**GRANT CONTRACT**

**- EXTERNAL ACTIONS OF THE EUROPEAN UNION -**

**<**Grant contract identification number*>*

(the ‘contract’)

*Agenzia Italiana per la Cooperazione alla Sviluppo - Tirana*, Abdi Toptani Street, Torre Drin 5th store, Tirana Albania, VAT J61912009P (the ‘contracting authority’)

of the one part,

and

<Full official name>

[<Legal status (organisation)>] [<title (individual)>]

[<Organisation official registration number>] [<Passport or ID number >]

<Full official address>

**[**VAT number, for VAT registered beneficiaries**]**,

If a multi-beneficiary grant: [hereinafter the ‘coordinator’]

collectively referred to as ‘beneficiary(ies)’ where a provision applies without distinction to the coordinator and the co-beneficiary(ies) ]

of the other part,

(the ‘parties’)

have agreed as follows:

**Special conditions**

**Article 1 — Purpose**

1.1 The purpose of this contract is the award of a grant by the contracting authority to finance the implementation of the action entitled: <title of the action> (the ‘action’)]described in Annex I.

1.2 The beneficiary(ies) shall be awarded the grant on the terms and conditions set out in this contract, which consists of these special conditions (the ‘special conditions’) and the annexes, which the beneficiary(ies) hereby declares it has noted and accepted.

1.3 The beneficiary(ies) accepts the grant and undertakes to be responsible for carrying out the action.

**Article 2 — Implementation period of the action**

2.1 This contract shall enter into force on the date when the second of the two parties signs.

2.2 Implementation of the [action] [work programme] shall begin on:

Choose one of the following:

*-* [the day following that on which the second of the two parties signs]

- 2.3 The implementation period of the [action] [work programme[[1]](#footnote-2)], as laid down in Annex I, is <number of months>.

2.4 The execution period of this contract shall end when the payment of the balance is made by the contracting authority and, in any event, by the end date defined in Article 12.5 of Annex II.

**Article 3 — Financing the action**[[2]](#footnote-3)

Option 1: for actions financed exclusively by way of reimbursement of costs:

[3.1 The grant takes the form of reimbursement of costs only. The provisions laid down in Annex II and other annexes regarding financing not linked to costs are not relevant for this contract. The costs reimbursed are [actual costs[[3]](#footnote-4)]

The total eligible costs are estimated at [EUR] [<ISO code of the currency of the country to which the contracting authority belongs[[4]](#footnote-5)>] <amount, for action grants, enter the amount in heading 11 of Annex III >, as set out in Annex III.

3.2 The contracting authority undertakes to finance a maximum amount of [EUR] [<contracting authority currency as above>] <amount>.

The grant is further limited to <enter applicable percentage > of the total eligible cost of the [action] specified in paragraph 1.

The final amount of the contracting authority’s contribution shall be determined in accordance with Articles 14 and 17 of Annex II.]

In case of action grants please add:

[3.3

**Article 4 — Reporting and payment arrangements**

Choose one of the the three options depending on the form of the grant:

Option 1: Actions with an implementation period of 12 months or less or grant of

EUR 100 000 or less:

(i) an initial pre-financing payment of 80 % of the maximum amount referred to

in Article 3.2 of the special conditions (excluding the reserve for

contingencies);

(ii) the balance of the final amount of the grant For operating grants or specific reporting requirements for action grants:

[4.x

4.x The beneficiary(ies) will be expected to encode the logical framework matrix (results, their corresponding indicators, including baselines and targets) and the current values of the indicators in the relevant electronic system, in line with the values of the approved interim and final reports.

4.x Payments shall be made in accordance with the special conditions into the following bank account:

*Name of bank*: [insert bank name]

*Exact denomination of account holder*: [full name of account holder]

*Bank account number*: [insert bank account number].

**Article 5 — Contact points**

5.1 Any communication relating to this contract shall be in writing, state the number and title of the action and be sent to the following addresses:

For the contracting authority

<address of the contracting authority’s management department>

< E-email: functional mailbox >**]**

For the coordinator

<address of the coordinator for correspondence>

5.2 Data protection controller

For indirect management insert the following

For the purpose of Article 1.3 and 1.4 of Annex II, for the part of the data transferred by the contracting authority to the European Commission the controller for the processing of personal data carried out within the Commission is

[For DG INTPA the head of legal affairs unit of DG International Partnerships.]

[For any other DG <please add the function of your controller >.]

[5.3 The practitioner for the contractual expenditure verification is: < name, address, telephone, email address and fax numbers*>***]**.

[5.x The contractual expenditure verification(s) referred to in Article 2.8 of Annex II will be carried out [by the contracting authority or any external body authorised by the [European Commission] [contracting authority]][[5]](#footnote-6) < name, address, telephone, email address and fax numbers*>***]**.

Insert in case of financing not linked to costs unless it is agreed that there is no third party assessment:

[5.x The third party assessment referred to in Article 2.11 of Annex II will be carried out by <name, address, telephone, email address and fax numbers*>***]**.

**Article 6 — Annexes**

6.1 The following documents are annexed to these special conditions and form an integral part of the contract:

Annex I: Description of the action (including the logical framework of the project,  
and the concept note)

Annex II: General conditions applicable to European Union-financed grant contracts for external actions

Annex III: [Action grants: Budget for the action (worksheets [choose the relevant sheet depending on the type of the grant: [1a], [[o

Annex IV: Procurement rules for beneficiary(ies)

Annex V: Standard request for payment and identification form

Annex VI: [Model narrative and financial reports]Annex VII: Terms of reference for an agreed upon procedures engagement for a grant contract to issue a contractual expenditure verification

**]**

Annex IX: Standard template for transfer of asset ownership

6.2 In the event of a conflict between the provisions of the present special conditions and any annex thereto, the special conditions shall take precedence. In the event of a conflict between the provisions of Annex II and those of the other annexes, those of Annex II shall take precedence.

**[Article 7 — Other specific conditions applying to the action**

7.1 The general conditions in Annex II are supplemented by the following:

**[**7.1.x <VAT/ taxes, duties and charges > are not eligible [for the [following] activities as described in the description of the action in Annex I].

In case of accepted costs system (ineligible taxes, in kind contributions...) (only for actions taking the form of reimbursement of costs, totally or partially):

[7.1.x The following non eligible costs may be considered part of the total accepted costs of the action for the purpose of co-financing, as follows: < in-kind contributions, volunteer work. For in kind contributions, indicate the estimated value of the contribution and the method of calculation. >

The corresponding cost must be included in the budget (Annex III and Annex VI) under heading 12.

The total accepted cost of the action are estimated at [EUR] [<ISO code of the contracting authority currency as above>] <enter the amount of heading 13 of Annex III>, as set out in Annex III.

The contracting authority's contribution set out in Article 3.2 is further limited to < enter applicable percentage >% of the estimated total accepted costs.

The final amount of the contracting authority's contribution shall be established in accordance with Articles 14 and 17 of Annex II. The percentages set with regard to the total eligible costs and total accepted costs shall apply cumulatively so that the contracting authority's contribution shall be limited to the lowest amount obtained by respectively applying the percentages to the final total eligible and accepted costs approved by the contracting authority. In case that the total accepted costs are equal to the total eligible costs, the percentage applicable to the total accepted costs applies to the total eligible costs to ensure the required co-financing.]

In case the beneficiary(ies) wants to set a specific exchange rate to be applied to the amount pre-financed by the beneficiary(ies) (or other donors) at the end of the action (amount of the balance):

**[**7.1.x The exchange rate to be applied in case of a positive balance pre-financed by the beneficiary(ies) (or other donors) at the end of the action is <enter applicable rule/criteria to determine the exchange rate> according to the usual accounting practice of the beneficiary(ies).

Project office (only for actions taking the form of reimbursement of costs, totally or partially):[[6]](#footnote-7)

**[**7.1.x Where the implementation of the action requires the setting up or the use of a project office, the beneficiary(ies) may declare as direct eligible costs the portion of the operating costs of the project office described in the proposal which corresponds to the duration of the action either based on costs actually incurred by the project office for the action or on the cost apportionment approach presented as part of the proposal.

7.2 The following derogations from Annex II shall apply:

For actions in indirect management:

[7.2.x Articles 1.3 and 1.4 of Annex II shall be replaced by the following:

[1.3 Processing of personal data related to the implementation of the grant contract by the contracting authority takes place in accordance with the national legislation of the state of the contracting authority and with the provisions of the respective financing agreement.

1.4 To the extent that the grant contract covers an action financed by the European Union, the contracting authority may share communications related to the implementation of the grant contract, with the European Commission. These exchanges shall be made to the European Commission, solely for the purpose of allowing the latter to exercise its rights and obligations under the applicable legislative framework and under the financing agreement with the partner country – contracting authority. The exchanges may involve transfers of personal data (such as names, contact details, signatures and CVs) of natural persons involved in the implementation of the grant contract (such as contractors, staff, experts, trainees, subcontractors, insurers, guarantors, practitioners/auditors, and legal counsel). In cases where the contractor is processing personal data in the context of the implementation of the grant contract, he/she shall accordingly inform the data subjects of the possible transmission of their data to the European Commission. When personal data is transmitted to the European Commission, the latter processes them in accordance with Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC[[7]](#footnote-8) and as detailed in the specific privacy statement published at ePRAG.]

7.2.x By way of derogation from Article 15.6 of Annex II, a demand for payment of late interest shall be submitted in all cases irrespective of the amount of interest, within two months of receiving the late payment.]

In case of derogations to the rules for currency converson:

[7.2.x By derogation from Article 2.5 of Annex II, and for the purpose of reporting, conversion into the currency set in the special conditions shall be made using the rate of exchange < insert here the exchange rate to be used for reporting according to Article 2.5 of Annex II >

[7.2.x By derogation from Article 2.6 of Annex II, costs incurred or consumed amounts in other currencies than the one used in the beneficiary(ies)'s accounts shall be converted (insert where the conditions listed in Article 2.6 of Annex II are not fulfilled).

[7.3 ]

[7.4 ]

Done in English in [two] [three] originals, [For contracts under direct management*:* [one] [two] originals being for the European Commission] [For contracts under indirect management:one original being for the contracting authority, one original being for the European Commission,] and one original being for the beneficiary(ies).

|  |  |  |  |
| --- | --- | --- | --- |
| **For the beneficiary(ies) [[8]](#footnote-9)** | | **For the contracting authority** | |
| Name |  | Name |  |
| Title |  | Title |  |
| Signature |  | Signature |  |
| Date |  | Date |  |

1. The duration of operating grants may not exceed 12 months. [↑](#footnote-ref-2)
2. In case of action grants, note that the amount awarded and percentages stated in this article shall also be updated in Annex III Budget of the action, in the worksheet ‘Expected sources of funding and summary of estimated costs’. [↑](#footnote-ref-3)
3. Limitation to actual costs is without prejudice to Article 14.8 of Annex II (unit costs for calculation of co-financing in the form of volunteer work). [↑](#footnote-ref-4)
4. Provided it is a freely convertible currency. [↑](#footnote-ref-5)
5. In case the contracting authority has its own audit and verification system. [↑](#footnote-ref-6)
6. To be inserted where the specific action requires it. [↑](#footnote-ref-7)
7. OJ L 205 of 21.11.2018, p. 39. [↑](#footnote-ref-8)
8. In accordance with the mandate conferred on the coordinator, (see application form), the coordinator signs this contract also on behalf of the other beneficiaries, who, therefore, do not need to individually sign this contract to become parties to it. [↑](#footnote-ref-9)