



Brussels, 4.12.2014
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COMMISSION IMPLEMENTING DECISION

of 4.12.2014

**on the 2014 special measure in favour of Lebanon for the Syria crisis to be financed
from the general budget of the European Union**

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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 action¹ and in particular Article 2(1) 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 1605/2002², and in particular Article 84(2) thereof,

Whereas:

- (1) Lebanon has so far been the main recipient country of refugees from Syria with 1,176,971 Syrian refugees registered or awaiting registration with United Nations High Commissioner for Refugees (UNHCR) (29 August 2014) in addition to approximately 42,000 Palestine Refugees from Syria (PRS) recorded with the United Nations Relief and Works Agency (UNRWA) in Lebanon.
- (2) The objectives pursued by the measure 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 Instrument³ are to support the Lebanese authorities in coping with the pressure on the basic services delivery and to alleviate the burden on the host communities.
- (3) The protracted crisis with the steady increase of refugees is requesting an additional and urgent effort to address the recent developments and especially the growing tensions in the social fabric.
- (4) Action entitled "Access to basic services for the vulnerable population in Lebanon – Education & Health" will contribute to supporting the most vulnerable population in Lebanon through education and protection services for children and vulnerable groups and improvement of the provision of public healthcare services. It will be implemented by the United Nations High Commissioner for Refugees (UNHCR) and the United Nations Children's Fund (UNICEF).
- (5) Action entitled "Access to basic services for the vulnerable population in Lebanon – Palestine Refugees from Syria Education" will contribute to supporting the most

¹ OJ L 77, 15.3.2014, p. 95.

² OJ L 298, 26.10.2012, p. 1.

³ OJ L 77, 15.3.2014, p. 27.

vulnerable population in Lebanon through education and protection services for children and vulnerable groups and improvement of the provision of public healthcare services. It will be implemented by United Nations Relief and Works Agency (UNRWA).

- (6) Action entitled “Access to basic services for the vulnerable population in Lebanon – Economic recovery and basic infrastructures” will contribute to improve the overall efficiency and effectiveness of basic services provided to the Lebanese host communities affected by the influx of Syrian refugees by enhancing basic public infrastructure and of income generating opportunities. It will be implemented through grants by non-governmental organisations and local authorities.
- (7) It is necessary to adopt a financing decision, the detailed rules on which are set out in Article 94 of Commission Delegated Regulation (EU) No 1268/2012⁴.
- (8) 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 Delegated Regulation (EU) No 1268/2012. The work programme is constituted by the Annexes 2 (section 4.3.1) and 3 (section 4.3.1).
- (9) The Commission should entrust budget-implementation tasks under indirect management to the entities identified in this Decision, subject to the conclusion of a delegation agreement. In accordance with Article 60(1) and (2) of Regulation (EU, Euratom) No 966/2012, the authorising officer responsible needs to ensure that these entities guarantee a level of protection of the financial interests of the Union equivalent to that required when the Commission manages Union funds. UNHCR and UNICEF are currently undergoing the assessment under Regulation (EU, Euratom) No 966/2012. In anticipation of the results of this review, the authorising officer responsible deems that, based on the entities’ positive assessment under Council Regulation (EC, Euratom) No 1605/2002 and on the long-standing and problem-free cooperation with them, budget-implementation tasks can be entrusted to these entities.
- (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 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 Delegated Regulation (EU) No 1268/2012.
- (13) Pursuant to Article 94(4) of Delegated Regulation (EU) 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.

⁴ 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 (OJ L 362, 31.12.2012, p. 1).

- (14) The actions provided for in this Decision are in accordance with the opinion of the European Neighbourhood Instrument Committee set up by Article 15 of the financing instrument referred to in Recital 2,

HAS DECIDED AS FOLLOWS:

Article 1

Adoption of the measure

The 2014 special measure in favour of Lebanon for the Syria crisis, as set out in the Annexes, is approved.

The measure shall include the following actions:

- Annex 1: Access to basic services for the vulnerable population in Lebanon – Education & Health;
- Annex 2: Access to basic services for the vulnerable population in Lebanon – Palestine Refugees from Syria Education;
- Annex 3: Access to basic services for the vulnerable population in Lebanon – Economic recovery and basic infrastructures.

Article 2

Financial contribution

The maximum contribution of the European Union for the implementation of the measure referred to in Article 1 is set at EUR 73,325,452 and shall be financed from the budget line 21 03 01 02 of the general budget of the European Union for 2014.

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

Article 3

Implementation modalities

Budget-implementation tasks under indirect management may be entrusted to the entities identified in the attached Annex 1, subject to the conclusion of the relevant agreements.

The section “Implementation Issues” 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 authorising officer responsible in accordance with Article 190 of 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 Annexes 1 and 2.

Article 4

Non-substantial changes

Increases or decreases of up to EUR 10 million not exceeding 20% of the contribution referred to in 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 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, 4.12.2014

For the Commission
Johannes HAHN
Member of the Commission

ANNEX 1

of the Commission Implementing Decision on the 2014 special measure in favour of Lebanon for the Syria crisis to be financed from the general budget of the European Union

**Action Document for Access to basic services for the vulnerable population in Lebanon
Education & Health (ABS-EH)**

1. IDENTIFICATION

Title/Number	Access to basic services for the vulnerable population in Lebanon– Education & Health (ABS-EH) CRIS number: ENI/2014/025-043		
Total cost	Total estimated cost: EUR 56,825,452 Total amount of EU budget contribution EUR 56,825,452.		
Aid method / Management mode and type of financing	Project Approach Indirect management with the United Nations High Commissioner for Refugees (UNHCR) and the United Nations Children's Fund (UNICEF)		
DAC-code	11120 11130 11220 11240 11320 11330 12220 12230	Sector	Education facilities and training Teacher training Primary education Early childhood education Secondary education Vocational training Basic health care Basic health infrastructure

2. RATIONALE AND CONTEXT

2.1. Summary of the action and its objectives

The action will seek to strengthen Lebanese public institutions in providing social services (e.g. education, health, child protection) to the most vulnerable people in the country. It aims to build capacity of existing Lebanese institutions, organisations and structures to deal with the repercussions of the Syrian crisis for Lebanon and to empower local communities socially and economically by ensuring sufficient access to services for the most vulnerable. The activities under the action are aligned with priorities identified through structured dialogues held with broad groups of civil society organisations and local administrations.

The action will be designed to respond to the deterioration in access to basic goods and services for the most vulnerable in the country as a consequence of the influx of 1,176,971 refugees from Syria.¹ Vulnerable will include Lebanese as well as refugees, but the avenue for support will be through strengthening of existing Lebanese structures such as public schools, Ministry of Social Affairs (MoSA) social development centres (SDC), primary healthcare centres, as well as local NGOs to assist the country in coping with the unprecedented and continuously growing pressure it and its population are experiencing since 2012.

The action will be aligned with priorities in the Government of Lebanon response plan to the consequences of the influx of refugees from Syria integrated in the international response as part of the UNHCR led Regional Response Plans (RRP) as well as the first sector specific national response plan, the Ministry of Education and Higher Education's (MEHE) "Reaching all Children with Education in Lebanon" (RACE) adopted in June 2014.

2.2. Context

Lebanon has so far been the main recipient country of refugees from Syria with 1,176,971 Syrian refugees registered or awaiting registration with UNHCR (29 August 2014) in addition to approximately 42,000 Palestine Refugees from Syria (PRS) recorded with the United Nations Relief and Works Agency (UNRWA) in Lebanon. Finally, there is an estimated 17,500 so-called 'Lebanese returnees' according to the International Organization for Migration (IOM). As some refugees are hesitant to register and as others still rely on own resources, the actual number of Syrian refugees is certain to be even higher.

There are now refugees from Syria in all parts of the country, spread across more than 1,600 locations. The concentration remains highest in the Bekaa Valley (36.6%) followed by Beirut and Mount Lebanon (27.0%), the North including the city of Tripoli (24.7%) and finally the South (11.6%).² The influx of refugees represents an increase of the population by more than 25%. Some of the most affected localities have even experienced population increases of 50-100%.

The influx of refugees from Syria continues with a net increase of around 30-40,000 additional registrations per month.

2.2.1. Country context

2.2.1.1. Economic and social situation and poverty analysis

Lebanon's macroeconomic situation is deteriorating as a consequence of domestic and regional events, including the Syrian conflict and the ensuing refugee crisis. The influx of refugees is having a number of effects: strains on education, health and other infrastructure, fiscal costs, increasing poverty and unemployment levels, and pressures on the labour market. Economic growth remains positive but subdued, at less than 2% in 2014. The fiscal deficit is on an increasing trend (more than 11% of gross domestic product (GDP) in 2014), putting the government debt-over-GDP ratio (already one of the highest in the world at 141% of GDP in 2013) on an upward

¹ Refugee population as of 29 August 2014, UNHCR, <http://data.unhcr.org/syrianrefugees>.

² UNHCR, <http://data.unhcr.org/syrianrefugees/regional.php>.

trend. The current account deficit also remains at high levels (13% of GDP in 2013). The crisis has emphasised previously existing vulnerabilities and increased risks, pushing Lebanon's resilience to its limits.

Lebanon is characterised by regional socio-economic disparities with almost 30% of the population living under the poverty line and 8% under the extreme poverty line. Due to the absence of a modern legal framework on decentralisation, a lack of appropriate human and financial capacities and a non-performing fiscal system the quality and accessibility of public services is often quite low.

Even before the influx of refugees, access to resources and basic services was limited in many - especially poorer - areas. Often the refugee pressure has been the highest in the poorest communities of the country. After having hosted refugees, often for more than three years, the resources of these communities are stretched to the limit, increasing the risk of tension and conflict.

The Syrian conflict remains highly divisive in Lebanon and some groups are actively engaged in the conflict across the border, despite the official "disassociation policy" adopted in 2012 with the so-called Baabda Declaration, which meant to isolate Lebanon from the conflict.

2.2.1.2. National development policy

The Lebanese Prime Minister launched the "*Response of the Government of Lebanon to the Crisis of Syrian Displaced Families*" in December 2012. An inter-ministerial committee (IMC) headed by the Prime Minister was set up to implement the response plan with the Ministry of Social Affairs (MoSA) in charge of coordination. While the plan and the IMC were seen as the first official recognition of the urgency of the crisis and of the responsibility of the Government of Lebanon to address it, there has been limited follow up to the plan from the Government of Lebanon and the response has *de facto* been left for the UN system to deal with, with UNHCR in the lead. Since December 2012, it has participated in all the UN-led *Regional Response Plan* (RRP) exercises and over the summer of 2013 the Government of Lebanon requested the World Bank to lead an *Economic and Social Impact Assessment* (ESIA).³ Despite several encouragements, the Government of Lebanon has not yet developed a comprehensive response plan. A so-called "Stabilisation Roadmap"⁴ developed by the World Bank and the UN in October 2013 as a follow-up to the ESIA remains incomplete. In June 2014, MEHE adopted the first sector specific national response plan "Reaching all Children with Education in Lebanon" (RACE) covering the education sector. Other ministries are encouraged to produce similar plans.

2.2.2. Sector context: policies and challenges

Education

³ <http://documents.worldbank.org/curated/en/2013/09/18292074/lebanon-economic-social-impact-assessment-syrian-conflict>. Exercise conducted with assistance of two EU funded experts.

⁴ Lebanon Roadmap of Priority Interventions for Stabilization from the Syrian Conflict, World Bank, 12 October 2013

Since the beginning of the influx of refugees to Lebanon, the Lebanese Ministry of Education and Higher Education (MEHE) allowed access to public schools for Syrian children. This has put substantial pressure on the public school system. Prior to the crisis around 350,000 Lebanese children attended public schools (approximately 30% of total) - at the beginning of the 2013-14 school year, a similar number of school-aged Syrian refugees were already in the country. The Lebanese authorities have since December 2013 introduced a two-shift system where Lebanese students go to school in the mornings and refugee children receive education in public school in the afternoon.

Child services

As long as the crisis last and as the number of vulnerable increases, the need for well-functioning child protection systems in Lebanon is only going to increase. The existing Lebanese child protection system under the Ministry of Social Affairs (MoSA) in cooperation with 11 Lebanese NGOs contracted by MoSA to provide protection services has already been supported, but it will need further assistance, in particular to integrate child protection considerations into the provision of social services through MoSA social development centres (SDC).

Health

The public health care system in Lebanon is primarily based on regional public hospitals and a network of, predominantly NGO owned, primary health care clinics contracted by the Ministry of Public Health (MoPH). As it was the case for the education sector, the Lebanese authorities provide access to public health care services at subsidised rates (partly financed through the humanitarian response) for refugees from Syria. As the number of refugees increased the additional pressure on the system (e.g. patient doctor ratio; access to medication) has had implications for vulnerable Lebanese who traditionally rely on the public health care system for services.

2.3. Lessons learnt

Already when the Syrian crisis began to have significant consequences for Lebanon in the summer of 2012, the EU recognised the need to upscale and accelerate its cooperation with Lebanon in order to respond to the growing needs of vulnerable Lebanese as well as the refugee population. As in previous crises the EU adopted a two-step approach where medium to long term needs in local communities are addressed in parallel to emergency humanitarian assistance to refugees. This is done in order to help alleviate the pressure felt by local communities as well as to reduce the risk of confrontation and conflict.

The response has focused on i) support to Lebanese institutions in dealing with crisis; ii) support to local communities (livelihood and basic infrastructure); iii) education; and later iv) primary health care. All interventions are aligned with the priorities identified in the RRP which include contributions from the Government of Lebanon. Efforts have been made to implement directly through the Government of Lebanon, but due procedural obstacles making it difficult to sign financing agreements directly with the Government and concerns about weak financial management as well as very limited implementation capacity, the assistance is mainly implemented through UN agencies (UNHCR, UNICEF, UNRWA) and

NGOs. Nevertheless, substantial efforts are made – and will continue to be made - to ensure close coordination and increased involvement of the Government of Lebanon and local administrations in the response.

UN agencies, and in particular UNHCR and UNICEF are entrusted significant responsibility for the response to the crisis. They have proven ability to deliver assistance within the sensitive political context of Lebanon where the Government is less able to manoeuvre. Coordination between the UN agencies and the Government of Lebanon is assured both through regular technical working group meetings (including on education and on health) as well as regular bilateral meetings between the agencies and line ministries. While the political discourse can be critical of the international response to the crisis in Lebanon, at technical level cooperation is generally good.

While there were some concerns over the enforcement of visibility requirements by UN agencies at the beginning of interventions, very close monitoring and firm insistence on the importance of visibility and communication has been reflected in a significant improvement of visibility for EU financing. Nevertheless, as the overall response to the crisis has now reached a scale where a dedicated visibility and communication initiative would be in its place, it is now proposed to contract a communication company to ensure coordinated, appropriate and adequate visibility and communication for the overall EU response to the implications of the Syrian crisis for Lebanon. This would liberate resources from implementing partners and ensure access to specialised visibility and communication expertise as well as ensure a unique branding of EU assistance.

All responses to the crisis, including previous responses through the European Neighbourhood and Partnership Instrument (ENPI), have shown that the situation on the ground develops fast and often beyond projections made. For that reason, a large degree of flexibility will be required for any intervention addressing medium to long term needs in order to allow for an effective response to the evolving needs of the beneficiary populations.

The first evaluation mission for one of the special measures currently under implementation took place during May and June 2014. The conclusions of the final report will be taken into account for the formulation phase of this intervention.

2.4. Complementary actions

This action is complementary to the support already provided by the European Union, certain EU Member States, other donor countries, international organisations and NGOs, to address the humanitarian and so-called 'stabilisation needs' caused by the conflict in Syria and the unprecedented influx of refugees to Lebanon.

In 2012 and 2013, the EU has allocated EUR 170.8 million for Lebanon through the European Neighbourhood Instrument (ENI) budget⁵ to address medium and long term needs in the areas of: education, reinforcing the capacities of the Lebanese authorities to deal with crisis, local community empowerment and support to Palestine Refugees from Syria (PRS).

⁵ Formerly ENPI.

Through the Instrument for Stability (IfS)⁶ the EU has allocated EUR 27.5 million to strengthen the public health sector and to support PRS. The EU's Humanitarian Aid and Civil Protection department (ECHO) has allocated EUR 172.3 million in emergency humanitarian assistance to Lebanon through UN agencies and European NGOs to meet basic needs of the refugee population. The education component will extend the support already provided under four previous special measures applying the same methodology, but expanding the duration by financing additionally the same activities as previously for longer and/or more children. The health component will build on the achievements of a EUR 20 million health programme through IfS (ref. below).

Nine interventions are of particular relevance to this action:

- ***Support to areas affected by the influx of Syrian refugees to Lebanon***⁷ which allocated EUR 5 million through a contribution agreement with UNHCR to address medium and long term needs in the areas including capacity building of host country institutions to handle the crisis (ministerial and municipal level as well as civil society organisations) and **education**;
- ***Support to areas affected by the influx of Syrian refugees to Lebanon II***,⁸ which allocate EUR 10 million through contribution agreements with UNHCR and UNICEF, as well as a call for proposal, to address inter alia **education**; **child protection**; and capacity building of Lebanese institutions and structures;
- ***EU contribution to the 'Government of Lebanon Response Plan to the Syrian Crisis'***,⁹ which allocated EUR 36 million through contribution agreements with UNHCR, UNICEF and UNRWA as well as a call for proposal to address among other **education**, capacity building of Lebanese institutions and **child care**;
- ***Support to enhance basic infrastructure and economic recovery in Lebanon***¹⁰, is a EUR 18 million programme to upgrade the provision of basic services and contribute to economic recovery, in particular to mitigate the impact of the Syrian crisis on Lebanon. It is implemented through international and national NGOs;
- ***EU Response to the Consequences of the Syrian Conflict in Lebanon***,¹¹ which allocated EUR 40 million through UNHCR, UNICEF and UNRWA to address **education** and capacity building of Lebanese institutions;
- ***Upgrading water supply facilities for communities in Lebanon affected by the consequences of the conflict in Syria***¹², which allocates EUR 14.8 million from ENPI to ensure that affected populations have access to adequate quantity of safe water and have means to store water safely;

⁶ Since 2014, the Instrument contributing to Stability and Peace (IcSP).

⁷ C(2012)3815 adopted on 7 June 2012.

⁸ C(2012)9360 adopted on 14 December 2012.

⁹ C(2013)2348 adopted on 18 April 2013.

¹⁰ C(2013)5680 adopted on 9 September 2013.

¹¹ C(2013)5678 adopted on 9 September 2013.

¹² C(2013)6371 adopted on 3 October 2013.

- *Recovery of local economies in Lebanon*¹³, which is a EUR 7 million intervention financed through funds from the Support for Partnership, Reform and Inclusive Growth (SPRING) programme. It aims to recover the local economies of communities particularly affected by the influx of refugees;
- *Upgrading solid waste management capacities in the Beqaa and Akkar regions in Lebanon (SWAM)*¹⁴, which allocates EUR 14 million in SPRING funds to establish two new sanitary landfills in the Bekaa and Akkar regions. These facilities will be essential for a responsible treatment of solid waste, of which the quantity has drastically increased as the population in Lebanon has increased by more than a quarter since the beginning of the crisis;
- *Conflict Reduction through Improving Health Care Services for the Vulnerable Population in Lebanon*¹⁵, which allocate EUR 20 million from the IfS to build the capacity in the public **health** sector to i) monitor and manage communicable diseases; ii) strengthen primary health care (with a focus on maternal and child health); and iii) increase access to chronic medication.

ECHO finances access to health care through NGOs and UN agencies that finance access to health services for individual refugees. Through IfS and ENPI funding focus is on building capacity in the existing Lebanese health infrastructure. Close coordination with humanitarian actors and especially with ECHO, EU Member States as well as the main national and international organisations involved in the response to the crisis is ongoing and will be maintained.

2.5. Donor coordination

Under the RRP process, 12 coordination working groups (WG) have been established on various subjects including education, child protection, sexual and gender-based violence (SGBV), health, water, sanitation and hygiene (WASH), as well as social cohesion and livelihood. The WGs meet regularly both at central (Beirut) and regional level and are open to all parties involved in the sectors, including donors.¹⁶

Coordination between EU Member States is undertaken regularly in the EU Development Coordination Group meetings organised at the EU Delegation in Beirut. Broader donor coordination is undertaken on a regular basis in an informal donor group of EU Member States, Canada, Japan, Norway, Switzerland and USA where exchange of information takes place and guest speakers are invited on occasion to brief on particular issues such as the so-called 'stabilisation agenda'.

¹³ C(2014)2860 adopted on 25 April 2014.

¹⁴ C(2014)2860 adopted on 25 April 2014.

¹⁵ Instrument for Stability; programme reference IfS 2013/14.

¹⁶ Information on the WGs, the calendar of meetings as well as minutes can be consulted on the UNHCR web-portal for the Syrian refugee crisis <http://data.unhcr.org/syrianrefugees/country.php?id=122>.

3. DETAILED DESCRIPTION

3.1. Objectives

The **overall objective** is to contribute to supporting the most vulnerable population in Lebanon.

The **specific objectives** are:

- to contribute to alleviate the needs of vulnerable children including through education and protection services;
- to improve provision of public health care services.

3.2. Expected results and main activities

Expected results include:

1. Improved learning environments for children and youths

The **education** sector in Lebanon remains under severe pressure. The number of school-age refugee children in Lebanon surpass the number of Lebanese children enrolled in public school; many public schools are in need of rehabilitation and equipment; and the educational system, including teachers and administrators, remain in need of support. As the public schools have limited absorption capacity and as some out-of-school children are not immediately able to integrate into the formal school system, non-formal education activities need to be maintained in order to provide minimum level training for some and a transfer pass-way into formal education for others. In addition to educational benefits the psychosocial and protection benefits of participating in educational activities should not be underestimated.

Main activities may include:

- Improved access to formal education;
- Rehabilitation of public schools, including WASH infrastructure;
- Provision of educational supplies and equipment;
- Training of teachers and staff;
- Improved access to special needs education;
- Running costs for additional shifts;
- Provision of non-formal education;
- Engagement of adolescents, e.g. in life skills trainings.

2. Improved protective services for children and other vulnerable groups

The needs in the area of **protection of vulnerable groups** continue to increase as the crisis adds economic, social and psychological pressure on the most vulnerable.

There are alarming reports on the increase of child labour, early marriage and exploitation of children in Lebanon¹⁷ as well as a perceived increase in SGBV cases. While child protection services are an integrated part of the humanitarian response to the refugee crisis, there is a continued need to strengthen the existing Lebanese child protection system to expand the protection coverage, to ensure that vulnerable Lebanese are sufficiently covered, and to build capacity in Lebanon for once the humanitarian response dwindles.

Main activities may include:

- Strengthening to existing Lebanese child protection system and structures;
- Mainstreaming of child protection and psycho-social support;
- Strengthen Lebanese structures to provide responsive and preventive SGBV services;
- Train Lebanese professionals in SGBV identification, referral and assistance;
- Deliver awareness campaign about domestic violence.

3. Improved access to primary health care services

For the **health sector** the ESIA identified costs for up to USD 483 million for 2013-14 alone. Also, the substantial identification and formulation work that was undertaken for the preparation of the Instrument for Stability (IfS) financed *Conflict Reduction through Improving Health Care Services for the Vulnerable Population in Lebanon* project, in close cooperation with the Ministry of Public Health (MoPH), identified substantial need to further strengthen the network of primary health clinics affiliated to the MoPH, which are key providers of health services to the most vulnerable in Lebanon. These clinics have seen a sharp increase in demand from refugees.

Main activities may include:

- Strengthening the primary health care provision;
- Strengthening referral and diagnostic procedures in primary health care centres;
- Rehabilitation of primary health care centres and provision of medical supplies/equipment;
- Enhance the Lebanese system for health information and surveillance;
- Training of staff;
- Health related awareness raising activities.

¹⁷ <https://s3-eu-west-1.amazonaws.com/unhcr-campaigns/childrensreport/Future-of-Syria-UNHCR-v13.pdf>.

3.3. Risks and assumptions

It is widely expected that the Syrian crisis will be protracted and that the influx of Syrian refugees to Lebanon will continue although possibly at a slower rate. In light of the unpredictability of the political and security situation in Syria, the project will need to maintain a high degree of flexibility in order to be able to adapt to an evolving context.

Risks include:

- The Syrian conflict could further spill-over into Lebanon. This could jeopardise the project and cut off access to Lebanese territory for international organisations and implementing partners;
- The Lebanese authorities will be hampered in dealing with the crisis due to political constraints and limitations on capacities and resources;
- Tensions between Lebanese hosts and refugees from Syria lead to violence in one or several locations;
- Increased demand for public services and lack of financing leads to a collapse of certain public services;
- Some actors in the international community (state and non-state actors) could provide interventions outside the established coordination mechanisms, which could lead to cases of duplication of support;
- Return of refugees to Syria due to end of conflict and improvement of living conditions in the country (positive "risk").

Mitigating measures include:

- In case of a severe deterioration of the security situation in certain areas of Lebanon either due to a further spill-over of the Syrian conflict into Lebanon or violent tensions between refugees and hosts, the activities of the intervention would be moved to areas deemed safe. In case of a severe deterioration of the security situation in the entire Lebanese territory, the intervention might have to be halted until the situation improves;
- In case of further political constraints for the Lebanese authorities in responding to the needs of the populations living in Lebanon or in case of a partial or complete collapse of public services delivery, basic public services could be continued through local authorities as well as local NGOs and civil society organisations;
- The risk of duplication of support is to be mitigated through continued and active participation in donor coordination for a as well as pro-active outreach to non-traditional donors;
- In case of an end to the violence in Syria and a substantial return of Syrian refugees the activities can continue as foreseen as the needs of the most vulnerable communities in Lebanon for improved public services are believed to persist.

3.4. Cross-cutting issues

During implementation of the intervention it will be ensured that all financed initiatives respect principles in particular human rights, gender equality, good governance and environmental impact as core elements. Conflict sensitivity, conflict mitigation and conflict resolution will also be considered and promoted to the furthest possible extent.

3.5. Stakeholders

Main stakeholders such as ministries, NGOs, local authorities and UN agencies (UNHCR, UNICEF) have been consulted during the preparatory period to identify needs. UNHCR and UNICEF undertake continuous coordination efforts with Lebanese authorities which fed into the identification process and will continue throughout the implementation phase.

The direct beneficiaries include vulnerable populations in Lebanon benefiting from improved access to public services, irrespective of nationality and gender, as well as public service providers and institutions:

- School-age children;
- Public school teachers;
- Public school administrators;
- Parents of school age children;
- Patients at public primary health care clinics;
- Medical staff at public primary health care centres;
- Children in need of protection;
- Child protection providers;
- Public officials;
- Public institutions at central and local level; and
- Implementing partners of the intervention.

The main public institutions concerned by this intervention are the members of the Inter-Ministerial Committee (IMC) set up by the Prime Minister of Lebanon for in connection with the first Government of Lebanon Response Plan in December 2012, namely the Ministry of Social Affairs (MoSA); the Ministry of Education and Higher Education (MEHE); the Ministry of Public Health (MoPH); and the Ministry of Interior and Municipalities (MoIM). Others include municipalities, unions of municipalities and local water establishments.

Indirect beneficiaries include the general Lebanese population as increased support for the most vulnerable communities will alleviate pressure on public finances and reduce the risk of tension and conflict caused by lack of access to basic services.

4. IMPLEMENTATION ISSUES

4.1. Financing agreement

In order to implement this action, it is not foreseen to conclude a financing agreement with the partner country, referred to in Article 184(2)(b) of Regulation (EU, Euratom) No 966/2012.

4.2. Indicative operational implementation period

The indicative operational implementation period of this action, during which the activities described in sections 3.2. and 4.3. will be carried out, is **30** months from the adoption of this Action Document, subject to modifications to be agreed by the responsible authorising officer in the relevant agreements. The European Parliament and the relevant Committee shall be informed of the extension of the operational implementation period within one month of that extension being granted.

4.3. Implementation components and modules

4.3.1. Indirect management with international organisations

UNHCR

A part of this action with the objective of education and health care may be implemented in indirect management with the United Nations High Commissioner for Refugees (UNHCR) in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012. This implementation is justified because of the mandate entrusted to UNHCR by the international community and the Government of Lebanon; the coordination role of the response to the crisis; and in order to ensure the continuation of on-going interventions in the area of education and health (see paragraph 2.4. above) that are met with additional demands due to the increase in the beneficiary populations.

Under the education component, the entrusted entity would ensure the enrolment of Lebanese and Syrian out-of-school children in first and second-shift formal education in Lebanese public schools. The responsibility for the implementation of EU funded education activities has been shared between UNHCR and UNICEF since 2012 for two reasons: i) to ensure thorough coordination of the education response between the two main implementing agencies for education through submission of simultaneous and integrated proposals, and ii) division of burden between the two organisations. The division between the agencies is currently done according to geographical locations. Under the health component UNHCR would ensure support to MoPH affiliated primary healthcare centres with capacity building, improved referral and diagnostic procedures as well as improved health information and surveillance systems. UNHCR will be responsible for implementing that part of the action assigned to it and in doing so will undertake tasks consisting of carrying out procurement and/or grant award procedures, and awarding, signing and executing the resulting procurement and/or grant contracts, notably accepting deliverables, carrying out payments and recovering the funds unduly paid.

The entrusted entity is currently undergoing the ex ante assessment in accordance with Article 61(1) of Regulation (EU, Euratom) No 966/2012. 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 this entity, it can be entrusted with budget-implementation tasks under indirect management.

UNICEF

A part of this action with the objective of education, protective services and health care may be implemented in indirect management with the United Nations Children's Fund (UNICEF) in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012. This implementation is justified because of the mandate entrusted to UNICEF by the international community and the Government of Lebanon; the coordination role of the response to the crisis; and in order to ensure the continuation of on-going interventions in the area of education and protective services (see paragraph 2.4. above) that are met with additional demands due to the increase in the beneficiary populations.

Under the education component, the entrusted entity would ensure the enrolment of Lebanese and Syrian out-of-school children in formal education in Lebanese public schools as well as in non-formal education; life-skills training for adolescents; and rehabilitation in schools. The responsibility for the implementation of EU funded education activities has been shared between UNHCR and UNICEF since 2012 for two reasons: i) to ensure thorough coordination of the education response between the two main implementing agencies for education through submission of simultaneous and integrated proposals, and ii) division of burden between the two organisations. The division between the agencies is currently done according to geographical locations. Under protective activities UNICEF would ensure improved access to psychosocial as well as specialised support; and engage in children and armed conflict activities. Under the health component UNICEF would ensure procurement of material and equipment for MoPH affiliated primary healthcare centres as well as essential drugs. UNICEF has procured medication, including vaccines, for the Lebanese authorities for more than three decades. UNICEF will be responsible for implementing that part of the action assigned to it and in doing so will undertake tasks consisting of carrying out procurement and/or grant award procedures, and awarding, signing and executing the resulting procurement and/or grant contracts, notably accepting deliverables, carrying out payments and recovering the funds unduly paid.

The entrusted entity is currently undergoing the ex ante assessment in accordance with Article 61(1) of Regulation (EU, Euratom) No 966/2012. 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 this entity, it can be entrusted with budget-implementation tasks under indirect management.

The Commission authorises that the costs incurred by the entrusted entities may be recognised as eligible as of 1 September 2014. This is particularly required for the education component in order to ensure that expenses incurred at the beginning of the new school year (2014-2015) in September 2014, in particular enrolment fees for the entire year, are eligible. Both agencies have activities under the education component.

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 shall apply.

The responsible authorising officer may extend the geographical eligibility in accordance with Article 9(2, b) of Regulation (EU) No 236/2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

4.5. Indicative budget

Module	Amount in EUR	Third party contribution (indicative, where known)
4.3.1. – Indirect management with UNHCR	25,562,726	
4.3.1. – Indirect management with UNICEF	30,612,726	
4.7. – Evaluation	150,000	N.A.
4.8. – Communication and visibility	500,000	N.A.
Contingencies	0	N.A.
Totals	56,825,452	

4.6. Performance monitoring

The performance of the project will be closely monitored by the project implementing bodies (UNHCR, UNICEF, NGOs, local authorities). Appropriate reporting and reviewing measures will be built into each contract/agreement to ensure close follow-up on part of the Commission. The Commission reserves the right to carry out on-the-spot and monitoring missions as needed.

External results oriented monitoring missions may also be carried out by the Commission.

4.7. Evaluation and audit

The project may be subject to mid-term and final evaluations to be contracted by the Commission under direct management.

Without prejudice to the obligations applicable to contracts/agreements signed for the implementation of this project, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

These audit/verification costs will be financed from sources outside the budget of this project.

4.8. Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated before the start of implementation and supported with the budget indicated in section 4.5 above.

The measures shall be implemented either (a) by the Commission, and/or (b) by the partner country, contractors, grant beneficiaries and entrusted entities. Appropriate contractual obligations shall be included in, respectively, financing agreements, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

Through the contracting of a communication company the EU Delegation will ensure appropriate and adequate visibility and communication for the EU response to the implications of the Syrian crisis for Lebanon. The contract will encompass other programmes of this financing Decision to ensure coordinated messaging, consistent branding and economies of scale. An important budget will be allocated to ensure communication both to local and European audiences and that the various components of the EU's multi-sectorial response can be covered sufficiently.

ANNEX 2

of the Commission Implementing Decision on the 2014 special measure in favour of Lebanon for the Syria crisis to be financed from the general budget of the European Union

**Action Document for Access to basic services for the vulnerable population in Lebanon
Palestine Refugees from Syria Education (ABS-PRS)**

1. IDENTIFICATION

Title/Number	Access to basic services for the vulnerable population in Lebanon– - Palestine Refugees from Syria Education (ABS-PRS) CRIS number: ENI/2014/351-221		
Total cost	Total estimated cost: EUR 1,500,000 Total amount of EU budget contribution EUR 1,500,000.		
Aid method / Management mode and type of financing	Project Approach Direct management - direct grant with the United Nations Relief and Works Agency (UNRWA)		
DAC-code	11120	Sector	Education facilities and training
	11130		Teacher training
	11220		Primary education
	11240		Early childhood education
	11320		Secondary education

2. RATIONALE AND CONTEXT

2.1. Summary of the action and its objectives

The action will seek to strengthen the provision of social services (education) to the most vulnerable people in Lebanon. It aims to build capacity of existing institutions and structures to deal with the repercussions of the Syrian crisis for Lebanon and to empower local communities socially and economically by ensuring sufficient access to services for the most vulnerable. The activities under the action are aligned with priorities identified through structured dialogues held with broad groups of civil society organisations and local administrations.

The action will ensure access to education for Palestine Refugees from Syria (PRS) children from January 2015 till August 2016 in continuation of two previous EU interventions covering these needs from March 2013 till December 2014. The 42,000 PRS currently recorded in Lebanon are among the most vulnerable in the country. The action will form part of an overall response to the deterioration in access to basic

goods and services for the most vulnerable in the country as a consequence of the influx of 1,176,971 refugees from Syria.¹ The avenue for support will be through strengthening of existing structures to assist the country to cope with the unprecedented and continuously growing pressure it and its population are experiencing since 2012. In this case, the existing structures are UNRWA schools.

The action will be aligned with priorities in the international response as part of the United Nations High Commissioner for Refugees (UNHCR) led Regional Response Plans (RRP), which includes the UNRWA response.

2.2. Context

Lebanon has so far been the main recipient country of refugees from Syria with 1,176,971 Syrian refugees registered or awaiting registration with UNHCR in addition to approximately 42,000 Palestine Refugees from Syria (PRS) recorded with the United Nations Relief and Works Agency (UNRWA) in Lebanon. Finally, there is an estimated 17,500 so-called 'Lebanese returnees' according to the International Organization for Migration (IOM).

The number of PRS in Lebanon decreased rapidly in August 2013 from around 100,000 to around 50,000 following tighter restrictions related to cash distributions by UNRWA. A further decrease to the current level of 42,000 PRS was recorded following the reintroduction of strict entry requirements for PRS by Lebanese authorities in May 2014. Refusal to renew visas for PRS beyond one year (most PRS arrived between December 2012 and early 2013) has been reflected in reduced mobility of PRS outside the Palestine Refugee camps in Lebanon out of fear of arrest, detention or deportation. Already before the current crisis, Palestine refugee camps in Lebanon were characterised by overcrowding, weak social services and limited livelihood opportunities. The arrival of PRS has exacerbated conditions in the camps.

The PRS refugees are spread across the 12 UNRWA camps across the country with a higher concentration in Saida (Ain el Hilweh, Mieh Mieh) followed by Tyre (Rashidieh, Burj Shemali, El Buss), Beirut (Shatila, Burj Barajneh, Mar Elias, Dbayeh) and Tripoli (Nahr el Bared, Beddawi).

2.2.1. Country context

2.2.1.1. Economic and social situation and poverty analysis

Lebanon's macroeconomic situation is deteriorating as a consequence of domestic and regional events, including the Syrian conflict and the ensuing refugee crisis. The influx of refugees is having a number of effects: strains on education, health and other infrastructure, fiscal costs, increasing poverty and unemployment levels, and pressures on the labour market. Economic growth remains positive but subdued, at less than 2% in 2014. The fiscal deficit is on an increasing trend (more than 11% of gross domestic product (GDP) in 2014), putting the government debt-over-GDP ratio (already one of the highest in the world at 141% of GDP in 2013) on an upward trend. The current account deficit also remains at high levels (13% of GDP in 2013).

¹ Refugee population as of 29 August 2014, UNHCR, <http://data.unhcr.org/syrianrefugees>.

The crisis has emphasised previously existing vulnerabilities and increased risks, pushing Lebanon's resilience to its limits.

Lebanon is characterised by regional socio-economic disparities with almost 30% of the population living under the poverty line and 8% under the extreme poverty line. Due to the absence of a modern legal framework on decentralisation, a lack of appropriate human and financial capacities and a non-performing fiscal system the quality and accessibility of public services is often quite low.

Even before the influx of refugees, access to resources and basic services was limited in many - especially poorer - areas. Often the refugee pressure has been the highest in the poorest communities of the country. After having hosted refugees, often for more than three years, the resources of these communities are stretched to the limit, increasing the risk of tension and conflict.

Palestine Refugees from Lebanon (PRL) make up the second largest group of refugees in Lebanon (after the recent arrival of refugees from Syrians). Approximately 280,000 PRL out of the 425,000 registered with UNRWA since 1948 currently live in the country.

Despite their long presence in Lebanon, the Palestine refugees lack many basic rights and they are excluded from many aspects of social and economic life. Legally considered as foreigners, they are denied the right to own property, to work in more than 30 syndicated professions, and to access national public services and social protection schemes. As a result, 95% of Palestine refugees do not have health insurance, 56% are unemployed, two thirds live under the poverty line (USD 6/day) and 6.6% subsist in extreme poverty (USD 2.17/day), unable to cover their daily food needs. The education attainment is low, with only 50% of 16-18 year olds enrolled and only 6% of all refugees having a university degree.

The Syrian conflict, as well as the issue of Palestine refugees in general, remains highly divisive in Lebanon.

2.2.1.2. National development policy

The Lebanese Prime Minister launched the "*Response of the Government of Lebanon to the Crisis of Syrian Displaced Families*" in December 2012. An inter-ministerial committee (IMC) headed by the Prime Minister was set up to implement the response plan with the Ministry of Social Affairs (MoSA) in charge of coordination. While the plan and the IMC were seen as the first official recognition of the urgency of the crisis and of the responsibility of the Government of Lebanon to address it, there has been limited follow up to the plan from the Government of Lebanon and the response has *de facto* been left for the UN system to deal with, with UNHCR in the lead, except for the area of Lebanese returnees covered by IOM and PRS which is under the mandate of UNRWA.

Since December 2012, the Government of Lebanon has participated in all the UN-led *Regional Response Plan* (RRP) exercises and over the summer of 2013 the Government of Lebanon requested the World Bank to lead an *Economic and Social*

*Impact Assessment (ESIA).*² Despite several encouragements, the Government of Lebanon has not yet developed a comprehensive response plan. A so-called "Stabilisation Roadmap"³ developed by the World Bank and the UN in October 2013 as a follow-up to the ESIA remains incomplete. In June 2014, the Ministry of Education and Higher Education adopted the first sector specific national response plan "Reaching all Children with Education in Lebanon" (RACE) covering the education sector. Other ministries are encouraged to produce similar plans.

Apart from the RRP, the needs of Palestine refugees are not included in the above documents. UNRWA is left with the overall responsibility to provide assistance and services to PRL as well as PRS. UNRWA needs have been outlined in a number of Syria Emergency Response Plans, the latest one issued in December 2013 and reviewed mid-year 2014.⁴

2.2.2. *Sector context: policies and challenges*

PRS Education

Since the beginning of the influx of PRS to Lebanon, UNRWA has recorded their arrival and offered PRS access to education and health services at equal terms as PRL. This has put additional strain on an already insufficient system. Since March 2013, the EU has financed the education of all PRS children enrolled in UNRWA schools – 7,340 children during the academic year 2013-14. The available funding will be exhausted by the end of December 2014. This action will allow the education of PRS children to continue until the end of the academic year 2015-16. While PRS children were initially put in separate classes in an effort to accommodate for integration difficulties caused by the differences in curriculum between Syria and Lebanon (UNRWA follows local curricula in all countries of activities), classes are now integrated mixing PRL and PRS in morning as well as afternoon shifts.

2.3. **Lessons learnt**

Already when the Syrian crisis began to have significant consequences for Lebanon in the summer of 2012, the EU recognised the need to upscale and accelerate its cooperation with Lebanon in order to respond to the growing needs of vulnerable Lebanese as well as the refugee population. As in previous crisis the EU adopted a two-step approach where medium to long term needs in local communities are addressed in parallel to emergency humanitarian assistance to refugees. This is done in order to help alleviate the pressure felt by local communities as well as to reduce the risk of confrontation and conflict.

The response has focused on i) support to Lebanese institutions in dealing with crisis; ii) support to local communities (livelihood and basic infrastructure); iii) education; and later iv) primary health care. All interventions are aligned with the priorities identified in the RRP which include contributions from the Government of Lebanon as well as UNRWA. Efforts have been made to implement actions directly through

² <http://documents.worldbank.org/curated/en/2013/09/18292074/lebanon-economic-social-impact-assessment-syrian-conflict>. Exercise conducted with assistance of two EU funded experts.

³ Lebanon Roadmap of Priority Interventions for Stabilization from the Syrian Conflict, World Bank, 12 October 2013.

⁴ <http://www.unrwa.org/resources/emergency-appeals/syria-emergency-appeal>.

the Government of Lebanon, but due procedural obstacles making it difficult to sign financing agreements directly with the Government and concerns about weak financial management as well as very limited implementation capacity, the assistance is mainly implemented through UN agencies (UNHCR, the United Nations Children's Fund (UNICEF), UNRWA) and NGOs. Nevertheless, substantial efforts are made – and will continue to be made - to ensure close coordination and increased involvement of the Government of Lebanon and local administrations in the response.

UN agencies, and in particular UNHCR, UNICEF and UNRWA are entrusted significant responsibility for the response to the crisis. They have proven ability to deliver assistance within the sensitive political context of Lebanon where the Government is less able to manoeuvre. Coordination between the UN agencies and the Government of Lebanon is assured both through regular technical working group meetings (including on education and on health) as well as regular bilateral meetings between the agencies and line ministries. While the political discourse can be critical of the international response to the crisis in Lebanon, at technical level cooperation is generally good.

Although having a smaller absorption capacity than UN agencies, both international and national NGOs have shown proactivity and ability to implement significant projects at a local scale. Following a number of calls for proposals, the EU Delegation has started negotiating direct contracts in order to ensure a swifter contracting and better coordinated interventions.

All responses to the crisis, including previous responses through the European Neighbourhood and Partnership Instrument (ENPI), have shown that the situation on the ground develops fast and often beyond projections made. For that reason, a large degree of flexibility will be required for any intervention addressing medium to long term needs in order to allow for an effective response to the evolving needs of the beneficiary populations.

This action to provide access to education for PRS comes in continuation of two previous actions with the same objectives and partner. Unlike previously, UNRWA has started to teach integrated classes, mixing Palestine refugees from Lebanon (PRL) and PRS in both morning and afternoon shifts. This is meant to improve integration among PRL and PRS children as well as spread the education resources more equally between the two shifts. In the past there have been significant fluctuations in the number of PRS in Lebanon. The action will have to adapt to changes in PRS numbers either by expanding the duration of the intervention in case of a decrease in numbers or by increasing the number of beneficiaries for a shorter implementation period in the event of a new massive influx of PRS.

2.4. Complementary actions

This action is complementary to the support already provided by the EU, certain EU Member States, other donor countries, international organisations and NGOs, to address the humanitarian and so-called 'stabilisation needs' caused by the conflict in Syria and the unprecedented influx of refugees to Lebanon.

In 2012 and 2013, the EU has allocated EUR 170.8 million for Lebanon through the European Neighbourhood Instrument (ENI) budget⁵ to address medium and long term needs in the areas of: education, reinforcing the capacities of the Lebanese authorities to deal with crisis, local community empowerment and support to Palestine Refugees from Syria (PRS). This includes two previous contributions to the education cost for PRS children in Lebanon (ref. below), which covers the costs until the end of December 2014 for 7,430 children. This action will allow for the continuation of education of these children until the end of the academic year 2014-2015.

Through the Instrument for Stability (IfS)⁶ the EU has allocated EUR 27.5 million to strengthen the public health sector and to support PRS. The EU's Humanitarian Aid and Civil Protection department (ECHO) has allocated EUR 172.3 million in emergency humanitarian assistance to Lebanon through UN agencies and European NGOs to meet basic needs of the refugee population.

Nine interventions are of particular relevance to this action:

- ***Support to areas affected by the influx of Syrian refugees to Lebanon***⁷ which allocated EUR 5 million through a contribution agreement with UNHCR to address medium and long term needs in the areas including capacity building of host country institutions to handle the crisis (ministerial and municipal level as well as civil society organisations) and education;
- ***Support to areas affected by the influx of Syrian refugees to Lebanon II***,⁸ which allocate EUR 10 million through contribution agreements with UNHCR and UNICEF, as well as a call for proposal, to address inter alia education; child protection; and capacity building of Lebanese institutions and structures;
- ***EU contribution to the 'Government of Lebanon Response Plan to the Syrian Crisis'***,⁹ which allocated EUR 36 million through contribution agreements with UNHCR, UNICEF and UNRWA as well as a call for proposal to address among other education, capacity building of Lebanese institutions, child care and **PRS education** and shelter;
- ***Support to enhance basic infrastructure and economic recovery in Lebanon***¹⁰, is a EUR 18 million programme to upgrade the provision of basic services and contribute to economic recovery, in particular to mitigate the impact of the Syrian crisis on Lebanon. It is implemented through international and national NGOs;
- ***EU Response to the Consequences of the Syrian Conflict in Lebanon***,¹¹ which allocated EUR 40 million through UNHCR, UNICEF and UNRWA to address education, including **PRS education**, and capacity building of Lebanese institutions;

⁵ Formerly ENPI.

⁶ Since 2014, the Instrument contributing to Stability and Peace (IcSP).

⁷ C(2012)3815 adopted on 7 June 2012.

⁸ C(2012)9360 adopted on 14 December 2012.

⁹ C(2013)2348 adopted on 18 April 2013.

¹⁰ C(2013)5680 adopted on 9 September 2013.

¹¹ C(2013)5678 adopted on 9 September 2013.

- ***Upgrading water supply facilities for communities in Lebanon affected by the consequences of the conflict in Syria***¹², which allocates EUR 14.8 million from ENPI to ensure that affected populations have access to adequate quantity of safe water and have means to store water safely;
- ***Recovery of local economies in Lebanon***¹³, which is a EUR 7 million intervention financed through funds from the Support for Partnership, Reform and Inclusive Growth (SPRING) programme. It aims to recover the local economies of communities particularly affected by the influx of refugees;
- ***Upgrading solid waste management capacities in the Bekaa and Akkar regions in Lebanon (SWAM)***¹⁴, which allocates EUR 14 million in SPRING funds to establish two new sanitary landfills in the Bekaa and Akkar regions. These facilities will be essential for a responsible treatment of solid waste, of which the quantity has drastically increased as the population in Lebanon has increased by more than a quarter since the beginning of the crisis;
- ***Conflict Reduction through Improving Health Care Services for the Vulnerable Population in Lebanon***¹⁵, which allocate EUR 20 million from the Instrument for Stability (IfS)¹⁶ to build the capacity in the public health sector to i) monitor and manage communicable diseases; ii) strengthen primary health care (with a focus on maternal and child health); and iii) increase access to chronic medication.

ECHO finances access to health care through NGOs and UN agencies that finance access to health services for individual refugees. Through IfS and ENPI funding focus is on building capacity in the existing Lebanese health infrastructure. Close coordination with humanitarian actors and especially with ECHO, EU Member States as well as the main national and international organisations involved in the response to the crisis is ongoing and will be maintained.

2.5. Donor coordination

UNRWA organises regular donor briefings and issues bi-monthly PRS updates. Furthermore, UNRWA participates in relevant working groups (WG) under the RRP process. Twelve coordination working groups (WG) have been established on various subjects including education, child protection, sexual and gender-based violence (SGBV), health, water, sanitation and hygiene (WASH), as well as social cohesion and livelihood. The WGs meet regularly both at central (Beirut) and regional level and are open to all parties involved in the sectors, including donors.¹⁷

Coordination between EU Member States is undertaken regularly in the EU Development Coordination Group meetings organised at the EU Delegation in Beirut. Broader donor coordination is undertaken on a regular basis in an informal donor group of EU Member States, Canada, Japan, Norway, Switzerland and USA

¹² C(2013)6371 adopted on 3 October 2013.

¹³ C(2014)2860 adopted on 25 April 2014.

¹⁴ C(2014)2860 adopted on 25 April 2014.

¹⁵ Instrument for Stability; programme reference IfS 2013/14.

¹⁶ Since 2014, the Instrument contributing to Stability and Peace (IcSP).

¹⁷ Information on the WGs, the calendar of meetings as well as minutes can be consulted on the UNHCR web-portal for the Syrian refugee crisis <http://data.unhcr.org/syrianrefugees/country.php?id=122>.

where exchange of information takes place and guest speakers are invited on occasion to brief on particular issues such as the so-called 'stabilisation agenda'.

3. DETAILED DESCRIPTION

3.1. Objectives

The **overall objective** is to contribute to supporting the most vulnerable population in Lebanon.

The **specific objective** is:

- to ensure access to education for Palestine Refugees from Syria (PRS) children.

3.2. Expected results and main activities

The expected result is:

Ensure access to education for Palestine Refugee from Syria (PRS) children.

Basic education for Palestine refugees in Lebanon is predominantly provided by UNRWA through its network of schools across the country. Since the influx of PRS began in 2012, UNRWA has opened its schools for PRS children. There are currently more than 7,500 PRS children enrolled for the 2014-2015 academic year. The additional burden for UNRWA of the additional students (staff¹⁸, rehabilitation, supplies, teachers training etc.) has since March 2013 been funded by the EU. The current funding will be exhausted by the end of December 2014. This action will allow UNRWA to cover the basic costs for education of the same number of children until the end of the academic year 2014-2015. The additional support will be essential for relieving the sector of some of the pressure exerted on it by the substantial increase in student numbers. In addition to educational benefits of offering schooling for PRS children, the psychosocial and protection benefits of participating in educational activities should not be underestimated.

Main activities may include:

- Improved access to education;
- Improved quality of education;
- Provision of basic educational supplies and equipment;
- Running costs for additional shifts.

3.3. Risks and assumptions

It is widely expected that the Syrian crisis will be protracted and that the influx of Syrian refugees to Lebanon will continue although possibly at a slower rate. In light of the unpredictability of the political and security situation in Syria, the project will

¹⁸

Teachers, attendants, clerks, counselors, education specialists and assistants.

need to maintain a high degree of flexibility in order to be able to adapt to an evolving context.

Risks include:

- The Syrian conflict could further spill-over into Lebanon. This could jeopardise the project and cut off access to Lebanese territory for international organisations and implementing partners;
- The Lebanese authorities will be hampered in dealing with the crisis due to political constraints and limitations on capacities and resources;
- Tensions between Lebanese, PRL, Syrian refugees and PRS lead to violence in one or several locations;
- Conflict within Palestine refugee camps disrupt service delivery;
- Further restrictions on the presence of PRS introduced in Lebanon including deportation of PRS that have overstayed their one year visas;
- Increased demand for public services and lack of financing leads to a collapse of certain public services;
- Some actors in the international community (state and non-state actors) could provide interventions outside the established coordination mechanisms, which could lead to cases of duplication of support;
- Return of refugees to Syria due to end of conflict and improvement of living conditions in the country (positive "risk").

Mitigating measures include:

- In case of a severe deterioration of the security situation in certain areas of Lebanon either due to a further spill-over of the Syrian conflict into Lebanon or violent tensions between refugees and hosts, the activities of the intervention would be moved to areas deemed safe. In case of a severe deterioration of the security situation in the entire Lebanese territory, the intervention might have to be halted until the situation improves;
- In case of further political constraints for the Lebanese authorities in responding to the needs of the populations living in Lebanon or in case of a partial or complete collapse of public services delivery, basic public services could be continued through local authorities as well as local NGOs and civil society organisations;
- In case of further restrictions on the presence of PRS in Lebanon coordinated demarches by the international community could be mobilised in order to encourage the Lebanese authorities to tolerate the stay of at least the PRS already in the country until the situation in Syria is sufficiently safe for the individuals to return;

- The risk of duplication of support is to be mitigated through continued and active participation in donor coordination for a as well as pro-active outreach to non-traditional donors;
- In case of an end to the violence in Syria and a substantial return of Syrian refugees the activities can continue as foreseen as the needs of the most vulnerable communities in Lebanon for improved public services are believed to persist.

3.4. Cross-cutting issues

During implementation of the intervention it will be ensured that all financed initiatives respect principles in particular human rights, gender equality, good governance and environmental impact as core elements. Conflict sensitivity, conflict mitigation and conflict resolution will also be considered and promoted to the furthest possible extent.

3.5. Stakeholders

Main stakeholders such as ministries, NGOs, local authorities and UN agencies (UNRWA, UNICEF) have been consulted during the preparatory period to identify needs.

The direct beneficiaries include PRS families benefiting from improved access to education for their children, as well as PRL families whose children will benefit from a reduced pressure on the UNRWA educational structures they themselves rely on for their children's education:

- School-age children;
- UNRWA school teachers;
- UNRWA school administrators;
- Parents of school age children; and
- UNRWA.

Indirect beneficiaries include the general PRL, PRS and Lebanese population as increased support for the education of PRS children will alleviate pressure on UNRWA finances and services and reduce the risk of tension and conflict caused by lack of access to basic services.

4. IMPLEMENTATION ISSUES

4.1. Financing agreement

In order to implement this action, it is not foreseen to conclude a financing agreement with the partner country, referred to in Article 184(2)(b) of Regulation (EU, Euratom) No 966/2012.

4.2. Indicative operational implementation period

The indicative operational implementation period of this action, during which the activities described in sections 3.2. and 4.3. will be carried out, is **30** months from the adoption of this Action Document, subject to modifications to be agreed by the responsible authorising officer in the relevant agreements. The European Parliament and the relevant Committee shall be informed of the extension of the operational implementation period within one month of that extension being granted.

4.3. Implementation components and modules

4.3.1. *Grant: direct award (direct management) with UNRWA*

- (a) Objectives of the grant, fields of intervention, priorities of the year and expected results

As referred to in section 3.2, the objective of the grants will be to ensure access to education for Palestine Refugee from Syria (PRS) children in Lebanon.

- (b) Justification of a direct grant

Under the responsibility of the authorising officer by delegation, the grant may be awarded without a call for proposals to UNRWA.

Under the responsibility of the authorising officer by delegation, the recourse to an award of a grant without a call for proposals is justified because Lebanon has been declared to be in a under the declared crisis situation in Lebanon as per Article 190(1)(a) of Commission Delegated Regulation (EU) No 1268/2012.

This arrangement in a crisis situation takes account of the urgency of providing continuing support and allows for the best possible targeting and complementarity with other EU funded interventions UNRWA is already executing with the same objectives for the preceding period.

- (c) Eligibility conditions

In order to be eligible for a grant, potential beneficiaries should comply with the following non-exhaustive conditions:

- be a legal person, and
- be non-profit-making, and
- be a specific type of organisation such as: non-governmental organisation, public sector operator, local authority, international (inter-governmental) organisation as defined by Article 43 of the Rules of Application of the EU Financial Regulation, and
- be established in a Member State of the European Union, or in another country eligible according to Regulation (EU) No 232/2014 ("ENI Regulation"). This obligation does not apply to international organisations.

- (d) Essential selection and award criteria

The essential selection criteria are financial and operational capacity of the applicant.

The essential award criteria are relevance of the proposed action to the objectives of the programme; design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

(e) Maximum rate of co-financing

The maximum possible rate of co-financing for this grant is 100%.

The maximum possible rate of co-financing may be up to 100 % in accordance with Articles 192 of Regulation (EU, Euratom) No 966/2012 if full funding is essential for the action to be carried out. The essentiality of full funding will be justified by the responsible authorising officer in the award decision, in respect of the principles of equal treatment and sound financial management.

(f) Indicative trimester to contact the potential direct grant beneficiary

First trimester of 2015.

(g) Exception to the non-retroactivity of costs

The Commission authorises the eligibility of costs prior to the submission of the grant application as of 1 September 2014.

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 shall apply.

The responsible authorising officer may extend the geographical eligibility in accordance with Article 9(2, b) of Regulation (EU) No 236/2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

4.5. Indicative budget

Module	Amount in EUR thousands	Third party contribution (indicative, where known)
4.3.1. – Direct grant with UNRWA	1,500	0
Total amount	1,500	

4.6. Performance monitoring

The performance of the project will be closely monitored by the project implementing bodies (UNRWA). Appropriate reporting and reviewing measures will be built into each contract/agreement to ensure close follow-up on part of the

Commission. The Commission reserves the right to carry out on-the-spot and monitoring missions as needed.

External results oriented monitoring missions may also be carried out by the Commission.

4.7. Evaluation and audit

Without prejudice to the obligations applicable to contracts/agreements signed for the implementation of this project, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

These audit/verification costs will be financed from sources outside the budget of this project.

This action will be evaluated as part of the overall response of the EU Delegation to the current crisis in Lebanon with funding from other related programmes.

4.8. Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated before the start of implementation and supported with the budget indicated in section 4.5 above.

The measures shall be implemented either (a) by the Commission, and/or (b) by the partner country, contractors, grant beneficiaries and entrusted entities. Appropriate contractual obligations shall be included in, respectively, financing agreements, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

Through the contracting of a communication company the EU Delegation will ensure appropriate and adequate visibility and communication for the EU response to the implications of the Syrian crisis for Lebanon. The contract will be included under the programme “Access to basic services for the vulnerable population in Lebanon– Education & Health (ABS-EH)”, which is also part of this financing Decision and will encompass all the related programmes, allowing coordinated messaging, consistent branding and economies of scale. An important budget will be allocated to ensure communication both to local and European audiences and that the various components of the EU's multi-sectorial response can be covered sufficiently.

ANNEX 3

of the Commission Implementing Decision on the 2014 special measure in favour of Lebanon for the Syria crisis to be financed from the general budget of the European Union

Action Document for Access to basic services for the vulnerable population in Lebanon – Economic recovery and basic infrastructures (ABS-ECOINF)

1. IDENTIFICATION

Title/Number	Access to basic services for the vulnerable population in Lebanon – Economic recovery and basic infrastructures (ABS-ECOINF) CRIS number: ENI/2014/037-715		
Total cost	Total estimated cost: EUR 15,000,000 Total amount of EU budget contribution EUR 15,000,000.		
Aid method / Management mode and type of financing	Project Approach Direct management –grants – direct award		
DAC-code	14050	Sector	Waste management / disposal
	14030		Basic drinking water supply and basic sanitation
	31140		Agricultural water resources
	73010		Reconstruction relief and rehabilitation

2. RATIONALE AND CONTEXT

2.1. Summary of the action and its objectives

The action aims at improving the overall efficiency and effectiveness of basic services provided to the Lebanese host communities affected by the influx of Syrian refugees. The action will directly contribute to alleviating the short- and medium term development needs in those areas in Lebanon which are most affected by the impact of Syrian refugees. This project will achieve its objective by enhancing basic public infrastructure and of income generating opportunities.

It aims to build capacity of existing Lebanese institutions, organisations and structures to deal with the repercussions of the Syrian crisis for Lebanon and to empower local communities socially and economically by ensuring sufficient access to services for the most vulnerable. The activities under the action are aligned with

priorities identified through structured dialogues held with broad groups of civil society organisations and local administrations.

The action will be designed to respond to the deterioration in access to basic goods and services for the most vulnerable in the country as a consequence of the influx of 1,176,971 refugees from Syria.¹ Vulnerable people will include Lebanese as well as refugees, but the avenue for support will be through strengthening of existing Lebanese structures such as local authorities, water establishments and civil society to assist the country to cope with the unprecedented and continuously growing pressure it and its population are experiencing since 2012.

The action will be aligned with priorities in the Government of Lebanon response plan to the consequences of the influx of refugees from Syria integrated in the international response as part of the United Nations High Commissioner for Refugees (UNHCR) led Regional Response Plans (RRP).

2.2. Context

Lebanon has so far been the main recipient country of refugees from Syria with 1,176,971 Syrian refugees registered or awaiting registration with UNHCR (29 August 2014) in addition to approximately 42,000 Palestine Refugees from Syria (PRS) recorded with the United Nations Relief and Works Agency (UNRWA) in Lebanon. Finally, there is an estimated 17,500 so-called 'Lebanese returnees' according to the International Organization for Migration (IOM). As some refugees are hesitant to register and as others still rely on own resources, the actual number of Syrian refugees is certain to be even higher.

There are now refugees from Syria in all parts of the country, spread across more than 1,600 locations. The concentration remains highest in the Bekaa Valley (36.6%) followed by Beirut and Mount Lebanon (27.0%), the North including the city of Tripoli, (24.7%) and finally the South (11.6%).² The influx of refugees represents an increase of the population by more than 25%. Some of the most affected localities have even experienced population increases of 50-100%.

The influx of refugees from Syria continues with a net increase of around 30-40,000 additional registrations per month.

2.2.1. Country context

2.2.1.1. Economic and social situation and poverty analysis

Lebanon's macroeconomic situation is deteriorating as a consequence of domestic and regional events, including the Syrian conflict and the ensuing refugee crisis. The influx of refugees is having a number of effects: strains on education, health and other infrastructure, fiscal costs, increasing poverty and unemployment levels, and pressures on the labour market. Economic growth remains positive but subdued, at less than 2% in 2014. The fiscal deficit is on an increasing trend (more than 11% of gross domestic product (GDP) in 2014), putting the government debt-over-GDP ratio (already one of the highest in the world at 141% of GDP in 2013) on an upward

¹ Refugee population as of 29 August 2014, UNHCR, <http://data.unhcr.org/syrianrefugees>.

² UNHCR, <http://data.unhcr.org/syrianrefugees/regional.php>.

trend. The current account deficit also remains at high levels (13% of GDP in 2013). The crisis has emphasised previously existing vulnerabilities and increased risks, pushing Lebanon's resilience to its limits.

Lebanon is characterised by regional socio-economic disparities with almost 30% of the population living under the poverty line and 8% under the extreme poverty line. Due to the absence of a modern legal framework on decentralisation, a lack of appropriate human and financial capacities and a non-performing fiscal system the quality and accessibility of public services is often quite low.

Even before the influx of refugees, access to resources and basic services was limited in many - especially poorer - areas. Often the refugee pressure has been the highest in the poorest communities of the country. After having hosted refugees, often for more than three years, the resources of these communities are stretched to the limit, increasing the risk of tension and conflict.

The Syrian conflict remains highly divisive in Lebanon and some groups are actively engaged in the conflict across the border, despite the official "disassociation policy" adopted in 2012 with the so-called Baabda Declaration, which meant to isolate Lebanon from the conflict.

2.2.1.2. National development policy

The Lebanese Prime Minister launched the "*Response of the Government of Lebanon to the Crisis of Syrian Displaced Families*" in December 2012. An inter-ministerial committee (IMC) headed by the Prime Minister was set up to implement the response plan with the Ministry of Social Affairs (MoSA) in charge of coordination. While the plan and the IMC were seen as the first official recognition of the urgency of the crisis and of the responsibility of the Government of Lebanon to address it, there has been limited follow up to the plan from the Government of Lebanon and the response has *de facto* been left for the UN system to deal with, with UNHCR in the lead. Since December 2012, it has participated in all the UN-led *Regional Response Plan* (RRP) exercises and over the summer of 2013 the Government of Lebanon requested the World Bank to lead an *Economic and Social Impact Assessment* (ESIA).³ Despite several encouragements, the Government of Lebanon has not yet developed a comprehensive response plan. A so-called "Stabilisation Roadmap"⁴ developed by the World Bank and the UN in October 2013 as a follow-up to the ESIA remains incomplete.

2.2.2. Sector context: policies and challenges

Lebanese infrastructures for solid waste disposal, wastewater management and water supply, already showing substantial weaknesses, are even more under pressure due to the number of users, increasing every day.

Most refugees have moved into the communities in Lebanon that were the least developed before the crisis due to lower living costs and perceived employment

³ <http://documents.worldbank.org/curated/en/2013/09/18292074/lebanon-economic-social-impact-assessment-syrian-conflict>. Exercise conducted with assistance of two EU funded experts.

⁴ Lebanon Roadmap of Priority Interventions for Stabilization from the Syrian Conflict, World Bank, 12 October 2013

opportunities, especially in agriculture, construction or unskilled labour. The increased pressures on public infrastructure (water, sanitation) as well as on labour opportunities are sources of increasing tension. Improving local infrastructures, in close cooperation with local or national authorities, will improve the delivery of basic services, provide relief to local communities under pressure, create additional employment opportunities as well as improve the use of natural resources and improve the environmental situation in Lebanon.

The local authorities (municipalities and unions of municipalities) and national authorities (Ministry of Energy and Water and the Regional Water Establishments) will be consulted and will coordinate the activities through regular monitoring. Memorandum of agreements will be signed between these Lebanese institutions, the civil society implementing the action and the contractors to address the needs of the population, to secure a real appropriation during the implementation and the sustainability once the action is finished.

Already before the current crisis, Lebanese infrastructures for solid waste disposal, wastewater management and water supply showed substantial weaknesses. This has only increased under the additional pressure due to the increased number of users following the refugee influx. The ESIA identifies requirements for up to USD 535 million for local infrastructure for the period 2012-2014 to cope with additional needs in the water, sanitation, solid waste management and municipal service sectors. In terms of livelihoods and employment the ESIA paint a concerning picture of an additional 220,000-324,000 Lebanese expected to become unemployed as a consequence of the crisis and the lower salaries accepted by refugees. To reduce the risk of tension and to support the resilience and social cohesion in most affected areas efforts to empower local communities through employment and income generating activities are essential.

As underlined in the Lebanese Response Plan, a number of socio-economic assessments have determined that the burden of the Syrian crisis has fallen acutely on host communities in Lebanon. Many of them have been cut off from their traditional sources of affordable goods or services and economic opportunities due to the conflict situation in Syria. This adds to already limited basic infrastructure, social services and employment opportunities. The Government of Lebanon, the International community and the EU have agreed to support these communities.

2.3. Lessons learnt

Already when the Syrian crisis began to have significant consequences for Lebanon in the summer of 2012, the EU recognised the need to upscale and accelerate its cooperation with Lebanon in order to respond to the growing needs of vulnerable Lebanese as well as the refugee population. As in previous crises the EU adopted a two-step approach where medium to long term needs in local communities are addressed in parallel to emergency humanitarian assistance to refugees. This is done in order to help alleviate the pressure felt by local communities as well as to reduce the risk of confrontation and conflict.

The response has focused on i) support to Lebanese institutions in dealing with crisis; ii) support to local communities (livelihood and basic infrastructure); iii) education; and later iv) primary health care. All interventions are aligned with the priorities identified in the RRP which include contributions from the Government of

Lebanon. Efforts have been made to implement directly through the Government of Lebanon, but due procedural obstacles making it difficult to sign financing agreements directly with the Government and concerns about weak financial management as well as very limited implementation capacity, the assistance is mainly implemented through UN agencies (UNHCR, the United Nations Children's Fund - UNICEF, UNRWA) and NGOs. Nevertheless, substantial efforts are made – and will continue to be made - to ensure close coordination and increased involvement of the Government of Lebanon and local administrations in the response.

Although having a smaller absorption capacity than UN agencies, both international and national NGOs have shown proactivity and ability to implement significant projects at a local scale. Following a number of calls for proposals, the EU Delegation has started negotiating direct contracts in order to ensure a swifter contracting and better coordinated interventions.

The importance of the local dimension of development is now widely recognised as a consensus that local governance can make public institutions more effective in meeting citizens' needs has taken a more leading role. Local governance aims to ensure that local authorities address issues more effectively at the local and municipal level. Municipalities and/or Union of Municipalities and their councils playing an important role in regional and local development achieve better goals through accountability and responsiveness to the needs and rights of their constituents. It is within this context that the European Union actively supports in Lebanon local authorities by strengthening their ability to carry out their tasks of public service as well as help carry out projects successfully.

In Lebanon, the EU has been implementing a longstanding cooperation supporting balanced regional development, poverty reduction, local governance and capacity building. By mid-2014 and through various instruments⁵, the EU is currently funding around 80 contracts with municipalities or Union of municipalities for a total amount of EUR 60 million. The EU intervenes in all Mohafazat, 19 Cazas and 260 municipalities.

The EU has developed a very strong partnership with those local institutions. The EU can also capitalise on some EU funded projects, such as ESFD (*Economic and Social Fund for Development*), who became through the last years, one of the main public implementing body as far as local development is concerned.

All responses to the crisis, including previous responses through the European Neighbourhood and Partnership Instrument (ENPI), have shown that the situation on the ground develops fast and often beyond projections made. For that reason, a large degree of flexibility will be required for any intervention addressing medium to long term needs in order to allow for an effective response to the evolving needs of the beneficiary populations.

⁵ Including bilateral funds under the European Neighbourhood and Partnership Instrument and thematic budget lines

2.4. Complementary actions

This action is complementary to the support already provided by the EU, certain EU Member States, other donor countries, international organisations and NGOs, to address the humanitarian and so-called 'stabilisation needs' caused by the conflict in Syria and the unprecedented influx of refugees to Lebanon.

In particular, the World Bank and the Government of Lebanon have established a multi donor trust fund to support the Lebanese society against the repercussions of the Syrian crisis. The guiding principle of the support package, the "Lebanon Roadmap of Priority Interventions for Stabilization from the Syrian Conflict", contains several projects in the fields of health, education, infrastructure and water and sanitation, in particular the component 1 "Emergency Response" – which will finance the provision of high priority municipal services and the component 2 "Rehabilitation of Critical Infrastructure" which will finance larger works to rehabilitate and/or develop critical infrastructure at the local level".

The complementarity of the proposed action will mainly concern (i) the nature of the financed actions and (ii) geographical areas of intervention (this new programme focusing on zones where basic infrastructure and socio-economic needs have not been addressed yet by the Government or by the international community). Numbers of supported vulnerable populations will increase, which shall contribute to enhance their resilience, thereby mitigating the risks of tensions and conflicts at community levels. In 2012 and 2013, the EU has allocated EUR 170.8 million for Lebanon through the European Neighbourhood Partnership Instrument (ENPI) budget to address medium and long term needs in the areas of: education, reinforcing the capacities of the Lebanese authorities to deal with crisis, local community empowerment and support to Palestine Refugees from Syria (PRS).

Through the Instrument for Stability (IfS)⁶ the EU has allocated EUR 27.5 million to strengthen the public health sector and to support PRS. The EU Humanitarian Aid and Civil Protection department (ECHO) has allocated EUR 172.3 million in emergency humanitarian assistance to Lebanon through UN agencies and European NGOs to meet basic needs of the refugee population.

Five interventions are of particular relevance to this action:

- ***EU contribution to the 'Government of Lebanon Response Plan to the Syrian Crisis'***,⁷ which allocated EUR 36 million through contribution agreements and a call for proposal to address among other education, capacity building of Lebanese institutions and child care;
- ***Support to enhance basic infrastructure and economic recovery in Lebanon***⁸, is a EUR 18 million programme to upgrade the provision of basic services and contribute to economic recovery, in particular to mitigate the impact of the Syrian crisis on Lebanon. It is implemented through international and national NGOs;

⁶ Since 2014, the Instrument contributing to Stability and Peace (IcSP).

⁷ C(2013)2348 adopted on 18 April 2013.

⁸ C(2013)5680 adopted on 9 September 2013.

- ***Upgrading water supply facilities for communities in Lebanon affected by the consequences of the conflict in Syria***⁹, which allocates EUR 14.8 million from ENPI to ensure that affected populations have access to adequate quantity of safe water and have means to store water safely;
- ***Recovery of local economies in Lebanon***¹⁰, which is a EUR 7 million intervention financed through funds from the Support for Partnership, Reform and Inclusive Growth (SPRING) programme. It aims to recover the local economies of communities particularly affected by the influx of refugees;
- ***Upgrading solid waste management capacities in the Bekaa and Akkar regions in Lebanon (SWAM)***¹¹, which allocates EUR 14 million in SPRING funds to establish two new sanitary landfills in the Bekaa and Akkar regions. These facilities will be essential for a responsible treatment of solid waste, of which the quantity has drastically increased as the population in Lebanon has increased by more than a quarter since the beginning of the crisis.

ECHO finances access to health care through NGOs and UN agencies that finance access to health services for individual refugees. Through IfS and ENPI funding focuses on building capacity in the existing Lebanese health infrastructure. Close coordination with humanitarian actors and especially with ECHO, EU Member States - France has launched a EUR 2.5 million project very similar to this action proposed with some of those NGO's - as well as the main national and international organisations involved in the response to the crisis is ongoing and will be maintained.

The local technical assistance mobilised for the "*Support to enhance basic infrastructure and economic recovery in Lebanon*" – EUR 18 million – will be also involved in the preparation on the actions as well as the current technical assistance to the Ministry of Energy and Water provided under the SISSAF project (*Support programme to infrastructure sector strategy and alternative financing*).

The EU Delegation will also organise at the local level the coordination through regular monitoring and meetings will all the stakeholders.

2.5. Donor coordination

Under the RRP process, 12 coordination working groups (WG) have been established on various subjects including education, child protection, sexual and gender-based violence (SGBV), health, water, sanitation and hygiene (WASH), as well as social cohesion and livelihood. The WGs meet regularly both at central (Beirut) and regional level and are open to all parties involved in the sectors, including donors.¹²

Coordination between EU Member States is undertaken regularly in the EU Development Coordination Group meetings organised at the EU Delegation in

⁹ C(2013)6371 adopted on 3 October 2013.

¹⁰ C(2014)2860 adopted on 25 April 2014.

¹¹ C(2014)2860 adopted on 25 April 2014.

¹² Information on the WGs, the calendar of meetings as well as minutes can be consulted on the UNHCR web-portal for the Syrian refugee crisis <http://data.unhcr.org/syrianrefugees/country.php?id=122>.

Beirut. Broader donor coordination is undertaken on a regular basis in an informal donor group of EU Member States, Canada, Japan, Norway, Switzerland and USA where exchange of information takes place and guest speakers are invited on occasion to brief on particular issues such as the so-called 'stabilisation agenda'.

3. DETAILED DESCRIPTION

3.1. Objectives

The **overall objective** is to contribute to supporting the most vulnerable population in Lebanon.

The **specific objectives** of this project are:

- To improve infrastructure at local level in areas most affected by the influx of Syrian refugees;
- To support economic recovery, income generating initiatives job creation and social activities.

3.2. Expected results and main activities

The strategy of this programme (in line with the Lebanese Response Plan) will focus on:

- improving and expanding essential services to the most affected communities by increasing adequate sanitation and clean water supply and providing better livelihoods opportunities;
- supporting the resilience and social cohesion of displaced and host communities by mobilising and empowering them through employment and income generating activities.

The following **indicative results** are expected in the frame of this programme:

a) The provision of basic services is improved:

- The number of persons benefitting from a clean environment with effective means to dispose of solid waste will have increased;
- Vulnerable people will have improved access to potable water and improved sanitation infrastructure and their health conditions will be improved.

b) Local socio-economic development is recovering and more jobs are being created:

- Low skilled workers will have improved access to the labour market;
- The average household income of refugees and Lebanese host communities' households will have increased in the short-term;
- Income generation, employment and market creation will be enhanced.

The expected results will be achieved through grant projects in the following areas:

- basic infrastructure (construction/rehabilitation of solid waste disposal facilities, water and sanitation infrastructure);
- Income generating activities and support to small and medium enterprises (SME) and other economic actors for promoting communal socio-economic development.

Main activities may include:

- Rapid participatory assessment, prepared by the NGO, in the targeted communities. The communities will be targeted based on exposure to the crisis and their capacity to cope with it (number of refugees within the community, needs, capacities and potential to implement and sustain the activities foreseen);
- Under the coordination of the Water Establishments and "on behalf" of the local authorities, design, tender, implementation and supervision of some rehabilitations of the water and sanitation networks in the targeted areas;
- Implementation of agricultural infrastructure projects that will improve irrigation distribution;
- Implementation of agricultural infrastructure projects that will improve the quality of water;
- Dissemination of useful and practical information related to agricultural and economic activities including, for example, the sustainable use and application of seeds, fertilisers (organic and inorganic), pesticides as part of integrated pest management, improved cultural practices and livestock;
- In coordination with the regional water establishments, support to water users' associations or community based associations (capacity building, trainings);
- Referral to ESFD Job creation component for business advisory services, designing business plans, preparing loan applications, and possibly supporting the submission of loan applications to ESFD partner commercial banks.

NGOs and the civil society in Lebanon, which shall represent the main beneficiaries of the grants, have the capacity to develop and implement such large economic recovery and social-service oriented actions.

3.3. Risks and assumptions

It is widely expected that the Syrian crisis will be protracted and that the influx of Syrian refugees to Lebanon will continue although possibly at a slower rate. In light of the unpredictability of the political and security situation in Syria, the project will need to maintain a high degree of flexibility in order to be able to adapt to an evolving context.

Risks include:

- The Syrian conflict could further spill-over into Lebanon. This could jeopardise the project and cut off access to Lebanese territory for international organisations and implementing partners;

- The Lebanese authorities will be hampered in dealing with the crisis due to political constraints and limitations on capacities and resources;
- Tensions between Lebanese hosts and refugees from Syria lead to violence in one or several locations;
- Increased demand for public services and lack of financing leads to a collapse of certain public services;
- Some actors in the international community (state and non-state actors) could provide interventions outside the established coordination mechanisms, which could lead to cases of duplication of support;
- Return of refugees to Syria due to end of conflict and improvement of living conditions in the country (positive "risk").

Mitigating measures include:

- In case of a severe deterioration of the security situation in certain areas of Lebanon either due to a further spill-over of the Syrian conflict into Lebanon or violent tensions between refugees and hosts, the activities of the intervention would be moved to areas deemed safe. In case of a severe deterioration of the security situation in the entire Lebanese territory, the intervention might have to be halted until the situation improves;
- In case of further political constraints for the Lebanese authorities in responding to the needs of the populations living in Lebanon or in case of a partial or complete collapse of public services delivery, basic public services could be continued through local authorities as well as local NGOs and civil society organisations;
- The risk of duplication of support is to be mitigated through continued and active participation in donor coordination for a as well as pro-active outreach to non-traditional donors;
- In case of an end to the violence in Syria and a substantial return of Syrian refugees the activities can continue as foreseen as the needs of the most vulnerable communities in Lebanon for improved public services are believed to persist.

3.4. Cross-cutting issues

During implementation of the intervention it will be ensured that all financed initiatives respect principles in particular human rights, gender equality, good governance and environmental impact as core elements. Conflict sensitivity, conflict mitigation and conflict resolution will also be considered and promoted to the furthest possible extent.

3.5. Stakeholders

Main stakeholders such as ministries, NGOs, local authorities and UN agencies have been consulted during the preparatory period to identify needs.

The direct beneficiaries include vulnerable populations in Lebanon benefiting from improved access to public services, irrespective of nationality and gender, as well as public service providers and institutions.

The main public institutions concerned by this intervention are the members of the Inter-Ministerial Committee (IMC) set up by the Prime Minister of Lebanon for in connection with the first Government of Lebanon Response Plan in December 2012.

Others include municipalities, unions of municipalities and local water establishments.

Indirect beneficiaries include the general Lebanese population as increased support for the most vulnerable communities will alleviate pressure on public finances and reduce the risk of tension and conflict caused by lack of access to basic services.

4. IMPLEMENTATION ISSUES

4.1. Financing agreement

In order to implement this action, it is not foreseen to conclude a financing agreement with the partner country, referred to in Article 184(2)(b) of Regulation (EU, Euratom) No 966/2012.

4.2. Indicative operational implementation period

The indicative operational implementation period of this action, during which the activities described in sections 3.2. and 4.3. will be carried out, is 48 months from the adoption of this Action Document, subject to modifications to be agreed by the responsible authorising officer in the relevant agreements. The European Parliament and the relevant Committee shall be informed of the extension of the operational implementation period within one month of that extension being granted.

4.3. Implementation components and modules

4.3.1. Grant: direct award (direct management) with NGOs, INGOs and water establishments to be determined.

- (a) Objectives of the grant, fields of intervention, priorities of the year and expected results

As referred to in section 3.2, the objectives of the grants will be to improve the provision of basic services (construction/rehabilitation of solid waste disposal facilities, water and sanitation infrastructure) and to contribute to the creation of income generating activities and support to SMEs and other economic actors for promoting communal socio-economic development.

- (b) Justification of a direct grant

Under the responsibility of the authorising officer by delegation, the grant may be awarded without a call for proposals to NGOs, INGOs and/or local authorities based on a thorough analysis of potential partners. Direct award will be used in particular to

ensure that interventions are well aligned and sufficiently involve local authorities such as municipalities and water establishments.

Under the responsibility of the authorising officer by delegation, the recourse to an award of a grant without a call for proposals is justified because Lebanon has been declared to be in a under the declared crisis situation in Lebanon as per Article 190(1)(a) of Commission Delegated Regulation (EU) No 1268/2012.

This arrangement in a crisis situation takes account of the urgency of providing continuing support and allows for the best possible targeting and complementarity between interventions can be ensured. The use of such flexible procedures will be made in strict compliance with the applicable rules for external actions.

(c) Eligibility conditions

In order to be eligible for a grant, potential beneficiaries should comply with the following non-exhaustive conditions:

- be a legal person, and
- be non-profit-making, and
- be a specific type of organisation such as: non-governmental organisation, public sector operator, local authority, international (inter-governmental) organisation as defined by Article 43 of the Rules of Application of the EU Financial Regulation, and
- be established in a Member State of the European Union, or in another country eligible according to Regulation (EU) No 232/2014 ("ENI Regulation"). This obligation does not apply to international organisations.

(d) Essential selection and award criteria

The essential selection criteria are financial and operational capacity of the applicant.

The essential award criteria are relevance of the proposed action to the objectives of the programme; design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

(e) Maximum rate of co-financing

The maximum possible rate of co-financing for this grant is 90%.

The maximum possible rate of co-financing may be up to 100% in accordance with Article 192 of Regulation (EU, Euratom) No 966/2012 if full funding is essential for the action to be carried out. The essentiality of full funding will be justified by the responsible authorising officer in the award decision, in respect of the principles of equal treatment and sound financial management.

(f) Indicative trimester to contact the potential direct grant beneficiaries

First semester of 2015.

- (g) Exception to the non-retroactivity of costs

The Commission does not authorise the eligibility of costs prior to the submission of the grant application.

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 shall apply.

The responsible authorising officer may extend the geographical eligibility in accordance with Article 9(2, b) of Regulation (EU) No 236/2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

4.5. Indicative budget

Module	Amount in EUR thousands	Third party contribution (indicative, where known)
4.3.2. – Direct grant (direct management)	14,900	N.A.
4.7. – Evaluation	100	N.A.
Total	15,000	N.A.

4.6. Performance monitoring

The performance of the project will be closely monitored by the project implementing bodies (NGOs, local authorities). Appropriate reporting and reviewing measures will be built into each contract/agreement to ensure close follow-up on part of the Commission. The Commission reserves the right to carry out on-the-spot and monitoring missions as needed.

External results oriented monitoring missions may also be carried out by the Commission.

4.7. Evaluation and audit

The project may be subject to mid-term and final evaluations.

Without prejudice to the obligations applicable to contracts/agreements signed for the implementation of this project, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

These audit costs will be financed from sources outside the budget of this project.

4.8. Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action.

The measures shall be implemented either (a) by the Commission, and/or (b) by the partner country, contractors, grant beneficiaries and entrusted entities. Appropriate contractual obligations shall be included in, respectively, financing agreements, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

The contracting of a communication company is foreseen under the programme “Access to basic services for the vulnerable population in Lebanon– Education & Health (ABS-EH)”, which is also part of this financing Decision, and will encompass all the related programmes, allowing coordinated messaging, consistent branding and economies of scale. An important budget will be allocated to ensure communication both to local and European audiences and that the various components of the EU's multi-sectorial response can be covered sufficiently.