



Country Specific Policy Recommendations: Lebanon, Palestine, Tunisia

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Abstract

This report presents a set of policy recommendations for the European Union (EU) to recalibrate its democracy support in its Southern Neighbourhood in three countries: Lebanon, Palestine, and Tunisia. These recommendations are based on extensive qualitative research conducted in three respective countries under the SHAPEDEM-EU project. The findings, detailed in Deliverables D3.2 and D3.3, reveal a disconnect between the EU's stated democratic principles and the perceptions of local actors. Across all three contexts, EU engagement is widely viewed as transactional, inconsistent, and subservient to its own geopolitical interests, particularly migration control and regional stability. This has led to widespread disillusionment, ranging from deep-seated cynicism in Lebanon to bitter disappointment in Tunisia and anger during the genocide in Palestine. This report translates these findings into actionable recommendations aimed at fostering a more effective, legitimate, and locally resonant EU policy.

In Lebanon, recommendations focus on moving beyond a crisis-management framework that inadvertently reinforces the power structure and entrenched elite capture. The EU is advised to revisit its complex funding mechanisms to empower smaller, grassroots movements, thereby countering the phenomenon of 'NGOisation'. We recommend establishing direct channels of communication that bypass traditional gatekeepers (both state elites and established CSOs) and recalibrating the EU's migration-focused aid to include stringent conditions for political and economic reform, ensuring that support does not legitimise a corrupt and stubborn political class.

In Palestine, the recommendations address the loss of EU credibility due to its perceived complicity in the Israeli occupation and its response to the ongoing genocide in Gaza. The primary recommendation is the complete overhaul of punitive funding conditionalities, specifically the 'anti-terror' clauses that criminalise legitimate resistance and fragment civil society. The EU is advised to re-centre the occupation and genocide as the principal obstacles to democracy, engage with a wider spectrum of Palestinian society beyond the Palestinian Authority (PA), and apply consistent pressure on Israel in line with its obligations under international law and stated EU values. Without these fundamental shifts, EU democracy support in Palestine will remain, as one local actor stated, "buried in the EU cemetery."

In Tunisia, where initial post-2011 revolution optimism has given way to despair over democratic backsliding, recommendations centre on rebuilding trust. To regain the trust of civil society and position itself as an impartial actor, the EU may move away from the transactional migration deal that is seen to legitimise President Kais Saied's authoritarian turn. We recommend reinstating a value-based partnership, publicly condemning anti-democratic measures, and linking non-humanitarian financial support to clear democratic benchmarks. Furthermore, the EU can actively identify and support new, alternative forms of youth-led activism that currently remain invisible to its traditional funding frameworks.

Comparatively, this report identifies overarching themes requiring a systemic EU policy shift in a rapidly changing region. The EU may confront the perception of transactionalism by ensuring democratic conditionality is not sacrificed for short-term perceived security or migration goals. It could reform its funding architecture to be more accessible to grassroots organizations and to politically empower them so they may have more influence in decision-making, policymaking, and/or resource distribution. It can actively accept its role in sustaining gatekeeping structures and work to hear from a more diverse range of local voices across the region, even those who politically challenge EU policies. Finally, and most critically, the EU is urged to address the perception and reality of double standards

in the region, which has been exposed by its response to genocide in Gaza. To restore its legitimacy, the EU is encouraged to consistently apply international law and its own founding values in its foreign policy. With the dominance of the US across the region based on power politics, the EU would do well to be consistent in bridging its rhetoric of democracy and human rights with the realities of guarding the status quo, be it authoritarianism, occupation or apartheid. The report concludes that only a fundamental recalibration towards a participatory, transparent, and context-sensitive model can create the "inclusive bottom-up democracy learning loop" that the SHAPEDEM-EU project seeks to foster.

1 Introduction

Work Package 3 (WP3) of the SHAPEDEM-EU project, titled 'Democratic Practices & Democracy Support in the Southern Neighbourhood,' was conceived to critically assess the development, discourse, and impact of EU democracy support policies from the perspective of local actors. Departing from traditional top-down analyses that have historically dominated the study of EU foreign policy, WP3 fundamentally centres local voices, practices, and experiences in the region, focusing on the cases of Lebanon, Palestine, and Tunisia. The core objective is to map local contestation and feedback, identify the gatekeepers who mediate EU-local relations, and ultimately inform a more effective and locally resonant EU approach. This methodology represents a deliberate attempt to remedy the 'Eurocentric exclusive top-down approach' by building an 'inclusive bottom-up democracy learning loop' where the experiences of those on the receiving end of policy can actively shape its future direction.

This deliverable, D3.5, represents the culmination of WP3's empirical research phase, and its purpose is to translate these extensive analytical findings into a coherent and actionable set of policy recommendations for EU institutions, member states, and implementing partners. The scope of this report is therefore intentionally prescriptive. It moves beyond the analytical accounts of previous deliverables to propose concrete, and in some cases fundamental, policy shifts. These recommendations are structured at both the country-specific and comparative levels, addressing not only the unique challenges within each context but also the systemic shortcomings in the EU's overarching approach. This report is built upon two prior deliverables, which served as its foundational texts. Deliverable D3.2 provided the in-depth qualitative data and country papers, presenting the nuanced perceptions of local actors whose grievances and direct quotes form the empirical bedrock for the recommendations herein. Subsequently, Deliverable D3.3 offered a comparative analysis and synthesis, identifying the cross-cutting themes that provide the analytical framework for this report. In essence, D3.5 is the logical and practical outcome of this research cycle, answering the implicit question raised by the preceding documentation: 'What should the EU do?'

It is important to note the context in which these policy recommendations were finalised. The bulk of the fieldwork and analysis for this report was conducted prior to the summer of 2025. While we have integrated some recent developments - such as steps initiated by the EU regarding the Association Agreement with Israel and actions by certain member states like Spain regarding international boycotts - the report reflects the context up to that point. As per the project's design, the findings were intended to be further refined through a series of high-level policy dialogues (Task 3.4). However, due to significant regional instability, political uncertainties and related logistical challenges, these dialogues could not be held as originally planned, though individual policy and decision makers were approached informally for their views and suggestions. This is also due to the lack of trust in the EU (as is the case of Palestine and Lebanon) and the shrinking of civil space, a prerequisite for dialogues (as in

Tunisia). This is further exacerbated by the relegation of democracy support programs to a secondary role in light of the war and ongoing genocide. All this has contributed to the EU no longer being perceived as a trustworthy interlocutor, a view particularly evident in Palestine, but also Lebanon and Tunisia. The recommendations contained in this report are consequently derived from the primary field research and a subsequent validation workshop with regional experts and civil society, representing a direct and unfiltered 'view from the ground' intended to inform future policy discussions. As a result, it goes without saying that any discussion about democracy support during occupation, apartheid, forced displacement and genocide in the case of Palestine; retrenchment of authoritarianism and crackdown on civil society in Tunisia; and state collapse and war in Lebanon poses huge ethical challenges that require the EU to rethink the very core of its support program and policies, rather than focus on technical improvements.

2 Methodology

The methodology for developing these policy recommendations is rooted in a direct, evidence-based translation of the rich qualitative findings documented in Deliverables D3.2 and D3.3. The process was designed to ensure that each recommendation constitutes a logical and defensible response to a clearly identified problem as articulated by local actors. This involved a systematic, multi-stage approach to transform empirical data into actionable policy advice and amplify the voices of local actors. The initial step was the extraction and thematic coding of core grievances, wherein the research team conducted a comprehensive review of the full transcripts and analytical summaries.

Following this initial data extraction, an implication analysis was conducted for each core grievance to determine its practical effect on both the effectiveness and the legitimacy of EU democracy support. This step moved beyond simply noting a complaint to understanding its corrosive impact. For instance, the recurring grievance of 'complex funding applications' was analysed to reveal its wider implications: the systemic exclusion of nascent grassroots movements, the reinforcement of a professionalised NGO elite, the stifling of political innovation, and the consolidation of donor-driven rather than locally-determined agendas. Based on this detailed problem statement, a corresponding policy recommendation was formulated. Each was designed to be concrete, actionable, and directed at a specific aspect of EU policy or practice, proposing a clear and feasible shift to address the grievance's root cause. Finally, these country-specific recommendations were aggregated and synthesised under the cross-cutting themes identified in D3.3. This multi-level synthesis allows for a higher-level analysis that addresses the systemic nature of the challenges, proposing reforms not just to individual country programmes but to the EU's overarching institutional framework for engaging with its Southern Neighbourhood. This structured process ensures that every recommendation presented in this report is directly and transparently grounded in the 'local voices' that this project committed to centring. That being said, in line with the General Data Protection Regulation (GDPR), all participant data (quotes, statements, and so on) are de-identified and kept anonymous to maintain their safety and security, and the quotes from participants/interlocutors will be interspersed throughout the report.

The preliminary findings and draft recommendations, as well as the proposed policy recommendations, were then subjected to a validation process. This took the form of a hybrid workshop held in June 2025, which convened the lead researchers with a select group of civil society experts, scholars, and activists from the three regions, as well as those from the diaspora with deep field expertise. The feedback from this workshop provided critical validation of the cross-cutting themes and helped to refine the nuance, precision, and feasibility of the proposed policy shifts. The

insights from this event, which confirmed the strong resonance of the findings across the different country contexts, have been fully integrated into the final version of this report.

3 Country Specific Policy Recommendations

This section translates the specific grievances identified in each country context into targeted policy recommendations for the EU. It moves beyond generic advice to propose concrete shifts in practice, grounded in the detailed evidence gathered in Deliverables D3.2 and D3.3.

3.1 Lebanon: Recalibrating Engagement Beyond Crisis Management

The EU's democracy-supporting engagement in Lebanon is overwhelmingly perceived by local actors as performative and secondary to its core policy of maintaining a fragile stability and political status-quo at all costs. This approach is seen as a strategic choice to prioritise the containment of the Syrian refugee crisis and the viability of the ruling class and state security apparatuses over the promotion of democratic reform. This has led to a widely held view of the EU as a key enabler of a parasitic political and financial elite, effectively propping up a failing status quo characterized by elite entrenchment, consolidation, and state capture. The EU appears to be simultaneously [collaborating] and [funding] these organisations to enact change, while at the same time promoting the stability of the system and upholding the political status quo, thereby hindering the opportunity for democratic change. This inherent contradiction has fostered deep-seated cynicism. Research has further shown that the international community's focus on 'resilience'—a narrative heavily promoted by the EU—often serves to entrench the systems of patronage and clientelism that have hollowed out state institutions.

- To shift this perception and become an effective actor for positive change, this report recommends that the EU might more effectively support local actors by reconsidering a move away from its current reactive, crisis-management footing to a more proactive, politically-principled strategy that is willing to support a broader base of civil society actors disrupt the status quo.

A central grievance identified in the research is that EU funding mechanisms are structurally exclusionary and contribute directly to the phenomenon of 'NGOisation'. Local organisations uniformly describe the EU proposal process as 'the hardest to apply to,' a significant technical barrier that requires a level of expertise many grassroots organisations lack. This has the practical effect of channelling funds towards a small, self-perpetuating cadre of established, technically proficient CSOs—the 'usual suspects'—while marginalizing smaller, emerging, and often more politically incisive grassroots movements. This dynamic is compounded by the EU's clear preference for funding service delivery and other "implementable activities" over politically sensitive advocacy and lobbying work. This technocratic focus strips civil society engagement of its political power. As one frustrated participant asked, 'How would [democratic] change happen if you are not supporting the essence of change, which is advocacy?'.

- To address this structural flaw, we recommend that the EU fundamentally reconsider its funding architecture for Lebanon. This requires creating simplified, accessible, and fast-track funding streams specifically designed for small, emerging, and non-registered movements. Furthermore, the EU is advised to designate 'advocacy, lobbying, and policy reform' as a standalone priority funding area. A critical component of this reform would be to allocate a significant portion of the democracy support budget to flexible, multi-year core funding, which empowers organisations to set their own strategic agendas rather than constantly conforming to the short-term, thematic priorities of donor-driven project cycles.

Furthermore, the EU's interaction with the breadth of Lebanese society is consistently obstructed by multiple layers of gatekeepers who mediate, and often block, meaningful communication. The research identified third-party implementing partners as a key structural impediment. These organisations, often tasked with executing EU projects, frequently define their role as 'purely technical,' creating a bureaucratic buffer that shields the EU from direct feedback and accountability. This is exacerbated by the EU's own institutional tendency to engage primarily with Lebanon's entrenched political elite for reasons of perceived operational efficiency. This practice, however, is interpreted by local actors as a strategic choice to 'save' the ruling class and preserve the EU's own interests and access.

→ To counter this insulation, we recommend that the EU Delegation in Lebanon establishes a formal, regular, and institutionalised consultation mechanism that engages directly with a diverse and representative spectrum of civil society actors. This requires a proactive effort to move beyond its existing list of partners to include thematic roundtables with critical voices, youth groups, and independent activists from across the country, coupled with a transparent commitment to publish summaries of these consultations and report on how local feedback is being incorporated into EU strategy.

Finally, the EU's approach is seen as fundamentally transactional, a perception powerfully epitomised by the recent, May 2024, €1 billion aid package aimed at curbing Syrian refugee flows. This was widely and vocally criticised by local stakeholders as a cynical deal that 'legitimises the traditional political elite' by providing them with substantial funds without demanding any meaningful progress on long-stalled political and economic reforms. This act of 'externalisation,' whereby Lebanon is effectively paid to manage Europe's migration pressures, reinforces the view that the EU is complicit in the system of elite capture that has driven the country to ruin.

→ Consequently, we recommend the EU that any future large-scale financial assistance be explicitly and publicly linked to a strict, phased, and independently monitored conditionality framework. This framework can be focused on key areas of reform such as anti-corruption legislation, judicial independence, and public finance transparency.

→ To show that its commitment to accountability is not merely rhetorical, we recommend that the EU and its member states explore the use of targeted sanctions regimes at their disposal in line with calls from local actors against Lebanese officials, bankers and businessmen who are credibly accused of corruption.

3.2 Palestine: Reorienting Democracy Support in the Context of Occupation and Genocide

In Palestine, EU democracy support is not merely seen as ineffective or misguided; it is widely and profoundly perceived as actively complicit in the structures of Israeli occupation, apartheid, and recently, genocide. Across the spectrum of local actors interviewed, from youth groups to women's organisations and syndicates, there is an overwhelming sense of betrayal and anger. They view the EU's policies as deeply hypocritical and its espoused democratic values as selectively applied in a manner that de facto aligned with Israeli interests. Most recently, the EU's response to the ongoing genocide in Gaza, characterised by what many see as political inaction and the continued provision of material support to Israel, has cemented this perception, leading to what participants describe as a complete and perhaps irreversible collapse of its legitimacy. For many, European Commission's president, Ursula von der Leyen became the face of EU's strong support for Israel and lack of

compassion for Palestinian civilians, particularly during the first year of its war on Gaza despite clear evidence of breaches in international humanitarian law, the ruling of the International Court of Justice and the stated intent of Israeli leaders to starve Palestinians and destroy Gaza. The EU did not suspend its association agreement with Israel during this whole period (though it has, in September 2025, finally taken steps), and some EU member states refused to comply with the International Criminal Court's arrest warrant for the Israel Prime Minister.

- This sentiment of resentment was starkly captured by one focus group participant who concluded, 'the EU has truly supported occupation and now genocide. Democracy support has long been buried in the EU cemetery'. To restore some semblance of credibility as a democratic actor in Palestine we recommend that the EU immediately undertake a fundamental and principled reorientation of its entire approach, moving from a paradigm of conflict management to one of rights-based justice and accountability. In this context, the EU can suspend its *Association Agreement* with Israel and reconsider its participation in cultural and sporting cooperations frameworks, such as UEFA, to signal a rights-based commitment to justice and accountability.

The most acute and damaging point of contention is the EU's imposition of punitive funding conditionalities, specifically the 'anti-terror' clauses found in Annex II of its contracts. These clauses, which compel Palestinian CSOs to adopt an Israeli-centric definition of terrorism and vet all beneficiaries for affiliations with listed groups, are seen as a direct assault on the right to self-determination and a malicious tool for fragmenting and disciplining civil society. This policy, implemented under pressure from Israeli lobbying groups, forces a cruel choice upon local organisations: either compromise their ethical and national commitments to secure vital funding, or maintain their principles and face financial collapse. This dynamic systematically undermines the credibility of local NGOs within their own communities and fosters internal divisions.

- Therefore, we recommend that the EU immediately and unconditionally abolish these punitive political conditionalities from all its funding agreements in Palestine. They may be replaced with a simple and clear commitment to the established principles of international humanitarian law and universal human rights, without imposing politicised criteria that serve to delegitimise partners and criminalise legitimate resistance to occupation.

This harmful conditionality is a symptom of a broader, systemic trend of depoliticization, whereby EU funding actively promotes what one analyst told us was a 'commodification of social and justice issues'. The research found that CSOs are heavily incentivised to adopt sanitised, donor-friendly language—focusing on technical projects related to 'peace', 'dialogue', and 'coexistence'—while systematically avoiding politically charged but accurate terms like 'resistance', 'settler-colonialism', 'occupation', or 'apartheid'. This linguistic policing distances organisations from the lived realities and legitimate political aspirations of their communities, turning them into service providers for a donor agenda rather than agents of political change.

- We recommend that the EU takes urgent steps to reframe both the conceptual and practice of its democracy support programs to explicitly acknowledge the political context of occupation and support initiatives aimed at accountability, justice, and self-determination without which democracy cannot work. This requires a programmatic shift towards robust funding for the meticulous documentation of human rights violations, renewed support for international institutions including the International Court of Justice and the International Criminal Court, and the creation of platforms that amplify Palestinian narratives of their historical and ongoing struggle for freedom.

- We recommend that the EU consciously move from funding bi-national coexistence projects, which served over the last decade to normalise the profound asymmetry of power, to supporting Palestinian resilience (sumud) in communities, such as those in Area C, that are on the frontlines of settlement expansion and displacement. EU Member States' recognition in September 2025 of a Palestinian state, though largely symbolic, may be a first step towards this if it is followed up with a clear path of supporting Palestinian institutions and dialogue, not relying solely on Palestinian Authority that has lost its legitimacy among many Palestinians.

Ultimately, the EU's policy failure in Palestine is rooted in its persistent and deliberate treatment of the occupation as a regrettable but external factor relegating Palestine from a political struggle to merely a humanitarian concern rather than as the central and defining impediment to Palestinian self-determination, first, and democracy second. This approach was evident following the 2006 Palestinian legislative elections; despite their clear legitimacy, the EU refused to recognize the results which in turn undermined the democratic process it claimed to support. Its continued financial and political support for the Palestinian Authority's security apparatuses, despite their well-documented authoritarian practices and lack of popular legitimacy, is widely seen as a strategy to serve Israeli and donor security interests at the expense of genuine Palestinian democratic development.

- We recommend that the EU better integrate the challenge to the occupation into the very core of its democracy support strategy and strategically diversify its partnerships beyond the PA to include a much wider and more representative range of actors in Palestinian civil and political society. Most critically, for the EU to restore its credibility among Palestinians, words may be matched with deeds. The EU and its member states could take concrete, material actions to hold Israel accountable for its persistent and flagrant violations of international law. This includes publicly supporting the investigations of the International Criminal Court, imposing sanctions on officials responsible for war crimes and settlement expansion, and finally activating the human rights clause of the EU-Israel Association Agreement to condition bilateral relations on compliance with international law. The 20 May 2025 review of Article 2 of the EU-Israel Association Agreement can be seen as first steps in this direction.

3.3 Tunisia: Rebuilding Trust After Democratic Regression

For many Tunisians, the narrative of EU engagement in Tunisia is one of bitter disappointment and perceived abandonment. The initial optimism and robust support that characterised the EU's role in the immediate aftermath of the 2011 revolution has, in the eyes of local democratic actors, given way to a cynical and transactional relationship focused on migration control. This shift is seen as having made the EU complicit in the authoritarian turn under President Kais Saied since July 2021. The research reveals a deep sense among civil society that the strong support of the early years has 'faded away', leaving a profound 'sense of abandonment'. This disillusionment is rooted in the belief that the EU prioritised its own security interests over its stated commitment to democratic values at the very moment those values were most under threat.

- To rebuild the trust that has been squandered, this report recommends that the EU undertake a clear and consistent reaffirmation of its value-based approach to the partnership.

The 2023 Memorandum of Understanding (MoU) on migration stands as the focal point of this criticism. The agreement is widely condemned by Tunisian civil society as a toxic deal that trades democratic principles for border security, in effect tacitly legitimising President Saied's authoritarian consolidation in exchange for his cooperation on curbing migration flows. This resonates with the

perception articulated by one focus group participant that 'The European Union seems to treat democracy in Tunisia as a necessary evil'—a rhetorical commitment to be dispensed with when more pressing interests are at stake.

→ Therefore, as a first step to rebuilding trust, this report recommends that EU suspend the implementation of the MoU's non-essential components and publicly re-commit to a comprehensive partnership where tangible progress on democratic governance and human rights is a prerequisite for any enhanced cooperation on other files. This could be followed by a transparent and inclusive review of the MoU, conducted with meaningful and empowered input from Tunisian civil society and human rights organisations to ensure its full compliance with international law.

The EU's response to President Saïed's systematic dismantling of democratic institutions—including the suspension of parliament, the dissolution of the Supreme Judicial Council, and the crackdown on opposition figures and independent media—has been consistently perceived by local democratic forces as 'muted and inconsistent'. This tepid and fragmented reaction, which contrasts sharply with the EU's strong rhetoric against authoritarianism elsewhere, has deepened the sense of betrayal.

→ We recommend the EU to urgently adopt a clear, unified, and strong public stance condemning the democratic backsliding in Tunisia and demonstrably apply its own 'more-for-more' and 'less-for-less' policy. In practice, this means freezing all direct budgetary support to the Tunisian government until key democratic institutions are restored and political prisoners are released, while simultaneously and significantly increasing direct, flexible support for independent civil society organisations, human rights defenders, and what remains of the independent media.

Finally, a significant and strategic gap in the EU's engagement model is its structural inability to recognise, engage with, and support new, alternative forms of political and social activism, particularly among Tunisian youth. The research highlighted the emergence of these movements, which operate outside the formal frameworks of registered NGOs and political parties. They are widely seen by local observers as more authentic and organic expressions of democratic contestation, yet they remain largely invisible to and unsupported by traditional donor frameworks that are ill-equipped to engage with non-institutionalised actors.

→ This report recommends that the EU Delegation in Tunisia invest dedicated resources in mapping, understanding, and building sustained relationships with these emerging social and political movements. This requires a paradigm shift in funding mechanisms, moving to create accessible micro-funding instruments with minimal bureaucratic requirements that can support their initiatives. Furthermore, the EU could proactively provide platforms for these new actors to engage directly with EU policymakers, ensuring their 'invisible activism' is finally seen, heard, and supported

4 Comparative and Cross-Country Recommendations

Some glaring parallels in local perceptions across Lebanon, Palestine, and Tunisia are not coincidental. They point to deep-seated, systemic issues in the EU's democracy support framework and its broader foreign policy culture. Addressing these issues effectively requires more than country-specific adjustments; it demands a fundamental shift in the EU's institutional approach, priorities, and self-perception as it engages with its Southern Neighbourhood.

4.1 Confronting Transactionalism and Instrumentalization

A central, unifying theme from the research is the perception that the EU's commitment to democracy is conditional, instrumental, and ultimately secondary to its own strategic interests, primarily migration control, counterterrorism, and energy security. This instrumentalization undermines the EU's credibility as a normative actor and erodes local trust. In both Lebanon and Tunisia, large financial packages and agreements explicitly focused on migration are seen by a wide range of local actors as cynical trade-offs that sacrifice democratic principles and human rights for enhanced border security. This perception is not new, reflecting a long-standing prioritisation of 'security and stability' that can be traced back to the 1995 Barcelona Declaration, but it has been thrown into sharp relief by the EU's recent responses to authoritarian consolidation in the region. Local actors see a clear pattern where the EU's democratic rhetoric is swiftly abandoned in favour of transactional deals with authoritarian or corrupt leaders who are willing to act as Europe's border guards. This dynamic creates a moral hazard, signalling to autocratic regimes that democratic backsliding will be tolerated, or even rewarded, as long as cooperation on migration continues.

- To counter this corrosive perception, this report suggests that the EU mainstream democratic principles and human rights as non-negotiable, which are foundational pillars of all its external partnerships. A better balance between the EU's interests and its professed values are urgently needed. This cannot be a matter of rhetorical flourish but could be embedded in its institutional processes.
- A key recommendation is to institutionalise a mandatory and independent 'human rights and democracy impact assessment' for all major agreements and financial packages in the Southern Neighbourhood, including those concerning trade, energy, and security. The findings of these assessments can be made public and incorporate a mechanism that authorizes a binding effect on the terms of the agreement, including clear triggers that would preclude cooperation if it were found to directly or indirectly enable human rights abuses or undermine democratic institutions. The principle of 'do no harm' to democratic processes can be elevated from a guideline to a core, enforceable requirement of EU external action.

4.2 Reforming Funding, Conditionality, and 'NGOisation'

Our findings reveal that the EU's funding architecture is consistently and cross-nationally perceived as rigid, bureaucratic, exclusionary, and depoliticizing. The research reveals that these mechanisms foster a 'culture of dependency', privilege a small cadre of professionalised NGOs that have the technical capacity to navigate complex application processes, and actively discourage politically sensitive work, thereby stifling organic, bottom-up democratic movements. This phenomenon, often referred to in academic and activist literature as NGOisation, leads to what our participants termed an 'apolitical outcome', where civil society organisations become disconnected from the needs and political aspirations of their communities and instead function as service providers for a pre-determined donor agenda. This dynamic was observed in all three contexts but is manifested in its most extreme form in Palestine, where punitive conditionalities force CSOs to adopt a political stance that fundamentally alienates them from the public they claim to represent, effectively acting as an instrument of political control.

- Therefore, we suggest that the European Commission, particularly the Directorate-General for Neighbourhood and Enlargement Negotiations (DG NEAR), initiate a comprehensive reform of its civil society funding instruments, including the Neighborhood, Development and International

Cooperation Instrument (NDICI)-Global Europe instrument. This reform can be guided by the principle of making funding more accessible, flexible, and politically empowering. We suggest key reforms to include a significant diversification of funding modalities, with a substantial increase in the availability of flexible, multi-year core support alongside traditional project-based grants. Core support is essential for building resilient and independent institutions that can set their own strategic priorities. Secondly, we suggest that the reform involves a radical simplification of application and reporting procedures for smaller grants to make them genuinely accessible to nascent, volunteer-led, and grassroots organisations that are currently excluded. Thirdly, we recommend that the EU conducts a revision of politically punitive conditionality clauses, replacing them with criteria based on transparency, effectiveness, and a clear commitment to the universal principles of human rights and international law.

4.3 Dismantling Gatekeepers and Overcoming Exclusions

A powerful finding from the research is that meaningful, honest dialogue between the EU and the most critical and authentic local voices is systematically blocked by a nexus of gatekeepers. These include entrenched national elites who control official channels of communication; large, bureaucratic implementing partners who act as buffers; and the EU's own institutional inertia and preference for engaging with established, predictable interlocutors. Local actors consistently report that existing feedback mechanisms are informal, opaque, and ultimately ineffective. Recommendations are often submitted into a void, with many participants describing a process of 'lip service' with no tangible follow-up or evidence that their input was seriously considered. This creates a closed loop of communication between donors and a select group of beneficiaries, while marginalising a vast array of critical perspectives. In the Palestinian context, this dynamic is compounded by the powerful influence of external pro-Israel lobbying networks in Brussels which act as influential 'present absentees', shaping policy and narratives from afar without any accountability to the local population.

- To break this cycle of exclusion, we recommend that the European External Action Service and the network of EU Delegations creates and invests in formal, institutionalised, and transparent platforms for ongoing political dialogue with a wide and genuinely diverse spectrum of civil society actors from all the political factions. This means moving beyond ad-hoc meetings and invitation-only consultations that specifically exclude actors the EU prefers not to deal with or is lobbied to do so. Delegations can be mandated to hold regular, open, town-hall style meetings on key policy issues and to establish thematic working groups that include critical voices and grassroots representatives. Crucially, to ensure this is not another performative exercise, we suggest that there be a commitment to transparency and accountability. Delegations can be asked to produce public, non-attributed summaries of these consultations and, most importantly, to report publicly on how this local feedback is being channelled into the EU's internal policy-making cycle and how it has influenced specific programmatic or policy decisions.

4.4 Addressing Double Standards and Geopolitical Crisis

Perhaps the most consistent finding across all three case studies is the strong perception of EU hypocrisy and double standards. This perception, while long-standing, has been brought into sharper focus by the EU's inconsistent responses to major geopolitical crises, most notably the war in Ukraine versus the ongoing genocide in Gaza. Local actors across the board, from all political and social backgrounds, conclude that the EU's commitment to international law, human rights, and its own founding values is not universal, but rather selective and racially biased. The sentiment was powerfully captured by a Lebanese journalist who stated, 'Some leaders in Europe have shown that they believe

human rights are not for Arabs'. This view is not an outlier; it is a mainstream perception that is now echoed by former high-ranking EU ambassadors and leading international human rights organizations, who have publicly accused the EU of moral failure and complicity in severe human rights violations. This perceived duplicity has negatively impacted EU's legitimacy and soft power in the region, rendering its democracy support agenda hollow and suspect.

This is a crisis of credibility that cannot be addressed through better public relations or communication strategies; it requires a demonstrable change in policy and action.

→ As such, we recommend that the EU commit to a foreign policy that is foundationally based on the consistent and universal application of international law and its own declared principles. This means being willing to apply meaningful diplomatic, political, and economic pressure on allies and partners who violate international law, without exception or political convenience. Restoring credibility requires that the EU demonstrates that its values are not contingent on the identity of the victim or the perpetrator. Specifically in the context of the Southern Neighbourhood, this requires a willingness to use the full spectrum of foreign policy tools—including sanctions, conditionality in trade agreements, and votes at the United Nations—to respond to violations of international law with the same vigour and moral clarity, regardless of the political sensitivities involved. Without this fundamental commitment to consistency, the EU's entire democracy supports agenda risks being discredited as a tool of cynical and hypocritical foreign policy.

5 Conclusion: Towards a Bottom-Up Democracy Learning Loop

The findings from Lebanon, Palestine, and Tunisia present a sobering and urgent verdict on the state of EU democracy support in the Southern Neighbourhood. The persistent and profound disconnect between Brussels' high-minded rhetoric and the lived reality on the ground has fostered a deep reservoir of cynicism, disappointment, and anger. This has had the effect of undermining the very goals the EU purports to advance. The current approach—overwhelmingly perceived as transactional, top-down, inconsistent, and embodying clear double standards—is not only proving to be ineffective but is often dangerously counterproductive, inadvertently reinforcing the authoritarian and elite structures, or in the case of Palestine, the occupation and apartheid regimes, it claims to challenge.

Recalibrating this flawed relationship is a matter of urgency if the EU is to remain a relevant and credible actor in a region now dominated, more than ever, by a US that has increasingly relegated the EU to a marginal role. This endeavour, we find, requires more than superficial adjustments to programming or the addition of new budget lines. Rather, we suggest that it requires a fundamental shift in the institutional mindset and political culture of the EU's foreign policy apparatus. We urge the EU to transition from its current posture as a donor that imposes its own technocratic models and often regressive political priorities to a genuine partner that listens to, learns from, and empowers local democratic actors on their own terms in ways that go beyond rhetoric. We suggest that if the EU continues to maintain a 'value' based policy, it needs to summon the political courage to move beyond its perceived short-term, security-driven interests that have failed (particularly in the case of Palestine) to longer-term, shared interest of fostering resilient, inclusive, and just societies. This is a pivotal time in the history of both the region and Europe as the choices made now could very well resonate beyond the Southern Neighbourhood and shape the EU's credibility and role at the international level especially that on 16 September 2025 Spain joined Ireland, the Netherlands, Slovenia, and Iceland in threatening to boycott Eurovision if Israel is allowed to partake.

The recommendations outlined in this report offer what we suggest is a roadmap for this transformation. They are not minor tweaks but rather call for a more participatory, transparent, accountable, and politically courageous engagement. We view the implementation of these recommendations—reconsidering funding mechanisms, reducing reliance on gatekeepers, fundamentally rethinking conditionality, and above all, confronting the strong perception of double standards, and in the case of Palestine, acceptance and even support for occupation and apartheid—is the best path to rebuild the trust that has been so profoundly eroded. This is the essence and the practical meaning of creating a genuine 'inclusive bottom-up democracy learning loop'. Such a loop is not a theoretical construct but a political commitment: a commitment, we suggest, for the EU to learn from its partners as much as it seeks to support them, and in doing so, to transform itself into a more effective, more legitimate, and more responsive force for positive change that would not just support a very troubled region but also allow the EU to align with its own stated values.

Annex 1 - Overview of Research Activities

Country	Activity Type	Date / Period	Number of Participants	Location / Mode	Notes
Lebanon	Focus Group Discussions (FGDs)	2023–2024	Mixed groups (journalists, NGOs, new political groups, anti-EU political parties)	In person, Beirut	Discussed EU democracy role, funding, gatekeepers, Gaza & refugee crises.
	Semi-structured Interviews	2023–2024	Several senior journalists & political activists	In person	Supplemented FGDs, ensured depth.
Palestine	FGD: Syndicates & National Funds	2023	~8 participants	Jericho, in person	Syndicate/national fund perspectives.
	FGD: Youth Development & Empowerment	2023	3 participants	Zoom	Youth-centered insights.
	FGD: Gender Empowerment & Women's Development	2023	4 participants	Zoom	Women's rights focus.
	Interviews	2023	3 (Cooperative Unions, Parliamentarian, Politician)	Online	Diversity considered (age, gender, affiliation).
Tunisia	FGD: Civic (civil society & journalists)	2023	Not specified (diverse, gender/age balanced)	In person, Tunisia	Explored EU funding, contestation, governance.
	FGD: Political (political activists, former deputies, political scientists)	2023	Not specified	In person, Tunisia	Focused on political shifts post-2011 and post-2021.
	Interviews (peer-to-peer)	2023	2 (Ministry of Defence researcher, Lawyer)	In person	Tailored to security/legal dimensions.
Validation Workshop	Comparative Workshop	Early 2025 (before D3.3 drafting)	Mixed participants from all three countries	Online (Zoom)	Validated findings across Lebanon, Palestine, Tunisia.

Annex 2 - Country-Specific Grievance-to-Policy-Recommendation Matrix

Country	Grievance / Finding	Implication for EU Policy	Policy Recommendation
Lebanon	EU funding is overly complex, exclusionary, and fosters 'NGOisation'.	EU partnerships are limited to a small, elite group of CSOs, excluding grassroots voices.	Simplify funding applications; create dedicated streams for small/emerging movements; offer flexible core funding.
	EU engagement is mediated by 'gatekeepers' (elites, implementers), preventing direct accountability.	Local feedback is lost; EU policy remains disconnected from ground realities.	Establish formal, regular, and direct consultation mechanisms between the EU Delegation and diverse civil society actors.
	Large-scale aid (e.g., €1bn migration package) is seen as a transactional deal that legitimises a corrupt elite.	The EU is perceived as complicit in elite capture and prioritising migration control over reform.	Link all major financial packages to a strict, public, and monitored conditionality framework focused on anti-corruption and political reform.
Palestine	Punitive 'anti-terror' clauses in funding agreements criminalise resistance and fragment civil society.	The EU is seen as adopting the occupier's narrative, losing all credibility as a neutral or principled actor.	Abolish punitive political conditionalities and replace them with criteria based on universal human rights and international law.
	EU engagement is depoliticised, ignoring the occupation as the root cause of democratic deficits.	EU support is ineffective and seen as a diversion from the core struggle for self-determination.	Reframe democracy support to explicitly address the occupation, support accountability initiatives, and protect Palestinian resilience (sumud).
	EU's response to the Gaza genocide is viewed as the ultimate proof of double standards.	A complete collapse of EU legitimacy and trustworthiness in the eyes of the local population.	Take concrete actions to hold Israel accountable for violations of international law, including sanctions and conditioning bilateral agreements.
Tunisia	EU engagement has become transactional, prioritising the migration MoU over democratic values post-2021.	The EU is perceived as complicit in and legitimising Tunisia's authoritarian regression.	Suspend the non-essential components of the MoU and re-link partnership to progress on a clear democratic roadmap.
	The EU's response to President Saïed's power grab was 'muted and inconsistent.'	Local democratic actors feel abandoned, and the EU's commitment to its founding values is questioned.	Adopt a clear, unified public stance condemning anti-democratic actions and apply the 'less-for-less' principle to government support.
	The EU fails to engage with new, alternative, youth-led forms of activism.	EU support misses the most organic and potentially transformative democratic actors.	Invest in mapping and building relationships with emerging movements; create accessible micro-funding mechanisms to support them.

Annex 3 - Comparative Synthesis of Thematic Recommendations

Thematic Challenge	Finding Across Lebanon, Palestine, Tunisia	Dominant Local Perception	Required EU Policy Response / Shift
1. Transactionalism	EU prioritises migration control and stability over stated democratic values. Agreements (Lebanon €1bn package, Tunisia MoU) are seen as cynical trade-offs.	The EU is a self-interested actor, not a principled one. Its values are for sale.	Systemic Principled Stand: Institutionalise a 'democracy and human rights first' principle in all external action, with binding impact assessments for major agreements. Decouple migration management from broader political and financial support.
2. Funding & NGOisation	Funding mechanisms are bureaucratic, favour established NGOs, foster dependency, and discourage politically sensitive advocacy.	EU funding depoliticises civil society, turning potential agents of change into service providers for a donor agenda.	Funding Architecture Reform: Overhaul funding instruments (e.g., NDICI) to include simplified tracks for grassroots actors, increase the share of flexible core funding, and create specific windows for politically-focused advocacy and lobbying.
3. Gatekeepers & Exclusion	Communication with the EU is blocked by national elites, implementing partners, and the EU's own bureaucracy. Feedback is rarely incorporated.	'They don't listen to us.' The EU engages in a closed loop with the powerful, ignoring critical and grassroots voices.	Institutionalise Direct Dialogue: Mandate EU Delegations to establish formal, transparent, and regular consultation platforms with a diverse range of CSOs, activists, and independent voices, with a public reporting requirement on how feedback is used.
4. Double Standards	The EU's vastly different responses to geopolitical crises (Ukraine vs. Palestine) are seen as irrefutable proof of hypocrisy and racial bias.	The EU's 'universal values' are not universal; they are selectively applied based on political convenience and identity.	Commitment to Universal Application of Law: Adopt a foreign policy posture that consistently applies international law and human rights principles to all partners and conflicts, without exception. Actions (sanctions, conditionality) must match rhetoric to restore credibility.