5. **IDENTIFICATION**

<table>
<thead>
<tr>
<th>Title/Number</th>
<th>Protecting Vulnerable Palestine Refugees in Syria (ENPI/2011/276-769)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total cost</td>
<td>EU contribution: EUR 2,700,000</td>
</tr>
<tr>
<td>Aid method / Method of implementation</td>
<td>Project approach – Joint management with an international organisation (UNRWA)</td>
</tr>
<tr>
<td>DAC-code</td>
<td>72010</td>
</tr>
</tbody>
</table>

6. **RATIONALE**

6.1. **Sector context**

In spite of the ongoing unrest in Syria and the resulting actions from the Syrian authorities, the EU is keen to continue its co-operation benefiting directly the vulnerable part of the population, in particular the Palestine refugees, given the specific issues faced by this group. Achieving a decent standard of living for Palestine refugees is an ongoing challenge.

It is estimated that 50,000 Palestine refugees, over 10% of the Palestinian population resident in Syria, have been directly affected by a conflict which has been ongoing for over six months and continues to deteriorate. Approximately 20,000 households are unable to meet their minimum food, health or shelter needs. Recent reports by the United Nations (UN) Office for the Commissioner on Human Rights, International Crisis Group and Human Rights organisations have highlighted the severity of the crisis. The International Committee of the Red Cross and Red Crescent (ICRC) has been granted limited access to affected areas but such monitoring has been constrained by security concerns and Palestine refugees have not had access to ICRC missions. The situation has posed new challenges to the United Nations Relief and Works Agency’s (UNRWA) operations in Syria, as the humanitarian space shrinks and previously stable refugee communities are adversely affected.

General economic contraction, power and communications cuts, movement restrictions and closure of UNRWA services have rapidly driven up poverty and vulnerability among Palestine refugees since the unrest began. Resulting military action by Syrian security forces and affiliates has now produced urgent, localised humanitarian needs among Palestine refugee communities across the country. In mid-August 2011, for example, a military operation in Latakia displaced 95% of the camp-dwelling Palestine refugee population for a number of days from the El Ramel district (an unofficial UNRWA camp housing approximately 8,000 Palestine refugees). Numerous Palestinian casualties have been reported, with these figures likely to rise when more information becomes available.

Palestine refugees are among the vulnerable communities in Syria and as restrictions on movement increase, those managing to retain employment have had their hours
cut or suspended indefinitely. The daily wage opportunities that many Palestine refugee households depend on are limited or no longer available. Reports from UNRWA Social Service staff indicate a major spike in commodity prices in affected areas, rapidly driving up poverty rates. Applications to UNRWA’s Social Safety Net assistance programme, particularly in the hardest hit areas such as Dera’a, Latakia, Homs, and Hama, have been growing exponentially. UNRWA has now received 10,000 applications from refugee households for rapid cash assistance, primarily from the South and Central areas, but only has funds available to support 15% of cases.

Before the current situation began, the Fafo Institute for Applied International Studies (Norway) estimated that 27% of Palestine refugees living in Syria fell below the national poverty line of USD 2 per day and that, of those, 50% experienced regular food insecurity. From a population of over 481,385 (May 2011), this represented almost 130,000 refugees living in long-term poverty, with 65,000 food insecure. A large proportion of Palestine refugees are located in regions of some of the affected areas in Syria – particularly Dera’a, Latakia, Hama and Homs.

From May to July 2011, UNRWA conducted a vulnerability mapping exercise of registered refugees to identify the groups of refugees in need of targeted assistance. UNRWA estimates that 12% of its refugees currently live in abject poverty, based on the Syrian poverty line, or approximately 60,376 persons including Palestinian Iraqi refugees. In addition, there are over 23,000 female-headed households and 36,000 single-person elderly households across Syria, representing 12.4% of the refugee population. These groups often lack regular income and have been hit hardest.

Ongoing vulnerability assessments undertaken by UNRWA among Palestinian population in conflict-affected areas have found that:

- Many households that had previously been able to meet their basic needs were no longer able to do so because unskilled wage labour, their primary source of income, was no longer available.

- Restrictions on movement have prevented wage labourers from reaching job sites, even when employment possibilities still existed. This has led to significant losses in livelihood opportunities, whereby a large number of refugees are now unable to support themselves financially.

- There has been a significant spike in the cost of basic commodities including bread, meat and vegetables. For families who have lost their main source of income, the ability to meet basic needs has been significantly eroded. Empirical data is not available; however, UNRWA Social Service staff indicates that typical food-basket prices in Dera’a, for example, have increased by a factor of 10 since the violence began.

- Refugees working in the affected areas are primarily self-employed or unskilled daily labourers. As such, there has been a high vulnerability to the

---

3 The 2007 Fafo report represent the most recent most recent analysis of the socio-economic status of Palestine refugees in Syria. The UN 3rd Millennium Development Goal Report for Syria (2010) contains country specific data.
rising prices, falling demand and restricted access of recent months, causing a rapid fall in the ability to meet basic needs

As of June 14th 2011, 80% of refugee households in Dera’a have sought financial assistance from UNRWA. Due to funding constraints, UNRWA has not been able to meet these critical needs.

6.2. Lessons learnt

UNRWA has worked closely with the EU on several previous projects, including provision of cash assistance to Social Safety Net beneficiaries in 2009. Although recent unrest in Syria has presented new challenges to its operations, UNRWA has a strong team in place and the capacity to adjust quickly to the changing situation. Even during the recent attack on Latakia camp, UNRWA was able to regain access within a matter of hours, resuming normal services and providing emergency relief within two days. Although the situation in Syria remains serious, UNRWA is well placed to maintain its operations across the country.

6.3. Complementary actions

In order to address in a coherent manner the issues faced by the Palestine refugees and the Syrian citizens, this action is built in complementarity with another project on employability of Palestine refugees and Syrian youth, with a focus on the Palestine refugee youth. The "Engaging Youth II" programme will build up on the positive results of the first programme, funded under Instrument for Stability, to enhance the economic and social prospects of Palestine refugee youth and young Syrians and prevent conflict among vulnerable groups of refugees.

This is part of a strategic transition within the UNRWA Syria field office to a comprehensive model of assistance to Palestine refugees, covering both human development and emergency relief, which are deeply inter related in the current circumstances Syria is facing. The funding to be delivered in both projects will for the most part rely on existing programmes and service delivery structures. Both projects will also integrate Syrian citizens as final beneficiaries.

The Syrian Arab Red Crescent (SARC) has, in collaboration with ICRC and UN agencies, provided relief assistance in areas affected by the current crisis. This includes food and non-food items such as hygiene kits. The United Nations High Commissioner for Refugees (UNHCR) has also provided additional support for Iraqi refugees. Palestine refugees have been excluded from these forms of assistance, therefore necessitating a response from UNRWA. This proposal is vital not only in responding to the current situation, but also in responding to the anticipated increase in the needs of refugees over the coming months.

6.4. Donor coordination

The Commission has been since 2006 an observer of the UNRWA Advisory Commission, the main body where donors and host countries co-ordination takes place. This structure was expanded and reinvigorated and plays a vital role in enhancing the dialogue between the various stakeholders, providing advice and assistance to the Agency, for the final benefit of the refugees. For the past three years, the Commission has chaired the sub-committee of the Advisory Commission
which prepares the operational work of the semi-annual meetings of the Advisory Commission. This follow-up mechanism is working well. The synergies amongst donors and common understanding between them and the Host Countries on UNRWA tasks, missions, challenges and achievements have been improved during the last years.

7. **DESCRIPTION**

7.1. **Objectives**

The overall objective of the programme is to deliver protection as well as services to the most vulnerable Palestine refugees across Syria. The specific objectives of the programme are to ensure equitable access to UNRWA services for poor and vulnerable Palestine refugees, and to ensure additional access to emergency relief and protection projects for conflict-affected Palestine refugees.

7.2. **Expected results and main activities**

With this project, UNRWA will provide an integrated package of assistance, supporting both immediate service delivery and broader early recovery among vulnerable conflict-affected communities. Main activities will include:

1. **Cash assistance to targeted poor refugee households**

This Social Safety Net assistance will be provided to respond to families and individuals in distress (special hardship cases) and abject poor (those unable to meet basic food needs) who are suffering from rising costs of living and food prices. Households headed by unemployed women, elderly people and internally displaced refugee families are in particular need of cash assistance to meet basic needs. Cash transfers will help protect access to healthcare and education (including clothing and school supplies), providing children with a healthy diet, buying essential household items or servicing rent and utility costs.

Provision of cash assistance to the poorest refugee households will mitigate the impact of the ongoing situation on the most vulnerable refugees in Syria, particularly those living below the abject poverty line as well as female headed households. Beyond meeting essential needs, it is intended to empower refugee communities to act as the primary agents of their own recovery. It also provides UNRWA with the ability to respond flexibly to emerging needs and enables refugees to determine and meet a range of essential priorities.

Cash assistance applications will be screened for eligibility by undertaking a poverty assessment to determine their eligibility for assistance. UNRWA has developed a case sensitive proxy means test formula (PMTF) tool which will be used to validate the poverty status of a refugee applying for selective cash assistance. In order to mitigate the risk of fraud, a mid-term and final audit of the project’s cash distribution will be undertaken, in addition to regular monitoring and a final evaluation. Although grant recipients are free to spend their cash how they choose, evidence from previous UNRWA programmes indicates almost all focus on basic needs.
2. Support to Community Based Organisations (CBOs)

With this component, UNRWA aims to enhance the CBOs’ ability to provide services to the communities they serve in a sustainable manner. This activity will provide support to allow targeted CBOs to continue their services for microfinance, skills training and essential community services, as well as to enhance sustainability and self-reliance of the CBOs. Partner CBOs will be actively encouraged to diversify and expand access to their services, targeting marginalised and vulnerable groups. Additional activities may include:

- Social, cultural and recreational activities, including sports, community bazaars and performing arts.
- Employment skills training, including apprenticeships and on the job learning.
- Income generation activities, including bakeries, computer labs and production units.
- Participatory awareness raising activities on health, environment, education and human rights, with a focus on social inclusion and gender issues, particularly domestic and gender based violence.
- Legal counselling and advice.
- Psycho-social support and referral services, including victims of Gender Based Violence
- Nurseries and kindergartens, as support for working parents, especially women headed households

Targeted CBOs are divided into two categories (Women's support organisations, disability and rehabilitation support organisations), with both Palestine refugees and Syrian citizens eligible to use their services. These organizations have been founded and managed by the communities in which they operate, running projects designed to support local residents, with a focus on vulnerable or marginalized groups. Targeted CBOs are governed by Local Community Committees (LCCs) working in partnership with local UNRWA technical staff, usually social workers. Since the CBOs use UNRWA premises and funding, candidate LCC members are strictly assessed by the agency, with local staff responsible for establishing eligibility and qualification. LCCs are responsible for designing and proposing new projects and activities, implementation, financial management and reporting. UNRWA conducts rigorous financial audits of all CBOs on an annual basis, investigating financial activity for the previous financial year. Local technical staff conducts quarterly audits, examining both financial management and implementation against agreed workplans and broader strategic frameworks.

For this project, UNRWA will focus on building the capacity of existing CBOs working in areas affected by the recent conflict, namely Dera’a, Latakia, Homs, Hama and parts of Damascus. LCCs will be responsible for proposing expanded activity plans, which will be reviewed by local staff before submission to the Syria Field Office for amendment and final approval. Communities in these target areas
will be encouraged to take a leading role in the design and implementation of new activities, with the option of forming new CBOs if appropriate. LCCs are directly accountable to the local community and hold regular public forum meetings to discuss management and specific activities.

3. Access to hospital care and medicine

UNRWA seeks to ensure access to hospital services for Palestine refugees, as contingency for refugees in conflict and unrest affected areas – particularly, Dera’a, Latakia, Homs and Hama. UNRWA health centres provide a standard of service equal to local Syrian facilities, which are available to citizens. Although UNRWA facilities are not mandated to treat Syrian nationals, they are capable of referring cases to alternative health providers. UNRWA also proposes to ensure comprehensive medical stocks for its 23 health centres, concentrated in major population areas of Palestine refugees. Additional cold storage facilities, medical supplies and equipment would be procured, responding to the specific needs of affected areas.

4. Access to basic education

UNRWA schools have experienced closures and reduced teaching hours since the beginning of the unrest. Additional investment is required to maintain child friendly and stimulating learning environments for children, including the maintenance of school premises in accordance with Child Friendly School standards. A particular goal is to support children to return to normalcy though child protection initiatives in school activities in all 118 UNRWA schools. This proposal would ensure that 10,000 children with special educational needs have access to inclusive education, and that remedial classes would be conducted for low performing and affected students. This intervention will be part of a long-term, sustainable response to the negative effects of recent unrest on Palestine refugee children and implemented as part of education sector reform.

5. Access to psycho-social support

Although implemented by other offices, the provision of psycho-social support is a relatively new field for UNRWA in Syria, delivered in response to the emerging needs of the Palestine refugee community affected by recent unrest. The response will be managed on the basis of a detailed needs assessment and followed by psycho-social support services through school counselling, health service delivery, CBO activities, support to victims of gender-based violence and social worker services; all delivered through UNRWA facilities and referral systems. A framework for the programme will be designed in consultation with external psycho-social and behavioural experts, before engaging in staff training and roll-out of the new services.

7.3. Risks and assumptions

Given the current uncertainties pertaining to the political and precarious security situation in Syria, the project will need to maintain a degree of flexibility in adapting its activities and management to the evolving context. In the case of low to medium levels of localised unrest, it is envisaged that all Engaging Youth centres will be able to remain operational. Meanwhile, should economic circumstances worsen, the
continuation of project activities, including career counselling, is considered particularly vital in these circumstances so as to continue to direct the energies and focus of refugee youth in a constructive manner. In case of intensifying violent conflict and the need for a humanitarian response, the support infrastructure provided by the project could be utilised to support early recovery and youth programmes.

7.4. Crosscutting Issues

Good governance is integrated through the ongoing reforms of UNRWA administration and management. UNRWA is prioritising human development including protection of refugees in its reform. UNRWA is highly committed to mainstreaming concerns on gender and people with special needs in all of its activities.

7.5. Stakeholders

It is estimated that 480,000 individuals will benefit indirectly from the project. The direct beneficiaries of the project are

- 12,000 cash assistance beneficiaries;
- 66,000 UNRWA students;
- 10,000 patients;
- 5,000 individuals accessing psycho-social services.

UNRWA will also reach the Syrian citizens through its support to CBOs component: 42 CBOs are currently working with UNRWA, through its 16 Community Development Centres across Syria, to provide community level support and outreach activities, targeting in particular women, youth, children and people with disabilities. 7 Community Based Rehabilitation Centres (CBRC) provide services for both Palestine refugees and Syrians with disabilities.

8. IMPLEMENTATION ISSUES

8.1. Method of implementation

The programme will be implemented under joint management with an international organisation through the signature of a standard contribution agreement with UNRWA and within the framework of the European Commission – UN Financial and Administrative Framework Agreement (FAFA), and in accordance with Article 53(d) of the Financial Regulation. UNRWA complies with the criteria provided for in the Financial Regulation.

The current unrest in Syria and the suspension of the EU bilateral co-operation under MEDA and ENPI instruments have importantly limited the number of partners with whom the EU can work to implement its co-operation activities. Despite some constraints, UNRWA is one of the few that can still reasonably operate and support social inclusion of vulnerable population living in Syria. Besides, for the past years UNRWA has been an important partner of the EU in co-operation activities,
successfully managing and provided solid outcomes through the implementation of EU projects.

The change of management mode constitutes a substantial change except where the Commission "re-centralises" or reduces the level of tasks previously delegated to the beneficiary country, international organisation or delegatee body under, respectively, decentralised, joint or indirect centralised management.

8.2. **Procurement and grant award procedures**

All contracts implementing the action must be awarded and implemented in accordance with the procedures and standard documents laid down and published by UNRWA.

8.3. **Indicative budget and calendar**

The total EU financial contribution to the action amounts to a maximum of **EUR 2.7 million**, following the indicative breakdown below:

<table>
<thead>
<tr>
<th>Description</th>
<th>Budget (EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution agreement with UNRWA</td>
<td>2,700,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,700,000</strong></td>
</tr>
</tbody>
</table>

The indicative operational duration of the programme is of **12 months** as from signature of the Contribution Agreement.

8.4. **Performance monitoring**

The performance of the project will be closely monitored by UNRWA and will be included in the Joint Review to be performed annually with UNRWA.

Following the outcomes and results of the 2011 Joint Review with UNRWA, a decision will be taken regarding future annual performance reviews of UNRWA's core programmes. More specifically, this would entail either a modification of agreed indicators, or, the adoption of UNRWA's programme strategic framework as it has been elaborated within its Medium Term Strategy (2010-2015) and reflected in UNRWA’s Harmonised Donor Monitoring and Reporting Framework. This new UNRWA indicator framework, which is proposed to be used for reporting to donors for the 2010-2015 Medium Term Strategy, is composed of around 25 indicators. About half of the indicators are the same as those used in the EU external reviews. Several other indicators are in line with, or a consequence of, recommendations made by the EU external reviews.

An External Results Oriented Monitoring mission may also be carried out by the Commission.
8.5. **Evaluation and audit**

An external final evaluation, covering all the activities of the action, will be carried out in accordance with European Commission procedures. Financial transactions and financial statements shall be subject to internal and external auditing procedures and checks, including on the spot, following the provisions of the European Commission – UN Financial and Administrative Framework Agreement (FAFA).

With regard to the cash assistance component, in order to mitigate the risk of fraud, a mid-term and final audit of the project’s cash distribution will be undertaken, in addition to regular monitoring and a final evaluation.

The Advisory Commission follow-up mechanism will also be used for the evaluation of the action.

8.6. **Communication and visibility**

All visibility activities will be implemented in accordance with the “EU visibility guidelines for external actions”. Depending on the evolution of the situation in the ground, visibility activities might need to be scaled down in order to allow a successful implementation of the project activities.