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ANNEX

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

Exceptional Assistance Measure regarding Ukraine

1. IDENTIFICATION

Action: Support to efforts in tackling disinformation and reinforcing ceasefire monitoring in Ukraine

Action Reference: NDICI CR 2021 / 34

Cost: EUR 7 750 000 (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

This 18-month measure aims at promoting a consolidated response to disinformation and reinforcing ceasefire monitoring in Ukraine.

A first component of the action will provide support for effective responses to disinformation to the Ukrainian Centre for Strategic Communications and Information Security, as well as facilitate partnerships with relevant counterparts in the EU, in line with the commitments agreed as part of the comprehensive EU-Ukraine Partnership. This will be done in compliance with international norms and best practices in this area, including facilitation of cooperation with civil society.

A second component of the action will enable the EU to continue and further enhance the provision of satellite imagery to the OSCE Special Monitoring Mission (SMM). This is crucial for in-depth analysis of the situation in areas where there is no access, or for more secure patrolling in areas where access is possible. The action will allow the Special Monitoring Mission to sustain and expand monitoring in a highly volatile environment, helping to ensure the safety of the mission's staff and enabling effective monitoring and objective documentation.

3. BACKGROUND AND RATIONALE

3.1 BACKGROUND

Disinformation is being used in Ukraine to negatively influence the public perception of the country amongst its population and its partners. This constitutes an important element of the hybrid threat against peace and stability in the country. Since the start of the conflict in 2014, Ukrainian authorities and civil society have therefore sought to build up the country's resilience in the information domain. The EU provided targeted support to reinforce cyber security in the preparation of the 2019 presidential elections and by working with civil society, youth, media and local authorities in tackling disinformation in southern and eastern Ukraine.

Building on its experience with hybrid threats over the past eight years, the Ukrainian government has recently established the Centre for Strategic Communications and Information Security (CSCIS) under the Ministry of Culture and Information Policy in an effort to build Ukraine's capacity to counter hostile information operations from abroad. The new Centre is mandated to build sustainable strategic communication by preparing for and providing effective responses to disinformation. It is also charged with expanding partnerships with local and international partners to help strengthen Ukraine's information environment. CSCIS' efforts will be complemented by the activities of the new Centre for Countering Disinformation whose focus is on the security and defence aspects of disinformation. In the short time since creation at the beginning of 2021, CSCIS has shown a good track record of raising awareness on disinformation including producing relevant digital and printed material.

At the same time, evidence from the ground suggests that the impartial and objectively verifiable monitoring carried out by the OSCE Special Monitoring Mission works as a deterrent for an escalation of cease-fire violations. It helps to address incidents quickly, to build confidence that violations will be addressed and to maintain the prospect of future reconciliation. OSCE monitors continue to face obstacles and limitations on the ground. Use of satellite imagery has therefore grown in importance to enhance the OSCE mission's credibility and maintain its operations. Following the outbreak of COVID-19 in early 2020, restrictions on freedom of movement greatly limited physical access for observers. This situation was further aggravated in the spring of 2021, when increased military presence in the non-government-controlled areas of Ukraine and close to its border with Russia. Intentional disruption from the non-government-controlled areas through jamming of signals emitted by the OSCE's electronic monitoring equipment, are further limiting the effectiveness of on-the-ground remote monitoring tools.

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

The ongoing conflict in the east of Ukraine, coupled with the illegal annexation of the Crimean peninsula, is now entering its eighth year and continues to cause loss of life and major human rights violations. It increases fragility through disinformation and acts as a limiting factor to Ukraine's socio-economic development, constituting an exceptional and unforeseen situation in the sense of Article 4(4) 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, points (a), (d), (n) 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, for 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; (d) for the development of democratic, pluralistic state institutions, including measures to enhance the role of women in such institutions, effective civilian administration and civilian oversight over the security system, as well as measures to strengthen the capacity of law-enforcement and judicial authorities involved in the fight against terrorism, organised crime and all forms of illicit trafficking; (n) for measures to promote and defend respect for human rights and fundamental freedoms, democracy and the rule of law, and the related international instruments, and (q) for 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

Risk	Risk level H/M/L	Mitigation measures
With regard to a change of leadership at the CSCIS, the centre could in the future be subject to undesirable political pressure or its close proximity to independent civil society might be undermined.	L	The leadership of the CSCIS has confirmed their intention to ensure the continuity of the centre. Established structures such as 2 year road-maps, annual budgets, as well as adopted governance mechanisms, also ensure planning security for the centre. In addition, the centre’s focus on strong links with civil society and on alignment with international best practices, provides checks and balances for medium- to long-term stability.
Information campaigns run by the centre could be divisive.	M	The implementing partner will specifically be asked to look at conflict risk and sensitivity and provide direct advise to the centre in this regard
The centre may not avail of the necessary budget to operate.	L	A budget for the next 12 months has already been approved. This action seeks to support the centre in affirming its relevance for addressing disinformation and thereby sustaining longer term stability for the centre.
There may be a lack of budget for the centre in the medium to long	M	The activities will include (i) support to the centre to prove its added value in addressing disinformation, and

term.		(ii) support specifically on budget planning.
Delays in delivery by SatCen of the satellite imagery and analysis requested by the SMM may decrease the value of such products given that the SMM operates across a rapidly changing environment where movements on the ground have to be reported.	M	Delays in delivery will have to be a calculated risk since the implementing partner EU Satellite Centre does not have its own satellites and has to rely on the different satellite owners to send the images requested in a timely fashion. These images are subsequently analysed by SatCen. Satellite imagery continues to be a tool which complements monitoring mechanisms on the ground.
Increased demand for satellite imagery, i.a. due to increased interference with the work and equipment of the monitors, might lead to depletion of funds for the full length of the action resulting in lack of continuity.	M	The budget of this action has already been significantly increased compared to the previous period to ensure adequate funding. In addition, flexible no-cost extensions or if necessary replenishment can ensure that the funding levels remain commensurate to the level of conflict movement.

4. OBJECTIVES

4.1 OVERALL OBJECTIVE

The overall objective of the action is to promote a consolidated response to disinformation and to reinforce ceasefire monitoring in Ukraine.

4.2 SPECIFIC OBJECTIVES

- 4.2.1 This measure aims to enable the Ukrainian response to disinformation and to prevent its harmful impact through support to the Centre for Strategic Communications and Information Security, in close cooperation with civil society and other state institutions.
- 4.2.2 This measure aims to provide more effective monitoring and objective documentation regarding the ceasefire in Eastern Ukraine through the provision of satellite imagery and analysis.

5. ACTION COMPONENTS AND EXPECTED RESULTS

This exceptional assistance measure will have two components: it will support Ukraine's efforts in tackling disinformation and it will enable the provision of satellite imagery and analysis on the ceasefire.

The main expected results/outcomes include:

Expected Result (1): Capacities within the Centre for Strategic Communications and Information Security (CSCIS) to provide effective responses to disinformation activities have been strengthened and strong partnerships developed with EU counterparts.

Activities (indicative):

- 5.1.1 Capacity building to strengthen the expertise of CSCIS in countering disinformation threats in a conflict sensitive manner;
- 5.1.2 Support to networking with selected counterparts within the EU, to provide exchange of experience, communication and coordination;
- 5.1.3 Organisation of workshops and events to strengthen resilience towards disinformation involving key partners including other government stakeholders and civil society at the regional and national levels;
- 5.1.4 Mentorship in the application of newly acquired techniques in addressing disinformation in line with international best practices.

Expected Result (2): The OSCE Special Monitoring Mission to Ukraine has sustained and expanded monitoring in a highly volatile environment, helping to ensure the safety of the mission's staff and enabling effective monitoring and objective documentation.

Activities (indicative):

- 5.2.1 Provision of satellite imagery and in-depth analysis on the ceasefire situation to the Special Monitoring Mission.

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 measures¹.

6.1.1 Grant: direct award (direct management)

(a) Purpose of the grant

The grant will contribute to achieving the first specific objective of the action 4.2.1, enable the Ukrainian response to disinformation and to prevent its harmful impact through support to the Centre for Strategic Communications and Information Security, in close cooperation with civil society and other state institutions.

¹ 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.

(b) Type of applicants targeted

Potential applicants will include legal entities with relevant expertise such as non-governmental organisations (NGOs) and /or private or public sector operators such as universities, think-tanks, and / or consultancies.

(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.

6.1.2 Indirect management with an EU specialised agency

A part of this action may be implemented in indirect management with the EU Satellite Centre (SatCen). This implementation entails support under specific objective 4.2.2 to provide more effective monitoring and objective documentation regarding the ceasefire in Eastern Ukraine through the provision of satellite imagery and analysis, and under the corresponding result 2, to allow the Special Monitoring Mission to sustain and expand monitoring in a highly volatile environment.

The envisaged entity has been selected using the following criteria: the EU Satellite Centre is the EU's specialised agency with access to satellite imagery and capacities to provide analysis. The agency, with EU funding adopted under the former Instrument contributing to Stability and Peace, presently delivers these services to the Special Monitoring Missions and this action has played an important part in ensuring the effectiveness and continued success of the mission under difficult circumstances over the past years. The implementation entails that the Satellite Centre will procure and provide the satellite imagery and analysis requested by the Special Monitoring Mission in line with agreed operating procedures allowing the use of imagery to enhance monitoring capacity.

Exception to the non-retroactivity of costs:

The Commission authorises that the costs incurred may be recognised as eligible as of 1 October 2021 because of the increase in and continuation of ceasefire violations and the urgent need to secure continuity in monitoring the situation.

6.2 INDICATIVE BUDGET

The total European Union contribution under this Financing Decision **will not exceed EUR 7 750 000**. A breakdown among components is provided hereunder, and is indicative.

Indicative budget breakdown

Components	EU contribution (amount in EUR)	Indicative third party contribution, in currency identified
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Component 1: Support to Ukraine’s efforts in tackling disinformation (objective 4.2.1, result 1), composed of		
6.1.1 – Direct grant to support Ukraine’s efforts in tackling disinformation (direct management)	1 000 000	N.A.
Component 2: Enable the EU to continue and further enhance the provision of satellite imagery to the OSCE Special Monitoring Mission (SMM) (objective 4.2.2, result 2), composed of		
6.1.2 – Indirect management with the EU Satellite Centre	6 750 000	N.A.
Total	7 750 000	N.A.

6.3 ORGANISATIONAL SET-UP AND RESPONSIBILITIES

The action shall be implemented under direct management for component 1 and indirect management for component 2. It will be devolved and sub-delegated to the **European Union Delegation in Ukraine** 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

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

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Requirements for European Union External Action (or any succeeding document) shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

7. COMPLEMENTARITY, COORDINATION AND FOLLOW-UP

Complementarity and coordination will be sought with previous and ongoing crisis response projects. In particular, the use of satellite imagery and analysis provided to the OSCE by the EU Satellite Centre with Instrument contributing to Stability and Peace funding under separate measures will continue to provide for an important complementary source of reliable information for ceasefire monitoring.

The EU already provided targeted support via the Instrument contributing to Stability and Peace to reinforce cyber security in the preparation of the presidential elections in 2019 as well as by working with civil society, youth, media and local authorities in countering disinformation in southern and eastern Ukraine. The new action will further build on these previous and ongoing efforts to support the government of Ukraine to establish its own capacity to work with others on addressing disinformation.

Full complementarity will be ensured with future programmed actions of the European Neighbourhood Instrument Technical Co-operation Facility, including by piloting specific activities.

Complementarity and coordination will further be ensured in line with the assessments regarding the Strategic Communications and Information Security Centre's needs as undertaken by the United States Agency for International Development (USAID) and the United Kingdom, as well as with future support from these and other donors.