



Brussels, 10.2.2015  
C(2015) 690 final

**COMMISSION IMPLEMENTING DECISION**

**of 10.2.2015**

**on the Annual Action Programme 2015 part 1 in favour of Palestine<sup>1</sup> to be financed  
from the general budget of the European Union**

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

## COMMISSION IMPLEMENTING DECISION

of 10.2.2015

**on the Annual Action Programme 2015 part 1 in favour of Palestine<sup>1</sup> to be financed from the general budget of the European Union**

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action<sup>2</sup>, 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<sup>3</sup>, and in particular Article 84(2) thereof,

Whereas:

- (1) The Commission has adopted a Single Support Framework (SSF) for the period 2014-2015<sup>4</sup>, providing for the following priorities:
  - Support to governance at local and national levels;
  - Support to the private sector and economic development;
  - Support to water and land development.

In addition to the three focal sectors, the SSF also envisages temporary measures in support to the Palestinian Authority through PEGASE<sup>5</sup> and to the United Nations Relief and Works Agency for Palestine Refugees (UNRWA) and yearly contributions for East Jerusalem.

- (2) The situation in Palestine is deteriorating dramatically given the collapse of the Peace Process negotiations in April 2014 and the disruptive effects of the last war in Gaza in July.
- (3) The protracted crisis situation linked to the stagnation of the Middle East Peace Process and the fact that Palestine has not yet attained statehood continues to require specific temporary support measures to contribute to maintaining the viability of the two-state solution. In addition, there is a widening gap between the Palestinian Authority's income and its mandatory expenditures that is putting at risk the livelihood of thousands of Palestinian families who depend on Palestinian Authority salaries, as well as the economy of both the West Bank and the Gaza Strip.

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

<sup>2</sup> OJ L 77, 15.3.2014, p. 95.

<sup>3</sup> OJ L 298, 26.10.2012, p. 1.

<sup>4</sup> C(2014) 5128 of 25.07.2014.

<sup>5</sup> *Mécanisme Palestino-Européen de Gestion de l'Aide Socio-Economique.*

- (4) The financial situation of UNRWA remains critical; the UN Agency has been drastically affected by the recent 50 days war in Gaza.
- (5) The objectives pursued by this Annual Action Programme, to be financed under Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument<sup>6</sup>, are to provide urgent financial support to the Palestinian Authority and to UNRWA and therefore to allow the delivery of essential public services to the entire Palestinian population.
- (6) The action entitled “PEGASE: Direct Financial Support to Recurrent Expenditures of the Palestinian Authority 2015 – part 1” aims at supporting the Palestinian Authority to deliver to the Palestinian population essential basic services by maintaining the functioning of the administration; at improving the economic opportunities of poor, vulnerable and isolated population; and at supporting the Palestinian Authority in reducing its budget deficit and implementing its reform agenda while increasing its transparency and accountability.
- (7) The action entitled “Contribution to UNRWA's 2015 Regular Budget” has the aim of supporting the Agency in delivering basic services to the Palestine refugees (education, health, relief and social services, infrastructure/camp improvement programmes, and supporting departments and services).
- (8) It is necessary to adopt a financing decision, the detailed rules of which are set out in Article 94 of Commission Delegated Regulation (EU) No 1268/2012<sup>7</sup>.
- (9) It is necessary to adopt a work programme for grants, the detailed rules on which are set out in Article 128(1) of Regulation (EU, Euratom) No 966/2012 and in Article 188(1) of Commission Delegated Regulation (EU) No 1268/2012. The work programme is constituted by the Annex 2 (section 4.3.1).
- (10) The authorising officer responsible should be able to award grants without a call for proposals provided that the conditions for an exception to a call for proposals in accordance with Article 190 of Commission Delegated Regulation (EU) No 1268/2012 are fulfilled.
- (11) The Commission should authorise the eligibility of costs as of a date preceding that of submission of a grant application for the reasons of extreme urgency in crisis management aid or in situations of imminent or immediate danger to the stability of a country, including by an armed conflict, where an early involvement engagement of the Union may prevent an escalation.
- (12) It is necessary to allow the payment of interest due for late payment on the basis of Article 92 of Regulation (EU, Euratom) No 966/2012 and Article 111(4) of Commission Delegated Regulation (EU) No 1268/2012.
- (13) Pursuant to Article 94(4) of Commission Delegated Regulation No 1268/2012, the Commission should define changes to this Decision which are not substantial in order to ensure that any such changes can be adopted by the authorising officer responsible.
- (14) The actions provided for in this Decision are in accordance with the opinion of the European Neighbourhood Instrument (ENI) Committee set up by Article 15 of the financing instrument referred to in Recital 5,

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<sup>6</sup> OJ L 77, 15.3.2014, p. 27.

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

HAS DECIDED AS FOLLOWS:

*Article 1*

**Adoption of the measure**

The Annual Action Programme 2015 part 1 in favour of Palestine, as set out in the Annexes, is approved:

The programme shall include the following actions:

- Annex 1: PEGASE Direct Financial Support to Recurrent Expenditures of the Palestinian Authority 2015 – part 1;
- Annex 2: Contribution to UNRWA's 2015 Regular Budget.

*Article 2*

**Financial contribution**

The maximum contribution of the European Union for the implementation of the programme referred to in Article 1 is set at EUR 212 million and shall be financed from budget line 21 03 01 04 of the general budget of the European Union for 2015.

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

The implementation of this Decision is subject to the availability of the appropriations provided for in the draft budget for 2015 after the adoption of the budget for that financial year or as provided for in the system of provisional twelfths.

*Article 3*

**Implementation modalities**

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

Grants may be awarded without a call for proposals by the authorising officer responsible in accordance with Article 190 of Commission Delegated Regulation (EU) No 1268/2012.

The eligibility of costs prior to the submission of grant applications shall be authorised as of the dates set out in the Annex 2.

*Article 4*

**Non-substantial changes**

Increases or decreases of up to EUR 10 million not exceeding 20% of the contribution set by the first paragraph of Article 2, or cumulated changes to the allocations of specific actions not exceeding 20% of that contribution, as well as extensions of the implementation period shall not be considered substantial within the meaning of Article 94(4) of Commission Delegated Regulation (EU) No 1268/2012, provided that they do not significantly affect the nature and objectives of the actions.

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

Done at Brussels, 10.2.2015

*For the Commission*  
*Johannes HAHN*  
*Member of the Commission*