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ANNEX

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

Exceptional Assistance Measure regarding Lebanon

1. IDENTIFICATION

Action: Support for inclusive, local level dialogue to rebuild trust in Lebanon

Action Reference: NDICI CR 2021 / 16

Cost: EUR 1 500 000 (European Union 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) No 2021/947, NDICI Regulation and Neighbourhood, Development and International Cooperation Instrument - Global Europe.

Lead service: FPI

2. ACTION SUMMARY

The overall objective of the action is to support Lebanese society to re-establish trust and dialogue and to develop concrete, local level options and suggestions for short- and mid-term change that can be implemented despite the current political, socio-economic and financial crisis. Lebanon is going through a deep political, socio-economic and financial crisis which, coupled with the Syrian refugee situation, is increasing the risk of instability and further deepening of cleavages and mistrust.

This action will seek (1) to create or support platforms and enhance discussions around a joint vision for the future of Lebanese society, its political and economic systems and common values. It will try to bring people from different societal groups together, thus addressing mistrust and past and present misconceptions about the other. Moreover, the action (2) will involve Lebanese civil society organisations, community representatives, the cultural and business sector and local administrations in discussions around service delivery, transparency, and local governance, with a view to develop concrete recommendations and proposals to be implemented despite the challenging situation.

3. BACKGROUND AND RATIONALE

3.1 BACKGROUND

Lebanon is going through a deep political, socio-economic and financial crisis. High public and private debt, a prolonged economic recession, high inflation and a depreciated currency (the Lebanese pound has lost 80 to 90 percent of its value against the US dollar in the informal market in the last 18 months) have led to increased poverty. The percentage of poor Lebanese has jumped from 28% in 2019 to 55% in 2020, while that of people categorized as extremely poor has risen from 8% to 23% in the same period.¹ Lebanon has recorded more than 545,000 COVID-19 cases since early last year, 7,850 of them fatal.

On 26 July, Najib Mikati was designated as new Prime Minister designate after former Prime Minister designate Saed Hariri was unable to form a Government. Mikati is now working to form a government. Months of political vacuum hampers the implementation of key economic and governance reforms which are necessary to address the country's multiple challenges. In addition, civil society plays a limited role at policy level. These factors, coupled with the Syrian refugee situation (Lebanon continues to host the highest number of refugees per capita worldwide) are increasing the risk of social unrest and instability and are further deepening cleavages and mistrust. Current protests and public anger against the dire living conditions, combined with unmet needs and expectations after the 4 August 2020 Beirut port blast, might escalate, carrying serious security implications.

In the Council Conclusions of December 2020,² the European Union (EU) called for urgent reforms “to restore economic stability, improve delivery of public services, address the rising levels of poverty, reduce inequalities, make public finances sustainable, restore the credibility of the financial sector, guarantee the independence of the judiciary, ensure the respect for human rights and the rule of law, fight corruption and meet the legitimate aspirations peacefully expressed by the Lebanese people.” The EU also called for an inclusive process that involves women, youth, civil society and the private sector in order to regain the trust and the confidence of the people.³

The stability and prosperity of Lebanon are of key importance for the region and for the EU.

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

Lebanon is going through a deep political, socio-economic and financial crisis which, coupled with the Syrian refugee situation, is increasing the risk of instability and is further deepening cleavages and mistrust. Current localised protests and public anger, combined with unmet needs and expectations after the 4 August 2020 Beirut port blast, might escalate and carry serious security implications, constituting an exceptional and unforeseen situation for which

¹ <https://www.unescwa.org/news/lebanon-population-trapped-poverty>

² EU Council Conclusions, 7 December 2020. <https://www.consilium.europa.eu/en/press/press-releases/2020/12/07/lebanon-council-approves-conclusions-on-lebanon/>

³ “The EU underlines that Lebanese civil society should be both strengthened and fully involved in all relevant decision-making” Ibid.

an early action is required in the sense of Article 4(4) (a) of the Regulation (EU) No 2021/947, NDICI Regulation and Neighbourhood, Development and International Cooperation Instrument - Global Europe. 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, point(s) (a), (g), and (q) of Regulation (EU) No 2021/947, NDICI Regulation and Neighbourhood, Development and International Cooperation Instrument - Global Europe 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 regard to community tensions and protracted conflicts, (g) for measures necessary to start the rehabilitation and reconstruction of key infrastructure, housing, public buildings and economic assets, and essential productive capacity, as well as other measures for the re-starting of economic activity, the generation of employment and the establishment of the minimum conditions necessary for sustainable social development, 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

Risks	High, medium, low	Mitigation
The economic situation in Lebanon further deteriorates causing unrest and insecurity. Civil society organisations, journalists, and local community representatives do not feel comfortable or safe enough to participate in the activities.	Medium	The action will be based on continuous risk analysis and implemented using a conflict sensitive approach. This entails increasing capacity in reducing risks for members of civil society organisations, journalists and representatives of local communities, for example through the use of appropriate platforms and tools. The action itself is aimed at creating opportunities for peaceful dialogues.
In a highly polarized context such as Lebanon, the action is seen as one-sided and not impartial hence individuals or groups decline to participate.	Medium	The action will be implemented using a conflict sensitive approach. Visibility requirements will be adapted to ensure that the action is not perceived as being one-sided or partial.
The COVID-19 situation delays activities and prevents the organisation of town halls, workshops and consultations.	Low	The action will be able to rely on virtual tools that have extensively and successfully being used in the last year and will be expanded in case of need. The action will support or develop

		virtual platforms to be used for all activities.
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4. OBJECTIVES

4.1 OVERALL OBJECTIVE

The overall objective of the action is to support Lebanese society to re-establish trust and dialogue and to develop concrete, local level options and suggestions for short- and mid-term change that can be implemented despite the current political, socio-economic and financial crisis.

4.2 SPECIFIC OBJECTIVES

- 4.2.1 Help societal groups to develop a joint vision for the future of Lebanese society, its political and economic systems and common values;
- 4.2.2 Support short and medium-term change by developing concrete recommendations and proposals around local governance and service delivery.

5. ACTION COMPONENTS AND EXPECTED RESULTS

The main expected results/outcomes include:

Expected Result (1): Different groups of Lebanese society come together and develop a joint vision for the future.

Activities (indicative):

- 5.1.1 Organisation of workshops on principles and values of a future vision for Lebanon involving different societal groups, particularly youth, women groups, civil society organisations, members of the protest movements and political parties;
- 5.1.2 Organisation of workshops to discuss key elements for reconciliation, including how to change narratives of the civil war and post-war era, how to address misconception and which narratives can help peaceful coexistence and dealing with the past;
- 5.1.3 Organisation of town hall meetings and cultural events;
- 5.1.4 Publications, videos and media campaigns on the contents developed through the above-mentioned activities;
- 5.1.5 Development or support of an existing platform on the contents developed through the above-mentioned activities.

Expected Result (2): Short and medium-term change around local governance and service delivery is implemented despite the ongoing crisis.

Activities (indicative):

- 5.2.1 Organisation of dialogue sessions in three to five Lebanese cities with the involvement of experts, civil society organisations, community representatives, eminent personalities and local administration representatives;

- 5.2.2 Expert consultations on relevant thematic areas to identify best practices and good examples;
- 5.2.3 Identification of small scale, short or medium-term solutions around service delivery and social cohesion;
- 5.2.4 Development of plans on how to implement the identified solutions;
- 5.2.5 Use of social media campaigns and internet platforms to support the identified solutions.

6. IMPLEMENTATION

6.1 IMPLEMENTATION MODALITIES

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures⁴.

6.1.1 Grant: direct award (direct management)

(a) Purpose of the grant

The grant will contribute to achieve objectives 4.2.1 and 4.2.2 and results 1 and 2 in section 5.

(b) Type of applicants targeted

The type of applicants targeted for these direct awards are non-governmental and not for profit organisations.

(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 EU contribution under this Financing Decision **will not exceed EUR 1 500 000**. 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
Component 1: Support for inclusive, local level dialogue to rebuild trust in Lebanon		

⁴ www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website, it is the OJ version that prevails.

6.1.1 – Direct grant (direct management)	1 500 000	N.A.
Total	1 500 000	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**, 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 a final report. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and 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

The action complements ongoing EU support to Lebanese civil society organisations, as well as ongoing and future support to refugees displaced by the Syrian crisis and vulnerable hosting communities in Lebanon. Complementarity will be ensured with the humanitarian assistance provided by European Civil Protection and Humanitarian Aid Operations, ECHO, to the Syrian refugees, future work on emergency response modules related to social tension and the technical expertise that ECHO will continue to provide to the humanitarian access working group.

In addition, the action will complement future programmes on social cohesion to be funded under the geographic and thematic pillars of the Neighbourhood, Development and International Cooperation Instrument - Global Europe.

The good coordination of this action will be ensured through regular exchanges with the EU Delegation and EU Member State representations in Lebanon.