



Brussels, 15.12.2021  
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**COMMISSION IMPLEMENTING DECISION**

**of 15.12.2021**

**on the financing of the special measure in favour of Israel for 2021**

# COMMISSION IMPLEMENTING DECISION

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## on the financing of the special measure in favour of Israel for 2021

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012<sup>1</sup>, and in particular Article 110 thereof,

Having regard to Regulation (EU) 2021/947<sup>2</sup> of the European Parliament and of the Council of 9 June 2021 establishing the Neighbourhood, Development and International Cooperation Instrument - Global Europe and amending and repealing Decision No 466/2014/EU and repealing Regulation (EU) 2017/1601 and Council Regulation (EC, Euratom) No 480/2009, and in particular Article 23(4) thereof,

Whereas:

- (1) In order to ensure the implementation of the special measure in favour of Israel for 2021, it is necessary to adopt an annual financing Decision, which constitutes the annual work programme, for 2021. Article 110 of Regulation (EU, Euratom) 2018/1046 establishes detailed rules on financing Decisions.
- (2) The envisaged assistance is to comply with the conditions and procedures set out by the restrictive measures adopted pursuant to Article 215 TFEU<sup>3</sup>.
- (3) The objective pursued by the special measure to be financed under Regulation 2021/947 is to continue developing closer relationships between the EU and Israel, aiming at achieving a significant level of economic integration and deepening political co-operation.
- (4) The Special Measure is justified by the absence of a multiannual indicative programme for Israel.
- (5) The action entitled ‘Support to the European Neighbourhood Policy Action Plan – Israel’ aims at developing a close relationship between the EU and the State of Israel in order to achieve a significant level of economic integration and deepening of exchanges and co-operation, thus supplementing, and facilitating EU Member States active cooperation in several areas, including economic cooperation.

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<sup>1</sup> OJ L 193, 30.7.2018, p.1.

<sup>2</sup> OJ L 209, 14.6.2021, p.1.

<sup>3</sup> [www.sanctionsmap.eu](http://www.sanctionsmap.eu) Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

- (6) It is necessary to allow for the payment of interest due for late payment on the basis of Article 116(5) of Regulation (EU, Euratom) 2018/1046 (“Financial Regulation”).
- (7) In order to allow for flexibility in the implementation of the measure, it is appropriate to allow changes which should not be considered substantial for the purposes of Article 110(5) of the Financial Regulation.
- (8) The measure provided for in this Decision does not fall within the categories of measures for which the prior opinion of the Committee is required. The measure should be communicated to the European Parliament and to the Member States through the Neighbourhood, Development and International Cooperation Instrument – Global Europe Committee established under Article 45 of Regulation (EU) No 2021/947 within one month of its adoption.

HAS DECIDED AS FOLLOWS:

*Article 1*  
*The measure*

The annual financing Decision, constituting the annual work programme for the implementation of the special measure in favour of Israel for 2021, as set out in the Annex, is adopted.

The measure shall include the following action: ‘Support to the European Neighbourhood Policy Action Plan – Israel’.

*Article 2*  
*Union contribution*

The maximum Union contribution for the implementation of the measure for 2021 is set at EUR 2 000 000, and shall be financed from the appropriations entered in the budget line 14.020110 of the general budget of the Union.

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

*Article 3*  
*Flexibility clause*

Increases<sup>4</sup> or decreases of up to EUR 10 million and not exceeding 20% of the contribution set in the first paragraph of Article 2, or cumulated reassignments of funds between actions contained in an action plan not exceeding 20% of that contribution, as well as extensions of the implementation period shall not be considered substantial within the meaning of Article 110(5) of the Financial Regulation, where these changes do not significantly affect the nature and objectives of the actions.

The authorising officer responsible may apply the changes referred to in the first paragraph acting in accordance with the principles of sound financial management and proportionality.

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<sup>4</sup> These changes can come from external assigned revenue made available after the adoption of the financing Decision.

Done at Brussels, 15.12.2021

*For the Commission*  
*Olivér VÁRHELYI*  
*Member of the Commission*



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**THIS ACTION IS FUNDED BY THE EUROPEAN UNION**

**ANNEX**

**of the Commission Implementing Decision on the Special Measure in favour of Israel for 2021**  
**Action Document for “Support to the European Neighbourhood Policy Action Plan –Israel”**

**SPECIAL MEASURE**

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and action plan/measure in the sense of Article 23(4) of NDICI-Global Europe Regulation.

**1. SYNOPSIS**

**1.1. Action Summary Table**

<b>1. Title</b> <b>CRIS/OPSYS</b> <b>Basic Act</b>	Support to the European Neighbourhood Policy Action Plan – Israel Annual measure in favour of Israel for 2021 CRIS number: NDICI/2021/043-540 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe).
<b>2. Team Europe Initiative</b>	No
<b>3. Zone benefiting from the action</b>	The action shall be carried out in Israel, throughout the country <sup>1</sup> .
<b>4. Programming document</b>	N.A.
<b>5. Link with relevant MIP(s) objectives/expected results</b>	N.A.
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>	
<b>6. Priority Area(s), sectors</b>	N.A.
<b>7. Sustainable Development Goals (SDGs)</b>	Main SDG (1 only): SDG 17 – Partnership for the goals Other significant SDGs (up to 9) and where appropriate, targets: - SDG 3: Good Health and Well-Being - SDG 7: Affordable and Clean Energy

<sup>1</sup> The eligibility criteria formulated in Commission Notice Nr. 2013/C-205/05 (OJEU C-205 of 19.07.2013) shall apply to the call for proposals linked to this Action Programme. This notice, entitled "Guidelines on the eligibility of Israeli entities and their activities in the territories occupied by Israel since June 1967 for grants, prizes and financial instruments funded by the EU from 2014 onwards", can be consulted [here](#).

	<ul style="list-style-type: none"> <li>- SDG 8: Decent Work and Economic Growth</li> <li>- SDG 9: Industry, Innovation and Infrastructure</li> <li>- SDG 12: Responsible Consumption and Production</li> <li>- SDG 13: Climate Action</li> <li>- SDG 16: Peace, Justice and Strong Institutions</li> </ul>			
<b>8 a) DAC code(s)</b>	43010 – Multisector Aid – 100 %			
<b>8 b) Main Delivery Channel</b>	Public Sector Institutions – 10000			
<b>9. Targets</b>	<input type="checkbox"/> Migration <input type="checkbox"/> Climate <input type="checkbox"/> Social inclusion and Human Development <input type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input type="checkbox"/> Human Rights, Democracy and Governance			
<b>10. Markers (from DAC form)</b>	<b>General policy objective</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women’s and girl’s empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>11. Internal markers</b>	<b>Policy objectives</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Digitalisation Tags: digital connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>

	digital governance		<input type="checkbox"/>	<input type="checkbox"/>
	digital entrepreneurship		<input type="checkbox"/>	<input type="checkbox"/>
	job creation		<input type="checkbox"/>	<input type="checkbox"/>
	digital skills/literacy		<input type="checkbox"/>	<input type="checkbox"/>
	digital services		<input type="checkbox"/>	<input type="checkbox"/>
	<u>Connectivity</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tags: transport		<input type="checkbox"/>	<input type="checkbox"/>
	people2people		<input type="checkbox"/>	<input type="checkbox"/>
	energy		<input type="checkbox"/>	<input type="checkbox"/>
	digital connectivity		<input type="checkbox"/>	<input type="checkbox"/>
	Migration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	COVID-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### BUDGET INFORMATION

<b>12. Amounts concerned</b>	Budget line(s) (article, item): 14.020110 - Southern neighbourhood Total estimated cost: EUR 2 000 000 Total amount of EU budget contribution EUR 2 000 000
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### MANAGEMENT AND IMPLEMENTATION

<b>13. Implementation modalities (type of financing and management mode)</b>	Project Modality <b>Direct management</b> through: - Twinning grants - Procurement
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## 1.2. Summary of the Action

Israel is part of the European Neighbourhood Policy (ENP), yet, being a member of the Organisation for Economic Development and Co-operation (OECD), it receives limited funding from the Neighbourhood, Development, and International Cooperation Instrument. Institutional Twinning is the modality used in the co-operation with Israel.

There is no Single Support Framework for Israel. Co-operation is based on the EU-Israel ENP Action Plan<sup>2</sup>, agreed in 2005 and whose validity has been extended until January 2022<sup>3</sup>. The set of common objectives and commitments laid out in the Action Plan provides the basis for increased co-operation and exchange of views, with an aim to explore the possibility of legislative and regulatory approximation in jointly identified priority areas.

The actions<sup>4</sup>, financed through special measures, reflect Israel's interest and capacity to implement the jointly agreed priorities and follow the rules set for the institutional Twinning instrument.

<sup>2</sup> [https://ec.europa.eu/neighbourhood-enlargement/sites/default/files/eu-israel\\_action\\_plan\\_2005.pdf](https://ec.europa.eu/neighbourhood-enlargement/sites/default/files/eu-israel_action_plan_2005.pdf)

<sup>3</sup> The procedure for a further three year extension is ongoing.

<sup>4</sup> All activities are implemented within internationally recognized Israeli borders.

## 2. RATIONALE

### 2.1. Context

**Israel is among the EU's immediate neighbours included in the European Neighbourhood Policy (ENP)**, which offers the perspective of moving beyond cooperation to a significant degree of integration through a stake in the EU's Internal Market and the possibility to participate in key aspects of EU policies and programmes. Israel was among the first wave of countries to agree on an ENP Action Plan with the EU, which entered into force in April 2005. While formal decision on the identification and adoption of new EU-Israel Partnership Priorities (PPs) in line with the revised European Neighbourhood Policy is pending, the EU-Israel ENP Action Plan has been extended until January 2022. The procedure for a further extension of validity up to January 2025 is ongoing. No Association Committee or Association Council meetings were held since 2012, however cooperation actions and policy dialogue in several areas continued actively throughout. The last EU-Israel Political Dialogue was held in 2016..

There is no Single Support Framework for Israel, and the country receives limited funding from the Neighbourhood, Development and International Cooperation Instrument (NDICI), as it is a member of the OECD.

**Building on the institutional framework set up by the EU-Israel Association Agreement**, the EU-Israel ENP Action Plan sets out in more detail a comprehensive set of jointly developed priorities with a programme of specific activities to which both sides are committed. The areas for greater cooperation under the ENP Action Plan include: political cooperation; promoting peace in the Middle East; approximating Israeli legislation to that of the EU as a way of facilitating bilateral trade; pursuing greater liberalisation of trade, services and agriculture; the fight against organised crime; cooperation in health, transport, energy, communications, environment; promote further cooperation in science and technology and people-to-people contacts in education, culture and civil society.

**The policy framework is completed by the new Agenda for the Mediterranean<sup>5</sup>**, adopted in February 2021, which encourages the furthering of the strategic partnership between the EU and the Southern Neighbourhood through the strengthening of cooperation in the following key policy areas: 1) Human development, good governance and the rule of law; 2) Strengthen resilience, build prosperity and seize the digital transition; 3) Peace and security; 4) Migration and mobility; 5) Green transition: climate resilience, energy, and environment. Regarding Israel, the Agenda states EU's readiness to explore further regional, sub-regional or trilateral cooperation and joint initiatives, including in light of the normalisation process (see below). Finally, sectoral agreements signed between the EU and Israel after the entry into force of the ENP Action Plan have further defined specific policy frameworks, for instance on conformity of industrial products or in the air transport area.

**Institutional Twinning and Technical Assistance and Information Exchange Instrument (TAIEX)** are the modalities used for bilateral co-operation with Israel as the priority of EU-Israel cooperation is linked to approximation to EU legislation. Israel has already made significant use of the TAIEX and Twinning instruments to enhance legislative approximation in areas such as, among others: market regulation, statistics, agriculture policy, transport, justice, health, welfare services and environment.

All EU co-operation in Israel is subject to the requirements set out in the "Guidelines on the eligibility of Israeli entities and their activities in the territories occupied by Israel since June 1967 for grants, prizes and financial instruments funded by the EU"<sup>6</sup> from 2014 onwards.

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<sup>5</sup> [https://eeas.europa.eu/sites/default/files/joint\\_communication\\_renewed\\_partnership\\_southern\\_neighbourhood.pdf](https://eeas.europa.eu/sites/default/files/joint_communication_renewed_partnership_southern_neighbourhood.pdf)

<sup>6</sup> EU policy is formulated in Commission Notice Nr.2013/C-205/05 (OJEU C-205 of 19.07.2013), which can be consulted at: [http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C\\_.2013.205.01.0009.01.ENG&toc=OJ:C:2013:205:FULL](http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2013.205.01.0009.01.ENG&toc=OJ:C:2013:205:FULL)

**Israel is a small country, with a population of 9.3 million inhabitants, whose economy** has shown strong resilience during the global economic downturn of last decade. Israel has maintained high Gross Domestic Product (GDP) growth rates (reaching 3.5% in 2019); higher than the 1.7% OECD average. Like many other countries, the Corona crisis has also affected Israel, but since it reached the crisis in a relatively strong and stable economic situation, the Ministry of Finance predicts that, without further deterioration of the health situation, the GDP growth in 2021 will reach 4.6%, while the Bank of Israel is even more optimistic with a 6.3% GDP growth. The country has few natural resources, although a decade ago important natural gas reserves were found in Israeli offshore waters and their exploitation is now underway with an ambitious programme for exportation, including to Egypt and Jordan. However, Israeli economy remains largely dependent on international trade. Given the geopolitical situation in the region, trade mainly takes place with overseas partners, notably the EU which remains Israel's largest trading partner and currently represents almost 30% of Israel's total trade in goods. In 2021, the country increased its exports of high technology industries (13.7%). However, Israel's imports are much higher than its exports; hence, the trade deficit in goods totalled NIS 10.2 billion.<sup>7</sup> The country's macroeconomic context is marked by growing economic and social inequalities, relatively high consumer prices, increasing shortages in high-skilled labour, a growing budget deficit in 2018 and 2019 and a weakening competitiveness in some sectors. In addition, the COVID-19 outbreak severely impacted the labour force and in June 2021, the unemployment rate was at 5.5%.<sup>8</sup> Israel's high-tech/start up economy offers opportunities for enhanced EU investors and cooperation in the area of research and innovation. Energy cooperation has significant potential in Israel too. Important measures were approved by the government in the areas of environmental protection, money laundering and education. The EU has been actively engaged in supporting ongoing market and policy reforms including through sharing of best practices. As Israel is relatively behind in environmental policies, waste management, and circular economy, new opportunities can emerge in Israel for the EU to take a leading role in line with the priorities stemming from the European Green Deal<sup>9</sup>.

**As from December 2018, the country had been engulfed in a protracted political crisis**, without a clear political majority in the Knesset. The holding of three consecutive general elections in April 2019, September 2019 and March 2020 failed to produce a clear winner between competing political blocks. After more than 500 days without a stable coalition, the government finally sworn in on 17 May 2020 was short lived due to their failure to adopt a State budget. New elections were held again in March 2021, and even if former PM Netanyahu's party, Likud, emerged as the largest party, a new coalition formed Israel's 36<sup>th</sup> government in June 2021, with a tight 61-seat majority. The coalition agreement provides that Mr Naftali Bennet, leader of the right-wing Yamina party, becomes PM and is replaced by the leader of the centrist party Yesh Atid, Mr Yair Lapid, in August 2023.

**The reaction of the Israeli government to the COVID-19 outbreak** has been relatively strict and fast. Israel was one of the first country to implement a wide and efficient vaccination campaign. On 14 September 2021, the EU announced a mutual recognition of EU Digital COVID-19 vaccination certificates for Israel. As of 14 October 2021, 60% of the population is fully vaccinated (2 doses). Out of those, two thirds (equal to 41% of total population) received a third dose. Israel is phasing out from a fourth wave of contagions, where unvaccinated adults now account for the majority of severe COVID-19 cases and fatalities.

**At the regional level**, the normalisation accords signed in September 2020 between Israel and the United Arab Emirates and Bahrain, followed by normalisation agreements with Sudan and Morocco created a new geopolitical framework. Those new formal relations create new opportunities for bilateral and regional

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<sup>7</sup> Central Bureau of Statistics, "Israel's Foreign Trade, Exports & Imports of Goods: June 2021", 13 July 2021, [here](#).

<sup>8</sup> Central Bureau of Statistics, "Labour Force Survey Data, First Half of June 2021, 5 July 2021, [here](#).

<sup>9</sup> [https://ec.europa.eu/info/sites/default/files/european-green-deal-communication\\_en.pdf](https://ec.europa.eu/info/sites/default/files/european-green-deal-communication_en.pdf)

relations and enhanced cooperation in areas such as technology, tourism, energy, trade, health. Notwithstanding this positive development, the normalisation agreements themselves do not address the Israeli-Palestinian conflict. The EU emphasised the necessity to explore ways to apply the logic inherent to the normalisation process to generate a direct and positive impact on the situation on the ground and to create the conditions for a meaningful political process between Israel and the Palestinians.

## **2.2. Problem Analysis**

Considering that the identification and adoption of new EU-Israel Partnership Priorities (PPs) in line with the revised European Neighbourhood Policy is pending, the areas of joint EU-Israel interests to be pursued under the 2021 Special Measure will fall at the conjunction of the existing 15 specific sectors identified in the EU-Israel Action Plan and the European Commission and High Representative's priorities as outlined in the February 2021 Agenda for the Mediterranean.

Hence, identification efforts will focus in priority on the promotion of the European Green Deal, advancement of a safe digital age and maintaining of the promotion of shared democratic values. Other sectors of interests for co-operation include the energy and transport sectors as well as the health sector (including food safety and consumer protections). In addition, policy discussions remain ongoing in areas such as customs, trade, statistics, regulatory co-operation as well as migration-related issues, including trafficking in human beings, and judicial co-operation. In trade, the objective should be to encourage an alignment with EU standards and rules, thereby also increasing trade and investment opportunities. Finally, priorities for co-operation shall take into consideration, as appropriate, EU's policy in support of the two-State solution.

It is worth recalling that Twinning interventions can only answer to requests for co-operation issued by Israeli ministries. The EU will encourage and accompany their initial identification of needs in the framework of policy dialogues, by EU's follow up on past co-operation (including TAIEX activities), and by raising awareness among ministries on the existence of the Twinning instrument.

Finally, the EU Delegation will continue using the TAIEX tool to widen the scope of the current EU-Israel co-operation in emerging sectors of mutual interests, as well as continue exploring potentials for new twinning projects.

In the above-defined framework, and with the objective to maximise the impact of its achievements, the EU will look for opportunities of cooperation under the following priorities:

1/ Promotion of approximation of regulation and standards in sectors of mutual interest: e.g. economic cooperation, market access, customs, environment and climate change, energy, health, transport, justice, emerging digital economy (in particular data protection and cyber-security), etc.

2/ Promotion of implementation of Agenda 2030 through approximation of EU regulations and best practices: e.g. social affairs, sustainable consumption and production, better cities, peaceful and inclusive societies, etc.

The direct beneficiary of the programme is the Israeli public administration, while the indirect beneficiary is the population of Israel. Israeli public institutions have strong technical capacity and high interests in approximation to EU legislation. The political endorsement to Israeli legislation's needs for increased alignment with the EU legislative framework was recently reinstated by the new government leadership, for example through the approval of the draft Omnibus arrangements Bill, in August 2021. The political instability and the absence of State budget has weighed on the institutions during the past two years and has hampered the ministries' ability to further define sectoral policies and pass on new legislation. The focus on addressing the consequences of the COVID-19 is likely to impact the capacity of the public administration to resume its normal functioning and might delay the adoption of legislation that has been pending in the absence of an empowered government. On the other hand, new administrative and legislative priorities in line with the EU's agenda are likely to emerge.

### **3. DESCRIPTION OF THE ACTION**

#### **3.1. Objectives and Expected Outputs**

The Overall Objective (Impact) of this action is to develop a close relationship between the EU and the State of Israel in order to achieve a significant level of economic integration and deepening of exchanges and cooperation, thus supplementing, and facilitating EU Member States (EUMS) active cooperation in several areas, including economic cooperation.

The Specific Objectives (Outcomes) of this action are to

1. Strengthen policy dialogues and exchanges between the EU and Israel at political, administrative and economic levels
2. Promote legislative and regulatory approximation (including the participation in European Union programmes and policies)

The Outputs to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are

- 1.1 contributing to Outcome 1 (or Specific Objective 1): Implementation of closer cooperation in the priority sectors identified as being of mutual EU-Israel interests in the ENP Action Plan
- 2.1 contributing to Outcome 2 (or Specific Objective 2): Reinforcement of the capacity of Israel public administration to align with the EU regulatory framework thanks to partnership cooperation with EUMS' public administration.

#### **3.2. Indicative Activities**

Activities related to Output 1.1 and Output 2.1:

- Identification of specific areas and actions in line with the priorities agreed within the EU-Israel ENP Action Plan
- Developing Twinning fiches
- Promote legislative and regulatory approximation in any of the following indicative sectors: energy, environment, transport, health, justice, public services, statistics, social and legal affairs
- Promotion and support of the TAIEX activities

#### **3.3. Mainstreaming**

##### **Environmental Protection, Climate Change and Biodiversity**

**Outcomes of the Environmental Impact Assessment (EIA) screening** (relevant for projects and/or specific interventions within a project).

The EIA screening classified the action as Category C (no need for further assessment).

**Outcome of the Climate Risk Assessment (CRA) screening** (relevant for projects and/or specific interventions within a project).

The CRA screening concluded that this action is no or low risk (no need for further assessment).

##### **Gender equality and empowerment of women and girls**

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that gender equality will be mainstreamed in all activities under this action whenever pertinent. In particular, the formulation of Twinning fiches will include a review against the objectives and key outcome indicators of the

Gender Action Plan III (2021-25), and indicators will be sex-disaggregated whenever possible.

### Human Rights

All activities under this action will apply the rights based approach in line with EU’s commitment to the Sustainable Development Goals and to reducing all forms of inequalities. The renewed human rights based approach (HRBA)<sup>10</sup> will help make interventions more inclusive and sustainable. The design and implementation of activities will support the realisation of human rights for all, directly or indirectly, whenever relevant.

### Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0. This implies that although rights of persons with disability are not directly targeted under the action, the application of the rights based approach will ensure that is mainstreamed whenever relevant.

### Democracy

Not applicable under the action.

### Conflict sensitivity, peace and resilience

Not applicable under the action.

### Disaster Risk Reduction

Not applicable under the action.

## 3.4. Risks and Lessons Learned

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
to legality and regularity aspects	Risk 1 The inclusion of the clause defining “territoriality” may delay the signing of the Financing Agreement.	M	L	On the basis of past experience, an exchange of letters accompanying the Financing Agreement could be envisaged.
to people and the organisation	Risk 2 Preparation of the twinning fiches could possibly be	M	M	The EU Delegation will timely assess the need to deploy EU external experts to draft the Twinning project fiches and/or contracting services to support

<sup>10</sup> EU updated Toolbox on the rights-based approach is available [here](#).

	delayed due to limited experience on the Israeli side in dealing with EU programmes and the lack of resources attributed to the subject.			Israeli ministries in the formulation of Twinning Fiches.
To communication and information	Risk 3 Unsuccessful call for proposals.	M	H	This risk will be mitigated by jointly identifying areas of intervention highly relevant to both Israel and EU Member States as well as by increasing the awareness of EU Member States Embassies in Israel. In addition, in the aftermath of the pandemic in Europe, it will also be important to assess the capacity of EU Member States to answer Twinning calls in light of their national priorities and constraints.
to legality and regularity aspects	Risk 4 Increase of annexation of parts of the occupied West Bank can have a bad impact on EU-IL cooperation.	M	H	The EU political leadership is actively sending deterring messages to prevent unilateral moves that could jeopardise the viability and sustainability of the two-state solution.
to planning, processes and systems	Risk 5 The COVID-19 – related constraints on the circulation of people create risk of decreased interest in the Twinning instrument and risk of delayed implementation.	H	H	The Delegation and NEAR Twinning Team will work to maintain interest in the instrument from both EU Member States and Beneficiary countries.
to people and the organisation	Risk 6 Ensure implementation of EU's differentiation policy in the design of Twinning projects	H	H	The Delegation will enhance due diligence in the implementation of the differentiation policy and ensure closer follow up in the implementation of the projects.

to planning, processes and systems	Risk 7 Capacity issues relating to the identification, the formulation and monitoring of Twinning activities	L	L	Capacity will be closely monitored and in case necessary, mitigation will come from close coordination with HQ.
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**Lessons Learned:**

Since 2008 and the first bilateral allocation in support to the ENP Action Plan, 13 Twinning projects have been successfully implemented and four are ongoing; one with the Ministry of Education, to set up the basis for the establishment of an Israeli National Qualification Framework (NQF); one with the Israeli Ministry of Communications, to strengthen the regulatory capacity of Israel in the field of telecommunications, with a focus on service provision over networks owned and operated by others; one with the Israeli Ministry of Environmental Protection to support improvement of the municipal solid waste management sector; and a Twinning Light with the Israeli Ministry of Welfare and Social Affairs to support the Commissioner for out-of-home child and youth.

Lessons have been drawn from the implementation of past and ongoing Twinning projects on issues such as drafting of Twinning fiches, negotiations with both Israeli ministries and EU Member States implementing institutions on contract preparations, monitoring and measuring of results, as well as on communication and visibility on Twinning activities.

Moreover, valuable input was gained from end of projects and ongoing Results-Oriented monitoring exercises, which clearly illustrated the need to ensure the adoption of a strong theory of intervention and project-management methodology in twinning projects.

Finally, the EUD will continue developing its capacities in order to enhance results reporting in line with NEAR framework.

In parallel, lessons have also been learned from the use of the TAIEX instrument. Hence, in the period 2017-2019 TAIEX organised 47 events, mainly in the field of energy, environment, transport, and telecommunication. Despite the 2020 near-freeze of TAIEX activities caused by the pandemic outbreak, the implementation of activities and the submission of requests both picked up pace from the second quarter of 2021.

The joint Israel-EU exercise of initial identification of common sectoral priorities finalised at the beginning of 2020, will have to be updated by the end of 2021 to maintain the effectiveness of the TAIEX instrument in Israel. To the extent possible, TAIEX activities shall answer in priority to policies identified to be in the mutual interest of both parties.

**3.5. Intervention Logic**

The underlying intervention logic for this action is that institutional cooperation with Israeli ministries through Twinning interventions will support an increased approximation of Israel legal framework with the EU acquis and/or EU good practices while also contributing to strengthening sectorial dialogues. This, in turn will feed into the general objective of deepening the political co-operation.

This logic of intervention is based on two main assumptions: 1) the first being that Israeli ministries will maintain a level of interest in the EU regulatory framework that will be translated into concrete requests of co-operation through the Twinning instrument; and 2) the second being that Israeli requests are addressing sectors that are of mutual interests for Israel and the EU.

Outcomes will be achieved thanks to a variety of outputs that will be identified directly at the Twinning projects level (mainly draft legislation, guidelines, etc...).

### 3.6. Indicative Logical Framework Matrix

Results	Results chain: Main expected results [maximum 10]	Indicators [it least one indicator per expected result]	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
<b>Impact</b>	To develop a close relationship between the EU and the State of Israel in order to achieve a significant level of economic integration and deepening of exchanges and co-operation	1- Rate of trade exchanges between the EU and Israel 2- Nature and content of political statements 3- Holding of regular subcommittee meetings and potential Association Council	1- Macro-economic data 2021 2- Nature of political dialogues/statements in 2021	1- To be defined during policy dialogues	1- Minutes of Association council 2- Minutes of policy dialogue 2- OECD reports	<i>Not applicable</i>
<b>Outcome 1</b>	1. Strengthened policy dialogues and exchanges between the EU and Israel at political, administrative and economic levels	1.1 – Nature and content of policy dialogues 1.2 Number of sectors with economic co-operation 1.3 - Number of Israeli requests to join EU policies or programmes	1.1 Number of policy dialogues in 2021 1.2 Quality of policy dialogue in 2021 1.2 Alignment of IL Legislative framework to EU framework in 2021 1.3 Number/nature of EU programmes with Israel participation	1.1 To be defined during policy dialogues	1.1 Minutes of sectoral subcommittees 1.2 Minutes of policy dialogues 1.3 Reports on legislative activities	Reasonable stability of the regional framework.  At least stable Israeli political and administrative interest in the EU acquis.
<b>Outcome 2</b>	2. Promoted legislative and regulatory approximation (including the participation in European Union programmes and policies)	2.1 – Number of requests for Twinning interventions 2.2 – Number of requests for TAIEX activities	2.1 Number of requests discussed in 2021 2.2 Quality of the diversity and number	2.1 To be defined during policy dialogues 2.2 To be defined during	2.1- requests for twinning mentioned in the Minutes of sectoral subcommittees 2.2	At least stable Israeli political and administrative interest in the EU acquis.

			of sectors with requests in 2021	policy dialogues		
<b>Output 1 related Outcome 1</b>	to 1.1 Cooperation activities have taken place in the priority sector identified as being of mutual EU-IL interests	1.1.1- Number of Twinning Fiches developed 1.1.2- Sectoral indicators aligned to the EU Results Framework and to the SDGs indicators will be identified in relevance to the sectors targeted	1.1.1 To be defined at the level of Twinning interventions 1.1.2 To be defined at the level of Twinning interventions	1.1.1 To be defined at the level of Twinning interventions 1.1.2	1.1.1 Reports from Twinning projects	European and Israeli experts are able to travel (or have IT substitute tools)
<b>Output 1 related Outcome 2</b>	to 2.1 Reinforced capacity of Israel public administrations to align with the EU regulatory framework thanks to partnership cooperation with EUMS's public administration.	2.1.1- Results of Twinning projects	2.1.1 To be defined at the level of Twinning interventions	2.1.1 To be defined at the level of Twinning interventions	2.1.1 Reports from Israel Central Bureau of Statistics 2.1.2 Reports from Twinning projects and Twinning Review Mission	EU Member States interests in applying to Twinning projects in Israel does not decline Changes in management of impacted ministries do not impact the implementation of the Twinning activities

## **4. IMPLEMENTATION ARRANGEMENTS**

### **4.1. Financing Agreement**

In order to implement this action, it is envisaged to conclude a financing agreement with the State of Israel.

### **4.2. Indicative Implementation Period**

The indicative operational implementation period of this action, during which the activities described in section 3.1 will be carried out and the corresponding contracts and agreements implemented, is 48 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this financing Decision and the relevant contracts and agreements.

### **4.3. Implementation Modalities**

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures<sup>11</sup>.

#### **4.3.1. Direct Management (Grants)**

##### **a) Purpose of the grant(s)**

The Twinning grants will contribute to achieving the following Specific Objectives 1 and 2.

##### **b) Type of applicants targeted**

EU Member States administrations or their mandated bodies.

#### **4.3.2. Direct Management (Procurement)**

Procurement will contribute to achieving specific objective 2 of the action by supporting the preparation of the Twinning grants and TAIEX interventions.

### **4.4. Scope of geographical eligibility for procurement and grants**

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

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<sup>11</sup> [www.sanctionsmap.eu](http://www.sanctionsmap.eu) Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

## 4.5. Indicative Budget

<b>Indicative Budget components</b>	<b>EU contribution (amount in EUR)</b>
<b>Implementation modalities</b> – cf. section 4.3	
<b>Objectives 1 and 2</b> composed of	1 900 000
<b>Grants</b> – total envelope under section 4.3.1	1 800 000
<b>Procurement</b> – total envelope under section 4.3.2	100 000
<b>Evaluation</b> – cf. section 5.2	50 000
<b>Audit</b> – cf. section 5.3	
<b>Communication and visibility</b> – cf. section 6	50 000
<b>Contingencies</b>	N.A.
<b>Totals</b>	2 000 000

## 4.6. Organisational Set-up and Responsibilities

Organisational set-up and responsibilities are defined in accordance with the applicable Twinning Manual, Section 4: Main actors. They include in particular the Member State National Contact Points, the Member State Project Leader, the Resident Twinning Adviser and Short-term experts.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

## 5. PERFORMANCE MEASUREMENT

### 5.1. Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

The monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities and that of the EU operational manager.

The EU operational monitoring will aim at complementing implementing partners' monitoring, especially in key moments of the action cycle. It will also aim at ensuring a sound follow-up on external monitoring recommendations and at informing EU management. This monitoring could take different forms (meetings with implementing partners, action steering committees, on the spot checks), to be decided based on specific needs and resources at hand.

## **5.2. Evaluation**

Having regard to the nature of the action, an evaluation will not be carried out for this action or its components. However, a Twinning Review Mission will be carried out for this action or its components (via TAIEX) in line with the provisions of the Twinning Manual.

It will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that the framework of Twinning Review Missions is defined in the Twinning Manual.

The Twinning Review Mission report shall be shared with the partner country and other key stakeholders following the best practice of the Twinning Manual. The implementing partner and the Commission shall analyse the conclusions and recommendations of the Review and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

## **5.3. Audit and Verifications**

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

## **6. COMMUNICATION AND VISIBILITY**

Communication and visibility is a contractual obligation for all entities implementing EU-funded external actions, to advertise the European Union's support for their work to the relevant audiences.

To that end they must comply with the instructions given in the [Communication and Visibility Requirements of 2018](#) (or any successor document), notably with regard to the use of the EU emblem and the elaboration of a dedicated communication and visibility plan, to be completed for every action at the start of implementation.

These obligations apply equally, regardless of whether the actions concerned are implemented by the Commission, the partner country (for instance, concerning the reforms supported through budget support), contractors, grant beneficiaries or entrusted entities. In each case, a reference to the relevant contractual obligations must be included in the respective financing agreement, procurement and grant contracts, and delegation agreements.

Communication and visibility measures may be funded from the amounts allocated to the action. For the purpose of enhancing the visibility of the EU and its contribution to this action, the Commission may sign or enter into joint declarations or statements, as part of its prerogative of budget implementation and to safeguard the financial interests of the Union. Visibility and communication measures should also promote transparency and accountability on the use of funds.

Effectiveness of communication activities on awareness about the action and its objectives as well as on EU funding of the action should be measured.

Implementing partners shall keep the Commission and concerned EU Delegation/Office fully informed of the planning and implementation of specific visibility and communication activities before work starts.

Implementing partners will ensure adequate visibility of EU financing and will report on visibility and communication actions as well as the results of the overall action to the relevant monitoring committees.

It is envisaged that a contract for communication and visibility may be contracted.