COMMISSION IMPLEMENTING DECISION

of 26.8.2014

on the Annual Action Programme 2014 in favour of Palestine\(^1\) to be financed from the general budget of the European Union

\(^1\) This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue.
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THE EUROPEAN COMMISSION,

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

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

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002\(^3\), and in particular Article 84(2) thereof,

Whereas:

(1) The Commission has adopted a Single Support Framework for the period 2014-2015\(^4\), providing for the following priorities:

- Support to governance at local and national levels;
- Support to the private sector and economic development;
- Support to water and land development.

Special attention will be given to the development of Area C in the West Bank.

A non-focal sector of intervention will remain East Jerusalem with the purpose of strengthening the resilience of Palestinian residents and preserving the Palestinian character of the city.

The objective pursued by the Annual Action Programme, to be financed under the European Neighbourhood Instrument\(^5\) (ENI), is to build the institutional capacity of the Palestinian Authority to maintain the viability of the two-state solution. Due attention has been paid to assessing the level of risk, and measures are outlined which mitigate this to a level considered acceptable. More specifically and in line with the Council conclusions, notably of 14 May 2012, the EU will continue to support greater independence and sovereignty of the Palestinian Authority over its affairs. In this respect the Single Support Framework will increase the bilateral policy dialogue and mainstream the support to civil society with the aim to boost democratisation.

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\(^2\) OJ L 77, 15.3.2014, p. 95.


(2) The action entitled “Support to the Governance Sector in Palestine” has the aim of contributing to the establishment of a Palestinian State based on the Rule of Law and respect for human rights, within a functioning democracy and with strong, effective accountable institutions at national and local levels.

(3) The action entitled “Support for the enabling environment for investment and trade and for vocational training in Palestine” is focused on promoting inclusive, sustainable, private sector-led economic development in Palestine through investment and trade development and the enhancement of quality and relevance of the Technical Vocational Education and Training provision.

(4) The action entitled “Hebron Wastewater Treatment Plant (HWWTP)” has the purpose to improve wastewater management (collection and treatment) in the project area and to contribute to the availability of safe water for economic activities in Hebron Governorate.

(5) The action entitled “Access to Essential Social and Public Infrastructure in Area C” aims at improving the social and economic conditions of Palestinian communities living in Area C and in particular to improve access to essential infrastructure and to strengthen Palestinian national institutions’ capacity to deliver vital social and public infrastructure in the area.

(6) The action entitled “Support to East Jerusalem” intends to sustain and develop the living conditions of Palestinians in East Jerusalem, to prevent the population from being further coerced into leaving the city, thus pre-empting possibilities for future talks on the final status of East Jerusalem.

(7) This Decision complies with the conditions laid down in Article 94 of Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union.

(8) The Commission may entrust budget-implementation tasks under indirect management to the entities identified in this Decision, subject to the conclusion of a delegation agreement. However, Department for International Development (DfID); Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ); Agence Française de Développement (AFD) and UNDP are currently undergoing the ex-ante assessment. In anticipation of the results of this review, the responsible authorising officer deems that, based on a preliminary evaluation and on the long-standing and problem-free cooperation with these, budget-implementation tasks can be entrusted to these entities.

(9) The Commission may entrust budget-implementation tasks under indirect management to the partner country identified in this Decision, subject to the conclusion of a financing agreement. In accordance with Article 60(1)(c) of Regulation (EU, Euratom) No 966/2012, the responsible authorising officer has ensured that measures have been taken to supervise and support the implementation of the entrusted tasks to the partner country. A description of these measures and the entrusted tasks are laid down in the Annexes to this Decision.

(10) It is appropriate to acknowledge that grants may be awarded without a call for proposals by the responsible authorising officer who ensures that the conditions for an exception to a call for proposals according to Article 190 of Commission Delegated Regulation (EU) No 1268/2012 are fulfilled. The reasons for and potential

beneficiaries of such award should be identified, where known, in this Decision for reasons of transparency.

(11) The maximum contribution of the European Union set by this Decision should cover any possible claims for interest due for late payment on the basis of Article 92 of Regulation (EU, EURATOM) No 966/2012 and Article 111(4) of Delegated Regulation (EU) No 1268/2012.

(12) The Commission is required to define the term "non-substantial change" in the sense of Article 94(4) of Delegated Regulation (EU) No 1268/2012 to ensure that any such changes can be adopted by the authorising officer by delegation, or under his or her responsibility, by sub-delegation (hereinafter referred to as the 'responsible authorising officer').

(13) The measures provided for in this Decision are in accordance with the opinion of the European Neighbourhood Instrument Committee set up by Art. 15 ENI Regulation.

HAS DECIDED AS FOLLOWS:

**Article 1**

**Adoption of the measure**

The following Annual Action Programme, constituted by the actions identified in the second paragraph and attached as annexes, is approved:

Annual Action Programme 2014 in favour of Palestine.

The actions constituting this measure are:

- Annex 1: Support to the Governance Sector in Palestine;
- Annex 2: Support for the enabling environment for investment and trade and for vocational training in Palestine;
- Annex 3: Hebron Wastewater Treatment Plant (HWWTP);
- Annex 4: Access to Essential Social and Public Infrastructure in Area C;
- Annex 5: Support to East Jerusalem.

**Article 2**

**Financial contribution**

The maximum contribution of the European Union authorised by this Decision for the implementation of this programme is set at EUR 52 million to be financed from budget line 21 03 01 04 of the general budget of the European Union for 2014.

**Article 3**

**Implementation modalities**

Budget-implementation tasks under indirect management may be entrusted to the entities identified in the attached Annexes, subject to the conclusion of the relevant agreements.

Section 4 of the Annexes referred to in the second paragraph of Article 1 sets out the elements required by Article 94(2) of Delegated Regulation (EU) No 1268/2012.
Grants may be awarded without a call for proposals by the responsible authorising officer according to Article 190 of Delegated Regulation (EU) No 1268/2012. Where known at the moment of the adoption of this Decision, the reasons for this as well as the potential beneficiaries shall be identified in the attached Annexes.

The financial contribution referred to in Article 2 shall also cover any possible interests due for late payment.

**Article 4**

*Non-substantial changes*

Increases or decreases of up to EUR 10 million not exceeding 20% of the contribution referred to in Article 2, or cumulated changes to the allocations of specific actions not exceeding 20% of that contribution shall not be considered substantial, provided that they do not significantly affect the nature and objectives of the actions. The use of contingencies shall be taken into account in the ceiling referred to in this Article.

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

Done at Brussels, 26.8.2014

*For the Commission*

Štefan FÜLE

*Member of the Commission*