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ANNEX I

to the Commission Implementing Decision on the financing of the multiannual action plan in favour of the Regional South Neighbourhood for 2026-2027

Action Document for the Pact's Support to Advancing the Green and Energy Transition

MULTIANNUAL ACTION PLAN
This document constitutes the multiannual work programme in the sense of Article 110(2) of the Financial Regulation, and an action plan in the sense of Article 23(2) of the NDICI-Global Europe Regulation.

1. SYNOPSIS

1.1. Action summary table

1. Title **OPSYS** **Basic Act**	The Pact's Support to Advancing the Green and Energy Transition Multiannual action plan in favour of the Regional South Neighbourhood for 2026-2027 OPSYS business reference: ACT-63515 SUMMA funds reservation number: JAG.SUM 2567032 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
2. Economic and Investment Plan (EIP)	Yes Energy Environment and climate resilience
EIP Flagship	Yes Flagship 9 - Green growth and climate action
3. Team Europe Initiative	No
4. Beneficiar(y)/(ies)	The action shall be carried out in the Southern Neighbourhood countries: Algeria, Egypt, Israel[1], Jordan, Lebanon, Libya, Morocco, Palestine[2], Syria and Tunisia.

[1] See Guidelines on the eligibility of Israeli entities and their activities in the territories occupied by Israel since June 1967 for grants, prizes and financial instruments funded by the EU from 2014 onwards on https://eur-lex.europa.eu/legalcontent/EN/TXT/PDF/?uri=CELEX:52013XC0719(03)&from=e

[2] This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue. Implementation of the present action will integrate the recommendations of the

of the action	As per Article 43(1) of the NDICI-Global Europe Regulation, for reasons of efficiency and effectiveness, some activities may be extended to the Union for the Mediterranean non-EU member states, as well as to countries neighbouring the Southern Neighbourhood, Iraq, Iran, Yemen and the Gulf countries. This is justified because the action intervenes in economic development, a field with transboundary characteristics, and may for limited activities and if needed to harness opportunities for extended impact, support cross-regional exchanges of best practices. It is in line with the multi-annual indicative programme for the Southern Neighbourhood for 2021-2027, which refers to the importance of cross regional cooperation (priority 5, specific objective 2)
5. Programming document	Multiannual indicative programme for the Southern Neighbourhood (2021-2027)[3]
6. Link with relevant MIP(s) objectives/expected results	Priority Area 4 – Green Transition SO1: To undertake Joint Climate Action: climate mitigation, adaptation and resilience to climate change impacts; SO2: To achieve clean, sustainable and secure energy production and consumption objectives; SO3: To protect biodiversity and natural resources through pollution reduction, sustainable food systems and preserved ecosystems.
PRIORITY AREAS AND SECTOR INFORMATION	
7. Priority Area(s), sectors	140 Water and Sanitation 231 Energy Policy 410 General Environmental protection 430 Other multisector
8. Sustainable Development Goals (SDGs)	Main SDG (1 only): SDG 13 Climate Action Other significant SDGs: SDG 7: Affordable and Clean Energy SDG 6: Clean Water and Sanitation SDG 14: Life Below Water
9. DAC code(s)	23110 Energy policy and administrative management – 20% 14010 Water sector policy and administrative management – 25% 41010 Environmental policy and administrative management – 35% 31320 Fishery development – 20%
10. Main Delivery Channel	40000 Multilateral organisations 90000 Others

Communication to the Commission on the review of ongoing financial assistance for Palestine C(2023) 8300, 21.11.2023.

[3] Commission Implementing Decision of 16 December 2021 adopting a multi-annual indicative programme for the Southern Neighbourhood Region for the period 2021-2027 [C(2021) 9399].

11. Targets	☐ Migration ☒ Climate ☐ Social inclusion and Human Development ☐ Gender ☐ Biodiversity ☐ Human Rights, Democracy and Governance			
12. Markers (from DAC form)	**General policy objective**	**Not targeted**	**Significant objective**	**Principal objective**
	Participation development/good governance	☐	☒	☐
	Aid to environment	☐	☐	☒
	Gender equality and women's and girl's empowerment	☐	☒	☐
	Reproductive, maternal, new-born and child health	☒	☐	☐
	Disaster Risk Reduction	☒	☐	☐
	Inclusion of persons with Disabilities	☒	☐	☐
	Nutrition	☐	☒	☐
	RIO Convention markers	**Not targeted**	**Significant objective**	**Principal objective**
	Biological diversity	☒	☐	☐
	Combat desertification	☒	☐	☐
	Climate change mitigation	☐	☒	☐
	Climate change adaptation	☐	☒	☐
13. Internal markers and Tags	**Policy objectives**	**Not targeted**	**Significant objective**	**Principal objective**
	EIP	☐	☒	☐
	EIP Flagship	YES ☒		NO ☐
	Tags	YES		NO
	transport	☐		☒
	energy	☒		☐
	environment, climate resilience	☒		☐
	digital	☐		☒
	economic development (incl. private sector, trade and	☐		☒

	macroeconomic support)			
	human development (incl. human capital and youth)	☐		☒
	health resilience	☐		☒
	migration and mobility	☐		☒
	agriculture, food security and rural development	☒		☐
	rule of law, governance and public administration reform	☐		☒
	other	☐		☒
	Digitalisation	☐	☒	☐
	Tags	YES		NO
	digital connectivity	☐		☒
	digital governance	☐		☒
	digital entrepreneurship	☐		☒
	digital skills/literacy	☐		☒
	digital services	☒		☐
	Connectivity	☒	☐	☐
	Tags	YES		NO
	digital connectivity	☐		☒
	energy	☐		☒
	transport	☐		☒
	health	☐		☒
	education and research	☐		☒
	Migration	☒	☐	☐
	Reduction of Inequalities	☒	☐	☐
	COVID-19	☒	☐	☐

BUDGET INFORMATION	
14. Amounts concerned	Budget line(s) (article, item): 14.020110 Southern Neighbourhood Total estimated cost: EUR 26 000 000 Total amount of EU budget contribution: EUR 26 000 000 The contribution is for an amount of EUR 12 000 000 from the general budget of the European Union for 2026 and for an amount of EUR 14 000 000 from the general budget of the European Union for 2027, subject to the availability of appropriations for the respective financial year following the adoption of the relevant annual budget, or as provided for in the system of provisional twelfths. This action is co-financed in joint co-financing by: - AECID for an amount of EUR 2 000 000.

MANAGEMENT AND IMPLEMENTATION	
15. Implementation modalities (management mode and delivery methods)	**Direct management** through: - Grants - Procurement **Indirect management** with the entity(ies) to be selected in accordance with the criteria set out in section 4.3.3. Other actions and expenditure as set in section 4.3.5.

1.2. Summary of the action

The present action reflects the EU priorities under the Pact for the Mediterranean (the Pact)[4], in particular pillar II: stronger, more sustainable and integrated economies. It also reflects the joint Communication on a Renewed Partnership[5] with the Southern Neighbourhood, in particular Policy Area 5: Green transition: climate resilience, energy, and environment. It contributes to the EIP flagship 9 – "Green Growth and climate action and EIP flagship 11 - "Resource efficiency, including water and waste management, and biodiversity as well as the objectives of the European Water Resilience Strategy[6]. This action implements the Multi-Annual Indicative Programme for the Southern Neighbourhood (2021-2027) under its Priority Area 4 "Green Transition".

Furthermore, it contributes towards the implementation of the following Sustainable Development Goals (SDGs): SDG 7: Affordable and Clean Energy, SDG 6: Clean Water and Sanitation, SDG 5: Gender Equality and Women's Empowerment and SDG 13: Climate Action.

The programme will contribute to four main outcomes:

1. Improved water resilience
2. Enhanced Mediterranean wealth and coastal communities resilience
3. Enhanced climate adaptation on urban level.
4. Accelerated climate mitigation efforts in the renewable electricity and renewable hydrogen sectors and clean tech.

The impacts of water scarcity and climate change are often intertwined and are related to the energy transition needs. In the Mediterranean region, a climate change hotspot, climate change is causing a wide range of negative impacts on the environment, the availability of food and water, human health, and security. This integrated programme addresses climate change and energy transition challenges covering climate change action, energy and clean tech acceleration and water resources management.

Regarding water, the overall objective is to improve sustainable water resources management responding to the Mediterranean challenges of increasing pressures and climate change identified by the Union for the Mediterranean (UfM) water agenda and the Western Mediterranean water strategy.

To enhance water resilience, the action will support peer-to-peer exchanges and partnerships between basin organisations, expertise and capacities of basin organisations in integrated water resources management

[4] JOIN (2025) 26 of 16.10.2025.
[5] JOIN (2021) 2 of 09.02.2021.
[6] COM (2025) 280 of 4.6.2025.

(IWRM), the integration of Earth Observation (EO) data and services into local water management processes, the digitalisation of the sector.

This initiative supports the Pact for the Mediterranean's Blue Economy flagship initiative through a European approach to sustainable small-scale fisheries and aquaculture in Southern Mediterranean developed jointly by the European Commission and relevant implementing partners which hold specific expertise in this field.

In the Southern Mediterranean, Fisheries and Aquaculture are critical for food security, nutrition, poverty reduction, coastal livelihoods, youth employment and migration prevention, yet face growing constraints from overfishing, climate change, protracted crises and institutional fragility. Coastal communities — including women, youth, small-scale producers, and displaced and food-insecure populations — bear the greatest burden of these pressures. By rebuilding fish stocks, reducing biodiversity loss, strengthening community-based resource governance and developing low-footprint aquaculture and circular bio-economy models, the project will contribute to the Green Transition.
Accelerating investment in renewable energy and clean technology is one of the Pact's key initiatives to unlock sustainable investment and economic growth in the region. Fostering investments in renewable energy and renewable hydrogen production and distribution, including through adequate regulatory and financial incentives are key priorities. The development of decarbonised gases value chains (such as green hydrogen) is a strategic priority and a pathway of mutual interest, as decarbonised gases could be used both for domestic consumption and export. It therefore deserves updated cooperation frameworks and dedicated support.

The **Pact for the Mediterranean also addresses the challenge of climate change, pollution and biodiversity loss heavily affecting the Mediterranean region and its resilience** and offers to address the region's vulnerability to climate change and environmental degradation. Enhancing collaboration with interested southern Mediterranean partners on climate solutions, through dialogue and by promoting knowledge sharing aims to advance climate-resilient economic development. Developing climate adaptation investment pipelines by strengthening national and local capacities to develop and implement projects, while leveraging partnerships with IFIs, climate funds, and private stakeholders is expected to support the implementation of Sustainable Energy and Climate Action Plans (SECAPs).

1.3 Beneficiar(y)/(ies) of the action

The action shall be carried out in in the Southern Neighbourhood countries: Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Palestine, Syria, and Tunisia, out of which only Israel is not included in the list of ODA (Official Development Assistance) recipients.

All outcomes are of a trans-regional nature, fostering regional cooperation. Due to the action's nature and the importance to ensure extended regional coverage, the coverage of the action extends exceptionally to the following countries or territories, as their participation constitutes a substantial element to ensure the coherence and effectiveness of Union financing or to foster regional or trans-regional cooperation: Union for the Mediterranean non-EU member states, as well as countries neighbouring the Neighbourhood South countries including Iraq, Iran, Yemen and the Gulf countries. There is a need to mobilise all available sources of finance, both concessional and private, and use a full toolbox of instruments and sources (grants, guarantees, IFIs and DFIs, blending, budget support, sustainable finance and market instruments such as green bonds as part of the Global Green Bond Initiative, GGBI).

2. RATIONALE

2.1. Context

The Pact for the Mediterranean provides the EU and countries in the Mediterranean region with a new impetus for engagement. The Pact paves the way towards a common space of peace, prosperity and stability in the Mediterranean region and deepening cooperation in areas of mutual interest, including climate action, and environmental sustainability.

The Mediterranean region is facing intense water resources management challenges, exacerbated by climate change, demographic pressures, and water scarcity, which threaten the region's stability and economic development. The lack of effective water governance and management practices, including the insufficient integration of digital tools and advanced scientific data, hinders the ability of Basin Organisations to make informed decisions and adapt to the changing climate conditions.
The region's vulnerability is compounded by the inadequate participation of key stakeholders, including women, youth, and local communities, in water management decision-making processes.

In this context, the EU strategic focus on the Mediterranean region is crucial in addressing the complex challenges facing the region. The EU Water Resilience Initiative, on which the **Mediterranean Water Resilience Knowledge Platform (MWRKP)** concept is based, is a key component of the EU efforts to support sustainable water management in the Mediterranean region. The MWRKP supports the objectives of the Pact for the Mediterranean and the EU Water Resilience Initiative. By leveraging the EU focus on the Mediterranean region, the MWRKP can help to address the complex water management challenges facing the region, promote sustainable water management practices, and support the achievement of a more resilient, prosperous, and stable Euro-Mediterranean region.

The action will support stakeholder participation, including as right-holders women in all their diversity, youth, and local communities, in water management decision-making processes, and will promote peer-to-peer exchange mechanisms, the use of accessible digital tools and advanced scientific data to support informed decision-making. By addressing the complex water management challenges facing the region, the MWRKP has the potential to make a significant contribution to the achievement of the SDGs and the promotion of a more resilient, inclusive, prosperous, and stable Euro-Mediterranean region.

Fisheries and aquaculture value chains are major drivers of food security, nutrition, decent employment and poverty reduction in coastal communities of the Southern Mediterranean, and have direct implications for migration dynamics, gender equality and marine biodiversity conservation.

In these contexts, small-scale fisheries face compounding pressures: in some countries, displacement has increased reliance on fishing as a fallback livelihood; in others conflict has devastated fishing infrastructure and capacity, leaving coastal communities in acute crisis. Paradoxically, in a context of food insecurity and rural poverty in coastal areas, fish consumption per capita has plummeted to very low levels, in spite of its high protein content and high economic value.

If sustainably managed, coastal fish species — mainly sardines, anchovies, octopus, sea bream, mullet and shellfish — can make substantially greater contributions to the food security and economic development of coastal communities. Aquaculture offers particularly significant potential for rapid scaling, especially in Lebanon, Jordan and Algeria, following successful models elsewhere in the Mediterranean. The entry into force of the Biodiversity Beyond National Jurisdiction (BBNJ) Agreement, the European Ocean Pact[7],

[7] COM(2025)281 of 5.06.2025.

alongside GFCM efforts to combat overfishing and restore coastal ecosystems, represent a critical opportunity to rebuild stocks, increase catch per unit effort and secure higher incomes while guaranteeing affordable animal protein for poor coastal households. Anticipatory action and disaster risk management mechanisms will be integrated throughout the action to protect livelihoods against recurrent shocks

In the Southern Mediterranean, impacts of climate change on urban areas are expected to be disproportionally high due to a high concentration of population and assets, especially in high-risk prone areas. **Cities have a key role to play on climate action**, and require support, notably in the development and implementation of local-level climate action plans. Their affiliation to the Global Covenant of Mayors for Climate and Energy (GCoM), an initiative which was co-funded by the European Commission, provides cities with an invaluable platform and network for exchanges and learning. It should be noted that countries in the region have different degrees of decentralisation. Specific tailor-made approaches will be developed in countries where cities have relatively little autonomy. The Pact for the Mediterranean also emphasises "the importance of advancing development at regional and local level through integrated and participatory approaches can support balanced growth". These approaches are also promoted through the Union for the Mediterranean Zagreb Ministerial Declaration on sustainable urban development (2023) and should guide support actions.

In order to achieve the long-term temperature goals set out in the Paris Agreement, **climate change mitigation must also imperatively focus on the energy sector**, which accounts for 70% of greenhouse gas emissions. However, increasing renewable energy trading and boosting clean tech manufacturing in the Southern Neighbourhood as foreseen in the Trans-Mediterranean Energy and Clean Tech initiative ("T-MED") requires regulatory reform, exchange and knowledge sharing through dialogue at bilateral and regional levels. Boosting clean tech investment in the Southern Mediterranean is of interest to the EU to support sustainable economic prosperity on both shores of the Mediterranean. Rolling out the energy transition in the region includes maximising the vastly untapped potential of renewables and exploring the possibilities for green hydrogen development. The market for Green Electrons and Molecules (GEMs) needs to be further explored and developed, while adopting a nexus approach that also takes into account potential impacts on scarce water resources.

2.2. Problem analysis

Short problem analysis

I. Improved water resilience:

The complex water management challenges facing the region include:

The region faces several major challenges in managing its water effectively. One key issue is the lack of structured ways for water organisations to share knowledge and learn from successful solutions used elsewhere, both in Europe and beyond. Many groups also struggle with a shortage of technical expertise in **Integrated Water Resources Management (IWRM)**, making it difficult to handle the growing complexities of climate change and variability. To address this, there's a need for tailored training programmes that combine traditional knowledge with digital tools, such as **Earth Observation (EO) data** and advanced modelling. Additionally, valuable research findings, like those from programmes such as **PRIMA and Interreg cooperation programmes,** often go unused by local practitioners, meaning these solutions aren't being put into action where they're needed most.

Another pressing concern is the rapid, often unplanned expansion of cities into flood-prone areas, putting people and infrastructure at greater risk. Dams are also losing their storage capacity due to sediment buildup,

reducing both water supply and hydropower potential. Current flood prediction methods are frequently unreliable because they rely on outdated or incomplete data. A new approach using **satellite data** (like the **Copernicus Data Space Ecosystem**) could help cities shift from simply reacting to floods to planning ahead and reducing risks. Meanwhile, water scarcity remains a serious threat, particularly for vulnerable groups, women, children, and people with disabilities, who bear the heaviest burden. Women spend long hours fetching water, limiting their opportunities for education, work, and involvement in decision-making.

To tackle these challenges, a more **integrated modelling system** is needed, one that combines **Earth Observation data**, climate forecasts, and socio-economic factors. This would allow policymakers to test different strategies, such as better farming techniques or improved wastewater treatment, before putting them into practice. At the same time, leaders must use **science-based insights** to balance water demand, environmental protection, and climate resilience, aligning with the **EU's goals** for restoring water systems from source to sea. Exploring alternative water sources, like recycled wastewater or desalination could also boost long-term water security. The aim is to modernise traditional water management by embracing **digital tools and advanced modelling**, ensuring the region is better prepared for an uncertain climate future.

II. Enhanced Mediterranean health and coastal communities resilience: food insecurity and support to fisheries and aquaculture

The fisheries and aquaculture sectors in the Southern Mediterranean are struggling with multiple, overlapping challenges that hinder their ability to support sustainable development. Many coastal communities in the region already face food insecurity, a problem made worse by the arrival of displaced people, which has increased pressure on local fishing resources and created tensions between host and newcomer populations. In some areas, conflict and underinvestment have severely damaged the fishing industry, leaving communities without reliable access to food or income. At the same time, **overfishing**—particularly of bottom-dwelling fish—is depleting stocks and threatening livelihoods, especially as climate change makes extreme weather events more frequent. Despite efforts to prepare for disasters, current risk management strategies have failed to address the combined impacts of climate change and conflict, leaving fishing communities even more vulnerable.

Another major issue is the **lack of regional cooperation**. National fishing laws often don't fully align with recommendations from the **General Fisheries Commission for the Mediterranean (GFCM)**, and shared fish stocks—those that migrate across borders—require better cross-country management. **Illegal, unreported, and unregulated (IUU) fishing** remains a serious problem in the Eastern Mediterranean, while gaps in data make it difficult to manage fisheries based on solid evidence. Weak institutions and poor coordination between governments further undermine efforts to protect fish stocks. Small-scale fishers also face outdated knowledge, gear, and infrastructure, with gaps spanning the entire supply chain—from handling catches to reaching markets. Meanwhile, women play crucial roles in fisheries, from processing and selling fish to managing household livelihoods, yet their contributions are rarely recorded in official statistics or recognised in decision-making, reinforcing gender inequalities and wasting valuable expertise.

The region's countries vary widely in terms of stability, institutional strength, and operational capacity, meaning a **one-size-fits-all approach won't work**. Instead, the project will adopt a flexible design, allowing activities to be scaled up or down depending on each country's needs without disrupting the overall plan. Resources can also be shifted between countries as circumstances change. Despite these differences, the project will also promote **regional collaboration**, involving both Northern and Southern Mediterranean countries to help close technical and governance gaps. This dual approach—tailored support for individual countries alongside broader regional cooperation—aims to build a more resilient and sustainable fisheries sector.

III. Enhanced climate adaptation on urban level

The Middle East and North Africa (MENA) region is increasingly experiencing severe climate-related challenges that are deeply interconnected. The variety of challenges form a complex web of interdependencies that exacerbate the overall impact on the region. In urban areas these climate impacts are even more acute. The dense population and limited resources in these areas make it difficult to cope with the compounded effects of these environmental stressors in the context of rising demands for services, most notably water, energy and waste management.

Despite being among the most affected by climate shocks, women and people living in vulnerable situations (e.g. persons with disabilities, children, refugees/IDPs, people living in slum areas, etc.) remain largely excluded from the decision-making processes and financial systems that shape urban responses. Deploying integrated approaches, including nature-based solutions, enables policymakers to develop more comprehensive and effective strategies for sustainable and people-centered urban development.

However, cities in the MENA region often lack the capacity, resources, and tools needed to implement such integrated planning approaches. They face significant challenges in developing and executing projects that simultaneously address climate-related impacts. The poor financial attractiveness of adaptation projects, often generating public benefits but limited financial returns, as well as difficulty to attract finance at sub-sovereign levels, exacerbate the challenge to implement adaptation projects on urban level. The proposed regional programme aims to support the Covenant of Mayors for the Mediterranean by addressing this gap and enhancing the capacity of urban planners and local authorities to adopt and implement integrated strategies addressing climate adaptation through dedicated gender-responsive and social inclusive finance strategies. By working through the Covenant of Mayors and involving investors, financial institutions, local authorities, national governments, international networks, and research institutions, the programme seeks to foster a collaborative environment where knowledge and resources are shared and best practices are developed and disseminated. The UfM Regional platform for urban development can be mobilised to enhance regional cooperation and multi-level governance in this domain; it can serve as a multiplier to share information, knowledge and expertise to the benefit of urban stakeholders in the Euro-Mediterranean region.

IV. Accelerated climate mitigation efforts in the renewable electricity development, renewable hydrogen and clean tech

The Southern Neighbourhood through its geographical advantage can benefit from a vast potential for solar and wind energy, whereby the production of renewable hydrogen can offer renewable molecules and storage solutions. Most countries in the Southern Neighbourhood have ambitious renewable energy targets as demonstrated by signing the Paris Agreement on Climate Change of the United Nations Framework Convention on Climate Change (UNFCCC) and the Nationally Determined Contributions (NDCs) that describe mitigation (and adaptation) actions planned. Fostering the green energy transition in the Euro-Mediterranean region requires strengthened dialogue and cooperation between key stakeholders on both shores of the Mediterranean. As described in the Pact for the Mediterranean, the Trans-Mediterranean Renewable Energy and Clean Tech initiative, T-MED, will contribute to a transition towards and efficient, reliable and sustainable energy model for the region. Dedicated support to achieve higher penetrations of renewable electrons and renewable molecules in energy systems is thereby part of the T-MED initiative.

The MEDGEM network brings together experts, stakeholders in renewable energy, green hydrogen, and green electrons and molecules (GEM), as well as industry representatives and others, to convene dialogues, harmonise energy policies and facilitate investments towards renewable electricity, renewable hydrogen and clean tech manufacturing. The Mediterranean GEM Network was created to foster the GEM industry's growth at the regional level. The question of how to reconcile green hydrogen developments with competing water needs, in the context of an extremely water scarce region, and how to ensure resilience of energy infrastructure to climate risks is also explored within this forum, while the discussions on national renewable electricity and renewable hydrogen policy plans can influence the updates of the National Determined Contributions in the Southern Neighbourhood. Additional support will be provided to this activity, in order to further reinforce this network and ensure its long-term sustainability as well as to further expand its mandate towards clean tech development and encouragement of EU-MENA integrated clean tech supply chains. The action will promote complementarity and synergies with multi-country projects funded under the 2021-2027 Interreg NEXT MED and Interreg NEXT Italy-Tunisia cooperation programmes.

Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action.

Improved water resilience

The action brings together a core network of basin organisations (e.g., the Sebou Hydraulic Basin Agency in Morocco, the Medjerda Basin Authority in Tunisia and the Nile-Delta water-management entities in Egypt). National ministries of water, agriculture, environment and related agencies are the policy-making and financing authorities. Civil-society actors and water-user associations are essential for inclusive decision-making but often lack formal recognition in basin-governance structures, requiring the project to institutionalise their participation in activities. Research institutes, universities and technical service providers—including the Joint Research Centre, the International Office for Water/INBO, MENBO, SEMIDE, the World Meteorological Organisation and other regional observatories—provide scientific expertise, curriculum development and modelling tools.

Enhanced Mediterranean wealth and coastal communities' resilience

At the regional level, the GFCM is the normative and technical reference body for Mediterranean fisheries management. The UfM provides a platform for ministerial-level political dialogue on blue economy. At the national level, the key institutional stakeholders are the ministries of agriculture and fisheries, national fisheries research institutes and universities, and fishing port authorities. The action targets coastal communities, with particular focus on small-scale fishers, aquaculture farmers, women in post-harvest activities, youth, and food-insecure populations. EU Private sector actors, particularly European suppliers of fisheries technology, cold chain infrastructure and aquaculture equipment, are engaged as providers of solutions tailored to local needs.

Enhanced climate adaptation on urban level

The main stakeholders aimed at for the stepping up climate adaptation efforts at urban level will be energy and climate institutions at national level and cities in the MENA/Gulf region, the Global Covenant of Mayors' Mediterranean branch.

Accelerated climate mitigation efforts in the renewable electricity and renewable hydrogen sectors and clean tech

The main stakeholders aimed at for the stepping up climate mitigation efforts in the renewable electricity development consist of national administrations and private sector actor such as project promotors, equipment providers, energy service companies, energy operators and energy regulators.

2.3. Lessons learned

- Regional cooperation facilitates the relations between neighbouring countries, and sub-regional cooperation approaches may prove effective in certain sectors or as demonstration cases.

- Regional and transboundary cooperation increase the effectiveness of the actions against climate change, and water management.

- Flexibility in both the approach and the proposed cooperation instruments is necessary to enable the EU and its partners to respond to ever-changing circumstances and needs.

- Regional programmes require extensive organisational work to secure adhesion of the participating countries and stakeholders, which in turn requires consistent dedicated resources.

- Regional programmes can benefit from longstanding EU experiences (for example in the field of sustainable urban mobility) while tailoring them to the diverse Southern Mediterranean contexts and considering varied levels of advancement in the targeted region.

- The current crisis in the Middle East is presenting a challenge for regional cooperation, as certain country representatives are reluctant to be in the same room with one another. To address this challenge, corrective action should be taken without excluding any representative (for example, encouraging certain parties to attend the event remotely especially for technical meetings).

- Regional integration is indispensable for shared resource management. Especially for fisheries, whose resources cross-national boundaries, regional integration, supported by regional platforms and mechanisms, is critical to ensure common use of shared stocks, develop unified legal frameworks consistent with General Fisheries Commission for the Mediterranean (GFCM) recommendations, and ensure a shared commitment to combat unsustainable practices.

3. DESCRIPTION OF THE ACTION

3.1. Objectives and expected outputs

The **impact** (overall objectives) of this action is advanced green transition and climate resilience in the Southern Neighbourhood.

The **outcomes** (specific objectives) of this action are:

Outcome 1: Improved sustainable water resources management efficiency by basin organisations in the Southern Mediterranean region.

Outcome 2: Supported resilience of coastal communities through the environmentally sustainable management of fisheries and aquaculture value chains.

Outcome 3: Enhanced climate adaptation governance on urban level.

Outcome 4: Increased climate mitigation efforts of public and private actors in the development of renewable electricity and renewable hydrogen and clean tech sectors in the Southern Neighbourhood's countries

The **Outputs** to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are:

Contributing to Specific Objective 1:

1.1 Increased capacities and means of basin organisations in equitable management of water resources

Contributing to Specific Objective 2:

2.1 Small scale producers and fisheries and aquaculture value chains in southern Mediterranean countries are supported through improved food security, sustainable small-scale fisheries management, inclusive aquaculture development, and strengthened regional scientific and governance capacities.

Improved tools and capacities of key stakeholders in sustainable and inclusive fisheries and aquaculture value chains at local and regional levels.

Contributing to Specific Objective 3:

3.1 Climate adaptation governance capacity on urban level is enhanced through development of local finance strategies and improved financial planning.

Enhanced capacities of municipalities in inclusive and integrated climate adaptation strategies.

Contributing to Specific Objective 4:

4.1 Improved information exchange and regulation mechanisms on renewable energy, renewable hydrogen and clean technologies

3.2. Indicative activities

Activities related to Output 1.1:

- Peer-to-peer exchanges and partnerships between basin organisation including the development of a procedure manual for a participatory peer exchange and partnerships, the identification and matching of peers, the monitoring of partnerships, regional workshops and the consolidation of results, lessons learned from peer exchanges. Relevant gender and disability inclusion duty bearers (e.g. national machineries, focal points within the Ministries in charge of water policies, human rights monitoring institutions, etc.) and organisations representing the rights of women, people with disabilities, refugees/IDPs, youth, etc. will be actively consulted and engaged.
- Diagnostic of competence gaps from a technical and social dimension[8], develop following accessibility standards training modules on that basis (in several languages, may include the use of artificial intelligence for translation), online and in-person training sessions and their valorisation on a Knowledge Management Platform.
- Development of an online platform with access to Earth Observation (EO) datasets and products, case studies on how EO is exploited to answer the water management needs, material and training and international agenda on EO.
- Development of integrated modelling frameworks that combine Earth Observation data, climate projections, and socio-economic scenarios.

[8] To ensure an equitable water resources management system, it is essential to raise awareness of the key challenges and structural causes of discrimination faced by women and people more at risk of water stress (e.g. persons with disabilities)
Furthermore, collection and analysis of at least sex, age and disability data and gender statistics is crucial to identify, for instance, existing gender gaps on water resources management

Activities related to Output 2.1:

- Improved food security, nutrition and livelihood resilience in the target countries through small-scale fisheries and aquaculture as complementary income-diversification strategies, including emergency livelihood support, technical training, equal access to finance for small investments and disaster-preparedness mechanisms, with a strong focus on women and vulnerable populations (women in all their diversity, youth, people with disabilities, refugees, internally displaced persons and food-insecure households).
- Support tovalue-chain actors (SMEs including those led by women, retailers, processors, cooperatives, traders) in the target countries in developing sustainable, commercially viable fisheries and aquaculture inclusive value chains through technical capacity building, support to the adoption of improved and environmentally and socially responsible practices, business-model innovation and equal access to finance.
- Support to National and regional institutions, universities and research centres develop advanced scientific knowledge, professional training and institutional research capacity in sustainable fisheries and aquaculture, supporting evidence-based management and long-term sector development. Particular attention will be paid to analysing the main challenges and structural causes of discrimination faced by vulnerable populations, and to giving visibility to women's knowledge and contribution in fisheries and aquaculture sectors.
- Government fisheries institutions, planning authorities and regional bodies in developing strengthened institutional capacities, updated legal frameworks, and coordinated regional platforms and mechanisms for regional sustainable fisheries management and cross-border cooperation.

Activities related to Output 3.1:

- Reinforcing the network of cities that are part of the Global Covenant of Mayors
- Enhancing Municipal Capacities for gender-responsive and socially inclusive Integrated Climate Adaptation based Urban Planning.
- Facilitating the Implementation and Investment Readiness of Scalable, Climate Adaptation Projects promoting inclusive and locally led approaches, with a strong focus on gender equality and social equity.
- Addressing the challenge of financing adaptation projects at urban level through sub-sovereign finance.
- Strengthening Municipal capacities through assistance in investment planning for Climate Adaptation Projects (including on how to better integrate a gender and inclusive approach).

Activities related to Output 4.1:

- Business Fora and training on policies, regulation, certification and study visits for relevant stakeholders in the Southern Neighbourhood contributing to accelerating the deployment of renewable electricity generation.
- Support the elaboration and implementation of policies for the production and trade of Power to X products (hydrogen and derivatives) through creation of a platform for standards and certification for GH2 and translation of GH2 Delegated Acts to the Southern Neighbourhood countries conditions.
- Assess and exploit the potential for clean tech manufacturing in the Mediterranean region and integrated EU-MENA clean tech supply chain development.

3.3. Mainstreaming

Environmental protection, Climate change and biodiversity

The overall aim of the water resilience initiative is to improve sustainable water resources management while tackling the increasing pressures of climate change across the Mediterranean. Peer-to-peer exchanges

will circulate climate-adaptation practices and the capacity-building curriculum contains modules on climate-variability assessment and nature-based solutions. Earth Observation services will be used to monitor water-level fluctuations, flood risk and dam sedimentation, hazards that are amplified by a warming climate. A robust modelling framework will quantify nutrient pollution throughout the basin and evaluate the impact of different management strategies on water quality, while a separate modelling effort will assess the optimal and sustainable volumes of seawater to be extracted for desalination, taking into account the ecological balance of the Mediterranean Sea. These activities directly address the twin challenges of environmental protection and biodiversity preservation.

Outcomes of the Environmental Impact Assessment (EIA) screening
The EIA screening classified the action Category C (no need for further assessment); environmental protection is at the core of the programme.

Outcome of the Climate Risk Assessment (CRA) screening
The CRA screening concluded that this action is no or low risk (no need for further assessment); climate action is one of the main focuses of the programme.

Gender equality and empowerment of women and girls
As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that gender aspects will be mainstreamed in the programme's activities and will be requested in the reporting, where this is deemed relevant. Efforts will be made to ensure active participation of women in all project events, especially in traditionally male-dominated sectors. Particular attention will be paid to ensure that women are active stakeholders in the projects and that identified actions duly take into account gender differences in view of supporting greater gender equality.

Women and girls are more constrained by discriminatory gender norms and experience more gender-related barriers to accessing vital resources. They are generally more vulnerable to climate change impacts and have fewer social, economic, and legal resources to build adaptive capacity and cope with these negative impacts. Gender-based discrimination and inequalities also restrict women's access to the decision-making spaces where climate, resilience and water management related issues, priorities, and strategies are developed. Furthermore, the impacts of climate change reinforce gender-based discrimination and inequalities as well as gender-based violence. Action activities will be informed by a proper gender analysis; women in all diversity and organisations representing their rights and interests will be actively consulted and engaged; equal access to capacity building activities and resources will be ensured; gender expertise will support the design of foreseen training modules. The Action, will therefore contribute to the III EU Gender Action Plan, and in particular to the thematic areas of engagement *"Addressing the challenges and harnessing the opportunities offered by the green transition and the digital transformation"* and *"Promoting economic and social rights and empowering girls and women".*

Human Rights
Human rights-based approach and its key principles (applying all human rights for all; meaningful and inclusive participation and access to decision-making; non-discrimination and equality; accountability and rule of law for all; and transparency and access to information supported by disaggregated data) will be integrated throughout the Action to strengthen the resilience of communities as rights holders to climate change. The Action will also contribute to reinforcing the capacities of duty bearers and other stakeholders (including women's rights organisations and those representing the rights of youth, ethnic minorities, and persons with disabilities, among others living in vulnerable situations).

In alignment with the Human Rights-Based Approach, and taking into account the country specific human rights commitments and challenges, its working principles will be applied by:

- Ensuring meaningful and inclusive participation and equal access to decision-making, in particular in the case of women and people suffering the worst consequences of climate change, water scarcity and food insecurity.
- Addressing inequalities based on different grounds of discrimination (e.g. sex, age, disability status, poverty, urban/rural location, gender identity and sexual orientation, etc.).
- Monitoring the extent to which relevant duty bearers ensure that human rights at stake are being complied with, and to strengthen the capacities of the population as rights holders to claim these rights.
- Guaranteeing transparency and equal access to information supported by disaggregated data at least by sex, age and disability status and available translation to different languages.
- According to the "do no harm principle", providing accessible and adequate complaint mechanisms in case of any unintended negative impact during the implementation of the Action.

Furthermore, the right to water and the right to participate in decisions that affect one's environment are mainstreamed throughout the initiative on water resilience. The involvement of water users and civil society guarantees the inclusion of local communities, water-user associations and marginalised groups in trainings, peer exchanges and the development of policy briefs. Open-access data and transparent communication channels support the public's right to information, while capacity-building on legal frameworks and UN Water Convention principles strengthens the institutional environment needed to respect and protect human rights.

Disability
Given the high vulnerability of people with disabilities to climate change, water stress and food insecurity and taking into account the countries' commitments (except for Palestine and Syria) under the UN Convention on the Rights of Persons with Disabilities and in alignment with the respective EU Strategy 2026-2030, special attention will be paid to ensure that the specific needs and challenges faced by persons with disabilities are taking into consideration and accessibility standards (e.g. venues, communication formats, etc.) apply at activity level (e.g, trainings, design of platforms, researches, etc.) Furthermore, organisations representing persons with disabilities will be proactively reached out to for and meaningful participation throughout the action. Therefore, as per OECD/DAC Disability policy markers identified in section 1.1, this action is labelled as D1.

Democracy
Over the last years, the EU has stepped up its efforts to reinforce economic, social and cultural rights and strengthen the link between human rights and the environment in its external action. Promotion of democratic values will be integrated in the design of individual actions, whenever relevant, and will be included in the set of indicators accompanying these actions with a focus on economic and social rights.

The water resilience initiative will reinforce democratic governance through modules on legal frameworks, participatory decision-making and the UN Water Convention. Policy briefs derived from the project's modelling and pilot activities will be disseminated to decision-makers, fostering evidence-based and transparent policy formulation. The twinning mechanism encourages open dialogue between basin organisations, creating spaces for accountable and inclusive deliberation.

Conflict sensitivity, peace and resilience
Conflict sensitivity, peace and resilience will be integrated in the design of individual actions, whenever relevant, and will be included in the set of indicators accompanying these actions. The focus should be to prevent conflict over natural resources in this resource-scarce region. Additionally, support for early recovery will be taken into account, as relevant.

Disaster risk reduction
Disaster Risk Reduction (DRR) will be duly addressed, in particular through climate change adaptation interventions, as the two sometimes overlap. For example, the actions relating to adaptation action at urban level will duly integrated measures to improve adaptation to climate risks such as heat waves, and reduce flood and fire risks.

The water resilience initiative will have Earth Observation data and advanced modelling tools, and will be deployed to produce early-warning information for floods, to assess dam-sedimentation risks and to simulate flood scenarios in the pilot basins of Morocco, Tunisia and Egypt. By integrating these capabilities into local water-management processes, such a project shifts response from reactive emergency measures to proactive, data-driven planning, thereby strengthening disaster-risk reduction capacities across the region.

3.4. Risks and external assumptions

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
External Environment	Political unrest or major natural disasters derail activities in the region	M	H	The political situation in target countries will be monitored. If required, in-country activities would be temporarily suspended.
External Environment	Lack of support from governmental bodies for specific project activities	M	M	Communication and dialogue with central bodies to explain the goals of the engagement activities. If required, re-orientation of certain project activities
External Environment	Resistance to address structural causes of inequalities (in particular discriminatory and patriarchal norms and attitudes) and promote an active engagement of women's rights organisations and those representing the rights of people in vulnerable situations	M	M	A gender equality and intersectional approach will be implemented during the foreseen programs. Engagement with gender equality machineries at local and national level as well as with women's rights organisations and those representing the rights of people in vulnerable situations will be sought, whenever possible.

External assumptions

The following assumptions apply:
- The initiatives receive sufficient support at governmental level to conduct their activities.
- Political conditions are sufficiently stable to allow for the project implementation.

3.5. Intervention logic

The underlying intervention logic for this action is:

Improved water resilience

IF capacity building is provided through peer-to-peer exchanges and partnerships between basin organisations, government administrations in charge of water, and other water management stakeholders; IF integrating earth observation into local water management practices, developing holistic modelling assessment and associated simulations, THEN water resilience will be improved, and beneficiary countries will accelerate the improvement of legal, institutional, organisational, and technical practices on sustainable water resources management.

Enhanced Mediterranean wealth and coastal communities' resilience

IF vulnerable coastal communities, small-scale fisheries, and regional institutions receive targeted support (technical, governance, and market-based), operate in stable conditions (security, institutional commitment, and demand), and collaborate through shared knowledge and policies, THEN food security, sustainable livelihoods, and evidence-based fisheries management will improve—creating lasting economic and environmental resilience in the region.

Enhanced climate adaptation on urban level

Considering that cities are climate change hotspot (highly vulnerable to climate impacts, and high contributors to GHG emissions), IF they are empowered to implement climate action at their level, THEN this helps ensuring that interventions are closer to the ground, and more likely to benefit the local population.

Accelerated climate mitigation efforts in the renewable electricity and renewable hydrogen sectors and clean tech

IF public and private sector investment in renewable electricity and renewable hydrogen are further encouraged, including through fostering dialogue and supporting networks, THEN this will assist countries along their green transition, create new economic opportunities, and help reduce global GHG emissions.

Overall action

IF all of the above takes place as described, THEN the green transition will progress and climate resilience will improve in the Southern Neighbourhood, thereby contributing to the region’s sustainable and integrated development.

3.6. Indicative Logical Framework Matrix

Results	Results chain: Main expected results	Indicators[9]	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	Advanced green transition and climate resilience in the Southern Neighbourhood.	Change in green transition and climate resilience in the Southern Neighbourhood	Country specific (2028)	Country specific (2032)		*Not applicable*
Outcome 1	Improved sustainable water resources management efficiency of basin organisations in the Southern Mediterranean region	1.1 (OPSYS 95141) - Number of Water Management Plans applying IWRM principles (Integrated Water Resources Management) and/or WEFE Nexus approaches (Water-Energy-Food-Ecosystems Nexus) to improve water governance. 1.2. SDG Indicator 6.b.1: Proportion of local administrative units with established and operational policies and procedures for participation of local communities in water and sanitation	1.1 0(2026) 1.2 0(2026)	1.1 to be defined at contract level – indicatively 5(2030) 1.2 to be defined at contract level – indicatively 5(2030)	1.1 Surveys of target basin organisations, evaluation of IWRM reports. 1.2 Surveys: % of users/communities participating in planning; review of law or policy for the participation of local communities in planning.	

9 Action documents normally include one single action (or project). This action document, instead, groups together four individual projects that contribute to the green and energy transition. Therefore, the action document's overall impact is a result of the four projects' impacts. For this reason, the indicators in this logical framework should be considered indicative and will be determined with more precision at the individual project level.

Outcome 2	Supported resilience of coastal communities through the environmentally sustainable management of fisheries and aquaculture value chains. Improved sustainable food security and livelihood of coastal communities in southern Mediterranean countries.	2.2 Number of regional policy instruments (GFCM recommendations, UfM roadmap milestones) informed by project outputs Household Food Insecurity Access Scale (HFIAS) in selected coastal areas	Country specific (2025)	Country specific (2029)	FAO DIEM assessments Project M&E system National household surveys GFCM compliance reports Survey	
Outcome 3	Enhanced climate adaptation governance capacity on urban level Enhanced inclusive climate adaptation governance on urban level	GERF 2.5: Number of countries and cities with climate change and/or disaster risk reduction strategies: (a) developed, (b) under implementation with EU support OPSYS 109487 - Extent to which proposed for adoption climate change adaptation and mitigation policies, and environmental protection strategies and plans (including energy policies/ strategies) are based on a gender analysis of risk, need, demand, barriers, and supply	Country specific (2028)	Country specific (2032)	Reports tracking progress on implementation of adaptation efforts, e.g. the Biennial Transparency Reports (BTR) for the UNFCCC.	

Outcome 4	Increased climate mitigation efforts of public and private actors in the development of renewable electricity and renewable hydrogen and clean tech sectors in the Southern Neighbourhood's countries	Change in foreign and domestic financial investments for renewable electricity and renewable hydrogen	Country specific (2028)	Country specific (2032)	Annual reports from Partner countries' Ministries of Energy and Finance	
Output 1.1 related to Outcome 1	Increased capacities and means of basin organisations in equitable management of water resources	1.5 (OPSYS 334676) - Contribution to "Number of multi-stakeholder groups and learning mechanisms formed and regularly gathering" by functional twinning partnerships established between Mediterranean and global basin organisations. OPSYS 260045 - Number of organisations/institutions with increased capacities	1.5 0(2026) 1.6 0(2026)	1.5 to be defined at contract level – indicatively 10 (2030) 1.6 to be defined at contract level – indicatively 5 (2030)	1.5 Twinning register, partnership reports. 1.6 Participant to peer-to-peer exchanges, satisfaction surveys, project factsheet developed by basin organisations	

Output 2.1 related to Outcome 2	Improved tools and capacities of key stakeholders in sustainable and inclusive fisheries and aquaculture value chains at local and regional levels	OPSYS 65456 - Number of business plans for Sustainable Consumption and Production (SCP) investments elaborated with support of the EU-funded intervention GERF 2.1: Number of smallholders reached with EU-supported interventions aimed to increase their sustainable production, access to markets and/or security of land	Country specific (2025)	Country specific (2029)	FAO DIEM assessments Project M&E system National household surveys GFCM compliance reports	
Output 3.1 related to Outcome 3	Capacities are increased at urban level to implement adaptation projects, including through innovative finance strategies, as a result of the project activities	The capacities of urban governance stakeholders on technical and financial possibilities for the implementation of urban level adaptation projects have increased. 94027 - Number of climate change mitigation and/or adaptation and/or Disaster Risk Reduction (DRR) strategies and implementation plans (compliant with existing water strategies/plans/legislation) prepared by stakeholders (across river basins and/ or countries and/or cities) 65442 - Number of policy makers and other stakeholders trained by the EU-funded intervention with increased knowledge and/or skills on Inclusive Green Economy (IGE) issues, disaggregated by sex and sector	3.1.1 TBC (2027)	3.1.1 Improved level on technical and financial possibilities for the implementation of urban level adaptation projects (improvement by 2 levels)	3.1.1 Annual surveys to assess level of capacity of key stakeholders (*Level 1= lack of capacity; level 2=low; level 3= medium; level 4=high; level 5= very high*)	

Output 4.1 related to Outcome 4	Improved information exchange and regulation mechanisms on renewable energy, renewable hydrogen and clean technologies	The rate of improvement of understanding of enabling conditions for investments in renewable electricity and renewable hydrogen as well as clean technologies manufacturing.	4.1.1 TBC (2027)	4.1.1 Improved level of understanding of enabling conditions for investments in renewable energy and renewable hydrogen (improvement by 2 levels)	4.1.1 Project report; Annual surveys to assess level of understanding of key stakeholders (*Level 1= lack of understanding; level 2=low; level 3= medium; level 4=high; level 5= very high*)	Stakeholders willing to share information and take part in the Network activities

4. IMPLEMENTATION ARRANGEMENTS

4.1. Financing agreement

In order to implement this action, it is not envisaged to conclude a financing agreement with the partner countries.

4.2. Indicative implementation period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 84 months from the date adoption by the Commission of this financing Decision.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this financing Decision and the relevant contracts and agreements.

4.3. 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 measures[10].

4.3.1. Direct management (grants)

(a) Purpose of the grant

The grant will contribute to achieving the outcome 1 and its related outputs.

(b) Justification of a direct grant

Under the responsibility of the Commission's authorising officer responsible, a grant may be awarded without a call for proposals to an international organisation or an NGO selected using the following criteria: i) capacity to mobilise international networks of water basin organisations across all regions; ii) capacity to create exchanges of experience between water basin organisations across all regions; iii) human and organisational capacities to manage contracts and to support the development of capacities to manage IWRM and complex transboundary water cooperation issues at technical level.

Under the responsibility of the Commission's authorising officer responsible and in accordance with Article 198, point (f), of the Financial Regulation, the recourse to an award of a grant without a call for proposals is justified because the action has specific characteristics requiring a specific type of beneficiary (a worldwide network of water basin organisation) for its technical competence, specialisation (capacity to support the development of capacities to manage complex transboundary water cooperation issues and organise exchanges of experience between water basin organisation globally) or administrative power or nature of the action with regard to Article 27(3) of the NDICI-Global Europe Regulation.

[10] See EU Sanctions Map. 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.

4.3.2. Direct management (procurement)

Under output 4.1 conditions are created for investments in renewable energy and renewable hydrogen which are enhanced as a result of the Mediterranean Green Electrons & Molecules (MED-GEM) Network

The procurement will contribute to achieve this output.

4.3.3. Indirect management with entrusted entities[11]

A part of this action (corresponding to outcomes 2 and 3) may be implemented in indirect management with entities, which will be selected by the Commission's services using the following criteria:

- Technical expertise
- Successful experience in the implementation of similar interventions
- Relevant geographical experience

4.3.4. Changes from indirect to direct management (and vice versa) mode due to exceptional circumstances

If the implementation modality under indirect management as defined in section 4.4.3 cannot be implemented due to circumstances beyond the control of the Commission, the modality of implementation by grants under direct management would be used according to the following:

(a) Purpose of the grant (s): the grant(s) would entail carrying out the activities identified in section 3.
(b) Type of applicants targeted: applicants would need to possess the relevant technical expertise.

If the implementation modality under direct management as defined in section 4.3.1 cannot be implemented due to circumstances beyond the control of the Commission, the modality of implementation by indirect management with an entrusted entity would be used according to section 4.3.3.

4.3.5. Other actions or expenditure

Part of this action 1 may be also implemented through an Administrative Arrangement with the Joint Research Centre (JRC) in order to mobilise its expertise in the achievement of outcome 1, in close coordination and complementarity with the direct grant mentioned in section 4.3.1.

4.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) of the NDICI-Global Europe Regulation).

[11] The signature of a contribution agreement with the chosen entity is subject to the completion of the necessary pillar assessment.

4.5. Indicative budget

Indicative budget components	EU contribution (amount in EUR) 2026	EU contribution (amount in EUR) 2027	EU contribution (amount in EUR) Totals	Third-party contribution (amount in EUR)
Implementation modalities – cf. section 4.3				
Outcome 1: Improved water resilience composed of:				N.A.
Administrative Arrangement with JRC – cf. section 4.3.5		**4 500 000**	**4 500 000**	N.A.
Grants (direct management) – cf. section 4.3.1		**3 500 000**	**3 500 000**	N.A.
Outcome 2: Enhanced Mediterranean wealth and coastal communities resilience composed of: Indirect management with entrusted entities – cf. section 4.3.3	**7 000 000**		**7 000 000**	**2 000 000**
Outcome 3: Enhanced climate adaptation governance capacity on urban level composed of: Indirect management with an entrusted entity – cf. section 4.3.3		**6 000 000**	**6 000 000**	N.A.
Outcome 4: Increased climate mitigation efforts of public and private actors in the development of renewable electricity and_renewable hydrogen and clean tech sectors in the Southern Neighbourhood's countries composed of Procurement (direct management) – cf. section 4.3.2	**5 000 000**		**5 000 000**	N.A.
Evaluation – cf. section 5.2 **Audit** – cf. section 5.3			will be covered by another Decision	N.A.
Strategic communication and public diplomacy – cf. section 6			will be covered by another Decision	N.A.
Contingencies			N.A.	N.A.
Totals	**12 000 000**	**14 000 000**	**26 000 000**	**2 000 000**

4.6. Organisational set-up and responsibilities

Project steering committee(s) will be established under this action, including representatives of the EU (relevant Commission services where necessary) and the implementing partners. The steering committees shall meet indicatively once a year to assess progress and issue recommendations on the direction of the projects. An overarching Advisory Board encompassing all components of the action may be set up, engaging all relevant stakeholders and providing overall strategic guidance.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

5. PERFORMANCE MEASUREMENT

5.1. 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 reports. 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 Outputs and contribution to the achievement of its Outcomes, and if possible at the time of reporting, contribution to the achievement of its Impacts, as measured by corresponding indicators, using as reference the logframe matrix.

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).

Arrangements for monitoring and reporting, including roles and responsibilities for data collection, analysis and monitoring:

- Monitoring is envisaged to be undertaken for each component of the action
- Every component will have its own logical framework, which will be completed during the inception period and updated during implementation
- SDG indicators and Global Europe Result Framework Indicators (GERF) will be taken into account whenever relevant and possible
- Monitoring will also assess gender equality results and the implementation of the rights-based approach working principles.

5.2. Evaluation

Having regard to the nature of the action, a mid-term or a final evaluation may be carried out for this action or its components via independent consultants contracted by the Commission.

In case an evaluation is planned, the Commission shall form a Reference Group (RG) composed by representatives from the main stakeholders at both EU and national (representatives from the governments, from civil society organisations (private sector, NGOs, etc.), etc.) levels. If deemed necessary, other donors will be invited to join.

The Commission shall inform the implementing partner(s) at least 2 months in advance of the dates envisaged for the evaluation exercise and missions. The implementing partner(s) shall collaborate efficiently

and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner countries and other key stakeholders following the best practice of evaluation dissemination[12]. The implementing partner(s) and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner countries, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

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

5.3. Audit and verifications

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 audit or verification assignments for one or several contracts or agreements.

6. STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

All entities implementing EU-funded external actions have the contractual obligation 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. To that end they must comply with the instructions given in the 2022 guidance document *Communicating and raising EU visibility: Guidance for external actions* (or any successor document).

This obligation will apply equally, regardless of whether the actions concerned are implemented by the Commission, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU Member States. In each case, a reference to the relevant contractual obligations must be included in the respective financing agreement, procurement and grant contracts, and contribution agreements.

For the purpose of enhancing the visibility of the EU and its contribution to this action, the Commission may sign or enter into joint declarations or statements, as part of its prerogative of budget implementation and to safeguard the financial interests of the Union. Visibility and communication measures should also promote transparency and accountability on the use of funds. Effectiveness of communication activities on awareness about the action and its objectives as well as on EU funding of the action should be measured.

Implementing partners shall keep the Commission and the EU Delegation/Office fully informed of the planning and implementation of specific visibility and communication activities before the implementation. Implementing partners will ensure adequate visibility of EU financing and will report on visibility and communication actions as well as the results of the overall action to the relevant monitoring committees.

[12] [12] See best practice of evaluation dissemination on the Capacity4dev platform.