Progress	Some Progress	
	Milestones foreseen							2020
Southern Partnership countries:	Actual results							Further progress
	Some Progress	Some Progress	Some Progress	Some Progress	Some Progress	Some Progress	Some Progress	

Comment: The indicator assesses how the ENP partner countries progress in implementing the political reforms agreed in bilateral legal (for example: Partnership and Cooperation Agreements, Association Agreements) and political (for example: ENP Action Plans, Association Agendas) frameworks. The target is coherent with 2014-2020 programming period and is based on the past trend, the baseline value and the benchmarks. Following the ENP Review of 2015 the annual progress reports (jointly prepared by the European Commission with the EEAS) have been replaced by a new style of assessment, timed to provide the basis for a political exchange of views in the relevant high-level meetings with partner countries.

Indicator 2: ENI weighted score based on eight external sources								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2010	Milestones foreseen							2020
38	Actual results							> 44
	41	40	40	40	40	40		

Methodology: Values: 1 (Worst) – 100 (Best); EU benchmark: 76.99.

Comment: The indicator is a weighted score based on 8 external sources taken in three groups, each weighted one third after normalisation:

1. Corruption Index (Transparency International) and Control of Corruption (World Bank);
2. Press Freedom (Reporters without Borders) and Freedom of Press (Freedom House);
3. Government Effectiveness (World Bank), Rule of Law (World Bank), Regulatory Quality (World Bank) and Voice and Accountability (World Bank).

Source: Eight external sources:

Corruption Index (Transparency International) – <http://www.transparency.org/country>

Control of Corruption (World Bank) – <http://web.worldbank.org>

Press Freedom (Reporters without Borders) – <https://rsf.org/index2014>

Freedom of Press (Freedom House) – <http://www.freedomhouse.org/>

Government Effectiveness (World Bank) – <http://web.worldbank.org>

Rule of Law (World Bank) – <http://web.worldbank.org>

Regulatory Quality (World Bank) – <http://web.worldbank.org>
 Voice and Accountability (World Bank) – <http://web.worldbank.org>

Expenditure related outputs

Outputs	Budget line	Budget 2020	
		Number	EUR million
1a. Measures supporting rule of law and good governance – South	22 04 01 01 22 04 01 04	5 0	90,9 –
1b. Measures supporting rule of law and good governance -East	22 04 02 01	3	184,5
2a. Measures supporting civil society and promotion of human rights and fundamental freedoms – South	22 04 01 01	3	26
2b. Measures supporting civil society and promotion of human rights and fundamental freedoms – East	22 04 02 01	4	21
3. Countries benefiting from umbrella programme*	22 04 03 03	5	223
Total		20	545,4

* In line with the ENI Regulation, the total funding for the umbrella programmes is set in the range of 10 % of the operational budget. Additional funding granted through this mechanism will be used in line with the cooperation priorities of each beneficiary country.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1a. Measures supporting rule of law and good governance – South	F	3	4	4	7	6	5	7
	P	6	6	6	6	6		
1b. Measures supporting rule of law and good governance -East	F	3	4	5	6	3	3	3
	P	4	6	6	6	3		
2a. Measures supporting civil society and promotion of human rights and fundamental freedoms – South	F	2	8	3	2	4	3	3
	P	3	4	4	4	4		
2b. Measures supporting civil society and promotion of human rights and fundamental freedoms – East	F	5	6	3	3	3	3	3
	P	5	4	4	4	3		
3. Countries benefiting from umbrella programme	F	6	6	6	6	6	6	6
	P	7	4	4	5	6		

Specific Objective 2: Achieving progressive integration into the Union internal market and enhanced sector and cross-sectoral cooperation including through legislative approximation and regulatory convergence towards Union and other relevant international standards and improved market access including through deep and comprehensive free trade areas, related institution building and investments, notably in interconnections.

Performance

Under Specific Objective 2 the targets for the indicator expressing the level of integration of the economies into the world economy (indicator 1) was reached in 2017, although information was not available for some countries in the Southern Neighbourhood. Hopefully these positive developments will remain stable throughout coming years and beyond. To be noted that many factors will impact this indicator, in particular EU economic growth, unfolding crisis situations in the region and data availability.

Regarding indicator 2, on number of Deep and Comprehensive Free Trade Agreements (DCFTA) and Agreements on Conformity Assessment and Acceptance of industrial products (ACAA), there has been moderate progress. 3 DCFTAs are in place in Eastern Neighbourhood, while in Southern Neighbourhood negotiations are open with two countries (Morocco and Tunisia) and discussion are ongoing with Egypt and Jordan.

Indicator 1: Value of ENI countries export to EU-28 in relation to baseline data in year 2010 (Eurostat figures).								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2010	Milestones foreseen							2020
Neighbourhood East: 37.02 %				36.45 %			35.90 %	35.90 %
	Actual results							
	36.82 %	37.80 %	37.18 %	39.05 %	40.01 %			
2010	Milestones foreseen							2020
Neighbourhood				26.13 %			27.97 %	27.97 %

South: 24.90 %	Actual results						
	24.40 %		20.00 %	29.29 %	18.33 %		

Comment: The targets are based on a hypothesis of GDP growth of 3.5 % for the two regions and of 2.97 % for the exports of the Neighbourhood East and 5.88 % for the Neighbourhood South. For this second region the baseline is calculated on the volume of exports and GDP of the countries for which both exports and GDP data were available for 2014 (Algeria, Israel, Jordan and Palestine. Availability of Data: The 2015 value for Neighbourhood East does not reflect Ukraine and Azerbaijan, for which export values are not available for 2015. For 2016, only Syria excluded. Declining ratio reflects substantial reduction of values of exports of hydrocarbons for Algeria (due to price decline) and Libya (also due to the political instability). For 2017, the value for Ukraine is based on 2016 data, as data for 2017 were not available. No data available yet for Libya, Tunisia and Jordan.

Indicator 2: Number of Deep and Comprehensive Free Trade Agreements (DCFTA) and Agreements on Conformity Assessment and Acceptance of industrial products (ACAA)

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
	Milestones foreseen							2020
Neighbourhood East: 0 signed (DCFTA), 0 (ACAA), 4 DCFTA and 0 ACAA under negotiation	Actual results							DCFTA in place with all interested ENI countries 5 ACAA in place; 2 Agreements on liberalisation of trade in agriculture in place; 1 Agreement on Air Transport in place; 2 MoU on Energy in place
	3 AA/DCFTA	3 AA/DCFTA	3 AA/DCFTA	3 AA/DCFTA	3 AA/DCFTA	3 AA/DCFTA	3 AA/DCFTA	
	Milestones foreseen							2020
Neighbourhood South: 0 DCFTA, 1 ACAA, 0 Agreements on liberalisation of trade in agriculture, 0 Agreements on Air Transport, 1 MoU on Energy	Actual results							4 DCFTA in place; 5 ACAA in place; 2 Agreements on liberalisation of trade in agriculture in place; 1 Agreement on Air Transport in place; 2 MoU on Energy in place
	1 ACAA and 3 agreements on air transport	1 ACAA and 3 agreements on air transport	1 ACAA and 3 agreements on air transport	1 ACAA and 3 agreements on air transport	1 ACAA and 3 agreements on air transport	1 ACAA and 3 agreements on air transport	1 ACAA and 3 agreements on air transport	

Expenditure related outputs

Outputs	Budget line	Budget 2020	
		Number	EUR million
2a. Measures supporting the Association Agreements, approximation and institution building – South	22 04 01 02	3	7
2b. Measures supporting the Association Agreements, approximation and institution building – East	22 04 02 02	4	86
3. TAIEX and SIGMA – South & East	22 04 01 02	2	3.4
	22 04 02 02		3,9
Total		9	100,4

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1. Measures supporting the Advanced Status – South	F	1	1	0	0	1	0	0
	P	1	0	0	0	1		

2a. Measures supporting the Association Agreements, approximation and institution building – South	F	5	7	5	2	3	3	3
	P	2	3	3	2	3		
2b. Measures supporting the Association Agreements, approximation and institution building – East	F	5	4	3	5	4	4	4
	P	3	4	4	4	4		
3. TAIEX and SIGMA – South & East	F	2	2	2	2	4	2	2
	P	3	2	2	2	4		

Specific Objective 3: Creating conditions for the better organisation of legal migration and the fostering of well managed mobility of people, for the implementation of existing or future agreements concluded in line with the Global Approach to Migration and Mobility, and for promotion of people-to-people contacts, in particular in relation to cultural, educational, professional and sporting activities.

Performance

Specific Objective 3 covers migration and mobility. The first indicator (number of mobility partnerships in place) is an example of good performance where the targets have been either met (Neighbourhood East) or almost (Neighbourhood South). MP declarations are the instrument through which the EU and its partners in the Neighbourhood intend to set a framework to manage migration flows with commonly agreed objectives and programmes. MP’s follow the Global Approach to Migration and Mobility guidelines. Thus, they are a good measure of the achievements in this field.

Whereas for the second indicator, especially in the Southern Neighbourhood, no readmission and visa facilitation agreements have been concluded due to sensitive and complex negotiations in uncertain political environment. Based on visa facilitation/liberalisation agreements, both the EU and the non-EU citizens benefit from facilitated procedures for issuing visas. Visa facilitation/liberalisation agreements are linked to readmission agreements which establish the procedures for the return to the EU or to the partner non-EU country of persons (own or third country nationals or stateless persons) in irregular situation. Readmission and visa facilitation/liberalisation agreements are key elements to assess progress regarding mobility and the promotion of people to people contacts. No readmission and visa facilitation agreements with Morocco, Tunisia and Jordan have been concluded due to sensitive and complex negotiations in uncertain political environment.

Indicator 1: Number of Mobility Partnerships in place

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2012	Milestones foreseen							2020
Neighbourhood East: 3			1 under negotiation					4
	Actual results							
	4	4	4	5	5	6		
2012	Milestones foreseen							2020
Neighbourhood South: 1			2 in place, 2 under negotiation					4 Mobility Partnerships in place
	Actual results							
	3	3	3	3	3	3		

Narrative: South: Baseline 2012: Mobility Partnership signed with one country in 2013. Preparatory discussions launched with two countries.

Source: Information from Directorate-General for Migration and Home Affairs (DG HOME).

Unit of measure: Mobility Partnerships

Indicator 2: Number of readmission/visa facilitation agreements and Visa Liberalisation Action Plans (VLAP) in place

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2008	Milestones foreseen							2020
Neighbourhood East: 1 readmission/visa			3 readmission/visa facilitation agreements in place					4 readmission/visa facilitation agreements in

facilitation agreements in place and 2 under negotiation; 2 VLAP in place	Actual results							place
	Visa Facilitation Agreements and Readmission Agreements (VFRA) with 5 countries (Armenia and Azerbaijan entered into force in 2014); negotiations with Belarus started in 2014; 1 VLAP completed (visa-free regime granted to Moldova as of 28-4-2014); 2 VLAP ongoing	VFRAs with 5 countries; negotiation with 1 country; 1 visa-free regime (Moldova); 2 VLAP completed (Georgia and Ukraine)	VFRAs with 5 countries negotiation Belarus; 1 visa-free regime (Moldova); 1 VLAP completed (Ukraine, Georgia); preliminary discussions on visa liberalisation started with Armenia	Visa liberalisation for Georgian citizens with biometric passports for short stays entered into force 28 March 2017; Visa-liberalisation for Ukrainian citizens with biometric passports for short stays entered into force 11 June 2017.	VFRAs with 5 countries (Azerbaijan, Armenia, Georgia, Moldova and Ukraine) and negotiations with Belarus. VLAPs in place with three countries (Georgia, Moldova and Ukraine)	Visa liberalisation continues to be in place with Georgia, Moldova and Ukraine; Visa Facilitation and Readmission Agreements in place with Armenia and Azerbaijan; and negotiations on VF/RA finalised with Belarus		
	Milestones foreseen							2020
Neighbourhood South: 0	2							5
	Actual results							
	0	0	0	0	0			

Source: Information from Directorate-General for Migration and Home Affairs (DG HOME).

Expenditure related outputs

Outputs	Budget line	Budget 2020	
		Number	EUR million
1a. Measures supporting mobility and border management – South	22 04 01 01	1	1
1b. Measures supporting mobility and border management – East	22 04 02 01	1	18
2. Erasmus + South & East (excluding administrative credits)	22 04 20	1	88,2
Total		3	107

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1a. Measures supporting mobility and border management – South	F	0	1	1	0	2	1	1
	P	2	0	0	0	2		
1b. Measures supporting mobility and border management – East	F	1	2	0	1	2	1	1
	P	0	1	1	1	2		
2. Erasmus + South & East (excluding administrative credits)	F		1		1	1	1	1
	P	1	1	1	1	1		

Specific Objective 4: Supporting smart, sustainable and inclusive development in all aspects; poverty reduction, including through private-sector development and reduction of social exclusion; promotion of capacity building in science, education and in particular higher education, technology, research and innovation; promotion of internal economic, social and territorial cohesion; rural development; public health; environmental protection, climate action and disaster resilience.

Performance

Regarding Specific Objective 4 on smart, sustainable and inclusive development, it can be noted that the indicator based on UNDP’s human development index has been stable and going towards the target.

Indicator 2 is based on World Bank’s ease of doing business report. The sustainability of development highly depends on the capacity of our countries to facilitate the creation of a productive base, i.e. the creation of local business that can ignite a virtuous circle of economic growth on a sustainable basis. This indicator has been showing good results performance, albeit with some fluctuations. The targets for 2020 might be attained for Neighbourhood South. The more ambitious target for Neighbourhood North is less likely to be attained. External factors such as political instability and security situation have an effect on the results of these indicators.

Indicator 1: Inequality-Adjusted Human Development Index								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2011	Milestones foreseen							2020
Neighbourhood East: 4			6 countries equal or above 0.7					6 countries equal or above 0.7
	Actual results							
	5	6	5	7	6			
2011	Milestones foreseen							2020
Neighbourhood South: 3			8					9
	Actual results							
	6	8	5	8	8			

Methodology: Number of countries with indicator ≥ 0.7 (between high and very high human development).

Source: UNDP

Indicator 2: Ease of doing business index (1=most business-friendly regulations)								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2012	Milestones foreseen							2020
Neighbourhood East: 64.42				73.00				78.00
	Actual results							
	69.92	70.50	71.68	73.09	75.81	75.8		
2012	Milestones foreseen							2020
Neighbourhood South: 57.26				56.00			59.00	59.00
	Actual results							
	54.07	54.21	54.84	55.45	56.77	57.05		

Comment: The distance to frontier, measures the distance from the best performing country based on the different criteria used. Indicator aligned with the one used for the EU Results Framework.

Unit of measure: %

Expenditure related outputs

Outputs	Budget line	Budget 2020						
		Number	EUR million					
1a. Measures supporting employment, education and training – South	22 04 01 02	4	169					
1b. Measures supporting employment, education and training – East	22 04 02 02	2	21,5					
2a. Measure supporting territorial and social cohesion, social protection and rural development – South	22 04 01 02	4	5,3					
2b. Measure supporting territorial and social cohesion, social protection and rural development – East	22 04 02 02	2	46					
3a. Measures supporting inclusive economic development (including NIP) – South	22 04 01 02 22 04 01 04	8	332,7 10,3					
3b. Measures supporting inclusive economic development (including NIP) – East	22 04 02 02	3	149,5					
4a. Measures contributing to reforms in the fields of environment, energy and management of natural resources – South	22 04 01 02 22 04 01 04	4	95 0					
4b. Measures contributing to reforms in the fields of environment, energy and management of natural resources – East	22 04 02 02	1	3,5					
Total		28	833,2					
Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
1a. Measures supporting employment, education and training – South	F	4	2	3	3	3	4	2
	P	4	2	2	3	3		
1b. Measures supporting employment, education and training – East	F	2	0	0	1	2	2	2
	P	3	1	1	1	2		
2a. Measure supporting territorial and social	F	5	3	4	1	3	4	3

cohesion, social protection and rural development – South	P	4	3	3	1	3		
2b. Measure supporting territorial and social cohesion, social protection and rural development – East	F	2	1	2	2	2	2	2
	P	1	2	2	2	2		
3a. Measures supporting inclusive economic development (including NIP) – South	F	8	6	5	7	8	8	7
	P	10	14	14	6	8		
3b. Measures supporting inclusive economic development (including NIP) – East	F	2	2	3	2	3	3	3
	P	4	4	4	2	3		
4a. Measures contributing to reforms in the fields of environment, energy and management of natural resources – South	F	3	3	4	3	3	4	3
	P	2	4	4	3	3		
4b. Measures contributing to reforms in the fields of environment, energy and management of natural resources – East	F	0	2	1	0	1	1	1
	P	0	1	1	0	1		

Specific Objective 5: Promoting confidence building, good neighbourly relations and other measures contributing to security in all forms and the prevention and settlement of conflicts, including protracted conflicts.

Performance

The only indicator under Specific Objective 5 measures perceptions of the likelihood that the government will be destabilised or overthrown by unconstitutional or violent means, including politically-motivated violence and terrorism. The most recent results under this indicator show improvement and reflect the direction sought.

Indicator 1: Political stability and absence of violence: number of countries in a percentile rank above 0-30 (lowest rank)								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2011	Milestones foreseen							2020
Neighbourhood East: 4	5							6
	Actual results							
	4	4	3	3	4			
2011	Milestones foreseen							2020
Neighbourhood South: 7	8							9
	Actual results							
	4	5	4	5	6			

Narrative: Baseline East: Countries in a percentile rank above 0-30 (Armenia, Belarus, Moldova, Ukraine) and Countries in a percentile rank above 0-10 (Jordan, Morocco, Tunisia, Libya, Egypt, Israel) respectively.

Milestone 2016 South: 6 and Algeria, Lebanon

Target South: 8 countries + Syria

Comment: This indicator measures perceptions of the likelihood that the government will be destabilized or overthrown by unconstitutional or violent means, including politically – motivated violence and terrorism. Higher values in percentile rank indicate better governance ratings.

Source: Worldwide Governance Indicators (WGI) project (WB group).

Expenditure related outputs

Outputs	Budget line	Budget 2020						
		Number	EUR million					
1a. Measures supporting confidence building and settlement of conflicts (including support to refugees) – South	22 04 01 03	4	383,3					
1b. Measures supporting confidence building and settlement of conflicts (including support to refugees) – East	22 04 02 03	1	12,7					
2. Measures supporting Palestine	22 04 01 04	3	310,3					
Total		8	706,3					
Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
1a. Measures supporting confidence building and settlement of conflicts (including support to refugees) – South	F	3	2	4	3	3	4	4
	P	12	1	1	3	3		
1b. Measures supporting confidence building and settlement of conflicts (including support to refugees) – East	F	1	2	1	1	1	1	1
	P	2	2	2	1	1		

2. Measures supporting Palestine	F	10	3	3	3	3	3	3
	P	7	4	4	3	3		

Specific Objective 6: Enhancing sub-regional, regional and Neighbourhood wide collaboration as well as Cross-Border Cooperation.

Performance

In the Southern Neighbourhood, there has been positive progress on increasing credibility of the Union for the Mediterranean through regular ministerial meetings and conferences (indicator 4). Furthermore, all but one Cross-Border Cooperation programme have been adopted (indicator 1). This indicator shows the progress in building cooperation in border regions among EU Member States on one side and Neighbourhood partner countries, and the Russian Federation, on the other side. Given that these CBC cooperation programmes are agreed among the EU member States and the partner countries, the adoption and implementation of the programme is a good indicator of the willingness of all parties to cooperate in the border regions. Each CBC programme contains a multiplicity of smaller projects benefiting the socioeconomic development of the area’s population.

Regarding indicator 2 ‘Number of ministerial, platform and panel meetings under the Eastern Partnership’ there has been a substantial increase of the number of events. This is mainly due to the increased number of the requests coming from high-level decision-makers.

Considering the strong qualitative nature of indicators 3 and 5 it has proven not realistic to continue monitoring these as such.

Indicator 1: Number of Cross-Border Cooperation programmes in place								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2012	Milestones foreseen							2020
13 ENPI CBC programmes adopted and implemented	Actual results							All 17 programmes foreseen in the CBC Programming Document are fully under implementation and all available funds are committed
	1	14	16	16	16	16		

Comment: ENI CBC Mid-Atlantic programme was finally not adopted. The indicator shows the progress in building cooperation among EU Member States on one side and Neighbourhood partner countries and the Russian Federation on the other side, in border regions.

Source: Based on the number of programmes identified in the CBC Programming Document.

Indicator 2: Number of ministerial, platform and panel meetings under the Eastern Partnership								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2014	Milestones foreseen							2020
Between 70 and 80	Actual results							90
	70-80		Around 80	Around 85	Around 90	Around 110		

Unit of measure: Policy dialogue events that were organised.

Indicator 3: Progress on Eastern Partnership priorities								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2015	Milestones foreseen							2020
Establishment of the main priority areas	Strategic progress mainly in the areas of priority interconnections and market opportunities							Significant progress in the four priority areas
	Actual results							

Narrative: Main priority areas were: (1) strengthening institutions and good governance; (2) increasing mobility and people to people contacts; (3) market opportunities; (4) interconnections. Milestone 2016: 1) Interconnections: Approval of the extension of the core TEN-T network at ministerial level, Endorsement of the single project pipeline by the EaP countries, IFIs and the EU; 2) Market opportunities: Development of the three DCFTAs (i.e. Ukraine, Georgia, Moldova) and assistance provided,

Comment: Considering the strong qualitative nature of this indicator it has proven not realistic to continue monitoring it as such. The Eastern Partnership Summit in Brussels renewed the joint engagement towards comprehensive reforms in the partner countries and set out a concrete vision four priorities: 1) Stronger economy, 2) Stronger governance, 3) Stronger connectivity, and 4) Stronger society. Our '20 Deliverables for 2020' monitoring shows that clear progress has been made in all areas, notably in connectivity, digital, TEN-T, energy efficiency and security, and youth including the European Eastern Partnership School. However, more progress is needed in the areas of rule of law, fighting corruption, shrinking spaces for civil society and lack of media independence. Assistance will continue to the partner countries in implementation of commitments in these areas.

Unit of measure: Priorities from Riga summit 2015

Indicator 4: Increased credibility of the Union for the Mediterranean (UfM) through a high number of ministerial meetings establishing regional sector priorities and through the engagement of regional cooperation, finance and planning ministers via the holding of UFM ministerial conferences on regional cooperation and planning

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2014	Milestones foreseen							2020
3		3	6	9	12	15		Three ministerial meetings per year (15 in total). A regular process of coordination around financing of regional integration is operational.
	Actual results							
	3		6	9	10	11		

Methodology: Cumulative measurement of meetings.

Narrative: Meetings chronologically:

2014 (Baseline): Three ministerial meetings establishing regional sector priorities Ministries of Finance, Planning and International Cooperation relatively un-engaged in regional cooperation. No cooperation ministerial ever held.

2016: Three new: UfM ministerial meetings organised in the field of cooperation and planning; energy; labour and employment took place in 2016.

2017: Three new: Youth; Water; Sustainable urban development; Women's Empowerment.

2018: One new: Trade

2019: One new: Ministerial Conference in the field of Employment and Labour

Unit of measure: Ministerial meetings establishing regional sector priorities.

Indicator 5: Progress on specific regional objectives defined in ministerial declarations under the Union for the Mediterranean

Comment: Considering the strong qualitative nature of this indicator it has proven not realistic to continue monitoring it as such.

Expenditure related outputs

Outputs	Budget line	Budget 2020	
		Number	EUR million
CBC programmes, including European Regional Development Fund – European Territorial Cooperation – Contribution from Heading 4	22 04 03 01 13 03 64 03	17	96,3
Measures enhancing regional cooperation in the southern Neighbourhood	22 04 01 01	2	12,8
	22 04 01 02	4	41,8
	22 04 01 03	2	37,9
	22 04 03 04	2	16,3
Measures enhancing regional cooperation among Eastern Partnership countries	22 04 02 01	3	29,4
	22 04 02 02	5	78,2
	22 04 03 04	2	12,2
Total		37	325,1

Under specific objective 6 it is envisaged that regional programmes will continue to focus on domains like, inter alia, energy, environment, border management, transport, private sector development, support to the 'Partnership for peace' process in the Middle-East, Union for the Mediterranean, functioning of regional cooperation frameworks (Northern Dimension and Black Sea Synergy) and the multilateral track of the Eastern Partnership.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1. CBC programmes, including European Regional Development Fund – European Territorial Cooperation – Contribution from Heading 4	F	15	17	17	17	17		
	P	1	13	13	15	15		
2. Measures enhancing regional cooperation in the southern Neighbourhood	F	12	12	10	10	10	10	12
	P	13	14	14	10	10		

3. Measures enhancing regional cooperation among Eastern Partnership countries	F	11	10	13	10	10	10	10
	P	11	13	13	11	10		

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Europe

Relevant objective/output

Relevant objective/output	Budget 2019	Budget 2020
Mediterranean countries – Human rights and mobility	9,2	9,5
Mediterranean countries – Poverty reduction and sustainable development	305,1	307,5
Support to the peace process and financial assistance to Palestine and to the United Nations Relief and Works Agency for Palestine Refugees (UNRWA)	11,3	11,8
Eastern Partnership – Human rights and mobility	8,0	10,9
Eastern Partnership – Poverty reduction and sustainable development	231,2	236,4
Eastern Partnership – Confidence building, security and the prevention and settlement of conflicts	3,7	3,8
Cross-border cooperation (CBC) – Contribution from Heading 4	17,2	19,0
Support to other multi-country cooperation in the neighbourhood – Umbrella programme	22,8	27,4
Total	608,5	626,3

Programmation climate action

2014-2018					2019-2020 estimates		Total
2014	2015	2016	2017	2018	2019	2020	
185,0	268,0	262,2	326,8	555,6	608,5	626,3	2 832,4

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Justification

Consolidated and updated comparable information for the annual expenditures adopted, estimated or programmed for the 2014-2020 programming period (totals by programme in EUR Million).

The estimated amount for climate related expenditure for 2014-2018 is based on the analysis of the climate related expenditure under ENI (from 2014 to 2017). Estimates reflect the OECD/DAC reporting methodology for the Rio-markers on climate mitigation and climate adaptation. The budget of marked actions is weighted 100 % if climate mitigation/adaptation is marked as ‘principal objective’ and 40 % if it is marked as ‘significant objective’.

Rio-markers apply to actions funded in all sectors; however, past trends indicate that relevant actions tend to concentrate in the sectors of rural development, environment, energy and management of natural resources – hereby tentatively associated to specific objectives 4 (country-based programmes) and 6 (regional cooperation programmes). Consequently, budget is predominantly from budget line ‘Poverty reduction and sustainable development’.

Contribution to financing biodiversity

Relevant objective/output

Relevant objective/output	Budget 2019	Budget 2020
Specific objective 4 and 6	153,0	173,0
Total	153,0	173,0

Programmation biodiversity

2014-2018					2019-2020 estimates		Total
2014	2015	2016	2017	2018	2019	2020	
38,5	55,6	41,4	50,6	135,3	153,0	173,0	647,4

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Justification

Estimates reflect the OECD/DAC reporting methodology for the Rio-marker on bio-diversity. The budget of marked actions is weighted 100 % if bio-diversity is marked as ‘principal objective’ and 40 % if it is marked as ‘significant objective’. Rio-markers apply to actions funded in all sectors; however, past trends indicate that relevant actions tend to concentrate in the sectors of rural development, environment, energy and management of natural resources – hereby tentatively associated to specific objectives 4 (country-based programmes) and 6 (regional cooperation programmes).

Consolidated and updated comparable information for the annual expenditures adopted, estimated or programmed for the 2014-2020 programming period (totals by programme in EUR Million).

Gender mainstreaming

The Commission is committed to the implementation of EU Gender Action Plan II, 2016-2020 (GAP II), as well as the promotion of gender equality and women's empowerment in international fora and agendas. The GAP was endorsed on October 26, 2015 by the Council which confirmed in its Conclusions that gender equality is at the core of European values and enshrined within the EU legal and political framework. A number of actions to address gender equality, such as the implementation of specific programs on gender equality, are undertaken: for example, in the Eastern partnership region, ENI is supporting women-led small and medium-sized enterprises throughout the provision of access to finance and the know-how.

In 2019, gender commitments under ENI amounted to EUR 782.3 million, an increase compared to 2017 and 2018 (respectively EUR 496 and EUR 525 million).

Data reflect the OECD/DAC reporting methodology. The budget of marked actions is weighted 100 % if gender equality is marked as 'principal objective' and 40 % if it is marked as 'significant objective'. Gender markers apply to actions funded in all sectors respectively specific objectives.

5. Programme contribution to the Sustainable Development Goals

SDG 5 Achieve gender equality and empower all women and girls

In the Southern Neighbourhood, 292 actions were reported in 2018 – 14 % fewer than the 340 actions reported in 2017. Reports were submitted by 10 EU Delegations – Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Palestine*, Syria and Tunisia. With 135 actions geared towards thematic priority C, this was by far the most addressed priority, followed by thematic priorities B (87 actions) and D (81).

In 2018, In the Eastern Neighbourhood, 171 actions were reported by five EU Delegations – to Azerbaijan, Belarus, Georgia, Moldova and Ukraine. Of these actions, 139 were aligned with GAP II thematic priorities. This marks a significant increase from 88 reported actions in 2017. Thematic priority C was the most frequently addressed (71 actions), followed by thematic priorities D (40) and B (27).

Neighbourhood South

Objective 7 on combatting violence against women and girls remained the focus for EU actions under thematic priority B. However, the number of actions that addressed objective 7 in 2018 fell by one-third compared to 2017. While some countries introduced ambitious legislation to combat gender-based violence and discrimination, many obstacles remain, not least as gender inequalities are embedded in discriminatory cultural norms and traditions. EUD predominantly worked in Morocco (12 actions) and Egypt (4 actions) to address violence against women. Some actions were also combined with sexual and reproductive health and rights initiatives – in Algeria, Egypt, Morocco, Palestine and in Tunisia, through the 'Moussawat' programme. As in 2017, all GAP II indicators linked to objective 7 were included in the actions reported in 2018. Actions targeting objective 11 on sexual and reproductive health and rights increased significantly – rising by 42 %, with 21 new actions in 2018. The EUD in Jordan supported actions in the framework of the EU support for civil society organisations. In Lebanon, the EUD contributed to strengthening protection mechanisms for Syrian refugees and vulnerable communities, including by working to reduce economic barriers to accessing health services. Actions that targeted objective 8 on the trafficking of women and girls decreased by 17 %, in addition, actions that targeted objective 10, on 'preventive and rehabilitative physical and mental healthcare' also decreased by 27 % in 2018. Actions addressing objective 8.

Under thematic priority C, objective 15 was addressed by 47 actions (36 %). This reflects an increase in actions on 'women's access to financial services, productive resources, trade, and entrepreneurship' compared to 2017. Actions focused on improving women's access to financial services in the framework of inclusive economic growth, as reported by EU Delegations to Egypt, Jordan and Tunisia. In 2018, attention to objective 14 increased compared to 2017. Efforts to promote decent work responded to the immense gender gap in labour force participation – 21 % for women and 74 % for men in the extended Arab region. In Jordan, the EUD collaborated with the International Labour Organization (ILO) to monitor the labour aspects of the EU's 'rules of origin' implementation. In Lebanon, the EUD contributed to improving farming and fisheries.

Under thematic priority D, 46 actions addressed objective 17 reflecting a strong focus on women's participation in policy and governance processes. In Algeria, the EUD promoted democratic governance and women's participation in local governance.

In Egypt, the EUD championed their citizenship rights. In Jordan, the EUD contributed to democratic development. In Libya, the EUD actively engaged in democratic transition at the local and national levels, including by building capacities for local governance. Objective 19 was the second most frequently selected under thematic priority D. Actions to overcome discriminatory social norms and gender stereotypes centred on strengthening civil society in Algeria, Morocco and Syria.

Eastern Neighbourhood

In 2018, 25 actions addressed thematic priority B, a decline from 33 actions in 2017. However, more objectives were selected under the priority – four in 2018, compared to two in the previous year. The focus of 40 % of actions under priority B, objective 7 on 'girls and women free from violence' was the most frequently selected objective in the sub-region. Nonetheless, it was targeted by

roughly half as many actions in 2018 as in 2017. Objective 10, on physical and mental healthcare, was addressed by 36 % of reported actions – a change from 2017, when objective 8 on curbing trafficking was the second most selected objective. Combatting trafficking and ensuring protection from gender-based violence in crises continued to be a focus of actions in the sub-region. Actions linked to objective 7 were largely implemented in Georgia (6 actions), Ukraine (3) and Belarus (1). They ranged from advocacy for child and youth protection to the social integration of survivors of domestic violence. In Georgia, anti VAWG campaigns were spearheaded in areas where ethnic and religious minority communities are concentrated. The EUD to Ukraine mobilised internally displaced women to address domestic and gender-based violence, as well as the restoration of governance and reconciliation in conflict-affected areas, while promoting women as agents of change for peace-building and conflict prevention at the grassroots level. On objective 8, Azerbaijan, actions enhanced national capacities to counter trafficking. Initiatives in addressed rising numbers of irregular migrants in Belarus, while in Georgia they focused on improving security, accountability and combatting crime. Three actions addressed objective 9 on the ‘protection for all women and men from sexual and gender-based violence in crisis situations’.

Under thematic priority C, 35 actions (51 %) addressed objective 15, on ‘access to financial services, productive resources, trade, and entrepreneurship’ – marking a steady increase compared to 2017. Actions were implemented across five partner countries. In Azerbaijan and Belarus, the EUD were active in supporting rural advisory services for women (indicator 15.6), including by enhancing 11.2. Antenatal care services coverage (at least one visit and at least four visits) (SDG 3.2) 7.3. Percentage of referred cases of gender- and sexual-based violence against women and children that were investigated and sentenced (SDG 5.39) 7.2. Prevalence of girls and women 15-49 who have experienced physical or sexual violence by an intimate partner in the last 12 months (SDG 5.38).

Objective 14 was the second most selected, with a marked increase (by 80 %) in actions addressing decent work. In Georgia, the EUD actively promoted skills development, rural development and diversification. The EU Delegation to Moldova supported the implementation of the EU-Moldova Deep and Comprehensive Free Trade Area (EU-Moldova DCFTA), prompting a 65 % increase in Moldovan exports to the EU, paired with inclusive economic empowerment programmes, including a business academy for women. A focus grew on objective 13 regarding education and training, as 83 % more actions addressed this objective in 2018 than in 2017. The EU Delegations to Belarus and Georgia supported efforts to boost tertiary enrolment rates for women and men (indicator 13.3).

Objective 17 was most frequently selected under thematic priority D, as 29 actions (76 %) addressed ‘equal rights and ability for women to participate in policy and governance processes at all levels’. EUD were particularly active, especially on gender-responsive budgeting (indicator 17.7) and enhancing women’s representation among mediators, negotiators and technical experts in formal peace negotiations (indicator 17.4). The EUD to Georgia funded the largest number of initiatives (16 actions) under this objective in the framework of budgetary support for public administration reform, civil service reform, and the EU-Georgia Association Agreement. In Moldova, the EUD contributed to tackling corruption, alongside budgetary support for police reform and support for civil society advocacy on inclusive and fair elections. One action addressed objective 19, challenging and changing discriminatory norms and stereotypes that prevent gender equality by the EUD to Moldova.

SDG7 Ensure access to affordable, reliable, sustainable and modern energy for all

In the Southern Neighbourhood, cooperation in the energy sector continues to be a major element of the Euro-Mediterranean Partnership. A secure, sustainable and competitive energy supply is still a priority, and is key to underpinning stability and prosperity across the region. The European Neighbourhood Policy contributes to the Partnership objectives for energy and climate action linked to the global agenda and the international fora, including SDG7. The Euro-Mediterranean Partnership encompasses the reinforcement of a structured regional dialogue on energy and climate action among Member States, regional organisations, financial institutions, civil society, private sector and experts. It also supports the promotion of relevant projects and initiatives, as well as their implementation and replicability, in line with the priorities identified within the dialogue platforms.

In the Eastern Neighbourhood, the EaP commitment ‘20 key deliverables for 2020’, endorsed at the Eastern Partnership Summit of November 2017, continues to be a key contribution to the UN 2030 Agenda for Sustainable Development. This includes one priority areas (out of four) contributing to the implementation of SDG7: Stronger Connectivity (connectivity, energy efficiency, environment and climate change). Indeed, ENI support to energy interconnections and energy efficiency continuous to help Partner Countries to reduce energy dependency and to bolster their resilience. It also supports the implementation of the political commitments to pursue a green, low-carbon transition, as reinforced by the Paris Climate Agreement, Climate Action Summit, Madrid Climate Change Conference and EaP Ministerial Declaration on Cooperation on Environment and Climate Change (SDG 13, ‘Take urgent action to combat climate change and its impacts’).

SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

The European Neighbourhood Policy and programmes continue to provide a significant contribution to the achievement of SDG 8 both in the Eastern and in the Southern Neighbourhood countries.

In the Southern Neighbourhood, the Mediterranean region has one of the highest rates of unemployment in the world. ENP support intervenes in this framework.

In the Eastern Neighbourhood, one of the four priority areas under the EaP commitment ‘20 deliverables for 2020’ is Stronger Economy (economic development and market opportunities). Some of the deliverables related to this priority area also contribute to the achievement of SDG 9 (see next paragraph on infrastructure, industrialization and innovation).

SDG 9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

The European Neighbourhood Policy and programmes contribute to the achievement of SDG 9 both in the Eastern and in the Southern Neighbourhood partner countries.

In the Southern Neighbourhood, on the top of the initiatives mentioned above contributing to SDG7, the use of blending through the bilateral envelopes complements the Neighbourhood Investment Platform (NIP) and the European External Investment Plan (EIP). The interventions aim at improving the investment environment as a way to reinforce the reform dimension of the EIP. The EU also intends to vigorously promote coordination with International Financial Institutions, namely European FIs, which have signalled important additional outreach in the South.

In the Eastern Neighbourhood, the EaP priority area Stronger Connectivity (connectivity, energy efficiency, environment and climate change) fully contributes to the achievement of SDG 9.

SDG 12 Ensure sustainable consumption and production patterns

In the Southern Neighbourhood, the ENP contributes to the implementation of SDG 12 through national projects fostering sustainable management and efficient use of natural resources; regional initiatives promoting inter alia energy connectivity; mainstreaming of climate action and biodiversity.

In the Eastern Neighbourhood, the two EaP priorities mentioned above – Stronger Economy (economic development and market opportunities) and Stronger Connectivity (connectivity, energy efficiency, environment and climate change) – contribute to the achievement of SDG 12.

SDG 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

In the Southern Neighbourhood, the ENP initiatives contributing to the achievement of SDG 16 are those focusing on the key ENP objectives of preserving stability, strengthening State and local governance, public administration reform and rule of law, and implementing key dialogues and platforms.

In the Eastern Neighbourhood, the following keys deliverables under the EaP '20 deliverables for 2020' commitment: 'Stronger Governance (strengthening institutions and good governance); 'Strengthen the rule of law and anti-corruption mechanisms'; 'Support the implementation of key judicial reforms'; 'Support the implementation of public administration reform'; 'Stronger security cooperation' all contribute to the achievement of SDG 16.

6. Information about financial instrument(s) and trust fund(s) financed by the Programme**Neighbourhood Investment Platform (former Neighbourhood Investment Facility)**

The Neighbourhood Investment Platform (NIP) is a blending instrument under the European Fund for Sustainable Development (EFSD), which in turn constitutes pillar I of the External Investment Plan of the European Union. The NIP aims to achieve the objectives of the EFSD and the European Neighbourhood Policy (ENP) or related EU thematic policy priorities by leveraging additional financing for the region.

The overarching objective of the NIP is to mobilise additional investments to support the establishment of an area of prosperity and good neighbourliness involving the EU and neighbouring countries. In complementarity with other EU-funded programmes, the NIP can foster sustainable, inclusive growth and a favourable investment climate in our partner countries.

Support to the Facility for Euro-Mediterranean Investment and Partnership (FEMIP)

The objective of the support to FEMIP is to provide capital to the private sector of Mediterranean partner countries on terms that are not available locally.

Risk capital is invested directly or indirectly in order to: (i) support the private sector, i.e. enable the creation, restructuring or growth of enterprises; (ii) strengthen the role of the local financial sector by supporting the creation of new institutions or the establishment of new activities for the benefit of the private sector.

The FEMIP is the predecessor of the NIP and does not receive new EU funding, but implements existing operations until their scheduled closure. More information regarding the Financial instruments can be found at the documents accompanying the Draft Budget as per Art. 38(5) FR, Art. 49(1)(e) FR, Art. 140(8) FR.

The EU Regional Trust Fund in Response to the Syrian Crisis:

The conflict in Syria continues to drive the largest refugee crisis in the world. Over 5.7 million Syrians are registered as refugees in neighbouring countries with the crisis going into its 10th year. Despite the move of hundreds of thousands of Syrian refugees to Europe in 2015/2016, the primary burden of hosting the refugees continues to fall on the neighbouring countries in the region. Lebanon (1 million) and Jordan (700,000) host the largest numbers of registered refugees per capita in the world. In Lebanon, one in five people is a refugee, while one in 15 is a refugee in Jordan. Meanwhile, Turkey continues to host the largest number of refugees in the world, 3.7 million. Iraq and Egypt continue to host large numbers of Syrian refugees along with refugees from many other countries. Many of the refugees have now been in these host countries for many years and struggle to make ends meet. They

are increasingly vulnerable and face extremely high rates of poverty. The impact on the neighbouring countries hosting the refugees, has been profound.

Since its establishment in December 2014, an increasing share of the EU's support to help Syrian refugees and support Syria's neighbouring countries cope with the refugee crisis is provided through the EU Regional Trust Fund in Response to the Syrian Crisis. The Trust Fund reinforces an integrated EU aid response to the crisis and primarily addresses longer-term resilience and early recovery needs of Syrian refugees, host communities and their administrations in neighbouring countries, in particular Lebanon, Jordan & Iraq. The Trust Fund's programmes support basic education and child protection for refugees, training and higher education, better access to healthcare, improved water and wastewater infrastructure, as well as support to resilience, women empowerment and fighting gender based violence, economic opportunities and social stability. The scope of the Fund includes support to internally displaced persons in Iraq and support in the Western Balkans to non-EU countries affected by the refugee crisis.

Overall, EUR 1.9 billion has been mobilised in voluntary contributions from the EU budget, 22 EU Member States and Turkey. Almost all of this, EUR 1.9 billion has already been allocated by the Trust Fund Board to finance concrete actions helping refugees and host countries alike.

ENI Contribution to the Regional Trust Fund in Response to the Syrian Crisis: EUR 1 114 million up to 31 December 2019.

EU Emergency Trust Fund for Africa:

The European Union Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa (EUTF for Africa) aims to foster stability and to contribute to better migration management, including by addressing the root causes of destabilisation, forced displacement and irregular migration.

It was established at the Valletta Summit on Migration in November 2015 where European and African Heads of State and Government gathered in an effort to strengthen cooperation and address the current challenges, but also the opportunities of migration. The Trust Fund is meant to complement existing EU instruments, national and regional frameworks, and bilateral programmes of EU Member States by providing a swift and flexible answer to migration related challenges. From an operational point of view, activities are implemented across three regions of Africa – the Sahel and Lake Chad, the Horn of Africa and North Africa.

The North of Africa window of the Trust Fund operates in Morocco, Algeria, Tunisia, Libya and Egypt. This particular region is characterised as an area of origin, transit and final destination for mixed migration flows from sub-Saharan Africa, West Africa, the Horn of Africa and the Middle East, with many countries of these regions affected by on-going instability and conflict.

ENI contribution to the EUTF for Africa – North of Africa window amounts to EUR 422 million up to 31 December 2019.

7. Programme related additional information

Following the London conference in February 2016, the EU has committed itself to provide an important financial assistance to the countries affected by the Syria crisis. Under the pledges from the EU budget for 2016-2019 for a total amount of EUR 1.55 billion ENI contributed EUR 1.114 billion of which EUR 201 million in 2019 (for Jordan and Lebanon).

At the Brussels I conference in 2017, pledges from the EU budget for 2018 for Syria, Jordan and Lebanon amounted to EUR 560 million, out of which ENI contributes EUR 250 million. The EU pledged the same amount for 2019 (with ENI contribution of EUR 242.5 million), and at the Brussels III conference (March 2019) confirmed the same level of support for 2020 (with ENI contribution of EUR 240 million) for humanitarian and resilience assistance to Syrian population inside the country and in neighbouring countries.