

ANNEX II.b – Provisions applicable only to calls for proposals and other specific circumstances

Article 1: Financial support to third parties

- 1.1 In order to support the achievement of the objectives of the Action the Organisation may award financial support if so provided by the Special Conditions. The Organisation shall ensure that the Contracting Authority and the European Commission where it is not the Contracting Authority, OLAF, the European Court of Auditors and any authorised representatives may exercise their rights under Article 17 of Annex II also towards the third parties awarded financial support.
- 1.2 To the extent relevant, the Organisation shall ensure that the conditions applicable to the Organisation under Articles 5-Conflict of interests, 8-Communication and visibility and 16-Accounts and archiving of Annex II are also applicable to third parties awarded financial support.
- 1.3 The maximum amount of financial support shall be specified in Annex I. Where financial support is defined as one of the main purposes of the Action in the Special Conditions it may exceed EUR 60.000 per each third party.
- 1.4 The description of the Action in Annex I shall define the types of entities eligible for financial support and include a fixed list with the types of activity which may be eligible for financial support. The criteria for the selection of the third party recipients of this financial support, including the criteria for determining its exact amount, shall also be specified.
- 1.5 The Contracting Authority shall consider the costs of financial support as ineligible if the financial support is not given by the Organisation in accordance with the conditions referred to in Articles 1.1, 1.3 and 1.4 or if the third party recipient of financial support has substantially breached one of the obligations listed in Article 1.2, or if the third party recipient has not used the funds for the purpose foreseen in its agreement with the Organisation, if any.
- 1.6 In the field of EU External Actions, the Organisation shall provide in its report to the Contracting Authority information on the award and implementation of any financial support given. The report shall demonstrate compliance with the requirements defined in accordance with Articles 1.3 and 1.4 1st sentence and describe the results achieved.

Article 2: Multi-beneficiary agreements

- 2.1 Where the Organisation implements the Action together with Co-Beneficiaries, the Co-Beneficiaries become parties to the Agreement together with the Organisation. These General Conditions apply to Co-Beneficiaries *mutatis mutandis*, subject to the provisions of this Article.
- 2.2 The Organisation shall:
 - a) monitor that the Action is implemented in accordance with this Agreement and ensure coordination with all Co-Beneficiaries in the implementation of the Action;
 - b) be the exclusive intermediary for all communications between the Co-Beneficiaries and the Contracting Authority;
 - c) be responsible for supplying all documents and information to the Contracting Authority which may be required under this Agreement, in particular in relation to the narrative reports and the requests for payment. Where information from the Co-Beneficiaries is required, the Organisation shall be responsible for obtaining, verifying and consolidating this information before passing it on to the Contracting Authority. Any information given, as well as any request made by the Organisation to the Contracting Authority, shall be deemed to have been given in agreement with the Co-Beneficiaries concerned;

- d) inform the Contracting Authority of any change in the legal, financial, technical, organisational or ownership situation of any of the Co-Beneficiaries, as well as of any change in the name, address or legal representative of any of the Co-Beneficiaries;
- e) be responsible in the event of audits, checks, monitoring or evaluations, as described in Articles 10 and 17 of Annex II for providing all the necessary documents, without prejudice to Article 2.8 and to the Co-Beneficiary own responsibilities under Article 17 of annex II;
- f) have full financial responsibility for ensuring that the Action is implemented in accordance with this Agreement. This includes the implementation done by the Co-Beneficiaries. By exception, where a Co-Beneficiary's pillars have been positively assessed by the European Commission and the Organisation can demonstrate that amounts to be recovered under this Agreement only relate to activities that have or should have been implemented by the Co-Beneficiary in accordance with Annex I, the Contracting Authority shall recover these amounts from that Co-Beneficiary;
- g) be the sole recipient, on behalf of all of the Co-Beneficiaries, of the payments of the Contracting Authority. The Organisation shall establish the payment requests and ensure that the appropriate payments are then made to the Co-Beneficiaries without unjustified delay;
- h) where relevant, repay funds to the Contracting Authority in line with Article 15 of Annex II.

2.3 The Organisation and the Co-Beneficiaries shall:

- a) carry out the Action jointly taking all necessary and reasonable measures to ensure that the Action is carried out in accordance with the description of the Action in Annex I and the conditions of this Agreement;
- b) ensure that the Organisation has or obtains the data needed to draw up the reports, financial statements and other information or documents required by this Agreement and the annexes thereto, as well as, without prejudice to Article 2.8, any information needed in the event of monitoring, evaluations or financial checks, as described in Articles 10 and 17 of Annex II.

2.4 In duly justified cases, the Organisation may propose to terminate the participation of the Co-Beneficiary to this this Agreement. For this purpose, the Organisation should communicate to the Contracting Authority the reasons for the proposed termination of its participation and the date on which it should take effect, as well as a proposal on the reallocation of the tasks of the Co-Beneficiary whose participation is terminated, or on its possible replacement. The proposal shall be sent in good time before the termination is due to take effect. If the Contracting Authority agrees, the Agreement shall be amended accordingly in conformity with Article 11 of Annex II. If the Contracting Authority does not agree, either Party may terminate the Agreement in accordance with Article 13.3 of Annex II.

2.5 In duly justified cases, the Contracting Authority may suspend the participation of a Co-Beneficiary in the Agreement for the reasons referred to in Article 12.3 of Annex II or terminate the participation of a Co-Beneficiary in the Agreement for the reasons referred to in Article 13.1 of Annex II.

2.6 In the case of termination of the participation of a Co-Beneficiary in accordance with Article 2.4, the request for payment for the Co-Beneficiary concerned shall be included in the next payment request following termination communicated by the Organisation.

2.7 The ceiling of EUR 60.000 for simplified cost options set forth under Article 18.8 of Annex II applies to the Organisation and each Co-Beneficiary individually. Indirect costs shall not be eligible under the Agreement for a Co-Beneficiary who already receives an operating grant financed from the European Union budget during the period in question. Where the budget of the Action includes a breakdown per Co-Beneficiary and the Organisation, the Organisation and the Co-Beneficiaries are allowed to adjust the budget by transfers between themselves without an amendment to the Agreement.

2.8 Where the Organisation and a Co-Beneficiary have both concluded framework agreements with the European Commission, the framework agreement of each Beneficiary shall apply for the purpose of this Agreement, except regarding obligations on reporting and payments, to which only the Organisation's framework agreement shall apply.

Article 3: Affiliated Entities

- 3.1 Where the Special Conditions contain a provision on any Affiliated Entity, costs incurred by such entity will be eligible under the same conditions as those applicable to the Organisation, provided that it satisfies the same conditions under Article 18-Eligible Costs of Annex II, and that the Organisation ensures that the Contracting Authority and the European Commission where it is not the Contracting Authority, OLAF, the European Court of Auditors and any authorised representatives may exercise their rights under Article 17 of Annex II also towards the Affiliated Entity.
- 3.2 The Organisation shall ensure that Articles 2-General obligations, 4-Liability towards third parties, 5-Conflict of interest, 6-Confidentiality, 7-Data protection, 8-Communication and visibility, 9-Ownership, right to use results and transfer of equipment, 10-Evaluation and monitoring of the Action, 16-Accounts and archiving, 23-No profit of Annex II and Article 1-Financial support to third parties of this Annex, are also applicable to the Affiliated Entity.