



European
Commission



European Neighbourhood and Partnership Instrument

2007-2013

*Overview of
Activities and Results*

*Development
and Cooperation
- EuropeAid*



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List of abbreviations

AFD	Agence française de développement	ESI	European Studies Institute	PFM	Public Financial Management
AAP	Annual Action Programme	ETC	European Territorial Cooperation	PPP	Private-Public Partnership
ALF	Anna Lindh Foundation	EU	European Union	PRDP	Pilot Regional Development Programme
CBC	Cross-Border Cooperation	EUBAM	EU Border Assistance Mission between Ukraine and Moldova	P3A	Programme Support to the Implementation of the Algeria-EU Association Agreement
CDA	Constitutional Drafting Assembly	EUROMED	Euro-Mediterranean Partnership	P4M	EU-Russia Partnership for Modernization
CIB	Comprehensive Institution Building	ESP	Eastern Europe Energy Efficiency and Environmental Partnership	SAROL	Security and Rule of Law programme (Lebanon)
CoE	Council of Europe	FAC	Foreign Affairs Council	SBC	State-Building Contract
CSF	Civil Society Facility	GIT	Geographic Information Technology	SIGMA	Support for Improvement in Governance and Management
CSO	Civil Society Organisation	GGDC	Good Governance and Development Contract	SME	Small and Medium Enterprises
CSP	Country Strategy Paper	KfW	Kreditanstalt für Wiederaufbau (German Reconstruction Credit Institute)	SPRING	Support for Partnership, Reforms and Inclusive Growth
DCFTA	Deep and Comprehensive Free Trade Agreement	IDP	Internally Displaced People	SRC	Sector Reform Contract
DCI	Development Cooperation Instrument	IRP	Institutional Reform Plan	TACIS	Technical Aid to the Commonwealth of Independent States
EaP	Eastern Partnership	ISPA	Institut supérieur de la profession avocat (Institute for lawyers)	TAIEX	Technical Assistance and Information Exchange
EaPIC	Eastern Partnership Integration and Cooperation (programme)	MS	Member State	TEMPUS	Trans-European Mobility Programme for University Studies
EBRD	European Bank for Reconstruction and Development	NGO	Non-Governmental Organisation	TEN-T	Trans-European Transport Network
EEAS	European External Action Service	NIF	Neighbourhood Investment Facility	TEU	Treaty on European Union
EED	European Endowment for Democracy	NIP	National Indicative Programme	TVET	Technical Vocational Education and Training
EFI	European Financial Institutions	OECD	Organisation for Economic Cooperation and Development	UNHCR	United Nations High Commissioner for Refugees
EIB	European investment Bank	PA	Palestinian Authority	UNICEF	United Nations Children's Fund
EIDHR	European Instrument for Democracy and Human Rights	PAR	Programme d'appui à la relance (Tunisia)	UNRWA	United Nations Relief and Works Agency for Palestine Refugees
ENI	European Neighbourhood Instrument	PARJ	Programme d'appui à la réforme de la justice (Tunisia)	VET	Vocational Education and Training
ENP	European Neighbourhood Policy	PASC	Programme d'appui à la société civile (Tunisia)		
ENPARD	European Neighbourhood Programme for Agriculture and Rural Development	PEGASE	Mécanisme palestinien-européen de gestion de l'aide socio-économique		
ENPI	European Neighbourhood and Partnership Instrument	PEFA	Public Expenditure and Financial Accountability (assessment)		
EP	European Parliament				
ERDF	European Regional Development Fund				

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EU & Neighbours



An ongoing commitment

The partnership between the EU and its 16 Neighbours in the South and in the East is growing stronger and is evolving based on shared experiences and lessons learnt.

Funding approved under the European Neighbourhood Instrument (ENI) for the period 2014-2020 is €15.4 billion, compared to €11.2 billion in the previous period (2007-2013).

1995

EU and Mediterranean Partners launch Euro-Med Partnership in Barcelona (Barcelona process).

2004

European Neighbourhood Policy (ENP) developed with partner countries and territories from the South and the East.

2007

European Neighbourhood and Partnership Instrument (ENPI) replaces funding instruments MEDA (South) and TACIS (East).

Executive summary

The **European Neighbourhood and Partnership Instrument (ENPI)** was created as a successor to the cooperation programmes TACIS (for the Eastern European countries) and MEDA (for the Mediterranean countries), with enlarged objectives and an increased budget. It was operational from January 2007, and its programming phase ended in January 2014, when it was replaced by the European Neighbourhood Instrument (ENI).

The main purpose of the ENPI was to create an area of **shared values, stability** and **prosperity**, enhanced **cooperation** and deeper economic and regional **integration** by covering a wide range of cooperation areas.

The objective of this document is to look at the major achievements and results of the ENPI, even though some programmes and projects are still ongoing.

The programming exercise is based on a continuous dialogue between the EU and each of the partner countries. This spirit of **co-ownership and partnership** is essential to ensure that programmes are adapted to the needs of partner countries and contribute to their economic and social development, and ultimately to the well-being of the **citizens**.

During the lifespan of the ENPI, two major strategic developments took place in the Neighbourhood, the **Arab Spring** in the South and the creation of an **Eastern Partnership (EaP)** in the East.

2008

Euro-Med Partnership given new impetus through Union for the Mediterranean.

2009

Eastern Partnership launched with Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine.

2011

Launch of the revised ENP outlining a new, incentive based approach ("more for more") for the Neighbourhood partnership.

2014

The European Neighbourhood Instrument provides funding for the period 2014-2020.



■ *Nozha water plant in Alexandria, part of the Aquaknight initiative deploying smart water meters in Egypt, to optimize water consumption (AFP © EU/Neighbourhood Info Centre).*

Southern Neighbourhood

With regards to the **Southern Neighbourhood**, the ENPI results for the period 2007-2013 have to be put in the very specific context of the political upheavals of 2011 in the region. This reality coincided with a review of the EU's policy towards the region and a modification of the priorities of its cooperation programmes.

One of the main priorities of EU cooperation programmes in the Southern Neighbourhood in the last programming period has been to support **good governance, democracy** and the **rule of law**, especially in the light of the 'Arab Spring' of 2011. Since then, the wave of reforms in the region has shown variable progress and has resulted in different outcomes depending on the countries, for example Tunisia and Egypt.

Short-term measures were immediately adopted responding to events, in order to accompany the first steps of political reforms, followed by a mid- and long-term strategy of support to democracy and rule of law in the region.

A new approach and the review of the European Neighbourhood Policy was launched in 2011 with two joint Communications (March and May), that enshrined two principles: the **incentive-based approach** and the **differentiated treatment**. This meant that countries undertaking political reforms towards democracy and rule of law would receive additional support from the EU.

The new approach was implemented through the **SPRING programme** 2011-2013 with about EUR 540 million allocated to Neighbourhood South countries. The distribution of funds has been based on the engagement and progress of partner countries in dealing with political reforms.

The results of EU cooperation and development programmes in the Southern region are generally positive, although quite diverse. Indicators show that progress achieved in Tunisia or Morocco is substantial, whereas it is more limited in Libya or Egypt. Indeed, political stability and security have played an important role for the success of EU support programmes. Overall, positive results have been obtained in the field of governance in the public sectors of most countries. With regards to concrete programmes, in Morocco, the EU has promoted progress in social cohesion, where good results have been recorded in education and health; in dealing with the Syrian crisis, the EU has been able to put in place an education system for refugees in Lebanon and Jordan.



■ Visit to a company in Georgia benefiting from the EBRD Business Advisory Services (AFP © EU/Neighbourhood Info Centre).

Eastern Neighbourhood

With its increased financial volume, the ENPI opened the possibility to engage in support for major sector reforms in most countries of the **Eastern Neighbourhood**. At individual country level, this entailed a renewed and deeper policy dialogue on strategic planning and reforms, with a continued joint effort for building on achievements and lessons learned. For example, cooperation evolved from initial projects that focused on issues such as food security, to support for investments and job creation in rural areas, and it accompanied the development of national strategies for agriculture and rural development. In Georgia, for example, EU assistance promoted legislative changes to create an environment that was conducive to business-minded groups of small farmers, while in Moldova, it supported the establishment of business incubators and the creation of new market opportunities.

The launch of the **Eastern Partnership** in May 2009 flagged the need to lay the foundations for a fully-fledged 'approximation agenda', that would catalyse support from bilateral and regional programmes. On the **bilateral track** of the Eastern Partnership, the Comprehensive Institution Building programme offered targeted support to selected institutions playing a key role in the negotiation of the Association Agreements and their Deep and Comprehensive Free Trade Areas (DCFTA) with the EU, as well as negotiation on visa-related agreements. Political developments around the Vilnius Summit of November 2013 shaped an increasingly differentiated picture, which will guide the programming of assistance under the new European Neighbourhood Instrument (2014-2020).

Bilateral assistance to Russia decreased in the second half of the ENPI period and will be discontinued under the new European Neighbourhood Instrument, even though Russia may still participate in multi-country projects and programmes.

The **EaPIC 'umbrella programme'** (a twin initiative to the SPRING programme implemented in the Neighbourhood South) contributed significantly to shaping the debate on the implementation of the incentive-based approach of the revised European Neighbourhood Policy, which is now laid down in the regulation of the European Neighbourhood Instrument. The mechanism of the umbrella programme combines supplementary funding with a strong political message on progress - or lack of it - in building deep and sustainable democracy, which remains the key overall objective of cooperation in the Neighbourhood.



■ *Bedouin girl at a youth workshop organized by "Empowering the Periphery" project, Israel (EPA © EU/Neighbourhood Info Centre).*

At **regional level**, cooperation focused on trans-boundary challenges in key sectors like transport, energy, environment or border management. The Eastern Partnership prompted the creation of flagship initiatives and dedicated platforms and panels for policy dialogue and exchange of experiences at multilateral level.

The ENPI has supported the launch of the Eastern Partnership with a total of EUR 2.5 billion for bilateral and regional cooperation (2010-2013).

Overall, the ENPI has offered a **wide range of tools** to support partner countries in a flexible manner. The EU has adapted its programming and its decisions to the evolving environment in the Neighbourhood (in particular the 'Arab Spring' and the Syrian crisis) and to accompany the revised European Neighbourhood Policy, with the introduction of differentiation and incentive-based approach, formalised through the SPRING and EaPIC programmes.

The role of **civil society** as a key stakeholder in policy making and monitoring has become more recognized and prominent in EU cooperation with partner countries. Support to civil society organisations, including the Eastern Partnership Civil Society Forum, has increased significantly, in particular through the Neighbourhood Civil Society Facility.

The **mix of available tools and modalities for aid delivery** became richer, which translated into more opportunities for adapting the ENPI response to different needs and changing situations. With the ENPI, Neighbourhood partners were granted access to **Institution Building Tools** (TAIEX, Twinning, SIG-MA) originally designed for accompanying the Enlargement process and approximation to the EU acquis. The use of budget support paved the way for dialogue on public finance policy reforms, reinforcement of budget oversight institutions (such as the supreme audit institutions and the budget committees of national parliaments), transparency and the fight against corruption. The Neighbourhood Investment Facility (NIF) pools together grant resources from the EU budget and the EU Member States to leverage loans from European Finance Institutions, as well as own contributions from partner countries. High-level policy advice was deployed to accompany key transition and reform processes. Cross-Border Cooperation (CBC) brought together local authorities and stakeholders from different countries on issues of common interest.

In total, around EUR 13.4 billion were committed under the ENPI between 2007 and 2013. These budgetary commitments generated contractual obligations for the operational implementation of programmes and projects, which in many cases continue beyond the lifespan of the ENPI – payments related to such obligations will thus be settled under the ENI. At the same time, EUR 9.8 billion were actually disbursed under the ENPI between 2007 and 2013; some of these disbursements correspond to contractual obligations related to commitments taken under previous geographical instruments covering the Neighbourhood region and Russia.

Lessons learnt from the ENPI on issues such as the role of civil society and contacts between people, budget support, new tools (umbrella programmes, cross-border cooperation, blending mechanisms and Neighbourhood Investment Facility) have been fully integrated in the design of its successor, the European Neighbourhood Instrument running from 2014 to 2020.



■ Celebrating Europe Day at a civil society event, Freedom Square, Yerevan (AFP © EU/Neighbourhood Info Centre).

Introduction

The European Neighbourhood and Partnership Instrument (ENPI) was created as a successor to the cooperation programmes TACIS (for the Eastern European countries) and MEDA (for the Mediterranean countries), with enlarged objectives and an increased budget. It was operational from January 2007 until the end of 2013. The main purpose of the ENPI was to create an area of shared values, stability and prosperity, enhanced cooperation and deeper economic and regional integration by covering a wide range of cooperation areas. In terms of budget, the overall allocation for the ENPI instrument initially amounted to about EUR 12 billion for the seven-year period 2007-2013, which represented an increase of 32%, in real terms, compared with the amount available over the period 2000-2006 for the MEDA and TACIS programmes combined.

As the programming period is now over, it is time to look back and see the main results of the ENPI.

This is the key objective of this report. It provides detailed information on the use of the instrument, and gives an overview of the major areas of intervention and results. Results are still preliminary, as many projects and programmes are continuing; nonetheless, lessons learned have been reflected in the programming of the new European Neighbourhood Instrument, which succeeds the ENPI.

Following a short introduction recalling the policy and strategy development in the Neighbourhood, this document presents country by country the key figures and the main results of activities supported through the ENPI. Regional cooperation in the East and in the South is presented, as well as ENPI-wide activities, such as Erasmus Mundus and Tempus, and some major innovations of the ENPI including the Neighbourhood Investment Facility (NIF), TAIEX, SIGMA and the Cross-Border Cooperation (CBC) programmes.



■ Bedouin seventh graders learning about human rights and law at a workshop in the Negev town of Raha, Israel (EPA © EU/Neighbourhood Info Centre).

Policy development in the Neighbourhood

1.

The European Union's objective of developing a special relationship with its neighbouring countries, aiming to establish an area of prosperity and good neighbourliness, is founded on the Union's own values and is enshrined in Article 8 of the Treaty on European Union (TEU). The promotion of these values as a means of enhancing democratic governance, building security and supporting democratic, sustainable and inclusive development in the countries of the Neighbourhood is a core objective of the EU.

The launch of the Eastern Partnership in the East (2009) and the 'Arab Spring' in the South (2011) were major developments in the Neighbourhood during the past seven years.

The review of the European Neighbourhood Policy in 2011 introduced an approach based on differentiation and mutual accountability, and on positive incentives and reward for progress in democratic reforms ('more for more'):

*"Increased EU support to its neighbours is conditional. It will depend on progress in building and consolidating democracy and respect for the rule of law. The more and the faster a country progresses in its internal reforms, the more support it will get from the EU."*¹

A dedicated mechanism was set up for channelling additional assistance to selected countries, thus supplementing the financial allocations of their National Indicative Programmes (NIP): the SPRING (Support for Partnership, Reforms and Inclusive Growth) programme for the Southern Neighbourhood (EUR 540 million in 2011-2013) and the EaPIC (Eastern Partnership Integration and Cooperation) programme for the East (EUR 152 million in 2012-2013).

The programming exercise is based on a continuous dialogue between the EU and each of the partner countries. This spirit of co-ownership and partnership is essential to ensure that programmes are adapted to the needs of partner countries and contribute to their political, economic and social development, and ultimately to the well-being of their populations. The principles of differentiation and mutual accountability were reinforced in the renewed European Neighbourhood Policy, which implies a more open and interactive policy dialogue and more attentive listening by the EU to the needs of partner countries.

.....
1. A new response to a changing Neighbourhood (COM(2011)303 of 25.05.2011)

Southern Neighbourhood





2. Activities financed in the Southern Neighbourhood

The EU has been fully engaged in the transformation process in the Southern Neighbourhood, basing its action on the 2011 Joint Communication 'A Partnership for Democracy and Shared prosperity'². It has mobilised significant resources, stepped up its engagement with civil society, and offered increased trade and market opportunities and mobility partnerships. In financial terms, the EU has made available over EUR 4.2 billion between 2011 and 2013. This includes the **response to the Syrian crisis**, the resources provided under the **SPRING programme**, which translates the 'incentive-based approach' for the Neighbourhood South into operational terms (see Annex III), and under the **Southern Neighbourhood Civil Society Facility**, which, with more than EUR 11 million per year since 2011, provides support to civil society organisations in particular to enhance their role in advocacy and monitoring reforms. Altogether, the EU and its Member States have provided close to EUR 2 billion so far to the Syrian crisis, making the EU the largest donor. In 2013, the EU prepared a response to the crisis, which is causing a humanitarian catastrophe with severe consequenc-

2. COM(2011) 200 of 8.3.2011

es for the stability of neighbouring countries, in particular Lebanon and Jordan. The joint communication 'Towards a comprehensive EU approach to the Syrian crisis'³ outlines this response and announces a special assistance package to address the consequences of the crisis in Syria and in the neighbouring countries, notably in Jordan and Lebanon. The assistance package includes both humanitarian aid and development assistance programmes benefitting Syrian refugees and host communities in Lebanon and Jordan. The road to peace in Syria is expected to be long and thorny, and is likely to require continued EU involvement in the coming years.

The EU also supported mobility and markets in the Neighbourhood: a '**Mobility Partnership**' was signed with Morocco in June 2013 and with Tunisia in February 2014. Negotiations are likely to start in the coming months with Jordan, where discussions at expert level made good progress.

In addition, **DCFTA** (Deep and Comprehensive Free Trade Agreement) negotiations with Morocco are ongoing, while good progress was also made with Tunisia.

3. JOIN(2013) 22 of 24.6.2013

■ *Europe Day celebrations in the Southern Neighbourhood (AFP © EU/Neighbourhood Info Centre).*

■ *"Graff Me" project supporting the emergence of urban culture and art in public, Beirut (AFP © EU/Neighbourhood Info Centre).*





2.1 Algeria

The main focus of EU support to Algeria has been on **economic reform**, with a strong emphasis on **employment** (including for women and young people), diversification of the economy, as well as economic governance. EUR 64 million were allocated to the continuation of the Programme in support of the implementation of the Association Agreement (P3A), mainly through Twinning and TAIEX instruments and in a wide range of sectors. Strong support was also provided to the **environment**, with a sector support programme on water and sanitation (EUR 30 million) and a second one aiming at the environmental protection of the coastal areas (EUR 34 million).

Partnership with peers

Algeria has quickly become an enthusiastic adopter of the Twinning instrument, which makes EU Member State public sector expertise available to reinforce the capacities of a partner country's administration and institutions. More than fifteen Twinning operations between Algeria and the EU have been launched since 2008, with a total budget of EUR 16 million for cooperation in areas including trade and industry, agriculture and environment, finance, health, energy and governance.

In the water sector, for example, Algeria's water capacity has been strengthened and its water distribution networks have been improved through the monitoring of water quality and management of its production and distribution, as well as improved analysis of its biological and chemical quality.

■ *The Technical Institute of Industrial Crops and Gardening in Zéralda, Algeria, benefited from EU support to agriculture (AFP © EU/ Neighbourhood Info Centre).*



ENPI bilateral assistance committed for Algeria totals **EUR 366.1 million**.

National Indicative Programme (NIP) Algeria 2007-2010	Programmed	Committed
Reform of Justice	7.7%	9.2%
Economic growth and employment	51.4%	54.6%
Reinforcement of basic public services	40.9%	36.1%
Total NIP 2007-2010	EUR 220 M	EUR 184.1 M
National Indicative Programme (NIP) Algeria and SPRING 2011-2013	Programmed	Committed
Sustainable development and culture	43.0%	47.0%
Economic growth and development	57.0%	47.5%
SPRING - Democratic transformation and institution building	n/a	5.5%
Total NIP 2011-2013	EUR 172 M	EUR 172 M
SPRING	n/a	EUR 10 M
Grand total Algeria 2007-2013	EUR 392 M	EUR 366.1 M

Egypt

2.2

The main priorities covered in Egypt under the ENPI in the period 2007-2013 were **political reform** and **good governance**; competitiveness and productivity of the **economy**; and socio-economic sustainability of the **development process**. The Country Strategy Paper (CSP) was subject to a review in 2010, concluding that its main objectives remained valid.

After the 2011 uprising, part of the foreseen cooperation has been redirected in order to respond to the pressing needs expressed by the country's most vulnerable groups – going among others to income generating activities in rural areas, emergency employment schemes and community development programmes in informal areas, etc.

Following the events of July and August 2013, the Foreign Affairs Council (FAC) of 21 August 2013 discussed the issue of assistance to Egypt and expressed its concerns over the economic situation in the country and the negative impact on the most **vulnerable groups**. While stressing the need to monitor the situation in Egypt closely and readjust its cooperation accordingly, the Council reiterated its commitment to continue EU assistance in the socio-economic sector and support to **civil society**. Reconfirming the Council Conclusions of 21 August 2013, the FAC of 10 February 2014 recalled the crucial importance for Egypt to undertake necessary, fundamental economic reforms to ensure stability, investment, improved business en-

vironment, progress towards social justice, including better access to education.

A cautious attitude has been adopted with regard to budget support operations and non-socio-economic programmes with the government. Ongoing budget support operations targeting socio-economic sectors will continue but, de facto, no disbursements have been approved since 2012, as the general conditions are not met (meaning that EUR 320 million are committed but not yet paid). No new budget support operation has been adopted since 2011, and none are foreseen in the current situation.



■ Egyptian women in a training (© EU).

ENPI bilateral assistance committed for Egypt totals **EUR 1,007 million**.

National Indicative Programme (NIP) Egypt 2007-2010	Programmed	Committed
Support for reform in democracy, human rights and justice	7.2%	6.3%
Developing competitiveness and productivity of the Egyptian economy	39.4%	44.8%
Ensuring sustainability of the development process with better management of human and natural resources	53.4%	48.9%
Total NIP 2007-2010	EUR 558 M	EUR 618 M
National Indicative Programme (NIP) Egypt and SPRING 2011-2013	Programmed	Committed
Support for reform in democracy, human rights and justice	11.1%	0%
Developing competitiveness and productivity of the Egyptian economy	42.1%	33.2%
Ensuring sustainability of the development process with better management of human and natural resources	46.8%	43.6%
SPRING - Democratic transformation and institution building	n/a	2.6%
SPRING - Sustainable and inclusive growth and economic development	n/a	20.6%
Total NIP 2011-2013	EUR 449 M	EUR 299 M
SPRING	n/a	EUR 90 M
Grand total Egypt 2007-2013	EUR 1,007 M	EUR 1,007 M

Egypt



■ A young Egyptian girl, participant of the EuroMed Youth Exchange project, in Cairo (EPA © EU/Neighbourhood Info Centre).

Empowering women

Negative stereotypes and gender-biased attitudes have created a stifling environment for women's participation in public life in Egypt. EU support to the 'Women's empowerment and Participation in Egyptian Squatter Areas project' aims to counter gender stereotypes, with a focus on the root causes of violence against women. It also encourages and fosters women's participation in public life, promotes gender equality and women's rights in local development and supports their active and equal participation in local decision making processes. Women are empowered to advocate on local, regional and national level for women's rights and to create a new public opinion that denies and rejects the negative stereotypes of women.

Under this project, the Arab Women Speak Out programme is implemented: 1,122 women from three Egyptian squatter areas,

Manshiet Nasser, Masr el-Qadima and Helwan, have received training and awareness sessions to raise their self-confidence, knowledge, leadership and negotiation skills; 70% of these women have started their own initiatives or joined other initiatives to solve personal, family or community problems. In addition, 300 natural leaders from the three communities, most of which are women, were given training and were empowered to act as local leaders and actively participate in the local decision-making process related to their communities under the project's Community Mobilisation Programme (CMP). They joined the programme's street and district committees responsible for identifying and solving problems in the targeted communities. A clear impact is proven as 75% of those women who participated in the programme have acquired leadership positions in their communities.

Israel

2.3

Cooperation with Israel consists of a EUR 2 million yearly contribution for institutional **Twinning projects**. Twinning projects with Israel have concerned the following sectors: employment and social affairs; health and consumer protection; justice and home affairs; telecommunications and transport. The ongoing Twinning projects are on agriculture, environment and statistics. While the identification phase is usually slow in Israel, the implementation phase is usually very successful.

Breaking the Cycle of Alienation, Coexistence through Education

The project organises multicultural meetings and joint activities between Jewish and Arab schools in Israel. Tolerance, respect and friendship are created between pupils, parents, teachers and volunteers from the two communities. This programme aims to enrich the education of children in disadvantaged neighbourhoods, establish lasting friendships across ethnic lines, and encourage teachers, parents and communities from Jewish and Arab communities to work together.



■ Jewish and Arab children during a project which promotes coexistence through Education in Israel (© EU).

ENPI bilateral assistance committed for Israel totals **EUR 13.5 million**.

Priority (NIP 2007-2010)	Programmed	Committed
Support to the implementation of the joint priorities agreed in the EU-Israel Action Plan	100%	100%
Total NIP 2007-2010	EUR 8 M	EUR 7.5 M
Priority (NIP 2011-2013)	Programmed	Committed
Support to the implementation of the joint priorities agreed in the EU-Israel Action Plan	100%	100%
Total NIP 2011-2013	EUR 6 M	EUR 6 M
Grand total Israel 2007-2013	EUR 14 M	EUR 13.5 M

2.4 Jordan

Between 2007 and 2013, major progress was made in the education, energy and public finance sectors of Jordan, with support from the EU.

In the **education sector** remarkable progress has been achieved in terms of access to education, as well as in financing, governance and monitoring and evaluation of education policies, the quality and inclusiveness improved as a result of the programmes on

Special Education, and the expansion of school infrastructure allowed Jordan to respond to the massive increase in demand caused by the arrival of Syrian refugees.

On **energy**, good progress has been recorded on the implementation of the strategy and policy for renewable energy and efficiency through the adoption in March 2013 of a tax exemption by-law for renewable energy and energy efficiency equipment.

On **public finance**, Jordan continues to make significant strides in improving financial information transparency and oversight. The enacted budget for 2012/2013 was published within the respective fiscal year, and the draft budget for 2014 was published on the internet, for wider public reference and use, before the end of 2013.

Jordan has been affected by the Syrian crisis at the political, economic and social level since its outbreak in 2011. Nearly 600,000 Syrian refugees live in Jordanian territory.



■ An employee at the Al Marwa Mineral Water Factory in Halabat, Jordan (AFP © EU/Neighbourhood Info Centre).

ENPI bilateral assistance committed for Jordan totals **EUR 589 million**.

National Indicative Programme (NIP) Jordan 2007-2010	Programmed	Committed
Political reform, democracy, human rights, good governance, justice and cooperation in the fight against extremism	6.4%	6.4%
Trade and investment development	29.4%	23.7%
Sustainability of the development process	23.8%	20.8%
Institution building, financial stability and support for regulatory approximation	40.4%	49.1%
Total NIP 2007-2010	EUR 265 M	EUR 265 M
National Indicative Programme (NIP) Jordan and SPRING 2011-2013	Programmed	Committed
Supporting Jordan's reform in the areas of democracy, human rights, media and justice	20.2%	13.9%
Trade, enterprise and investment development	17.9%	15.7%
Sustainability of the growth process	41.7%	31.5%
Support to the implementation of the Action Plan (SAPP)	20.2%	7.7%
SPRING - Democratic transformation and institution building	n/a	11.6%
SPRING - Sustainable and inclusive growth and economic development	n/a	19.6%
Total NIP 2011-2013	EUR 223 M	EUR 223 M
SPRING	n/a	EUR 101 M
- of which in the context of the response to the Syrian crisis	n/a	EUR 10 M
Grand total Jordan 2007-2013	EUR 488 M	EUR 589 M

EU Support to the Second Phase of Education Reform

An intervention channelled through budget support directly supports the National Education Strategy and the current Education Reform for the Knowledge Economy Programme, funded by different development partners.

In addition, to support the overall education reform, the programme aims at alleviating the financial burden on Jordan's national resources and services due to the presence of Syrian refugees – in particular the need for the national education system to accommodate large numbers of Syrian children and provide them with formal education services. So far, more than 8,000 persons were enrolled in the special education programmes for gifted students and more than 18,000 enrolled in special education programmes for disabled students. Furthermore, the programme ensured the continuity of school services by supporting essential measures such as including Syrian refugee children, fees, textbooks, double-shifting and provision of teachers.

■ An activity organised by ATHENA Project at the Jarash Southern Theatre, as part of a cultural awareness raising campaign in Jordan (© ATHENA Project).



2.5 Lebanon

The EU's bilateral cooperation with Lebanon under the NIP 2007-2010 focused on responding to the country's urgent post-conflict needs following the 2006 conflict with Israel, namely reconstruction and recovery activities and political and socio-economic reforms. Lebanon has been affected by the Syrian crisis at the political, economic and social level since its outbreak in 2011. While by the end of 2013 more than 900,000 refugees from Syria had requested assistance from the United Nations High Commissioner for Refugees (UN-

HCR) and the United Nations Relief and Works Agency for Palestine Refugees (UNRWA), by mid-March 2014 this number had grown to over one million refugees registered or awaiting registration - and this number is expected to continue to increase. Against this background, ENPI interventions have since 2012 focused on education and child related activities of Lebanese and refugees alike, on support to communities particularly affected by the influx of refugees, and on infrastructure projects concentrating on solid waste management, water and sanitation, and the revival of the local economy.



■ Syrian refugee children at a school in Lebanon, where the EU is supporting the education system to cope with the influx of refugees (AFP © EU/Neighbourhood Info Centre).

Response to the Syrian Crisis

The EU was among the first to respond to the consequences of the Syrian conflict on Lebanon and remains a key donor in the areas of support to Lebanese institutions and communities, as well as education. With the current funding, the EU supports four key ministries involved in the response (Social Affairs, Education, Interior and Health), finances 75 support projects in host communities, and in the area of education, EU support will reach more than 230,000 children with educational activities, in addition to 6,000 teachers and 10,000 parents as well as rehabilitation activities in 50 schools. In addition, significant efforts to upgrade local infrastructure in areas particularly affected by the influx of refugees are about to start, leaving lasting improvements for the benefiting communities long after the crisis.

ENPI bilateral assistance committed for Lebanon totals **EUR 388 million**.

National Indicative Programme (NIP) Lebanon 2007-2010	Programmed	Committed
Support for political reform	11.8%	19.8%
Support for social and economic reform	46.0%	42.8%
Support to reconstruction and recovery	42.2%	37.4%
Total NIP 2007-2010	EUR 187 M	EUR 179 M
Special measures 2007-2010	n/a	EUR 8 M
National Indicative Programme (NIP) Lebanon, SPRING & special measures 2011-2013	Programmed	Committed
Support to political reform	16.6%	12.5%
Support to social and economic reform	60.7%	13.9%
Support to recovery and reinvigoration of the country	22.7%	48.3%
SPRING - Democratic transformation and institution building	n/a	11.9%
SPRING - Sustainable and inclusive growth and economic development	n/a	13.4%
Total NIP 2011-2013	EUR 150 M	EUR 117 M
- of which later reoriented towards the response to the Syrian crisis	n/a	EUR 24.8 M
Special measures (from reoriented NIP funds)	n/a	EUR 33 M
SPRING	n/a	EUR 51 M
- of which used in the context of the response to the Syrian crisis	n/a	EUR 31 M
Grand total Lebanon 2007-2013	EUR 337 M	EUR 388 M

Libya

2.6

Institution building and security in Libya will not make progress until there is a political settlement and a credible/legitimate government. Nevertheless, after two years of implementation EU cooperation is gaining ground at two levels: with **civil society** through its outreach, capacity building and sub-granting activities (the EU is also directly funding two Libyan NGOs), and with the Libyan **institutions**, in terms of policy dialogue with some ministries and by developing working relations, especially with the Ministry of Planning in charge of donor coordination.

In the **security** sector, operational and training activities are the first necessary building blocks for a future security sector reform. It is too early to talk about reforms, but EU cooperation is preparing the ground for the next transition phase by developing pilot projects in different parts of the country that should start being implemented in 2014 (e.g. Health, Technical Vocational Education and Training - TVET, community policing).

Support to civil society

The programme 'Support to civil society in Libya' trained 100 constitution 'ambassadors', 27% of them women, covering the 100 basic constituencies on which the elections of the Constitutional Drafting Assembly (CDA) were based. The training aimed at developing the participants' skills to run a national constitutional awareness campaign. Educational material was developed and is being used by the 'ambassadors' during conferences and work-

shops organised across Libya to stimulate debate and awareness of the constitutional process, which is vital for the transition to democracy. Networks have been developed in the three historical regions and at national level in order to coordinate the campaign. The activity will continue in 2014 and it is intended to submit to the CDA a set of recommendations gathered during the recent activities. In 2013, the programme also supported the development of a National Public Opinion Survey on constitutional issues. The assistance provided served to gain insights into the views of Libyan citizens on the national process of developing the new constitution, as well as to strengthen the technical capabilities of the University of Benghazi Research Centre. The programme also trained 500 domestic observers for the CDA elections.



■ Libyan bloggers during a blogging and website building workshop in Tripoli (AFP © EU/Neighbourhood Info Centre).

ENPI bilateral assistance committed for Libya totals **EUR 83 million**.

Special measures 2007-2010	Programmed	Committed
Special measure - Benghazi Action Plan	100%	44.4%
Special measure - Migration	n/a	55.6%
Total special measures 2007-2010	EUR 8 M	EUR 18 M
National Indicative Programme (NIP) Libya and SPRING 2011-2013	Programmed	Committed
Support to the transition process	37.6%	34.7%
Improving the quality of human capital	29.0%	26.8%
Increasing the sustainability of economic and social development	16.7%	15.4%
Addressing jointly the challenge of managing migration	16.7%	15.4%
SPRING - Democratic transformation and institution building	n/a	7.7%
Total NIP 2011-2013	EUR 60 M	EUR 60 M
- of which adopted as Special measures since the NIP was adopted at a later stage	n/a	EUR 35 M
SPRING	n/a	EUR 5 M
Grand total Libya 2007-2013	EUR 68 M	EUR 83 M

2.7 Morocco

The partnership between Morocco and the EU is comprehensive, covering a wide array of policy sectors. Reforms were geared towards placing Morocco on the path of **economic modernisation**, in particular through the progressive approximation of the country's regulatory framework with that of the EU, **social cohesion** – especially ensuring citizens' equal access to quality basic services throughout the territory – and **democracy**, with the adoption of the 2011 constitutional reform and the establishment of key democratic institutions.

In the field of social cohesion, the Moroccan authorities have achieved promising results. The main results achieved in the **education sector** include: a sharp increase in the net school enrolment rates at primary level for girls, including in rural areas (net enrolment ratio of 94.4% in 2011/12 compared to 84%

in 2007/08), and the near achievement of universal access to the education objective at primary level; the introduction of social support schemes (financial incentives) in favour of the poorest families whose children attend school on a regular basis, benefitting 757,000 pupils; the expansion of education support measures for pupils facing difficulties; the establishment of a 'pre-posting' training scheme for newly recruited teachers; and the development of a continuous training scheme of headmasters.

In the **public health** sector, the following results have been achieved: an increase of 50% of obstetrical complications treated in a public hospital (111,543 in 2013, against only 76,230 five years earlier); similarly, the ratio of estimated births attended by qualified medical staff reached 77.1% in 2013 against only 58% five years earlier.

ENPI bilateral assistance committed for Morocco totals **EUR 1,431.1 million**.

National Indicative Programme (NIP) Morocco 2007-2010	Programmed	Committed
Social sector	45.3%	42.9%
Governance and human rights	4.3%	1.1%
Institutional support	6.1%	12.9%
Economic sector	36.7%	36.2%
Environment	7.6%	6.9%
Total NIP 2007-2010	EUR 654 M	EUR 722.6 M
National Indicative Programme (NIP) Morocco, SPRING & special measures 2011-2013	Programmed	Committed
Social sector	20.0%	26.2%
Economic sector	10.0%	8.5%
Institutional support	40.0%	35.6%
Governance and human rights	15.0%	6.4%
Environment	15.0%	5.2%
SPRING - Democratic transformation and institution building	n/a	2.1%
SPRING - Partnership with people	n/a	1.4%
SPRING - Sustainable and inclusive growth and economic development	n/a	14.6%
Total NIP 2011-2013	EUR 580.5 M	EUR 555.5 M
Special measures	n/a	EUR 25 M
SPRING	n/a	EUR 128 M
Total Morocco 2007-2013	EUR 1,234.5 M	EUR 1,431.1 M



■ The EU Budget Support Programme supported a number of medical units in remote rural areas of Morocco (AFP © EU/Neighbourhood Info Centre).

Fighting against illiteracy

In Morocco, the EU has been supporting the government's ambitious literacy campaign launched in 2004, at a time when the illiteracy rate stood at a staggering 43% of the population.

The EU budgetary support programme has encouraged the government to allocate a larger share of national financial resources to the *Direction de la Lutte contre l'analphabétisme*, a department of the Ministry of Education that has been extremely active in ensuring the success of the campaign. In its fight against illiteracy, the Ministry has been resorting to a large spectrum of players, not limiting itself to the intervention of the public sector, with civil society organisations, private sector, and others also involved in the process.

Moreover, beyond the mere objective of reducing the number of illiterates, the government has been paying attention to the objective of improving the quality of the services provided by the different players (developing training of trainers programmes; developing new curricula better adapted to different audiences; carrying out quality audits of the training provided by various players, etc.), as well as increasingly ensuring linkages between the literacy programmes and the economic insertion of beneficiaries through the establishment of post-literacy vocational training programmes.

A nationwide thorough literacy survey published in 2013 came to the conclusion that in 2013, the illiteracy rate in Morocco had been reduced to 28% of the total population (from 43% in 2004).



■ A girl reading a book on the dangers of illegal migration, as part of an EU-supported initiative in Morocco (EPA © EU/Neighbourhood Info Centre).

2.8 Palestine

Palestine⁴ has been, and still is, a *sui generis* case of cooperation. Between 2007 and 2013 there has been no National Indicative Programme for Palestine and programming has been done on an annual basis, aligning to the priorities expressed by the Palestinian Authority in its National Development Plans (2008-2010 and 2011-2013).

EU Assistance to Palestine is three-fold:

- The largest share is for Direct Financial Support through the PEGASE mechanism. The PEGASE programme has as its main goal to maintain the viability of the two-state solution by avoiding the fiscal collapse of the Palestinian Authority and sustaining basic living conditions for the entire Palestinian population. Through PEGASE, the EU ensures, among other things, the payment of salaries of civil servants engaged in the delivery of basic services such as health and education, contributes to the payments of pensions, and to the payment of social allowances to vulnerable Palestinian families.

4. This designation does not entail any recognition of Palestine as a State and is without prejudice to positions on the recognition of Palestine as a State.

A recent report from the European Court of Auditors has recognised the successful management and implementation of this programme under difficult circumstances.

- The support to refugees through **UNRWA** (United Nations Relief and Works Agency for Palestine Refugees). EU support to UNRWA has in the past years gone far beyond the baseline annual amount of EUR 80 million agreed in the joint declaration with the UN agency, averaging over EUR 130 million a year. UNRWA plays an irreplaceable role in supporting the Palestine refugees both in the West Bank and Gaza, as well as in the other three states where they are hosted: Syria, Jordan and Lebanon. The agency has managed to keep providing basic services to the refugees, even under the difficult situation of the Syrian crisis.
- The **development package** focused on three focal sectors: governance/rule of law; private sector; water infrastructures/land development; in addition, there is a special action targeting **East Jerusalem**.

Results in these assistance sectors are not homogenous. The rule of law/governance sector has been more problematic, whereas projects under the water sector and in East Jerusalem showed good progress. The private sector in Palestine is limited by numerous external constraints stemming from the Israeli restrictions on movement and access to resources; nonetheless, support to this sector continues to be considered essential by the Palestinian Authority and by the donor community in general.

Helping the poorest and most vulnerable Palestinian families

Through PEGASE, the European Union is providing significant amounts of direct financial support to the Palestinian Authority (PA) to support sustained delivery of basic public services in the West Bank and Gaza. Part of the funds goes to social allowances to the poorest and most vulnerable Palestinian households, in support of the PA's Cash Transfer Programme. Support directly reaches an average of 50,000 families in need, to whom allowances are paid quarterly over the counter in 47 bank branches throughout the occupied Palestinian territory.

Through this mechanism, the EU has a direct and immediate impact on the well-being of the Palestinian population and on the capacity of the PA to continue to provide essential public services to its citizens.



■ Palestinian women from villages around Hebron attend a workshop that empowers women through training and education (EPA © EU/Neighbourhood Info Centre).



■ Girls' school in the Shuafat Refugee Camp, north Jerusalem. With EU support, Palestinian refugees can continue their education (EPA © EU/Neighbourhood Info Centre).

ENPI bilateral assistance committed for Palestine totals **EUR 2,051.7 million**.

Special measures 2007-2010	Programmed	Committed
Direct & Indirect Financial Support for the Palestinian Authority	n/a	68.4%
East Jerusalem Initiatives	n/a	0.9%
Institution-building	n/a	4.0%
Infrastructure Development	n/a	4.9%
Private Sector Development	n/a	2.1%
Support to UNRWA	n/a	19.7%
Total Special measures 2007-2010	n/a	EUR 1,550.2 M
Special measures 2011-2013	Programmed	Committed
Direct & Indirect Financial Support for the Palestinian Authority	n/a	51.8%
East Jerusalem Initiatives	n/a	2.5%
Institution-building	n/a	7.1%
Infrastructure Development	n/a	5.6%
Private Sector Development	n/a	4.4%
Support to UNRWA	n/a	28.6%
Total Special measures 2011-2013	n/a	EUR 951.5 M
- of which used in the context of the response to the Syrian crisis	n/a	EUR 10 M
Total Palestine 2007-2013	n/a	EUR 2,501.7 M

2.9 Syria

During the period 2007-2010, EUR 130 million were mobilised to support **political, administrative, economic, social and environmental reforms** in Syria. A total of EUR 129 million had been allocated under the NIP 2011-2013, but the programmes foreseen were never implemented because the EU suspended its cooperation with the Syrian government in May 2011, following the violent repression of civil unrest in March 2011. However, the funds were redirected to address the needs of the affected Syrian population within Syria, but also in Lebanon and Jordan.

Since the start of the **crisis**, EUR 83 million were mobilised under the ENPI to address its consequences and complement the major EU humanitarian effort. Support has focused on addressing the medium-term needs of the population affected by the conflict inside Syria (e.g. support to livelihoods, education of Syrian children, vocational training, health and psycho-social support), as well as paving the way for transition (e.g. support to independent and free media, cultural heritage preservation, promotion of dialogue and civil society capacity-building).



Providing education opportunities for Syrian children affected by the crisis

In Syria and in the neighbouring countries hosting Syrian refugees, nearly 3 million children (half the Syrian school population) are now not attending classes on a regular basis. About 20% of Syria's schools have been destroyed, damaged or used for military purposes. With the civil war lasting, there is a serious risk of losing an entire generation of Syrian children. This is why education has been one of the main priorities of the ENPI response to the crisis inside Syria.

Through the ENPI, since June 2013, the EU has supported the project 'Creating a path to early recovery for Education in Syria' implemented by UNICEF (EUR 15 million contribution) which aims at improving access to pre-school, primary and alternative education for children and adolescents most affected by the conflict inside Syria. Two million children are benefiting from this action. This project allows children to benefit from remedial classes, self-learning programmes, psycho-social support, and an improved learning environment (schools rehabilitated, better trained teachers, textbooks and equipment). As a result of this project, vulnerable children under the age of 6 in the targeted areas also access free school readiness programmes, while out-of-school adolescents (especially girls) access remedial education and technical vocational training and financial support schemes.

Some figures on the Syrian Crisis:

- € 2.0 billion mobilised by the end of 2013;
- 800,000 children receiving school education in Syria, Jordan, Lebanon and Turkey;
- 10,000 teachers trained in Syria, Jordan, Lebanon and Turkey;
- 300,000 children and woman receive protection and specialised psycho-social support;
- 85 local Civil Society Organisations strengthened;
- 400 activists, bloggers and journalist supported to improve social cohesion and access to free information.

■ Syrian children at school, Zaatari Refugee camp, North of Amman (AFP © EU/Neighbourhood Info Centre).



■ Pupils at the EU-UNICEF-funded school, Zaatari Refugee camp, North of Amman (AFP © EU/Neighbourhood Info Centre).

ENPI bilateral assistance committed for Syria totals **EUR 358 million**.

National Indicative Programme (NIP) Syria 2007-2010	Programmed	Committed
Support for political and administrative reform	23.1%	23.1%
Support for economic reform	46.1%	38.4%
Support for social reform	23.1%	30.8%
Environment/Sustainable energy	7.7%	7.7%
Total NIP 2007-2010	EUR 130 M	EUR 130 M
National Indicative Programme (NIP) Syria and special measures 2011-2013	Programmed	Committed
Support for political and administrative reform	19.4%	n/a
Support for economic reform	36.4%	n/a
Support for social reform	44.2%	n/a
Special measures - Response to the Syrian crisis - Syrian population	n/a	32.2%
Special measures - Response to the Syrian crisis - Syrian refugees and host communities in Jordan	n/a	31.8%
Special measures - Response to the Syrian crisis - Syrian refugees and host communities in Lebanon	n/a	36.0%
Total NIP 2011-2013	EUR 129 M	n/a
Special measures	n/a	EUR 228 M
Grand total Syria 2007-2013	EUR 259 M	EUR 358 M

2.10 Tunisia

EU financial support to Tunisia in 2011-2013 focused on **political** and **socio-economic reforms**, as well as on **democratic governance**, which proved essential during times of political stalemate, such as throughout most of 2013, as it encouraged dialogue with the authorities and on efforts for reform.

Support to the transition phase was essential and all the modalities and possibilities available under the ENPI to respond to fragility and crisis situations, were used: state building contract – budget support programmes, support to sector programmes targeting marginalised people and areas, promotion of people-to-people contacts, etc. **Civil society** benefited from important financial support, and has been a cross-cutting focus throughout the different programmes.

■ *Tunisian students at the Technological High School of Bizerte, during an EU-funded Employment and Vocational Training (EPA © EU/Neighbourhood Info Centre).*

Justice sector reform

Since the end of 2012, the EU has been implementing a EUR 25 million programme financed through SPRING funds for the reform of the justice sector (Programme d'appui à la réforme de la justice/PARJ), which focuses on the strengthening of independence and efficiency of the judiciary, the improvement of access to justice, and penitentiary reform. The rehabilitation of 3 courts and 2 detention centres are foreseen. In addition, the EU supports a project to reinforce the training institute for lawyers (ISPA), and two regional programmes in this area (Euro-med Justice III, and the South programme implemented by the Council of Europe). In 2014, a call for proposals will be launched to reinforce the capacities of civil society (such as judges, Unions, bar association) in participating to the reform process. Another programme, PAR (Programme d'appui à la relance), is also promoting key measures to improve the independence/efficiency of justice, such as the adoption of the Law on the temporary state judicial council and its administrative capacity, the creation of the special investigative body for complex cases in the First instance Court of Tunis, and the modification of the criminal procedure code to better supervise police custody, etc.





■ *Spring Forward for Women project supports the political and economic empowerment of women in the Southern Mediterranean region (AFP © EU/Neighbourhood Info Centre)*

ENPI bilateral assistance committed for Tunisia totals **EUR 775 million**.

Tunisia and special measures 2007-2010	Programmed	Committed
Economic governance, competitiveness and convergence with the EU	60.0%	46.4%
Improved graduate employability	21.7%	19.7%
Sustainable development	18.3%	33.9%
Total NIP 2007-2010	EUR 300 M	EUR 300 M
Special measures	n/a	EUR 30 M
National Indicative Programme (NIP) Tunisia, SPRING & special measures 2011-2013	Programmed	Committed
Employment and Social Protection	23.3%	9.4%
Integration support programme II	36.3%	0%
Business competitiveness (industry and services)	33.3%	55.8%
Governance and Justice	7.1%	0%
SPRING - Democratic transformation and institution building	n/a	7.2%
SPRING - Sustainable and inclusive growth and economic development	n/a	27.6%
Total NIP 2011-2013	EUR 240 M	EUR 255 M
Special measures	n/a	EUR 35 M
SPRING	n/a	EUR 155 M
Grand total Tunisia 2007-2013	EUR 540 M	EUR 775 M

2.11 Regional Programme South

The main results of the **Regional Programme** in the Southern Neighbourhood have been the following:

Multilateral platforms: in the Southern Mediterranean countries, regular meetings of several Euromed programmes have allowed the development of policy dialogue on sectors of common interest. The multilateral platforms cover the following themes: democracy, good governance and stability; economic integration and convergence with

EU policies; energy security; and people-to-people contacts. In particular, policy dialogue and capacity building regional initiatives have been very successful in the field of civil protection, migration, justice and security.

Civil society: a strengthened and comprehensive dialogue with and among civil society at a regional level has been supported through several programmes. The voice of civil society in the policy and the political dialogue has been reinforced, and the EU is now discussing setting up more permanent and comprehensive regional structures. Following the 'Arab Spring' events, a number of meetings have been held, in the presence of civil society organisations (CSOs), government officials, journalists, EU officials, etc., and these exchanges have produced concrete ideas on how to reinforce dialogue and strengthen civil society through various initiatives, networks and 'mechanisms for structured regional dialogue', such as the EU Southern Neighbourhood Civil Society Forum.

Regional programmes: cooperation has been strengthened through various regional programmes. Initiatives focused on: small and medium-sized enterprises; regional electricity markets, energy efficiency and renewable energy sources; environmental governance; and prevention, preparedness and response to natural and man-made disasters. Several programmes and projects were developed to support these initiatives at regional and local level, including for example small and medium enterprises (SME) development facilities, transport, youth and culture.



■ Lebanese children make a mosaic during an event of the 'Windows to Participation, Door to Peace' project to promote respect for diversity (AFP © EU/Neighbourhood Info Centre).

ENPI assistance committed for the southern neighbourhood totals **EUR 631 million**.

Regional indicative programme (RIP) 2007-2010	Programmed	Committed
Political, Justice, Security and Migration Cooperation	13%	11.4%
Sustainable economic development	58%	57%
Social development and cultural exchanges	20%	15.8%
Global allocation	9%	15.8%
Total RIP 2007-2010	EUR 343 M	EUR 343 M
RIP 2011-2013	Programmed	Committed (1)
Common regional institutions, confidence building measures and media development	16%	12.4%
Regional integration, investment, regulatory convergence (including FEMIP)	43%	42.3%
Sustainable development	15%	13.3%
Social inclusion and cultural dialogue	14%	16.7%
Global allocation	12%	15.3%
Total RIP 2011-2013	EUR 288 M	EUR 288 M
Grand total Regional South 2007-2013	EUR 631 M	EUR 631 M

(1) Including additional allocations following the 'Arab Spring' events.



■ Europe Day celebrations in the West Bank, Palestine (EPA © EU/Neighbourhood Info Centre).

Southern Neighbourhood: support to civil society

The EU is channelling additional support to civil society, in line with the new approach of the European Neighbourhood Policy. EU support has been made more accessible to CSOs through a dedicated **Civil Society Facility (CSF)**. The main goal of the Facility, established in 2011, is to reinforce CSOs so that they play their part in change and can be real actors in the democratisation process. This is done by boosting their contribution to policy-making, and developing further their advocacy, networking and monitoring capacities. Since its inception, the CSF has benefited with EUR 33 million for the South.

European Endowment for Democracy (EED): As another message of solidarity, the EU set up the EED to help political actors of change that face obstacles in accessing donor funding, such as journalists, bloggers, non-registered NGOs, politi-

cal movements. It offers a rapid and flexible funding mechanism for beneficiaries who are not or are insufficiently supported, in particular for legal or administrative reasons. The EED has a EUR 6 million EU grant to support its set-up and functioning. **Anna Lindh Foundation (ALF):** Intercultural dialogue is one of the key tools for conflict prevention and resolution. The EU is firmly committed to supporting the ALF as one of the major promoters of intercultural dialogue. The EU contribution to the ALF amounts to EUR 10 million for the period 2012-2014; EUR 7 million to support the functioning of the Foundation and its work programme 2012-2014, and EUR 3 million dedicated to the programme 'Citizens for Dialogue (Dawrak)', which provides CSOs with tools and skills for intercultural dialogue, exchange and networking.

Eastern Neighbourhood





3.

Activities financed in the Eastern Neighbourhood

The **Eastern Partnership**⁵ (EaP) is a policy framework governing the EU's relations with its Partners in the East, launched at the Prague Summit of May 2009. This partnership is constantly evolving, on the basis of needs and ambitions of partner countries. Association Agreements, including the Deep and Comprehensive Free Trade Areas (DCFTA), have been signed with Ukraine, Moldova and Georgia. Visa facilitation agreements and readmission agreements were signed with all EaP countries except for Belarus – where negotiations have started. The visa liberalisation dialogue is ongoing with Ukraine and Georgia and has been completed with Moldova. There are also Mobility Partnerships with Moldova, Armenia, Georgia and Azerbaijan.

In the context of the ENPI mid-term review, additional resources were mobilised to accompany the launch of the Eastern Partnership. The total amount of ENPI funds available for bilateral and regional cooperation
5. SEC(2008) 2974 of 3.12.2008.

with EaP countries is EUR 2.5 billion for the period 2010-13. This includes EUR 350 million of additional funds made available when the Eastern Partnership was launched.

On the **multilateral track**, the Regional East programme was revised, with multilateral platforms and flagship initiatives created, and all regional programmes as from 2010 were geared toward the priorities of the Eastern Partnership.

On the **bilateral track**, the indicative budgets of all National Indicative Programmes (NIP) covering the period 2011-2013 were stepped up to incorporate earmarked allocations for two bilateral EaP initiatives: the 'Comprehensive Institution Building' (CIB) programme and the 'Pilot Regional Development Programmes' (PRDP).

The purpose of CIB (see Annex II) was to fast-track institution building in a limited number of key areas linked to the Association Agreements and the DCFTA, and to visa facilitation and readmission agreements;

■ *Farmers working on their land in Satem, supported by the EU Programme for Agriculture and Rural Development in Georgia (AFP © EU/Neighbourhood Info Centre).*





■ An Azeri furniture manufacturer benefiting from the Business Advisory Services programme (AFP © EU/Neighbourhood Info Centre).

this earmarked funding was a complement and follow-up to existing support for the implementation of ENP Action Plans, approximation to EU legislation and standards, and modernisation of public administrations.

PRDP sought to address structural problems stemming from sharp economic and social disparities between regions and population groups, and to promote regional development and social cohesion in the Eastern Neighbourhood, through sharing EU cohesion policy experience.

Both initiatives were modulated according to each country's NIP priorities, specific needs, and the pace and scope of national reforms.

Following the review of the European Neighbourhood Policy in 2011, the **EaPIC (EaP Integration and Cooperation)** programme was established as the East component of the new 'more for more' mechanism. EaPIC channelled additional funding to EaP countries that delivered on reforms for deep democracy and respect of human rights. A total of EUR 152 million

were thus allocated to Moldova, Georgia, and Armenia in 2012-2013 – on top of their programmed NIP allocations (see Annex III). EaPIC is a twin initiative to the SPRING programme for the Neighbourhood South. The policy review also resulted in increased funding for people-to-people contacts at regional level, with the creation of the **Eastern Neighbourhood Civil Society Facility** (EUR 40 million in 2011-2013), and a very substantial increase in support to disadvantaged youth (EUR 31.5 million in 2010-2013) and higher education.

Under the renewed European Neighbourhood Policy framework, emphasis has been put on a series of sectors in order to support sustainable economic and social development. This led to an increased focus on agriculture and rural development in Georgia, Moldova, Armenia and Azerbaijan, as a means for fighting poverty and creating jobs and investment opportunities – including through ENPARD (European Neighbourhood programme for agriculture and rural development).

3.1 Armenia

EU assistance helped Armenia to take forward its **justice reform agenda**, with a number of steps promoting independence and transparency of the justice system, access to justice, and the reinforcement of the Armenian Ombudsman (Human Rights Defender). EU assistance accompanied the modernisation of the **public finance system**, with improvements in internal financial control systems and debt management, and greater transparency of external audit and public procurement. Support to socio-economic reforms focused on modernisation of the **vocational education and training (VET)** system, with a better link to jobs and labour market needs. In the area of **trade**, there was progress in sanitary and phytosanitary

standards and in the reduction of technical barriers to trade. Nonetheless, following Armenia's decision to join the Eurasian Customs Union, trade-related assistance was revised and as a result two programmes were cancelled in 2013 (for a combined budget of EUR 40 million)⁶, while a third programme was reoriented and partly reduced (by EUR 13 million)⁷.

6. Annual Action Programme 2012 in favour of Armenia: 'Framework programme in support of EU-Armenia Agreements' (EUR 15 million) and 'Support for the EU-Armenia Deep and Comprehensive Free Trade Area (DCFTA)' (EUR 25 million). Funds were de-committed following non-signature of the two related Financing Agreements.

7. Modification of the Annual Action Programme 2013 in favour of Armenia: 'Framework programme in support of EU-Armenia Agreements' (EUR 6 million).



■ *Through budget support and other assistance, the EU helps Armenia to implement its programme of justice reform (© EU).*

Increased access to justice

Through budget support and other assistance, the EU helps the government to implement its programme of justice reform. Better transparency, accountability and access to judicial services for citizens are among the results. Several court houses were built or reconstructed, and trainings for advocates provided. The number of public defenders and specialised judges increased. All decisions taken by the Council of Justice are now accessible online. A new system of document management was established and electronic information terminals were installed in courts and government institutions.

ENPI bilateral assistance committed for Armenia totals **EUR 281.5 million**.

National Indicative Programme (NIP) Armenia 2007-2010	Programmed	Committed
Support for strengthening of democratic structures and good governance	30%	30%
Support for regulatory reform and administrative capacity building	30%	34%
Support for poverty reduction efforts	40%	36%
Total NIP 2007-2010	EUR 98.4M	EUR 97.4M
National Indicative Programme (NIP) Armenia 2011-2013	Programmed	Committed
Democratic structures and good governance	30-35%	37%
Trade and investment regulatory alignment and reform	20-25%	39%
Socio-economic reform and sustainable development	40-45%	24%
Total NIP 2011-2013	EUR 157.3M	EUR 144.1M
EaPIC 2012-2013	Programmed	Committed
EaPIC Armenia	na	EUR 40M
Grand total Armenia 2007-2013	EUR 255.7M	EUR 281.5M

Azerbaijan

3.2

EU assistance to Azerbaijan proved overall successful in supporting **energy policy reforms**, in particular in terms of promoting energy efficiency and the use of renewable energy sources. There was also progress – however uneven – in **agriculture** (food security, reduced dependency from food imports) and **rural development** (better access to credit and expanded opportunities for businesses in rural areas, improved social infrastructure).

Assistance in the **justice** sector delivered some progress in terms of efficiency, access to justice and penitentiary conditions. In 2012, earmarked resources for a dedicated programme on **public finance management** were reoriented because of insufficient engagement on reforms. The use of the budget support aid modality for new programmes was temporarily put on hold, while dialogue was intensified, leading to the launch of a new independent assessment of public expenditure and financial accountability (PEFA).

Energy efficiency and renewable energy

In 2008-2012, the EU helped the government conduct a review of its national energy strategy to make it more inclusive, coherent and transparent. The government initiated the legislative and institutional reforms necessary to promote energy efficiency and renewable energy sources. The State Agency for Renewable Energy Sources and Energy Efficiency was established. National renewable energy sources and energy efficiency action plans were developed, and are being implemented.



■ Wind energy generator. The EU supports energy efficiency and the use of renewable energy sources in Azerbaijan (© EU).

ENPI bilateral assistance for Azerbaijan totals **EUR 143.5 million**.

National Indicative Programme (NIP) Azerbaijan 2007-2010	Programmed	Committed
Support for democratic development and good governance	33%	43%
Support for socio-economic reform, fight against poverty and administrative capacity building	34%	29%
Support for legislative and economic reforms in the transport, energy and environment sectors	33%	28%
Total NIP 2007-2010	EUR 92M	EUR 68M
National Indicative Programme (NIP) Azerbaijan 2011-2013	Programmed	Committed
Democratic structures and good governance	25-30%	9%
Socio-economic reform and sustainable development, trade and investment, regulatory approximation and reform	35-40%	57%
PCA and ENP AP implementation, including energy security, mobility and security	30-35%	34%
Total NIP 2011-2013	EUR 122.5M	EUR 75.5M
Grand total Azerbaijan 2007-2013	EUR 214.5M	EUR 143.5M

3.3 Belarus

In line with the EU policy of critical engagement, EU assistance to Belarus focused on neutral sectors of mutual interest, such as **environment, energy efficiency, regional development, and food safety**. EU-funded programmes targeted the Belarusian population at large, while at the same time they accompanied the transformation processes, to the extent possible in the very difficult Belarusian context, due to the limitations imposed by the authorities. ENPI bilateral assistance to Belarus totals **EUR 71.7 million**. Belarus was not part of the new initiatives

under the 'bilateral track' of the EaP.

After the 2010 crackdown on civil society, EU assistance to non-governmental organisations was stepped up. Separate support of **EUR 22.5 million** was provided with 'special measures' for **engaging with civil society, media and local authorities** through medium-sized projects in several sectors. Targeted **scholarship programmes** were also funded, to allow Belarusian students to attend European Universities or the Belarusian University in exile (European Humanities University).



Engaging with civil society

The Clearing House, an EU initiative implemented by the Office for Democratic Belarus, encourages networking and exchange of best practices among civil society in Belarus. It trains local NGOs on how to apply for EU grants, and provides individual consultations for small NGOs with limited capacity. It also facilitates projects implementers' meetings in Brussels.

Since 2011, 87 civil society organisations and grass-root initiatives have received counselling support on the availability of funding instruments and the preparation of application forms; 747 representatives of civil society organisations receive regular information on various funding opportunities.

■ *Parents and children from Belarus during EU-funded activities aiming at healing the memories of the Chernobyl tragedy (© EU).*

ENPI bilateral assistance for Belarus totals **EUR 94.2 million**.

National Indicative Programme (NIP) Belarus 2007-2011	Programmed	Committed
Social and economic development	70%	78%
Democratic development and good governance	30%	22%
Total NIP 2007-2011	EUR 46.1M	EUR 43.1M
Special Measures 2007-2011	na	EUR 5M
National Indicative Programme (NIP) Belarus 2012-2013	Programmed	Committed
Good governance and people-to-people contacts	50%	18%
Economic modernisation	50%	82%
Total NIP 2012-2013	EUR 56.7M	EUR 28.6M
Special Measures 2012-2013	na	EUR 17.5M
Grand total Belarus 2007-2013	EUR 102.8M	EUR 94.2M

Georgia

3.4

The EU supported major reforms in Georgia, such as strengthening of the rule of law and respect for human rights and fostering sustainable economic development. In 2008 and 2009 additional resources (over EUR 100 million) were mobilised through two ‘special measures’ to help the government assist the large population of **internally displaced people** (IDP) resulting from the war with Russia. Specific resources were also used for **confidence-building measures** in the two breakaway regions of Abkhazia and South Ossetia; even though limited access renders the implementation and monitoring of projects increasingly difficult.

One of the major cooperation areas was the **justice** sector, where support focused on access to justice, restorative justice and the penitentiary system, with major involvement of civil society organisations working on rehabilitation and re-socialisation. The EU Special Advisor on human rights and constitutional reforms, Thomas Hammarberg, contributed to the peaceful transfer of power after the parliamentary elections

in October 2012, and to **human rights** reforms. EU assistance successfully brought **agriculture** back to the core of national priorities, with a strong focus on the needs of small farmers and targeted actions on food safety aimed at facilitating implementation of the DCFTA and export to the EU.

Improved juvenile justice system

Juvenile justice is one of the sub-sectors of the overall reform of the criminal justice system in which most progress has been observed. Based on changes to the Criminal Procedure Code of 2011 – which promote liberal approaches to children in the justice sector – 1,683 young first-time offenders were diverted from criminal prosecution in 2013 without criminal record. The number of juveniles subject to pre-trial detention in 2013 was reduced by 10.6% compared to 2012, while the total number of juveniles subject to imprisonment was less than 12%. Access to education for detained juveniles improved. Significant improvements took place in the area of prison healthcare, with more qualified medical personnel, standardised procedures and decreased mortality rate in prisons.



■ An EU apprenticeship programme promoting the re-integration and development of conditionally sentenced juvenile and youth in Georgia (AFP © EU/Neighbourhood Info Centre).



■ A beneficiary of a project empowering rural women in Georgia, through mobile marketing-based communication (AFP© EU/Neighbourhood Info Centre).

ENPI bilateral assistance for Georgia totals **EUR 452.1 million**.

National Indicative Programme (NIP) Georgia 2007-2010	Programmed	Committed
Support for democratic development, rule of law and governance	26%	37%
Support for economic development and ENP Action Plan implementation	26%	26%
Poverty reduction and social reforms	32%	29%
Support for peaceful settlement of Georgia's internal conflicts	16%	8%
Total NIP 2007-2010	EUR 120.4M	EUR 117.4M
Special measures for IDPs 2008-2009	na	EUR 105M
National Indicative Programme (NIP) Georgia 2011-2013	Programmed	Committed
Support for democratic development, rule of law, good governance	25-35%	22%
Support for trade and investment, regulatory alignment and reform	15-25%	27%
Support for regional development, sustainable economic and social development, poverty reduction	35-45%	49%
Support for peaceful settlement of conflicts	5-10 %	2%
Total NIP 2011-2013	EUR 180.3M	EUR 180.7M
EaPIC 2012-2013	Programmed	Committed
EaPIC Georgia	na	EUR 49M
Grand total Georgia 2007-2013	EUR 300.7M	EUR 452.1M

Republic of Moldova

3.5

The EU supported crucial reform programmes in Moldova to strengthen democracy, the rule of law and respect for human rights, as well as to promote economic reform and improve living conditions. EU assistance focused on **justice** reform, better **business climate**, **energy policy** and economic development of least advantaged **rural areas**. Cooperation on **border management and migration** increased over the last years, to accompany the visa liberalisation process. Specific funding was devoted to **confidence building measures** in Transnistria. The **fight against corruption** remains high on the cooperation agenda.

Jobs and investment in rural areas

Since 2009, EU assistance has supported job creation and business development in rural areas by promoting access to investment grants, loan guarantees and start-up funds. Business Incubators were established, hosting up to 75 new businesses, and over 350 new jobs were created, 120 of which held by women.

EU assistance contributes to the national programme for economic employment of youth and to the programme for returning migrants, with targeted subsidies for new businesses and investment projects. Thanks to EU support, the Moldovan government could also compensate farmers affected by the 2012 drought.



■ View of the Scientific Reserve “Codrii” in Moldova that benefitted from the EU-funded FLEG project (EPA © EU/ Neighbourhood Info Centre).

ENPI bilateral assistance for Moldova totals **EUR 560.9 million**.

National Indicative Programme (NIP) Moldova 2007-2010	Programmed	Committed
Support for democratic development and good governance	25-35%	26.0%
Support for regulatory reform and administrative capacity building	15-20%	18.5%
Support for poverty reduction and economic growth	40-60%	55.5%
Total NIP 2007-2010	EUR 209.7M	EUR 225.3M
National Indicative Programme (NIP) Moldova 2011-2013	Programmed	Committed
Good governance, rule of law and fundamental freedoms	35-40%	39.6%
Social and human development	25-30%	16.5%
Trade and sustainable development	35-40%	43.9%
Total NIP 2011-2013	EUR 273.1M	EUR 272.6M
EaPIC 2012-2013	Programmed	Committed
EaPIC Moldova	na	EUR 63M
Grand total Moldova 2007-2013	EUR 482.8M	EUR 560.9M

3.6 Ukraine

EU assistance to Ukraine supported key reform areas linked to the aim of closer relations with the EU. Cooperation on **energy** and energy efficiency encompassed gradual legal approximation in areas covered by the Energy Community Treaty, including its **environmental dimension**. In the field of **transport**, it helped prepare the ground for the extension of the EU's core TEN-T network to Ukraine.

In view of the implementation of the DCFTA with the EU, specific assistance targeted **trade-related issues** such as the removal of technical barriers to trade, the upgrading of food safety standards (a dedicated State Agency now ensures food safety surveillance and the respect of sanitary and phytosanitary standards), and cooperation with the Custom Services. Several stakeholders (for example the Accounting Chamber of Ukraine and the Parliamentary Committee on Budget) received specific assistance in areas

related to the reform of **public finance management**, leading for the first time to a comprehensive policy reform framework, and progress in the legislation on public procurement.

Cooperation in the field of **migration and border management** accompanied the visa liberalisation dialogue, as well as the functioning of the Border Assistance Mission between Ukraine and Moldova (EUBAM). Special attention was also devoted to engagement with **civil society and local authorities**. In 2012, failure to engage in a reform of the **public administration** and the civil service in line with mutually agreed objectives entailed the cancellation of a major sector programme (EUR 70 million)⁸.

8. Annual Action Programme 2011 in favour of Ukraine: 'Reform of the administrative legal framework and civil service in Ukraine' (EUR 70 million). Funds were de-committed following non-signature of the related Financing Agreement.

■ Refitting the entrance to the House of Scherbyna monument in Ukraine, under the SPINE Energy Efficiency project (EPA © EU/Neighbourhood Info Centre).



ENPI bilateral assistance to Ukraine totals **EUR 1,005.6 million**.

National Indicative Programme (NIP) Ukraine 2007-2010	Programmed	Committed
Support for democratic development and good governance	30%	7%
Support for regulatory reform and administrative capacity building	30%	42%
Support for infrastructure development	40%	51%
Total NIP 2007-2010	EUR 494M	EUR 522.6M
National Indicative Programme (NIP) Ukraine 2011-2013	Programmed	Committed
Good governance and the rule of law	20-30%	20%
Facilitation of the entry into force of the EU-Ukraine Association Agreement (including a DCFTA)	25-35%	28%
Sustainable development	45-55%	52%
Total NIP 2011-2013	EUR 470M	EUR 483M
Grand total Ukraine 2007-2013	EUR 964M	EUR 1005.6M

Promoting mutual trade with the EU

With EU assistance, new laws were developed and adopted for the removal of technical barriers to trade, e.g. on general product safety and market surveillance. Technical regulations in line with EU directives were adopted, for instance in the area of low voltage equipment and safety of machinery, 380 market surveillance inspectors and 260 custom officers were trained on how to implement the newly adopted law on market surveillance, and the national plan to upgrade the equipment of testing and metrological laboratories was adopted.

■ *The “East-Invest-Support to SME sector” project helps Small and Medium size Enterprises in their internationalisation process (© Market and Trade Project).*



3.7 Russia

Bilateral assistance to Russia under the ENPI focused on support for the **Common Spaces**⁹ and the **Partnership for Modernisation** (P4M), promotion of private-public partnerships (PPPs) in the field of **transport**, engagement with civil society and local initiatives. **Higher education** was a key sector: in addition to the Erasmus Mundus and Tempus programmes, the ENPI funded the European Studies Institute (ESI) in Moscow and the establishment of EU centres in six Russian universities. Russia also benefited from the **EU-Baltic Sea programme**, with dedicated funding of EUR 20 million.

9. At the EU-Russia Summit in May 2003, the EU and Russia agreed to reinforce their cooperation by creating four 'common spaces', covering: (1) economic cooperation; (2) freedom, security and justice; (3) external security; and (4) research, education and culture.



■ Central Research Institute of Structural Materials 'PROMETEI' that implements the Arctic Materials Technologies Development project in Russia (EPA © EU/Neighbourhood Info Centre).

Notwithstanding intense negotiations, neither the successor agreement with the EU – meant to replace the existing Partnership and Cooperation Agreement – nor the visa facilitation agreement were finalised. Funding for a Council of Europe programme on **ethnic and national minorities** was partly cancelled because of lack of support from the government¹⁰. The recent 'foreign agent' law – which restricts the activity of non-governmental organisations considered as 'politically oriented' (for example, working on human rights, democracy and electoral monitoring) – makes it increasingly difficult to support **engagement with civil society**. ENPI bilateral assistance for Russia totals **EUR 66.5 million**. The country will no longer be eligible for bilateral assistance under the new European Neighbourhood Instrument, even though it may participate in multi-country projects and programmes funded from the ENI.

10. EP preparatory action 'Ethnic and national minorities in Russia: promoting integrity and intercultural dialogue'. Funding for EUR 4.5 million (out of total EUR 7.5 million) was de-committed.

Support to rule of law in the Russian Federation

Through the Partnership for Modernisation (P4M) programme, the EU supported the rule of law and good governance in the Russian Federation. Good progress was achieved in the introduction of the appeal system to the Russian judiciary system, and the ongoing project to build the capacity of the Business Ombudsman at the central and regional levels is expected to fight against corruption faced by small and medium enterprises (SMEs). Furthermore, thanks to the P4M, the Hague Conventions on child abduction and child protection were adopted and introduced into the Russian legislative framework.

ENPI bilateral assistance to Russia totals **EUR 66.5 million**.

During the period, Russia stopped to be eligible as a recipient of bilateral assistance.

National Indicative Programme (NIP) Russia 2007-2011	Programmed	Committed
Support to the implementation of the roadmaps	80-90%	100%
Kaliningrad	10-20%	-
Total NIP 2007-2011	EUR 120M	EUR 28.5M
EP pilot project Baltic sea (2008-2009)	na	EUR 3.5M
EP preparatory action on minorities with CoE (2008-2010)	na	EUR 7.5M
Baltic sea strategy - Russia (2010)	na	EUR 20M
Partnership for Modernisation (2010-2011)	na	EUR 7M
Grand total Russia 2007-2013	EUR 120M	EUR 66.5M

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3.8 Regional Programme East

The main results of the Regional Programme East have been the following:

Policy dialogue: these are regular meetings of the **Eastern Partnership multilateral Platforms¹¹ and Panels**, which allow the countries to progress on sectors and issues of common interest and exchange about developments in their national sector reforms. The multilateral platforms cover the following themes: democracy, good governance

.....
11. Representatives from Commission and Member States as well as from partner countries are present at these platforms and panels.

■ A man collecting water from Kura river. The EU supports Armenia, Azerbaijan and Georgia in reforming their systems of water quality monitoring and assessment (© EU).



Managing Transboundary Rivers in the Souther'n Caucasus: the case of the Kura River

The EU supported Armenia, Azerbaijan and Georgia in reforming their systems of water quality monitoring and assessment and bringing them closer to principles and methodologies of the EU Water Framework Directive - the most important piece of legislation covering protection of water environment in the EU.

This was done through a 4-year technical assistance project that improved understanding of the need to reform the existing systems for water quality monitoring and assessment. Through fieldwork in the Kura-Aras river basin, partner countries gained hands-on experience on necessary techniques to apply European methodologies through joint field surveys, practical training and laboratory practice. As a result, the three Southern Caucasus countries improved their capacity to monitor and assess the physical, chemical and biological status of their freshwaters, following the same methods and standards. They are now in a position to develop the tools needed for their more effective management, and to discuss the results of these assessments for policy-making at the level of the international river basin.

and stability; economic integration and convergence with EU policies; energy security; and people-to-people contacts.

Support to civil society: following the creation of the **EaP Civil Society Forum** in 2009 and the Neighbourhood Civil Society Facility, civil society is now a major stakeholder in the implementation of Eastern Partnership reforms and democratic changes.

Flagship initiatives: regional cooperation has been strengthened through flagship initiatives and various regional programmes. Flagship initiatives created in 2010 focused on: integrated border management; small and medium-sized enterprises (SMEs); regional gas and electricity markets, energy efficiency and renewable energy sources; environmental governance; and prevention, preparedness and response to natural and man-made disasters. Several programmes and projects were developed to support these initiatives at regional and local level, including for example SME development facilities.

Regional programmes: outside the flagships, supported the rule of law, police cooperation, territorial cooperation, transport, youth and culture.

Environment and climate change: partner countries have progressed towards the implementation of the major multilateral environment agreements and the adoption of EU approaches, best practices and standards on environment (e.g. water resources management, air quality, waste, biodiversity, forest governance).

Transport: cooperation in transport has resulted in the endorsement of the EaP regional transport network, a list of priority projects located on the network, but also a master plan for transport development between the EU, Eastern Europe and Central Asia, and significant progress in the domain of transport safety and security (air, road, maritime).

Energy: EU regional cooperation in energy supported partner countries at different levels. At country level, the regional energy programme INOGATE supported activities related to cross-border trade, improved energy policies and regulation, energy efficiency and renewable energy, harmonized en-



■ Georgian women walking through their mountain village in Georgia. All are beneficiaries of a project to empower rural women through mobile marketing-based communication (AFP © EU/Neighbourhood Info Centre).

ergy standards, reduced gas losses, and improved quality of energy balances. At municipal level, support was provided to the Covenant of Mayors initiative, which encourages local authorities to reduce their dependency on fossil fuel, reduce their CO₂ emissions, secure and diversify their energy supply, promote renewable energy and energy efficiency. Several facilities (in particular the Eastern Europe Energy Efficiency and Environmental

Partnership, 'ESP') were created with European financing institutions to support small to medium scale projects in the field of energy efficiency and renewable energy.

Youth: support to youth was offered, with an estimated 37,000 young people and youth workers having received funding for their projects in 2011-2013 in rural or deprived urban areas.

ENPI assistance committed for the regional programme of the Eastern neighbourhood totals **EUR 572 million**. (An additional EUR 220 million was made available through the Erasmus and Tempus programmes for beneficiaries of the Eastern Neighbourhood and Russia).

Regional Indicative Programme (RIP) 2007-2010	Programmed	Committed
Networks (transport, energy, SME)	25-35%	28%
Environment protection and forestry	25-35%	20%
Border and migration management, fight against organised transnational crime, customs	20-30%	30%
People to people activities, information and support	10-15%	19%
Landmines, explosive remnants, small arms and light weapons	5-10%	3%
Total RIP 2007-2010	223.5 EUR M	EUR 140 M
Regional Indicative Programme (RIP) 2010-2013*	Programmed	Committed
Democracy, good governance and stability	30.7%	24%
Economic development	20.7%	17%
Climate change, energy and environment	25.8%	13%
Advancing integration with the EU and regional cooperation, including civil society facility	22.8%	38%
Total RIP 2010-2013	EUR 348.57M	EUR 432 M
Grand total Regional East 2007-2013	EUR 572.07M	EUR 572 M

* The Regional indicative programme (RIP) was revised in 2010, before the end of the previous RIP, to take into account the new policy context. The new programming period takes into account the leftovers from 2007-2010.

4. Neighbourhood-wide activities

Inter-regional programme



■ A dance with EU flags during the Europe Day opening ceremony at the European Village of Chisinau, Moldova (AFP © EU/Neighbourhood Info Centre).

Erasmus Mundus and Tempus

4.1

Between 2007-2013, cooperation in higher education mostly took place in the framework of **Erasmus Mundus** and **Tempus**. While the Erasmus Mundus programme focused on mobility actions and on encouraging partnerships between institutions from the EU and from the partner countries, Tempus IV focused on the reform and modernisation of higher education systems in the Neighbourhood region.

Neighbourhood countries and Russia benefitted from a budget of around EUR 670 million during the 2007-13 programming period for the Erasmus Mundus and Tempus programmes. As part of the EU's strengthened ENP and mobility policy, the financial allocation for the period 2011-2013 was almost doubled compared to preceding years, through a sizeable top-up that came following the 2011 review of the European Neighbourhood Policy. Furthermore, additional funding for countries in transition or in conflict such as Tunisia and Syria enabled increased mobility from those countries.

In total, 5,187 students (at undergraduate, master, doctorate and post-doctorate level) and staff members from Neighbourhood East countries, and 6,221 from Neighbourhood South countries, were able to benefit from scholarships in the framework of Erasmus Mundus Partnerships between 2007 and 2013. Within Erasmus Mundus Joint Programmes, 695 Eastern Partnership nationals and 760 Southern Mediterranean nationals benefited from mobility to follow a joint Erasmus Mundus master or doctorate. Russia is among the top countries in terms of participation in Erasmus Mundus: from 2007 to 2013, more than 2,900 Russian nationals were able to come to the EU for study or research in the framework of university partnerships, and around 550 Russian nationals were awarded scholarships for Erasmus Mundus Joint Programmes.

From 2008 to 2013, a total of 366 Tempus projects were selected for the ENP region and Russia, promoting institutional cooperation with a view to reform and modernise higher education systems in the Neighbourhood partner countries.

Evaluations of the Erasmus Mundus and Tempus programmes indicated that both programmes have generally produced very satisfactory results, having a significant impact on the higher education systems of partner countries and on fostering cooperation both at regional level and within individual partner coun-

tries. Recommendations included the need to focus on sustainability of these partnerships and involvement of non-academic institutions.



■ Alumni of the Erasmus Mundus exchange program in Azerbaijan (Abbasov © EU/Neighbourhood Info Centre).

Tempus: Geographic information technology for sustainable development in Eastern neighbouring countries

With a Tempus programme grant, higher education institutions from Sweden, Spain and Germany worked together with partners from Armenia, Moldova and Ukraine over three years to develop geographic information technology (GIT) specialists in these partner countries. Skill gaps were identified, and academics were trained on the latest European developments in geographic information technology. Existing curricula were modernised, new curricula and teaching materials developed in line with Bologna Process principles, and six new GIT laboratories were set up. As a result of the project, new pedagogical methods and quality assurance mechanisms in GIT were introduced.

4.2

The Neighbourhood Investment Facility (NIF)

The NIF was launched in 2007, as an innovative financial instrument to boost EU support for the economic development of its Neighbours. It has been specifically designed to finance capital-intensive infrastructure projects in partner countries covered by the European Neighbourhood Policy, as well as to support their private sector, focusing on SMEs. The Facility brings together funding from the European Commission and the EU Member States with loans from European Finance Institutions (EFI), as well as own contributions from the partner countries.

In doing so, the EU backs its Neighbours' priorities and supports them in carrying out necessary investments for the future. This will have a significant positive impact on their population, as well as on European citizens, given the common interests in stability and welfare.

By pooling different resources, the NIF plays a key role in donor coordination and increasing aid effectiveness. In addition, the NIF supports the implementation of regional and multilateral processes, in particular the

Union for the Mediterranean, the **Eastern Partnership** and the **Black Sea Synergy**, with specific events aiming at increasing exchange of knowledge and policy dialogue.

Georgia: Black Sea Energy Transmission System

Turkey has a growing demand for power, while Georgia has renewable energy sources, in particular hydropower. Georgia's power grid was part of the power supply in the Caucasus that was linked to the other Soviet republics. The challenge is to break down existing barriers across the borders, connect different power supply networks of varying technical parameters (frequency, phasing), and stabilize power supply, while enabling the export of electricity from Georgia to Turkey.

The Georgia-Black Sea Transmission Network project began in 2010 to take up this challenge and was completed with a ceremony in December 2013 attended by the Ministers of Energy of Georgia and Turkey at the new substation in Akhaltsikhe, Georgia. High-voltage direct-current links are now established between the two countries: each link transmits 350 megawatts (MW) of eco-friendly electric power, which is crucial for Tur-



■ A sub-station of the Zahesi hydro power plant, the oldest in Georgia, reconstructed under the Black Sea Energy Transmission System project (Maia Edilashvili © EU/Neighbourhood Info Centre).

key's growing power demand, as well as for the balance and security of the Georgian network. As Turkey should soon join the European Network of Transmission System Operators for Electricity, this new linkage will allow Georgia in the short run to connect to the European transmission grid and export its green energy to the European Union.

This ambitious project was approved at the NIF Board in 2008. The NIF contribution of EUR 8 M was used to finance the supervising consultant, social and environmental impact studies that have led to realigning the high-voltage line in an environmentally-friendly manner. The total project value is EUR 220 million, with KfW as a lead EFI, and contributions from EBRD and EIB.

For the 2007-2013 period, the EU allocated a total amount of EUR 745 million for the NIF from the inter-regional envelope, which has been complemented by direct contributions from Member States kept in a trust fund managed by the European Investment Bank. To date, the NIF has leveraged EUR 9.6 billion in loans from European Financial Institutions (EFIs), with total project costs estimated at EUR 20.8 billion (ratio 1 to 27). The energy and transport sectors have received the largest part of NIF funding (between 25 and 30% each), followed by support to private sector and water and sanitation (about 18% each).

A mid-term evaluation was conducted in 2013 and concluded on the relevance and effectiveness of the

NIF, as well as its key role in acting as a coordination mechanism between the financing institutions and the Commission, as well as amongst the financial institutions themselves. Recommendations included the need to pay more attention to regional interconnectivity aspects, as well as cross-cutting objectives, including policy dialogue, and consultation of local stakeholders.

Improved water and wastewater services programme in the Nile Delta (phase I) and Upper Egypt (phase II)

The objective of the project is to improve sustainable water and wastewater services in four governorates in the Nile Delta with a population of 16.3 million (phase I) and another four governorates in Upper Egypt with a population of 15.3 million. Implementation of the project started in 2009 and targets the physical infrastructure of the wastewater collection system and treatment process, as well as water supply networks and treatment plants. In line with the EU Water Sector Reform Programme (phase I and II), this project supports the ongoing reform process, which focuses on sanitation and developing the capacity of the local operating companies to ensure sustainable water management and water supply expansion to the population with appropriate quality standards.

Total cost for this project is EUR 598 million, with a NIF grant of EUR 47 million, co-financed with loans from KfW, AFD and EIB.



■ The road from Chefchaouen to Oued Laou, restored to improve infrastructure and create jobs in Morocco (AFP © EU/Neighbourhood Info Centre).

4.3

Technical Assistance and Information Exchange (TAIEX)

TAIEX was opened to the Neighbourhood countries and Russia in 2006 to foster alignment with the EU acquis on the basis of voluntary shared procedures. It is mainly demand-driven from the beneficiary public administrations and helps deliver appropriate tailor-made public sector expertise at short notice. TAIEX provides four types of assistance:

- 1 expert missions to beneficiary countries;
- 2 workshop or seminar in beneficiary countries;
- 3 study visit to Member States;
- 4 TAIEX assessment missions (peer assessment on a specific sector).

Bilateral and regional programmes build on the outcomes of TAIEX with support for major sector reforms, legislative developments in line with EU requirements – especially on trade-related issues – and tailored institution building.

Since 2007, a total of EUR 38.5 million were used for TAIEX, mainly in the Neighbourhood East.



Support for Improvement in Governance and Management (SIGMA)

4.4

SIGMA is a joint initiative of the OECD and the EU, and assists public institutions responsible for horizontal management systems of governance – civil service, administrative law, expenditure management, financial control, external audit, public procurement and policy and regulatory capacities.

SIGMA was initially set up in 1992 to support central and eastern European and then pre-accession countries, and was eventually extended to the Neighbourhood in 2008. It is currently active in 11 Neighbourhood countries (Algeria, Armenia, Azerbaijan, Egypt, Georgia, Jordan, Lebanon, Moldova, Morocco, Tunisia and Ukraine) and has implemented around 120 activities in the sectors of civil service, administrative justice and integrity, external audit and financial control,

budgeting and public expenditure management, public procurement policy and regulatory systems, with institutions such as public procurement agencies, civil service agencies, courts of auditors, parliaments, ministries of finance and budgetary authorities.

In parallel, SIGMA participates or organises regional or sub-regional networks on public procurement, public expenditure management or administrative reform. SIGMA advice contributes to the dialogue on public finance reform, public administration reform and reform of the civil service.

Since 2008, EUR 17.7 million have been mobilised for the use of SIGMA in the Neighbourhood.



4.5 Cross-border cooperation programmes (CBC)

The CBC strategy paper 2007-2013 identified four overall strategic objectives:

1. promoting economic and social development;
3. addressing common challenges (environment, public health, prevention and fight against organised crime);
3. ensuring efficient and secure borders;
4. promoting local cross-border people-to-people actions.

A total of 15 CBC programmes were identified in the strategy paper but for political reasons the two Spain-Morocco programmes were never submitted. Consequently, for the 2007-2013 period, 13 CBC programmes were established on both sides of the EU's external borders, in the East and the South. The CBC programmes are managed according to 'shared management', which means that the management and implementation of the programmes is entrusted by the European Commission to Managing Authorities

located in the Member States. Support for CBC draws on funds from both the ENPI and the European Regional Development Fund (ERDF).

The 13 programmes have finalised the contracting of all selected projects for funding. In total, for the whole seven-year programme duration, over 900 projects have been contracted. In March 2014, 127 projects had already been finalised, leaving more than 800 projects still under implementation. The total value of the projects is approximately EUR 950 million. The projects are implemented in diverse fields, covering areas from environmental protection and tourism, to education and culture. The main beneficiaries of these projects are local and regional authorities, NGOs and civil society. Out of the total number of projects, 84 are Large Scale Projects implemented by the nine land border programmes. These projects, of a total value of EUR 254 million, focus on big investment activities, mainly border crossing point infrastructure, energy, transport and the environment.

Putting politics aside: Israeli-Palestinian scientific cooperation on the identification, development and commercialisation of natural products derived from Mediterranean flora

Israel and Palestine are part of the Bio-Xplore project, in a partnership with Spain and Greece, to identify and develop commercially valuable natural products derived from Mediterranean flora. Scientific cooperation generated by Bio-Xplore is relatively rare in a region where conflict tends to get in the way of joint development initiatives. Under the Bio-Xplore project, both sides have decided to put politics aside and concentrate on the work at hand, which has the potential to benefit both populations. The Palestinian team, working at the Biodiversity and Environmental Research Centre in Nablus, has already screened almost 1,500 plant extracts across the West Bank. The Israeli and Palestinian teams are also examining the possibility of expanding the project in the future to include neighbouring Jordan. The results of the Bio-Xplore project will be patented and transferred to local and regional commercial enterprises. Royalties generated by the activities are divided equally among the four countries. The aim is to create jobs and boost local industry in the agriculture, food, cosmetics, pharmaceutical supplement and biotech spheres, while at the same time protecting natural resources.



■ Students experimenting at the Hadassah Academic College in Jerusalem, under the BioXplore project (AFP © EU/Neighbourhood Info Centre).

4.6



■ Technical equipment provided by the Baltic Sea Region Programme promoting e-government, Belarus (© EU/Baltic Sea Programme).

<i>Figures in million EUR</i>	Initial 2007-2013	2007-2013 after Mid-term review and adjustments	Committed 2007-2013
Land border programmes			
Kolarctic/Russia (Finland, Sweden, Russia, Norway)	28.24	30.47	30.47
Karelia/Russia (Finland, Russia)	23.20	23.20	23.20
SE Finland/Russia (Finland, Russia)	36.18	36.18	36.18
Estonia/Latvia/Russia	47.77	47.77	47.77
Lithuania/ Poland /Russia	132.13	124.21	124.21
Latvia/Lithuania/Belarus	41.74	41.74	41.74
Poland/Belarus/Ukraine	186.20	186.20	186.20
Hungary/Slovakia/Romania/Ukraine	68.64	68.64	68.64
Romania/ Ukraine/Moldova	126.72	126.72	126.72
Sea-Crossing Programmes			
Italy/Tunisia	25.19	25.19	25.19
Sea-Basin Programmes			
Mediterranean (Cyprus Egypt, France, Greece, Israel, Italy, Jordan, Lebanon, Malta, Palestinian Authority, Portugal, Spain, Syria, Tunisia)	173.61	200.00	200.00
Black Sea (Romania, Bulgaria, Greece; Turkey, Ukraine, Rep. of Moldova, Georgia, Armenia)	17.31	28.12	28.12
Baltic Sea Region (Belarus, Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Norway, Poland, Sweden)	22.61	8.8	8.8
Spain-Morocco	156.73	0	0
Atlantic	32.16	0	0
TOTAL	1,118.43	947.25	947.25

In addition, about EUR 8M were contracted for programme support at global level.

5. **Lessons learnt** from implementation and cross-cutting issues



■ *The path to peace: a young Lebanese woman walks through a maze containing multiple perceptions on the Lebanese conflict (AFP © EU/Neighbourhood Info Centre).*

Evaluations, audits and reports from the Court of Auditors

5.1

As part of the management of the ENPI, programmes and projects have been regularly monitored, evaluated and audited. In addition, a number of EuropeAid strategic evaluations have covered the Neighbourhood region.

5.1.1 Evaluations

Evaluations have taken place at a more strategic level, looking at cooperation with a specific country: Jordan 2007, Moldova 2007, Ukraine 2010, Egypt 2010, Tunisia 2011; or on specific themes (including Neighbourhood but not limited to it): energy 2008, civil society 2008, Council of Europe 2012, health 2012, private sector development 2013, integrated border management 2013, environment and climate change (ongoing in 2014).

The main results of these evaluations can be found on the EuropeAid website¹².

A specific evaluation of the EU's Support to the two European Neighbourhood Policy Regions (East and South) between 2004 and 2010 was carried out, which resulted in a report published in 2013. The evaluation focused on the two regional cooperation programmes. It concluded that EU support stimulated regional policy dialogue and contributed to stability, a critical achievement in the difficult context of the Neighbourhood. The regional interventions had a strong added value, but limited linkages with other EU interventions. At country level, priorities sometimes differed from those of regional cooperation, leading to weak support from some countries. Key recommendations included: paying more attention to sustainability; carefully assessing the differences in the willingness and institutional/human capacities of regional partners at the design stage; considering cooperation only with countries with a stronger political will and ensuring that interventions allow flexibility in the choice of local partners. Recommendations were taken on board in the remaining part of the programme and fed into the new programming, in particular in terms of enhanced complementarity between country programmes and regional and Neighbourhood-wide activities.

5.1.2 Audits

In order to ensure the sound financial management of the programme, the Commission undertakes a number of audits of projects and programmes. More than 1,000 audits have been implemented over the last 7 years.

Financial and/or system audits are the most frequent. The most important financial findings concern ineligible costs as a result of a lack of (adequate) supporting documents, the use of incorrect procurement procedures, expenditure not for project purposes, expenditure including VAT/other taxes and use of incorrect exchange rate. Financial findings in audit reports provide an appropriate basis for the Authorising Officer to discuss these financial findings with the beneficiaries and to recover amounts of ineligible expenditure.

The most important system control findings primarily involve weaknesses in the beneficiary's accounting and financial reporting systems, in the IT systems, in the cash and bank management, in the expenditure control and human resources and payroll management and the absence of any formalised reporting system in accordance with contractual obligations.

In addition to protecting the financial interests of the EU, audits are a useful tool that can be used to discuss follow-up measures and to monitor the implementation of management control measures with beneficiaries of the EU funds.

12. http://ec.europa.eu/europeaid/using-our-experience-improve-quality-our-development-engagement_en

5.1.3 Reports from the Court of Auditors in 2007-2013

Apart from the financial audits, which the Court of Auditors carries out systematically through ongoing audits of selected transactions and where the results are reported in the Court's Annual Report for the Commission, four specific performance audits have been performed in the ENPI area between 2007- 2013:

Performance audits	Final report	Title	Number of recommendations	Recommendations not followed up	Implemented recommendations	Still open recommendations	Expected completion date for accepted, still open recommendations
SR 9/2008	15/01/2009	The effectiveness of EU support in the area of freedom, security and justice of Belarus, Moldova & Ukraine	10	0	10	0	-
SR 13/2010	18/02/2011	Is the new European Neighbourhood and partnership Instrument successfully launched and achieving results in the Southern Caucasus (Armenia, Azerbaijan and Georgia)?	10	0	10	0	-
SR 4/2013	18/06/2013	EU Cooperation with Egypt in the Field of Governance	9	1	6	2	end 2014
SR14/2013	11/12/2013	European Union Direct Financial Support to the Palestinian Authority	9	1	3	5	end 2014

All the recommendations of the two first performance audits have been taken into account and implemented in due time.

For two recent performance audits, 'EU Cooperation with Egypt in the Field of Governance' in Egypt and 'European Union Direct Financial Support to the Palestinian Authority' in Palestine, most of the recommendations have been accepted, and are implemented or being implemented. However, for each of the two performance audits, one of the recommendations has been subject to discussion:

For Egypt, a recommendation was made on the establishment of an Association Agreement sub-committee specifically devoted to public finance management and the fight against corruption. However, the European Commission and the European External Action Service (EEAS) explained that the creation of a sub-committee was unnecessary and that they will continue to suggest the inclusion of public finance management issues on the agenda of the informal Economic Dialogue where it would be and still is appropriate. As stated in the Council Conclusions of 21 October 2013, and also reported to the Parliament (Discharge 2012), the Commission and the EEAS are of the view that a

number of the Court's observations did not sufficiently take into consideration the complex political and institutional context in Egypt during the whole reporting period. The effectiveness of EU actions also depends on the local and regional political environment, and is related to the authorities' commitment in the area. For Palestine (Special report 14/2013, 'European Union Direct Financial Support to the Palestinian Authority'), according to the Court of Auditor's report, the Commission and the EEAS have succeeded in implementing direct financial support to the Palestinian Authority in difficult circumstances. The Court also acknowledges that the financial procedures put in place to check the eligibility of the beneficiaries of aid through this direct financial support are sound and robust. The Court recommended the introduction of 'conditionality' for the EU's support to Palestine in order to increase the leverage over the Palestinian Authority; the Commission and the EEAS, however, disagreed with this recommendation considering that explicit conditionality should not be introduced, due to the unique and difficult circumstances in which the programme is implemented and in line with EU's objectives in the Middle East Peace Process.

Lessons learnt on modalities of implementing aid

5.2

Budget support: budget support is internationally acknowledged as one of the preferred modalities of cooperation, and it can offer significant advantages in supporting reforms compared to other (project-related) cooperation modalities. Nonetheless, it also implies that certain eligibility criteria have to be met, including in terms of public policy, stability-oriented macroeconomic policies, public finance management reform and budget transparency conditions. As a consequence, budget support is provided to a beneficiary country according to its policy commitments: strong political willingness and national ownership of policy reform processes are key for budget support to produce positive results. Budget support proved to be very useful in the Neighbourhood region, with Morocco being the first beneficiary worldwide. The *'Budget Support Guidelines'*¹³ of September 2012 introduced three forms of budget support operations: good governance and development contracts (GGDC), sector reform contracts (SRC), and state building contracts (SBC). In the Eastern Partnership, sector reform contracts remained the only modality used until the end of 2013. In the Neighbourhood South, state building contracts were prepared in Tunisia that helped support the democratic transition process. The renewed emphasis on fundamental values in the 2012 budget support guidelines also allowed to strengthen dialogue on sensitive questions of political governance that were difficult to address in the past, topics such as torture and gender equality in Jordan or the elec-

13. The 'Budget Support Guidelines' reflect the orientations of the Communication 'The future approach to EU budget support to third countries' – COM(2011) 638 of 13.10.2011

toral process, or the fight against corruption in Tunisia. Two good governance and development contracts were prepared in Jordan and Morocco, that support overall government policies and strategies, e.g. on regulatory approximation with the European market.

Cross-Border Cooperation (CBC): to facilitate the implementation of CBC programmes, new Implementing Rules for 2014-20 have been prepared, in close consultation with EU Member States, seeking to align with the rules of the European Territorial Cooperation (ETC). A major change is that more financial responsibilities will be put on both EU Member States and Partner countries in terms of management, control and audit. Another novelty, also based on lessons learnt, is that programmes can develop their own rules for the grant award procedures. In addition, it has been agreed that the trilateral programmes Estonia/Latvia/Russia, Poland/Lithuania/Russia and Romania/Ukraine/Moldova will be split into bilateral programmes in the future programming.

Neighbourhood Investment Facility (NIF): blending operations in the Neighbourhood, where the EU grants lever loans for investment were carried out through the NIF, set up in 2008. This included new forms of support to promote private sector development and risk capital financing. The NIF has proved to be a powerful tool for attracting investments in the region in a coordinated way. More efforts need to be made to ensure that funding targets the policy priorities of the EU and strengthens the link between the NIF and the sectoral policy dialogue between the EU and partner countries.

5.3

Support to civil society

Civil society organisations play a crucial role within their societies in providing policy input, developing new initiatives and in holding governments accountable for their actions. They are major actors in promoting democracy and human rights, the fight against corruption, the rule of law, good governance and sustainable economic and social development. EU cooperation so far has shown that a stronger participation of civil society is needed so as to enhance the oversight of public services and strengthen public confidence in those services.

The results of EU work with civil society are manifold. They range from better living conditions for vulnerable groups (such as children with disabilities), to increased capacities of civil society to carry out budgetary analysis and expenditure tracking in order

to make sure that public spending is transparent and responds to citizens' needs. In general, strengthening the capacity of civil society has been one of the most important and positive results of cooperation with the partner countries. However, more remains to be done in the area of capacity development, in particular regarding the development of more technical capacities of civil society.

In the Eastern Neighbourhood, the Eastern Partnership Civil Society Forum remains an important stakeholder in the EU's work with civil society. It is important to support the Forum's activities in a more coherent, systematic and stable way in the future, in particular its role as an effective and reliable counterpart for national governments and EU institutions in policy analysis and policy making.

■ *School teachers participate in the training 'Youth gender education as development pledge of civil society', in Russia (EPA © EU/Neighbourhood Info Centre).*



Incentive-based approach: the umbrella programmes

5.4

Following the revision of the European Neighbourhood Policy in 2011 and the introduction of the principle of 'more for more', the SPRING (for the South) and EaPIC (for the East) programmes set up an effective mechanism to introduce the incentive-based approach in the EU's cooperation with the Neighbourhood countries, with the aim of fostering deep and sustainable democracy by rewarding reforms in that direction.

The 'umbrella programmes' have significantly contributed to shaping the debate on the implementation of the incentive-based approach of the revised European Neighbourhood Policy, and are now fully integrated in the new European Neighbourhood Instrument for 2014-2020.

Some lessons can be drawn from the implementation of these umbrella programmes:

- In order to match the performance rewarding principle with the predictability of EU aid, the assessment of a country's progress in deep and sustainable democracy – which triggers the allocation of additional resources through the umbrella programmes – needs to be accurate and clearly linked to agreed reform objectives.
- Rewarding political performances of third countries (or not doing so) is always a sensitive issue. It is thus important that criteria determining whether or not a country will be rewarded are clear and transparent, and that partner countries are fully aware of them.
- More globally, the whole process of the definition and implementation of umbrella programmes needs to be underpinned by effective and coordinated political communication and clear messages.

■ *Syrian refugee student participating in the 'Sustaining Quality Education and Promoting Skills Development Opportunities' programme, in Jordan (AFP © EU/Neighbourhood Info Centre).*



5.5

Gender equality

Cooperation in the Neighbourhood contributed towards advancing the EU agenda on gender equality and women's empowerment in development, in line with the 'EU Gender Action Plan'. EU assistance supported the active role of women in society, access to economic resources and small-scale business, political participation, and their contribution as actors of peace and reconciliation in zones affected by conflict. Targeted projects in this domain were funded under the ENPI and also under dedicated instruments such as the European Instrument for Democracy and Human Rights (EIDHR) and the thematic programmes of the Development Cooperation Instrument (DCI).

The dialogue on deep and sustainable democracy includes women's rights and human rights, and these are part of the assessment of progress in the implementation of the European Neighbourhood Policy and of agreed reform objectives. Since the launch of SPRING and EaPIC (2011-2013), assessment of progress is also used as a basis to allocate 'more for more' additional funding.

In the **Southern Mediterranean**, women were key players of the 'Arab Spring' protests, and should now remain involved – on an equal footing with men – in all stages of the democratic transition and rebuilding processes that will shape the future of their countries. Although the situation of women differs in each Arab country, there are common problems and challenges across the region, such as a high level of violence and significant pay gaps. Hence women's political and economic empowerment remains a key cross-cutting priority, underpinning the strategic objective of helping women and societies out of poverty.

The third Union for the Mediterranean Ministerial Conference on strengthening the role of women in society (September 2013), renewed the commitment to: encourage the right of women and men to participate in political, economic, civil and social life; combat all forms of violence and discrimination against women and girls; promote changes in attitudes and behaviours in order to achieve gender equality, and the empowerment of women not only on paper but also in daily life.

The EU and UN Women in the Southern Mediterranean: 'Spring forward for women'

As part of the follow-up to the 'Arab Spring', the programme 'Spring forward for women' supports initiatives proposed by national and regional institutions and civil society organisations. At regional level, the programme focuses on several issues such as advocacy skills of women's groups; participation of women in electoral processes; capacity of local and national governments to deliver better services for poverty alleviation. The programme is co-financed and implemented by UN Women.

In the **Neighbourhood East**, the situation is equally diverse in each country, but again with common challenges across the region. In general, national legislation on gender equality is in place – often in response to international commitments – but gender-based discrimination is still widespread, for example in terms of domestic violence, women's access to entrepreneurship and well-paid jobs, lack of affirmative actions for gender-balanced political representation and active participation of women in policy-making. In 2013, an independent study was carried out in the six Eastern Partnership countries to outline their 'gender profiles'. The profiles are working documents and are meant to provide information and input on gender-related challenges in key sectors of cooperation. This knowledge basis will be used for further dialogue with partner countries and civil society, with the aim to enhance gender mainstreaming in future sector cooperation. (A parallel study is in preparation for the South.)

Eastern Partnership: women in business

In 2012, the 'SME Policy Index', reporting on progress in the implementation of the Small Business Act for Europe, urged Eastern Partnership countries to develop focused policies and concrete initiatives in support of women's entrepreneurship. It also stressed the need for improved statistics to underpin corresponding decision-making. The panel on small and medium-sized enterprises – established under the EaP Platform on Economic integration and convergence with EU policies – has singled out women's entrepreneurship as a specific objective for regional cooperation.

Communication & visibility activities

5.6

Enhanced communication and greater visibility of EU policy, actions and programmes in the partner countries was one of priorities of the **Regional Indicative Programme 2010-2013**.

Promotion and visibility of EU development cooperation is carried out mainly through EU assistance projects and programmes. Each project co-funded by the EU should have a budget set aside for communication activities. Implementing partners are responsible for giving adequate visibility to the action they are implementing, as well as to show the impact and results of EU support. These communication activities were carried out by the implementing partners, but monitored by the EU Delegations on the ground.

In addition, each EU Delegation in the Neighbourhood also received a bilateral allocation for its communication activities, through the ENPI support measure called **Global allocation**. These funds were used by the Delegation for strategic communication activities aimed at raising awareness about the EU through highlighting the impact of cooperation projects. This support will continue in 2014-2020.

Bilateral activities in the Delegations have been successfully complemented by the **Regional Communication programme 2009-2014**. This programme has contributed to a greater understanding of EU policies and cooperation activities carried out in the Neighbourhood area. It has developed sustainable communication networks and supported the rise of independent journalism across the region through the training and mentoring of more than 1,900 journalists since 2007 in the fields of financial and professional independence, media ethics, media management and multiplatform journalism.

In the framework of the Regional Communication programme, the first ever Neighbourhood Barometer covering 16 partner countries was launched in 2012. Ad-hoc Neighbourhood barometers on specific topics of importance (energy, environment, civil society, media, mobility and migration) were carried out, as well as daily monitoring of media across the region.

Furthermore, an information hub and real time communication and information system (EU Neighbourhood Info Centre) have been put in place to increase the level of knowledge and understanding about

EU policies and cooperation activities among peoples from partner countries. Information from all EU sources (EU institutions, EU Delegations, EU funded projects) was aggregated, repackaged and disseminated also in local languages, including Arabic and Russian, while there was greater use of social media tools, thus reaching out to greater audiences in partner countries.



Annex IV provides further details on communication activities undertaken under the ENPI.

In the **Eastern Neighbourhood**, the EU stepped up its communication efforts in the period leading up to the Vilnius Summit, beginning with the establishment of the **EaP Visibility Taskforce** and the development of a comprehensive **EaP Visibility Strategy** in September 2013. The visibility strategy was developed to ensure that information about the key principles, activities and benefits of the Eastern Partnership reaches the right audience. The strategy sets a framework for visibility activities until 2015 (next EaP summit, Riga), identifies target groups, key messages and possible means of communication, and oversaw the development of Eastern Partnership visual identity material. The participants to the third EaP summit in Vilnius in 2013 welcomed the efforts undertaken to enhance EaP visibility and called for further awareness raising activities.



6.



■ *Ukrainian girls participating in the opening ceremony of the Europe Day celebrations in Kyiv (AFP © EU/Neighbourhood Info Centre).*

Conclusions

The European Neighbourhood and Partnership Instrument (ENPI) has been instrumental in implementing the **European Neighbourhood Policy**. It has succeeded in expanding cooperation with Neighbours and Russia well beyond the previous TACIS and MEDA programmes, in terms of scope, ambition, and financial impact – with more than EUR 13.4 billion committed over the period 2007-2013 (see annex I).

The ENPI has managed to **adapt to changing needs and political priorities** – such as the launch of the Eastern Partnership in 2009, with its offer of new agreements with the EU and the perspective of access to the EU internal market and visa-free mobility – and to the rapidly changing environment resulting from the Arab upheavals during 2011, with difficult democratic transitions initiated in several partner countries and the emergence of civil society as a prominent actor of change.

The ENPI has allowed the EU to mobilise resources for the **Syrian crisis** (besides humanitarian support provided under dedicated instruments) affecting neighbouring countries such as Jordan and Lebanon, and to maintain a significant level of engagement with Palestine.

The ENPI has also contributed to the implementation of the 2011 review of the European Neighbourhood Policy – in particular to the introduction of the principle of differentiation and the incentive-based approach – with the creation of a rewarding mechanism, for those countries progressing towards deep and sustainable democracy (the **SPRING** and **EaPIC** ‘umbrella programmes’), that mobilised a total of EUR 692 million in 2011-2013. This mechanism is now embedded in the regulation of the European Neighbourhood Instrument (ENI) 2014-2020¹⁴.

Apart from the figures, major results were achieved in the different sectors of cooperation, as made evident in the different chapters of this document. Partner countries have made substantial progress on democracy and governance, on social sectors (health and education), and on environment, energy and transport. Policy dialogue has globally improved, including at regional level, through dedicated fora.

The spirit of **co-ownership** and partnership between EU and Neighbour countries has been one of the key features of the ENPI, and will continue under the ENI.

Innovations introduced through the ENPI – such as the Cross-Border Cooperation programmes, the Neighbourhood Investment Facility, TAIEX and SIGMA, and the use of Twinning – have proved to be successful, as confirmed by the evaluations. These innovations, together with Erasmus+, have been fully integrated in the ENI.

Despite the financial crisis, the level of funding of the ENI is broadly comparable to that for 2007-2013, which confirms the priority the EU gives to cooperation with the Neighbourhood region.

14. Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument

7. Annexes



■ The “EU Day concert” in Beirut (AFP © EU/Neighbourhood Info Centre).

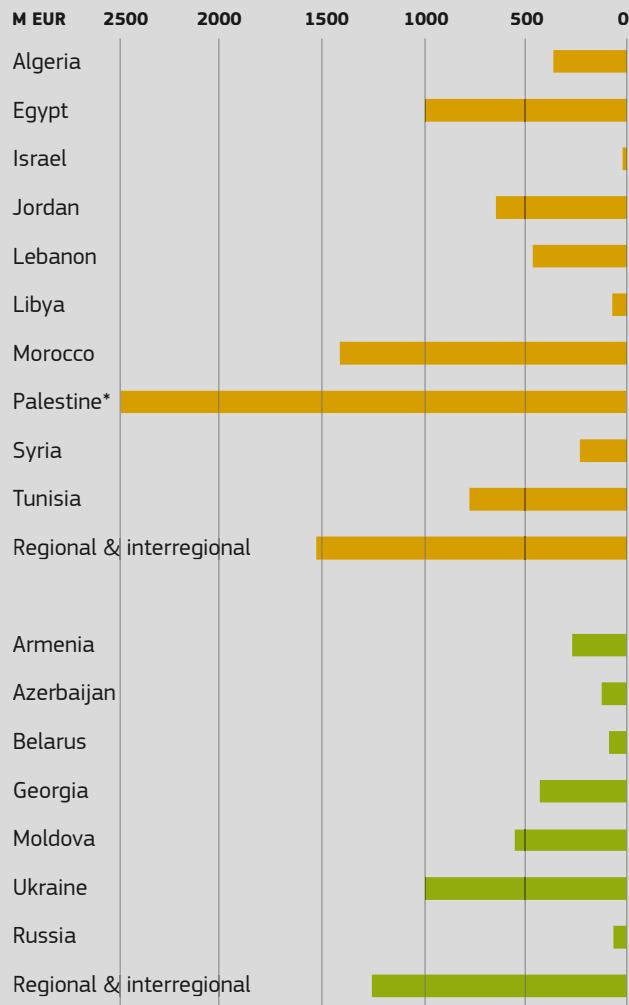
Financial overview of the ENPI 2007-2013

Annex I

Every year, the European Commission adopts a number of financing decisions¹⁵ (corresponding to budgetary commitments), which set the main goal, purposes, expected results and financial allocation of several ‘actions’, i.e. programmes and projects.

In most cases, these decisions take the form of ‘Annual Action Programmes’ (AAP) in favour of a country or a region; they follow the key priorities of cooperation with each country and region, as laid down in the relevant programming documents¹⁶. In some cases, decisions can be adopted as ‘Special Measures’ to respond to un-programmed needs (for example: support to internally displaced people in Georgia), unexpected developments (for example: the Syria crisis and the ensuing flow of refugees to neighbouring countries), or new policy orientations (for example: launch of the Eastern Partnership, ‘more for more’, increased support for civil society). **Table 1** summarises the use of the ENPI between 2007 and 2013 by country and regional/interregional programmes, in terms of budgetary commitments.

A more disaggregated version of this information is presented in the tables in the country sections of the paper, with further breakdown by programming documents and priorities. Some of the Special Measures adopted to respond to the Syria crisis correspond to funding allocated to Jordan and Lebanon, to help them cope with the inflow of refugees; this is why the country breakdown in Table 1 may differ slightly from country tables in the paper. Interregional programmes – such as the Neighbourhood Investment Facility – cover the whole Neighbourhood region, but in budgetary terms funds are always separated for operations in the East and the South. Cross-Border Cooperation programmes are jointly funded by external assistance funds (ENPI) and by internal policy funds (European Regional Development Fund); the ERDF contribution is reported in table 1 above for completeness of information.



15. The financing decisions on the ENPI were consulted with EU Member States through the ENPI Committee, which is now replaced by the ENI Committee (as of the entry into force of the new ENI regulation in 2014). The European Parliament is informed in parallel about Commission proposals within the scope of its right of scrutiny.

16. Under the ENPI, the programming documents were called National Indicative Programmes (NIP) for bilateral cooperation and Regional or Inter-regional Indicative Programmes for regional cooperation and actions covering both East and South. Under the ENI, the programming documents are called Single Support Frameworks and Multi-annual Indicative Programmes.

* This designation does not entail any recognition of Palestine as a State and is without prejudice to positions on the recognition of Palestine as a State

Annex I

Table 1: ENPI 2007-2013 (commitments) - Breakdown by country and regional/interregional programmes
Commitments in € million (rounded figures) - ENPI 2007-2013.

Part 1 - Eastern Partnership and Russia	2007	2008	2009	2010	2011	2012	2013	Total
Armenia	21.0	24.0	24.7	27.7	43.1	75.0	66.0	281.5
Azerbaijan	19.0	22.0	20.0	7.0	31.0	19.5	25.0	143.5
Belarus	6.0	5.0	10.0	10.0	17.1	22.3	23.8	94.2
Georgia	24.0	90.3	70.9	37.2	50.7	104.0	75.0	452.1
Moldova	40.0	62.3	57.0	66.0	78.6	122.0	135.0	560.9
Ukraine	142.0	138.6	116.0	126.0	135.0	149.0	199.0	1,005.6
Russia	13.0	5.0	18.0	26.5	4.0	-	-	66.5
Sub-total bilateral programmes	265.0	347.2	316.6	300.4	359.5	491.8	523.8	2,604.3
Regional and Interregional programmes	131.2	99.5	112.7	186.5	209.5	236.9	304.1	1,280.3
TOTAL Eastern Partnership and Russia	396.2	446.7	429.3	486.9	569.0	728.7	827.9	3,884.6

Part 2 - Mediterranean countries	2007	2008	2009	2010	2011	2012	2013	Total
Algeria	57.0	32.5	35.6	59.0	58.0	74.0	50.0	366.1
Egypt	137.0	149.0	140.0	192.0	92.0	250.0	47.0	1,007.0
Israel	2.0	2.0	1.5	2.0	2.0	2.0	2.0	13.5
Jordan	62.0	65.0	68.0	70.0	116.0	120.0	139.6	640.6
Lebanon	50.0	50.0	43.0	44.0	33.0	92.0	143.0	455.0
Libya	2.0	4.0	-	12.0	10.0	25.0	30.0	83.0
Morocco	190.0	228.7	145.0	158.9	156.6	207.0	334.9	1,431.1
Palestine*	452.7	387.0	352.6	377.9	413.7	224.0	313.7	2,521.7
Syria	20.0	20.0	40.0	50.0	10.0	48.4	51.0	239.4
Tunisia	103.0	73.0	77.0	77.0	180.0	130.0	135.0	775.0
Sub-total bilateral programmes	1,075.7	1,011.2	902.7	1,042.8	1,081.3	1,172.4	1,246.2	7,523.3
Regional and Interregional programmes	152.7	146.5	196.7	165.6	233.3	301.0	323.1	1,518.9
TOTAL Mediterranean countries	1,228.4	1,157.6	1,099.4	1,208.4	1,314.7	1,473.5	1,569.3	9,051.2

Part 3 - Cross-border cooperation	2007	2008	2009	2010	2011	2012	2013	Total
ENPI contribution	4.2	60.0	69.2	68.4	83.5	95.2	82.6	463.1
ERDF contribution (pour mémoire)	-	68.3	74.7	76.2	97.7	99.2	76.2	492.2
Sub-total CBC (pour mémoire)	4.2	128.3	143.9	144.6	181.2	194.4	158.8	955.3

GRAND TOTAL ENPI**	1,628.8	1,664.3	1,597.9	1,763.7	1,967.2	2,297.4	2,479.8	13,398.9
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* This designation does not entail any recognition of Palestine as a state and is without prejudice to positions on the recognition of Palestine as a state

**Part 1 (Eastern Partnership and Russia) + Part 2 (Mediterranean countries) + ENPI contribution to CBC
Administrative costs excluded

Annex
I

Every year, the European Commission executes disbursements based on contractual obligations undertaken in the same or previous years. **Table 2** presents disbursements by country and regional/interregional programmes. These disbursements originate from commitments taken in 2007-2013 under the ENPI and/or to commitments taken before 2007, under the geographical instruments that previously covered the Neighbourhood region and Russia¹⁷. Regional and interregional programmes can generate disbursement flows at regional and interregional level (for example: a contract providing technical assistance to several countries would be reported in the row 'Regional and Interregional programmes' of Table 2), but also at country-specific level (for example: a NIF investment project that takes place in a single country would be reported in the country row of Table 2). This depends on case-by-case arrangements defined in the project design and contractual phase. Cross-Border Cooperation programmes are jointly funded by external assistance funds (ENPI) and by internal policy funds (European Regional Development Fund); the ERDF contribution is reported for completeness of information.

Figures in Tables 1 and 2 are not directly comparable: the level of disbursements in a given year does not reflect the level of commitments in the same year. In fact, annual commitments generate many different contractual obligations (such as service contracts, twinning projects, budget support operations, grants to civil society organisations, etc.). In turn, each con-

17. Disbursements linked to projects funded from other instruments are not included.

tractual obligation generates payments distributed over several years (for example: a programme supporting a 3-year action plan on the reform of the justice sector will likely generate 3 payments over 3 years).

In addition, in the case of most bilateral programmes, the operational implementation of projects and programmes cannot kick-off upon the sole adoption of the financing decision. A bilateral 'Financing Agreement' is also required, which can take several months of negotiation with the partner country and may also require additional time for internal ratification procedures before entering into force.

For example: the Annual Action Programme 2012 in favour of Georgia comprised an action called ENPARD (European Neighbourhood programme for agriculture and rural development) with a budget of EUR 40 million and a 5-year duration. The corresponding Financing Agreement with Georgia was signed in 2013; disbursements started in 2013 and will take place over the duration of the programme, following the pace of implementation of all the activities.

The overall level of commitments and payments depends on the appropriations (i.e. the funds available) as set in the budget, which is approved on a yearly basis by the budgetary authority and linked to the ceilings in the Multi-annual Financial Framework (MFF).

Disclaimer: The present annex is compiled for communication purposes and is not intended as an official financial report of the European Commission. Annual figures of EU external assistance are published in EuropeAid Annual Reports http://ec.europa.eu/europeaid/europeaid-annual-evaluation-reports_en

Annex
ITable 2: Neighbourhood countries and Russia 2007-2013
Disbursements in € million (rounded figures)

Part 1 - Eastern Partnership and Russia	2007	2008	2009	2010	2011	2012	2013	Total
Armenia	10.9	7.0	17.5	15.8	27.7	25.5	25.7	130.0
Azerbaijan	3.7	6.5	5.1	11.3	15.2	18.7	8.6	69.1
Belarus	0.6	3.0	2.7	5.1	1.1	9.3	15.7	37.5
Georgia	14.7	32.7	69.0	41.7	66.3	61.2	47.6	333.1
Moldova	8.0	23.7	66.1	56.6	79.3	53.1	65.0	351.8
Ukraine	52.1	123.3	100.9	121.3	103.7	79.9	152.8	733.9
Russia	64.8	62.3	39.0	42.3	22.2	9.0	6.7	246.2
Sub-total bilateral programmes	154.8	258.4	300.3	293.9	315.5	256.6	322.1	1,901.6
Regional and Interregional programmes	36.7	51.4	70.2	110.6	80.7	123.8	116.6	590.1
TOTAL Eastern Partnership and Russia	191.5	309.8	370.5	404.6	396.2	380.4	438.7	2,491.7

Part 2 - Mediterranean countries	2007	2008	2009	2010	2011	2012	2013	Total
Algeria	51.3	46.1	47.9	28.1	42.9	30.3	37.3	283.8
Egypt	170.3	148.1	151.0	106.2	39.1	93.2	28.2	736.0
Israel	2.8	2.7	2.5	3.5	4.5	3.5	3.6	23.0
Jordan	46.1	63.6	49.0	92.0	76.3	91.6	96.6	515.1
Lebanon	32.6	43.5	24.6	26.1	14.1	29.3	79.3	249.5
Libya	-	1.2	1.3	0.6	8.0	2.9	7.7	21.6
Morocco	227.5	224.9	200.7	170.1	151.5	110.1	84.1	1,168.9
Palestine*	381.4	425.9	327.8	325.5	322.3	264.7	305.5	2,353.1
Syria	34.1	26.5	31.2	18.4	18.8	1.8	29.4	160.3
Tunisia	97.9	56.0	74.4	68.5	114.3	145.2	80.3	636.6
Sub-total bilateral programmes	1,043.9	1,038.5	910.3	838.9	791.8	772.6	752.0	6,147.9
Regional and Interregional programmes	106.9	97.7	99.8	156.8	115.6	118.3	97.1	792.1
TOTAL Mediterranean countries	1,150.8	1,136.2	1,010.1	995.7	907.3	890.9	849.1	6,940.0

Part 3 - Cross-border cooperation	2007	2008	2009	2010	2011	2012	2013	Total
External assistance contribution	28.6	39.1	54.6	67.1	77.5	76.8	60.8	404.5
<i>ERDF contribution (pour mémoire)</i>	-	0.4	29.7	49.3	67.9	69.9	73.8	291.1
<i>Sub-total CBC (pour mémoire)</i>	28.6	39.5	84.3	116.3	145.4	146.8	134.7	695.6

GRAND TOTAL Neighbourhood and Russia**	1,370.9	1,485.1	1,435.2	1,467.4	1,381.0	1,348.1	1,348.6	9,836.2
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* This designation does not entail any recognition of Palestine as a state and is without prejudice to positions on the recognition of Palestine as a state

** Part 1 (Eastern Partnership and Russia) + Part 2 (Mediterranean countries) + External assistance contribution to CBC (ENPI and predecessor geographical instruments)
Administrative costs excluded

Comprehensive Institution Building

Annex II

The CIB: an Eastern Partnership initiative

The **Comprehensive Institution Building** (CIB) programme was launched in 2009 as an Eastern Partnership initiative, with the aim of providing additional targeted assistance to support the offer of enhanced relations with the EU.

The CIB is designed to help partner countries strengthen the capacities of selected core institutions involved in preparing, negotiating and implementing the new Association Agreements with the EU – including Deep and Comprehensive Free Trade Areas (DCFTAs) – and the management of enhanced mobility opportunities in a secure environment (visa facilitation, readmission agreements, and possibly visa liberalisation dialogue). The expected result of the CIB is to fast-track institution building and reform in a limited number of key domains linked to the new agreements.

Policy development & planning: committing to priorities

The preparation of the CIB entailed long political and technical negotiations between the EU and each Eastern Partnership (EaP) country on the selection of key reform areas to be addressed under the CIB and the core institutions that would benefit from CIB financial assistance. These agreed priorities are set forth in the CIB Framework Documents, agreed between October 2010 and January 2011.

The drafting of Institutional Reform Plans (IRPs) followed. This phase was expected to take only six months, but extensive needs and gap assessment were required for each core institution in order to formulate comprehensive reform proposals and action plans, along with continued political commitment from the partner countries. In many cases, the IRPs involve a cluster of beneficiary institutions brought to work together for the first time; the set-up of this inter-institutional collaboration required further internal negotiation and fine-tuning before the IRPs could be finalised.

Available resources from the ENPI budget have been invested to support this complex process, by means of technical assistance, Twinning or TAIEX.

The adoption process of IRPs in all countries was completed by early 2013. The IRPs are national documents, and the primary responsibility for their implementation rests with the core institutions of the EaP

countries involved in the CIB. The IRPs set the programmatic principles in the key reform areas; objectives and results are usually fine-tuned in the operational implementation phase and reflect ongoing changes in the attribution of institutional responsibilities.

EU assistance: implementing the IRPs

EU assistance supports the implementation of selected components of the IRPs, thus complementing the use of state budget resources and/or the mobilisation of other donors' assistance. The implementing tools of CIB assistance are technical cooperation, policy advice and Twinning. EU Member States can contribute to IRP implementation as co-donors and as Twinning implementing partners.

Initially, about EUR 167 million from the ENPI budget were indicatively earmarked for CIB implementation in the National Indicative Programmes 2011-2013 (NIPs)¹⁸. In 2013, the CIB allocation for Armenia was downsized, in line with the general re-orientation of planned support for DCFTA implementation. As a consequence, earmarked funding for CIB totals EUR 141 million over the period 2011-2013.

Commission Decisions on country Annual Action Programmes (AAPs) – with the exception of Belarus – from the year 2011 until the year 2013 contain a **CIB component**. This is usually combined with other institution building activities within a wider action (called 'Framework Programme') aimed to support the implementation of bilateral agreements with the EU and existing commitments under the ENP action plans as reflected in the country programming documents (NIPs).

Once the AAP decision has been adopted, in-country negotiation is carried out about the most appropriate use of available resources. Part of this negotiation involves in-country donor coordination (in particular with EU Member States), with the aim of ensuring consistency and complementarity of CIB with other on-going and planned activities in support of institution building, institutional reform, and IRP implementation. The negotiation process usually takes up to one year. The negotiation is formally finalised through the signing of bilateral Financing Agreements.

18. The original CIB allocation amounted to EUR 173 million; but no CIB programme was launched for Belarus, and the corresponding financial envelope (ca. EUR 6 million) has been redirected to other priorities.

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The first and second rounds of CIB-related Financing Agreements (funded with 2011 and 2012 AAP decisions) have been signed with all countries. The remaining CIB-related Financing Agreements (funded with 2013 AAP decisions) will be signed by the end of 2014.

Lessons learned: a differentiated approach

The Comprehensive Institution Building programme was a successful tool, complementing policy developments in the Eastern Partnership countries.

It linked earmarked assistance in the National Indicative Programmes to a **joint commitment** from the EU and each partner country to work together on the requirements for the launching and concluding of negotiations for closer political association with the EU, gradual economic integration in the EU market, and increased mobility opportunities, offered as part of the Eastern Partnership. At the same time, the CIB focused on concrete preparatory steps and specific aspects of institutional development: reorganisation, new tasks and responsibilities linked to legislation developments in line with EU requirements, modernisation of service delivery, etc.

As CIB funding was available from 2011, operational implementation of projects on the ground could not start earlier than 2012 and will continue until 2017-2018 (depending on the operational duration of each Financing Agreement). While it is too early to assess results and the potential impact of the whole programme, a number of lessons can already be drawn and will be reflected in the ENI programming documents for 2014-2017.

The CIB was launched as a horizontal initiative (bilateral track of the Eastern Partnership): the same programme, with the same key priorities and structure, for all countries, thus reflecting the equally undifferentiated offer of new contractual relations. However, in operational terms, it took increasingly **country-specific features**, either through the negotiation on the Framework Documents, subsequent choices on the scope and structure of the Institutional Reform Plans, and final negotiation (at the level of financing agreements) on implementation priorities and modalities. This is partly due to political developments in the Eastern Partnership, and the emergence of an increasingly differentiated picture. For example: on the one hand, the CIB has been effectively used in Georgia to modernise the Food Safety Agency (responsible for sanitary and phyto-sanitary standards); on the other hand, DCFTA-related assistance under the CIB was cancelled in Armenia, while the component linked to justice and home affairs issues was maintained.

Varied country-specific features also reflect the interaction between CIB earmarked assistance and the full scope of ENPI financial assistance and the need to reinforce consistency and complementarity between major sector reform programmes and the approximation agenda linked to the new agreements. For example: in Ukraine, the removal of technical barriers to trade is addressed with a dedicated programme outside the CIB, while the CIB component on migration was merged into a bigger programme in support of migration and asylum management. In Georgia, CIB support for the Public Service Development Agency built seamlessly on previous assistance provided under other programmes.

A strategic and adapted approach will be even more important in the coming years to support the countries that will be implementing the DCFTA with the EU. The perceived rigidity of CIB – with its earmarked funding,



■ Plan of the passport control and customs facility at the Armenian – Georgian border (AFP © EU/Neighbourhood Info Centre).

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selected list of beneficiaries, exclusive focus on the project modality, ad hoc national coordination structures – could be usefully overcome: the institutional development aspects of the approximation agenda need to be fully integrated throughout EU support for sector reforms, with the most appropriate mix of implementation tools and aid delivery modalities.

At the same time, the possibility to dedicate specific

support for the approximation agenda linked to other agreements with the EU (such as the Energy Community or the Civil Aviation Treaty) should be integrated in this approach, and support for the dialogue on mobility should be maintained.

An increased planning and coordination effort is also needed from partner governments, which may require continued EU support.

Key reform areas of the CIB Framework Documents

CIB earmarked funding*

Armenia**EUR 9M**

1. Coordination of AA negotiations (including DCFTA)
2. Justice, liberty and security
3. DCFTA-related reforms

Azerbaijan**EUR 19M**

1. AA negotiations and further deepening of bilateral economic and trade relations
2. Justice and home affairs, including Visa Facilitation and Readmission Agreement
3. Strengthening human and institutional capacities related to negotiating and implementing the future agreements

Georgia**EUR 31M**

1. Coordination of AA negotiations
2. Consolidation of democratic reforms, human rights and good governance (oversight institutions)
3. Trade, market and regulatory reform, DCFTA negotiations

Moldova**EUR 41M**

1. Public administration reform
2. Rule of Law and respect for human rights and fundamental freedoms
3. Preparation in view of future DCFTA

Ukraine**EUR 42M**

1. Steering and implementation process for AA and DCFTA
2. Trade: SPS
3. Trade – state aid monitoring
4. Migration

*Budget of the CIB components of 2011-2013 “Framework programmes in support of EU agreements” (round figures)



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SPRING and EaPIC umbrella programmes

Annex III

1. SPRING

SPRING 2011-2012 was adopted by the Commission on 26 September 2011, in response to the events of the 'Arab Spring'. It supports partner countries of the Southern Mediterranean region in addressing their **socio-economic challenges** and in their **transition to democracy**. SPRING has resulted in an intensification of policy dialogue around political and economic reform. SPRING funds support partner countries on their path towards democratic transition, address the needs arising from their economic recovery and support efforts undertaken to reduce inequality.

Country allocations have been determined in the light of progress made in each country. Beneficiaries are: Algeria (EUR 10 million), Egypt (EUR 90 million), Jordan (EUR 101 million), Lebanon (EUR 51 million), Libya (EUR 5 million), Morocco (EUR 128 million) and Tu-

nisia (EUR 155 million). The total amount of SPRING Programmes is EUR 540 million.

It is difficult to assess on the efficacy of SPRING in fostering political and economic reforms in the region, as the evolution of the transition processes of the Southern Neighbourhood countries differs. Nonetheless, it is possible to affirm that SPRING has been a useful tool in trying to give incentives for reforms in partner countries, and that the EU has been coherent in rewarding democratization efforts.

The ENI will continue to rely on the incentive based approach through the multi-country umbrella programmes in order to support transition towards deep and sustainable democracy. Thus, it will be possible, during the next programming period, to draw out the first conclusions on the influence of SPRING in the Southern Neighbourhood transition processes.

■ A journalist during her daily show at the Tunisian National Radio, that implemented media projects with EU support (EPA © EU/Neighbourhood Info Centre).



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Country by country breakdown:
SPRING 2011-13: breakdown additional of funding for programmes/projects

SPRING 2011-2012	M€
Algeria	10.00
<i>Programme in support of governance</i>	10.00
Egypt	90.00
<i>Education and fight against child labour; Upgrading informal areas and Support to Civil society.</i>	90.00
Jordan	80.00
<i>Top up of ongoing BS Programme "EU support to the second phase of Education reform"</i>	10.00
<i>Support to electoral system including institutional support to the new independent electoral commission, civic awareness campaigns and election observation</i>	7.00
<i>Justice preparatory project: technical assistance to improve the reform framework and the institutional capacity of sector's key</i>	3.00
<i>Top up of "Support to Enterprise and Export Development" programme</i>	10.00
<i>Good Governance and Development Contract (GGDC). Electoral process, judicial independence, PFM, social security, business environment and employment generation</i>	40.00
<i>Support to wastewater services in Jordanian communities hosting Syrian refugees</i>	10.00
Lebanon	30.00
<i>Scaling up of ongoing Human Rights and Democracy programme "Reinforcing Human Rights and Democracy in Lebanon"</i>	10.00
<i>Scaling up of existing "Security and Rule of Law (SAROL)" programme</i>	4.00
<i>Top up of ongoing programme "Support to Reform of the Judiciary"</i>	4.00
<i>Support to electoral reform: new initiative</i>	6.00
<i>Infrastructure for Palestine refugees</i>	6.00
Morocco	80.00
<i>Support to National Council and Ministerial Delegation of Human Rights</i>	2.865
<i>Vocational training, employment and growth</i>	30.00
<i>Agricultural Strategy Council – Support services</i>	10.135
<i>Literacy</i>	25
<i>Rural health</i>	12
Tunisia	100.00
<i>Support to the association agreement & democratic transition</i>	10.00
<i>Top-up of ongoing programme in support of economic recovery "Programme d'appui à la relance"</i>	10.00
<i>Support to Civil Society: "Programme d'appui à la Société Civile (PASC)"</i>	7.00
<i>Support to the Justice Sector Reform (PARJ)</i>	25.00
<i>2nd phase of Support to the Association Agreement and Democratic Transition</i>	15.00
<i>Renovation of Popular Neighbourhoods</i>	33.00
Total SPRING 2012	390.00

SPRING 2013	M€
Jordan	21.00
<i>Top-up to Good Governance and Development Contract (GGDC): Electoral process, judicial independence, PFM, social security, business environment and employment generation</i>	12.00
<i>Support to the implementation of the investment law</i>	3.00
<i>Strengthening the functions of the Parliament</i>	6.00
Lebanon	21.00
<i>Action benefiting communities hosting Syrian refugees: Support to the Management of Solid Waste</i>	14.00
<i>Action benefiting communities hosting Syrian refugees: Economic Recovery and Job creation programme</i>	7.00
Libya	5.00
<i>Support to the Media</i>	3.00
<i>Support to the Constitutional Process</i>	2.00
Morocco	48.00
<i>Vocational training, employment and growth</i>	10.00
<i>Agricultural Strategy Council – Support services</i>	6.00
<i>Literacy</i>	10.00
<i>Institutional Support to Parliament</i>	3.00
<i>Support to the Mobility Partnership</i>	6.00
<i>Top-up of existing Hakama Governance programme</i>	13.00
Tunisia	55.00
<i>ENPARD programme</i>	10.00
<i>Support to Governance part of PAR3 - Programme in support of the Economic Recovery, with focus on reform and institution building</i>	45.00
Total SPRING 2013	150.00

2. EaPIC

The Eastern Partnership integration and cooperation (EaPIC) programme¹⁹ provides additional financial assistance to Eastern Partnership (EaP) countries that deliver on reforms for **deep democracy and respect of human rights**.

EaPIC resources – which supplement the countries' multi-annual allocations programmed in the National Indicative Programmes 2011-2013 – can be used for new projects or to expand the scope of existing projects. EaPIC additional funding contributes to democratic transformation and institution building, or to sustainable and inclusive growth and economic development. The total funding of EaPIC (2012-2013) amounts to **EUR 152 million**. The benefiting countries were: **Moldova** (EUR 63 million), **Georgia** (EUR 49 million) and **Armenia** (EUR 40 million).

19. The EaPIC programme was established with Commission implementing decision C(2012)4170 of 26.6.2012, as amended by Commission decisions C(2013)4453 of 18.7.2013 and C(2013)8140 of 27.00.2013

In 2012, **EUR 65 million** were granted to Moldova (EUR 28 million), Georgia (EUR 22 million) and Armenia (EUR 15 million). Additional EaPIC funding was channelled to increase support for reforms in the justice sector (Moldova, Georgia and Armenia); to expand the offer of vocational education and training (Armenia), access to health services (Moldova), and economic stimulation in rural areas (Moldova); to improve migration and border management in view of the visa liberalisation dialogue (Georgia).

In 2013, **EUR 87 million** were granted to Moldova (EUR 35 million), Georgia (EUR 27 million) and Armenia (EUR 25 million). Additional EaPIC funding will be used to improve job market management and the offer of vocational education and training (Georgia); to boost economic opportunities in rural areas, advance reforms in the energy sector (including access to renewable energy), and increase cooperation with the Council of Europe (Moldova); to enhance national capacities for migration and mobility management, and support civil service reform and the fight against corruption (Armenia).

EaPIC 2012-2013: breakdown additional of funding for programmes/projects

EaPIC 2012	M€
Moldova	28.00
<i>Increased support for health reform</i>	6.00
<i>Increased support for economic stimulation in rural areas</i>	14.00
<i>Increased support for justice reform</i>	8.00
Georgia	22.00
<i>Increased support for criminal justice reform and human rights</i>	6.00
<i>Institution building and support for border and migration management</i>	16.00
Armenia	15.00
<i>Increased support to VET reform</i>	6.00
<i>Increased support to justice reform</i>	9.00
Total EaPIC 2012	65.00

EaPIC 2013	M€
Moldova	35.00
<i>Support to Council of Europe Action Plan</i>	2.54
<i>Increased support for economic stimulation in rural areas</i>	13.00
<i>Increased support to the reform of the energy sector</i>	10.00
<i>Increased support for the use of bio-mass energy</i>	9.46
Georgia	27.00
<i>Employment and vocational education and training</i>	27.00
Armenia	25.00
<i>Support to border management and migration</i>	13.00
<i>Increased support to fight against corruption and civil service reform</i>	12.00
Total EaPIC 2013	87.00

Grand total EaPIC 2012-2013	152.00
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Annex IV Overview of EU communication activities – DG Development and Cooperation EuropeAid

1. Horizontal activities (at Headquarters):

Digital communication: DEVCO website, social media accounts (Facebook, Twitter, YouTube etc.).

EaP visibility material with EaP label: brochures, flyers, posters, roll-up banners, promotional items. All material has been developed in 2013 and available for free download on the DEVCO website, both in a PDF format ready to print and in InDesign format ready to edit. Also USBs, pens, notepads and maps.

Publications: general brochures on the Neighbourhood. Brochures on the Regional Programme (one common and one for each region). Brochures on Eastern Partnership cooperation and its results. Brochure on budget support in the EaP countries.

Events: journalists' seminars.

2. Regional activities and tools (under ENPI Regional Communication programme):

The ENPI Regional Communication Programme 2011-2014 had three components: 1) EU Neighbourhood Info Centre - ENPI Information and communication campaign support; 2) Media Neighbourhood (Journalist training and networking); 3) EU Neighbourhood Barometer (Opinion polling and media monitoring).

a. Activities of the EU Neighbourhood Info Centre (www.enpi-info.eu):

Website: in four languages (EN, FR, RU, AR) with dedicated south and east portals, country and thematic portals, policy sections, daily news output, success stories, press packs, photo galleries, document library, etc. More than 3 million page views Jan 2012- June 2014;

Social media: Neighbourhood Info Centre pages on Facebook (more than 10,000 likes, mostly in partner

countries), Twitter, Flickr, YouTube, Linked-in, blog aggregator on RebelMouse;

News coverage: a real time communication system with news alerts with a global outreach, with subscribers including journalists, officials, stakeholders, NGOs etc., in partner countries. More than 4,000 news items published Jan 2012- June 2014. All content translated within 24 hours;

Communication material production: video clips, post-cards, cartoons, photo galleries, practical handbooks (writing for the press, social media, photos, EU funding etc.) to support the communication activities and capacities of the main disseminators of information;

Publications: feature stories, magazine 'Projects in action' highlighting project stories for the field, Panorama of regional programmes, glossaries;

Press packs: interactive digital press kits on specific themes, e.g. transport, energy, youth, migration etc.;

Photos: photo archive of EU Neighbourhood cooperation containing more than 10,000 images from projects on the ground;

Communications workshops: communications training for EU funded projects delivered in the partner countries, with communications toolkit developed in four languages. More than 700 people trained from EU funded projects;

Support to EU Delegations: on-the-ground support to communication activities by EU Delegations (media support, press releases, events, mobilising of journalists, etc.); EU-country brochures produced for Delegations.

b. Activities of the Media Neighbourhood project (2011-2014 (www.medianeighbourhood.eu) and European Neighbourhood Journalism Network (2009-2011):

Regular training workshop activities and study tours for journalists from the Neighbourhood countries. Regional networking activities in the form of seminars, involving partner countries' journalists and EU 28 journalists;

Student conferences in EU member states or partner countries.

Since 2009, more than 150 events have been organised so far with more than 2300 participants (journalists, media managers and students) from across the 17 ENPI countries. These participants have received training and coaching on multiplatform ethical jour-



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IV

nalism, EU reporting, financial and professional media independence, election coverage etc. More than 420 journalistic outputs have been created as part of the project. A special social media monitoring tool has also been put in place to measure the presence of the European Union in the social media discussions across the Neighbourhood.

c. Activities and tools of the EU Neighbourhood Barometer (<http://euneighbourhood.eu>):

Regular 6-month general surveys in the Neighbourhood area (1,000 face-to-face interviews in 16 partner countries);

Ad-hoc Neighbourhood barometers on specific topics of importance for the region, such as environment, energy, civil society etc.; Results have been used to support the communication initiatives of the European Union in the partner countries

Daily media monitoring activities complemented by monthly qualitative reports;

Social media monitoring activities (Facebook and Twitter feeds).

A new Regional Communication Programme, under preparation, will put more focus on localisation of communication services in support to the Delegations' work, as well as to support the EaP visibility strategy. The new programme is expected to enter into force in 2015 and will last four years.

3. Bilateral activities in the partner countries (EU Delegations):

Concrete communication activities vary from EU Delegation to Delegation, depending on the country and its context. In the Eastern Neighbourhood, specific EaP visibility campaigns were carried out in Ukraine, Georgia and Moldova.

The main activities carried out by the EU Delegations to raise cooperation visibility can be grouped in the following categories (not an exhaustive list of examples):

Media relations: dissemination of press releases, articles in local newspapers, regular meetings and master classes with journalists, 'press clubs' or 'press tours', press conferences, fact sheets, monthly EU Delegation newsletter or magazine, interviews with Heads of Delegation.

Media campaigns: TV programmes, radio shows, video spots, YouTube podcasts,

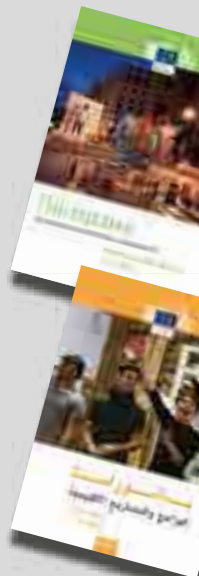
Internet and social media: each EU Delegation has a dedicated website, all are also using social media channels: Facebook, Twitter and/or YouTube.

Events: Europe Days, EuroVillages, seminars, conferences, workshops on DCFTA, EU study days, European film festivals, EU culture events, EU prizes for local journalists, EU stands at events, educational fairs, public debates, European days of languages, competitions at schools, topical roundtables, events related to EU-funded projects.

Publications: development of material on EU and Neighbourhood, including specific brochures on AA/DCFTA, distribution of material produced at headquarters (by either EU institution or Neighbourhood Info Centre) and translating them into a local language.

Information activities: support or direct management of EU info centres, including EU buses touring regions, Euroclubs, meetings with the EaP Civil Society Forum National Platform workgroups, lectures at universities, discussion clubs at schools, awareness and info sessions on various topics, public presentation of EU funded projects.

Training: training sessions on communication for local staff, NGOs, Ministries, EU-funded projects, including those delivered for Delegations by EU Neighbourhood Info Centre.







Looking ahead: from ENPI to ENI

The European Neighbourhood and Partnership Instrument (ENPI), provided funding for the period 2007-2013. The European Neighbourhood Instrument (ENI) replaces the ENPI for 2014-2020. The new instrument provides funding, allowing for incentives for best performers, to 16 partner countries to the East and South of the EU's borders.

To learn more about the EU development and cooperation programmes in the Neighbourhood area please visit:

http://ec.europa.eu/europeaid/regions/eu-neighbourhood-region-and-russia_en