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ANNEX

Neighbourhood, Development and International Cooperation Instrument (NDICI) – Global Europe

Exceptional Assistance Measure regarding Lebanon

1. IDENTIFICATION

Action: Supporting national and regional de-escalation efforts and mitigating security risks in Lebanon

Action Reference: NDICI CR 2024 / 03

Cost: EUR 3 200 000 (European Union (EU) contribution).

Budget Line: 14 02 03 10

Duration: Maximum 18 months. The authorising officer responsible may decide to extend this period twice by a further period of up to six months, up to a total maximum duration of 30 months, under the conditions laid down in Article 23(6) of Regulation (EU) 2021/947.

Lead service: FPI

2. ACTION SUMMARY

Lebanon is currently witnessing unparalleled domestic and regional events that are exacerbating an already fragile context. The country's economic and financial crisis, combined with weak governance and a presidential vacuum since November 2022, a deep polarisation and weakening social cohesion, inadequate access to basic services, unresolved border issues and tensions in and around Palestinian camps, and between host communities, migrants and Syrian refugees, constitute key challenges for the country and the region. Following the Hamas terrorist attacks against Israel on 7 October 2023 and the subsequent outbreak of the conflict in Gaza, tensions have escalated along the Israel-Lebanon border, increasing the risk of all-out war as Israel and Hezbollah engage in cross-border hostilities. Within this context, the action seeks to contribute to regional stability in the Middle East by mitigating the risk of escalation and tensions in Lebanon.

3. BACKGROUND AND RATIONALE

3.1 BACKGROUND

Lebanon has been facing an unprecedented economic and financial crisis. The economic meltdown, combined with weak governance, has led to increased tensions and security incidents. The presidential vacuum that has prevailed since November 2022 has continued, with little apparent prospects of a resolution, reflecting a deadlock between political factions. There are no real signs of any potential breakthrough or concessions as everybody maintains their hardline stances. This has deepened polarisation in the country and a general sense of powerlessness and hopelessness among its citizens. National security and social stability hang on a fragile thread as tensions heighten and cohesion among different societal groups dissipates. With that, the socioeconomic situation continues to worsen as what is left of the public sector and its services continues to crumble. Access to healthcare, education, water, and electricity remains inadequate, and a weak institutional capacity has enabled the spread of corruption.

Following the Hamas terrorist attacks against Israel on 7 October 2023 and the subsequent outbreak of the conflict in Gaza, tensions have escalated along the Israel-Lebanon border. There has been a surge in hostilities, resulting in an increased risk of all-out war as Israel and Hezbollah engage in cross-border hostilities. Israeli airstrikes extend far beyond its southern border, where the most intense bombardments are concentrated. These strikes have continued impacting residential houses, shops, and civilian infrastructure. Civilian casualties and internal displacements are rising, with over 93,000 persons (51% females) displaced from south Lebanon due to the ongoing hostilities as of 30 April (May 2024, OCHA).

The ongoing international diplomatic efforts to contain the potential fallout from the conflict in Gaza provide an opportunity to achieve a lasting settlement on the southern border, particularly in the context of the implementation of Security Council Resolution 1701. Meanwhile, the US and France are actively working to defuse the risk of open war in South Lebanon, and to reach a definitive arrangement which would include an agreement on the launching of negotiations on the delimitation of land borders. On his official visit to Lebanon in January 2024, the EU High Representative for Foreign Affairs and Security Policy warned against a regional escalation in the Middle East and emphasised that it was “imperative to avoid Lebanon being dragged into a regional conflict”¹ while calling for diplomatic solutions.

Lebanon’s unresolved border issues and the tensions in and around Palestinian camps constitute key security challenges for the country and the region. The deterioration of the socio-economic conditions and of public services has become a threat to stability in Lebanon. These factors have been compounded by the conflict in Gaza, resulting in an exceptionally high risk of escalation that needs to be addressed. Within this context, the action seeks to contribute to regional stability in the Middle East by mitigating the risk of escalation and tensions in Lebanon.

¹ [HR/VP's Mission to Lebanon and Saudi Arabia | 5-8 January 2024](#)

3.2 RATIONALE FOR CRISIS RESPONSE ACTIONS UNDER THE RAPID RESPONSE PILLAR OF THE NEIGHBOURHOOD, DEVELOPMENT AND INTERNATIONAL COOPERATION INSTRUMENT

The deepening crisis and instability in Lebanon and in the region constitute an exceptional and unforeseen situation in the sense of Article 4(4) (a) of the NDICI Regulation. An adequate response cannot be provided under any other European Union Instrument due to the urgency with which the funds are required and due to available resources already being firmly committed.

Annex IV, paragraph 1, second paragraph, points (a), (f) and (q) of Regulation (EU) 2021/947 specifically provides for the use of the NDICI rapid response pillar to support, (a) through the provision of technical and logistical assistance, the efforts undertaken by international, regional and local organisations and by State and civil society actors in promoting confidence-building, mediation, dialogue and reconciliation, transitional justice, women’s and youth empowerment, in particular with regards to community tensions and protracted conflicts; (f) the reinforcement of State capacity - in the face of significant pressures to rapidly build, maintain or restore its core functions, and basic social and political cohesion; and (q) measures to promote the development and organisation of civil society and its participation in the political process, including measures to enhance the role of women in such processes and measures to promote independent, pluralist and professional media.

3.3 RISKS AND ASSUMPTIONS

RISKS	LIKELIHOOD (High/Medium/ Low)	MITIGATION STRATEGY
Escalation from medium-intensity conflict to full blown war with Israel.	Medium	Continuous assessment of the political and security situation and engagement with key national and international stakeholders. Activities will be adapted and adjusted depending on the nature and severity of the context.
Persisting political vacuum in Lebanon hampering decision-making on key issues related to the action.	Medium	Close monitoring of the overall country context and continued engagement and coordination with the concerned authorities. The feasibility of implementing the activities will be reassessed and adapted as needed.
The risk of an increase in incidents, particularly violence, between Palestinian and Syrian refugees and migrants in camps, and between	Medium-high	Close monitoring of the security situation, gathering accurate data and assessing and reassessing the action’s feasibility.

RISKS	LIKELIHOOD (High/Medium/ Low)	MITIGATION STRATEGY
Lebanese and migrants and Syrian refugees.		
The risk of armed confrontation due to extreme communal and political polarisation.	Medium	Close monitoring of the security situation, gathering accurate data and assessing and reassessing the action's feasibility.

4. OBJECTIVES

4.1 OVERALL OBJECTIVE

The overall objective of the action is to contribute to regional stability in the Middle East by mitigating the risk of escalation and tensions in Lebanon.

4.2 SPECIFIC OBJECTIVES

- 4.2.1 To strengthen Lebanon's negotiation capacity on current border issues in view of future discussions and negotiations; and
- 4.2.2 To contribute to discussions on an inclusive reform, foster cooperation in service delivery, and strengthen social cohesion in Lebanon.

5. ACTION COMPONENTS AND EXPECTED RESULTS

The main expected results/outcomes include:

Expected Result (1): The technical capacity of Lebanese institutions on border issues is strengthened.

Activities (indicative):

- 5.1.1 Assess Lebanon's willingness/preparedness to address border issues;
- 5.1.2 Organise working sessions and workshops with relevant stakeholders;
- 5.1.3 Organise political bilateral debriefing sessions with relevant political stakeholders including political parties, members of parliament, security actors, and the government officials; and
- 5.1.4 Draft and present the final strategy recommendations to political leadership.

Expected Result (2): The capacities of traditional and emerging political and civil society actors and think tanks, notably the Group of Experts and Opinion Leaders (GEOL), to collaborate and interact with one another is further strengthened and an agreement on a common future vision reached.

Activities (indicative):

- 5.2.1 Organise regular dialogue sessions with the GEOL; and
- 5.2.2 Support the drafting of a baseline document for a national consensus regarding a future vision for the country and ensure outreach and advocacy with identified key stakeholders.

Expected Result (3): The capacities, willingness and cohesion of local actors to collectively address challenges in local governance and service delivery is fostered and strengthened.

Activities (indicative):

- 5.3.1 Organise national roundtables and foster inclusive spaces for national and local-level dialogue and reconciliation; and
- 5.3.2 Provide technical and financial support to local partners for the design and implementation of small-scale cultural and dialogue initiatives as well as service provision and social cohesion initiatives.

6. IMPLEMENTATION

6.1 IMPLEMENTATION MODALITIES

The Commission will ensure that the appropriate EU rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures².

6.1.1 Grant: direct award (direct management)

(a) Purpose of the grant

The grants will contribute to achieving the expected objectives and results in sections 4 and 5.

(b) Type of applicants targeted

Potential applicants for funding are non-governmental organisations with consolidated experience in crisis affected contexts in Lebanon, including extensive experience to achieve one or more of the expected results and specific objectives.

(c) Justification of a direct grant

Under the responsibility of the Commission's authorising officer responsible, the recourse to an award of a grant without a call for proposals is justified because **the action entails crisis management aid as referred to in Article 195(a) and as defined in Article 2(21) of the Financial Regulation** at the date of the Financing Decision.

6.2 INDICATIVE BUDGET

The total European Union contribution under this Financing Decision **will not exceed EUR 3 200 000**. A breakdown among components is provided hereunder, and is indicative.

Indicative budget breakdown

² www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website, it is the OJ version that prevails.

Components	EU contribution (amount in EUR)	Indicative third party contribution, in currency identified
Component 1: Mitigating security crisis in Lebanon (Specific Objectives 1 and 2) composed of 6.1.1 – Direct grant (direct management)	1 700 000	N/A
Component 2: Inclusive local and national level dialogue in Lebanon composed (Specific Objective 3) composed of 6.1.2 – Direct grant (direct management)	1 500 000	N/A
Total	3 200 000	N/A

6.3 ORGANISATIONAL SET-UP AND RESPONSIBILITIES

The action shall be implemented under direct management. It will be devolved and sub-delegated to the **European Union Delegation in Lebanon**, with the support of the Commission for the conclusion of the contracts implementing the action.

6.4 PERFORMANCE AND RESULTS MONITORING AND REPORTING

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final report. Each report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and outcomes) as measured by corresponding indicators, using as reference the Logframe matrix. The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

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

6.5 EVALUATION

Having regard to the nature of the action, an evaluation will not be carried out for this action or its components.

The Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner.

The financing of the evaluation shall be covered by another measure constituting a financing decision.

6.6 AUDIT

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

The financing of the audit shall be covered by another measure constituting a financing decision.

6.7 COMMUNICATION AND VISIBILITY

The 2021-2027 programming cycle has adopted a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

It will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

The 2022 "Communicating and Raising EU Visibility: Guidance for external actions" reference document shall be used to establish the appropriate contractual obligations.

7. COMPLEMENTARITY, COORDINATION AND FOLLOW-UP

The action complements ongoing EU support to Lebanon, including to civil society organisations, as well as ongoing and future support to refugees, migrants and internally displaced persons and vulnerable host communities in Lebanon. Complementarity will be ensured with the humanitarian assistance provided by the European Civil Protection and Humanitarian Aid Operations (ECHO), and current and future programmes on social cohesion to be funded under the geographic and thematic pillars of the Neighbourhood, Development and International Cooperation Instrument - Global Europe. Particular attention will be paid to developing synergies with other EU interventions in related fields, including EU Member State initiatives, to maximise consistency and leverage of a broader EU intervention.

Close coordination will be ensured through exchanges, regular updates and consultation as needed with the EU Delegation in Lebanon.