## ANNEX A: Twinning grant Contract - Special Conditions

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| (for official use only) |

**TWINNING GRANT CONTRACT**

**[**Twinning Grant Contract identification number**]**

[The European Union, represented by the European Commission], or [full name and address of the Contracting Authority] in the Beneficiary country[[1]](#footnote-1), ("the Contracting Authority")

of the one part,

and

*[Full official name of [Lead][[2]](#footnote-2) Member State + acronym where relevant]* with its office at *[full official address][[3]](#footnote-3)*

 *[where relevant legal status, official registration name and VAT number]*

(hereinafter the "Member State Partner"),

[*If a multi MSP Twinning Grant Contract:*] (hereinafter the “Lead Member State Partner”[[4]](#footnote-4))

and

*[Full official name of Junior Member State + acronym where relevant]* with its office at *[full official address],*

*[where relevant legal status, official registration name and VAT number]*

who have conferred powers of attorney for the purposes of the signature of the agreement to the Lead Member State Partner [[5]](#footnote-5)

collectively referred to as “Member State Partners” where a provision applies without distinction to the Lead Member State Partner and the Junior Member State Partner(s)

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 Twinning grant, consisting of reimbursement of expenditures, by the Contracting Authority to finance the implementation of the Action entitled: [*title of the Twinning project*] ("the Action") described in Annex A1.

1.2 The Member State(s) shall be awarded the Twinning grant on the terms and conditions set out in this Contract, which consists of these special conditions ("Special Conditions") and the annexes, which the Member State(s) hereby declares it has read, understood and accepted.

1.3 The Member State(s) accepts the Twinning grant and undertakes to be responsible for carrying out the Action, achieving the results and refund non-eligible expenditures

1.4 The Final Recipient of the Action is: [……..][[6]](#footnote-6)

**Article 2 – Execution and Implementation period of the Action**

2.1 The execution period of the contract (legal duration) shall start on the date of notification by the Contracting Authority of the conclusion of the signature procedure by all parties. The execution period of the contract shall end three months after the implementation period of the Action as stipulated in paragraph 2.2.

2.2 The implementation period of the Action is .........months and shall begin on ……, being the date of the arrival of the Resident Twinning Adviser (RTA).

 Twinning Light:

The implementation period of the Action shall take…..months and its start shall coincide with the date of implementation of the first activity after contract signature.

**Article 3 - Financing the Action**

3.1 The total cost of the Action eligible for financing by the Contracting Authority is estimated at EUR [........], as set out in Annex A3.

3.2 The Contracting Authority undertakes to finance a maximum amount of EUR [...].The final amount shall be established in accordance with Article 17 of Annex A2 except where Annex A7 applies. The Action is co-financed as per Annex A3 by the Final Recipient of the Action.

3.3 Pursuant to Article 14.8 of Annex A2, 6% of the final amount of direct eligible costs of the Action established in accordance with Articles 14 and 17 of Annex A2, may be claimed as indirect costs.

**Article 4 – Reporting and payment arrangements**

4.1 Payment shall be made in accordance with Article 15 of Annex A2 option no. 2, as set out in Article 15.1.

Initial pre-financing payment: EUR […….]

Further pre-financing payment(s): EUR […….]

(subject to the provisions of Annex A2)

Balance of the final amount of the

(subject to the provisions of Annex A2): EUR […….]

Payments shall be made into the bank account identified in the Financial Identification Form (FIF) in Annex A5, which is held by <name of entity> which will be carrying out financial management services>.

4.2 Financial and narrative reports shall be produced in compliance with Articles 2 and, 15.1 and 15.3 of Annex A2, using the relevant Twinning templates.

 The financial section of these reports shall comply with the requirements defined in paragraphs 4, 5 and 6 of Article 15.7 of Annex A2 (requirements for a detailed breakdown of expenditure).

In addition to these reports, the [Lead][[7]](#footnote-7) Member State shall submit interim reports in compliance with Article 2.1 of Annex A2 on a quarterly basis. The specific reporting procedure shall follow the provisions spelled out in Annex A7 to this contract.

**Article 5 - Contact addresses**

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

*[Option 1: where the Contracting Authority is not the European Commission (after conferral of management power with or with ex-post control):]*

Payment requests and attached reports, including requests for changes to bank account arrangements shall be sent to:

[*address of the Contracting Authority's management department*]

A copy of the reports referred to in Article 4.2 shall be sent to the concerned service of the European Commission at the following address:

[*address of the EU Delegation or EU Office and Directorate-General Neighbourhood and Enlargement Negotiations in Brussels*]

*[Option 2: where the Contracting Authority is an EU Delegation or EU Office:]*

Payment requests and attached reports, including requests for changes to bank account arrangements shall be sent to:

[*address of the finance section of the EU Delegation or EU Office*]

Copies of the documents referred to above, and correspondence of any other nature, shall be sent to:

[*address of the management section of the EU Delegation or EU Office*]

*[With reference to the two options:]*

For the [Lead] Member State Partner

[*address of the [Lead] Member State Partner for correspondence*]

For the Final Recipient of the Action

[*address of the Final Recipient of the Action*]

*[address of the PAO and/or Beneficiary administration]*

5.2 The expenditure verification referred to in Article 15.7 of Annex A2 will be carried out by [*name, address, telephone and fax numbers of selected auditor*][[8]](#endnote-1)[[9]](#footnote-8)

**Article 6 - Annexes**

6.1 The following documents are annexed to these Special Conditions and form an integral part of the Contract:

Annex A1: Description of the Action (Project Fiche, Member State proposal and for standard Twinning later the rolling work-plan and STE CVs)

Annex A2: General Conditions applicable to European Union financed grant contracts for external actions

Annex A3: Budget for the Action (and for standard Twinning later also the detailed budgets corresponding to the rolling work-plans)

Annex A4: Procurement by grant Beneficiaries

Annex A5: Payment request for Twinning Grant Contract including legal and financial identification forms

Annex A6: Terms of reference for an Expenditure verification of a Twinning Grant Contract

Annex A7: Financial Annex

Annex A8: Mandate (if Member States partners have formed a consortium)

Annex A9: Curricula Vitae and Declaration of Availability of the RTA

6.2 In the event of conflict between the provisions of the present Special Conditions and any Annex thereto, the provisions of the Special Conditions shall take precedence. In the event of conflict between the provisions of Annex A2 and those of the other annexes, those of Annex A2 shall take precedence.

 In case of discrepancies between Article 14 of Annex A2 and Annex A7, the latter shall prevail.

**Article 7 - Other specific conditions applying to the Action**

7.1 The General Conditions are supplemented by the following:

7.1.1 In Annexes A2 to A7:

In case of a consortium of Member States, the Member State signing the Twinning Grant Contract and leading the consortium is referred to as the Lead Member State.

The term “Beneficiary(ies)” refers collectively to all Member States, including the Lead Member State.

The term “Coordinator” refers to the Lead Member State or an entity identified in the contract assigned by written instruction of the coordinator.

When there is only one Member State, the terms Beneficiary(ies) and Coordinator shall both be understood as referring to the single Member State.

7.1.2 In Articles 7.1 and 7.2 of Annex A2, the term "Beneficiary(ies)" is replaced by "the Final Recipient of the Action". Article 7.2 of Annex A2 applies also to any work done by the RTA(s) and other experts mobilised by the MSP(s) in the performance of their duties related to the implementation of the Action.

7.1.3[[10]](#footnote-9)Taxes, including VAT, duties and charges are in principle not eligible for the activities described in Annex A1, in accordance with Article 5 of Regulation (EU) No 236/2014, laying down common rules and procedures for the implementation of the Union's instruments for financing external action.

7.1.4 In addition to Article 11 of Annex A2, the Final Recipient can request a suspension of the implementation. The request for suspension shall be addressed to the Contracting Authority. The Contracting Authority decides on the request in accordance with Articles 11.4. to 11.7. of Annex A2.

7.1.5 Article 12 of Annex A2 is supplemented by the following provisions:

 **Termination by the Member State**

In case of failure by the Final Recipient of the Action to fulfil any of their obligations under the Twinning Grant Contract, or for any other duly substantiated external reason, the Member State(s) may terminate the Twinning Grant Contract by giving three months' notice in writing to the Contracting Authority, after having informed the Final Recipient of the Action, the EU Delegation in charge for the Country where the Final Recipient is attached to (in case the EU Delegation is not this Contracting Authority) and the Twinning Coordination Team of the Commission's Directorate-General Neighbourhood and Enlargement Negotiations (DG NEAR).

**Termination by the Final Recipient (Beneficiary administration)**

In case of failure by the Member State(s) to fulfil any of their obligations under the Twinning Grant Contract, or for any other duly substantiated external reason, the Final Recipient of the Action may terminate the Twinning Grant Contract by giving three months' notice in writing to the Member State(s) and the Contracting Authority, after having informed the EU Delegation in charge for the Country where the Final Recipient is attached to (in case the EU Delegation is not this Contracting Authority) and the Twinning Coordination Team of the Commission's Directorate-General Neighbourhood and Enlargement Negotiations (DG NEAR).

7.1.6 Article 12.2 of Annex A2 is supplemented by the following provision:

In case of failure by the Member State(s) or by the Final Recipient (Beneficiary administration) of the Action to fulfil any of their obligations under the Twinning Grant Contract, or for any other duly substantiated external reason, the Contracting Authority, in agreement with the EU Delegation in charge for the Country where the Final Recipient is attached to (in case the EU Delegation is not this Contracting Authority), may halt funding of the Action or terminate the Action by giving three months' notice in writing to the Member State(s) and the Final Recipient.

7.2 The following derogations to the General Conditions shall apply:

[7.2.x (only for riders) Articles 1.3 and 1.4 of Annex A2 will be replaced by the following text:

1.3 Processing of personal data by the Commission

Any personal data included in the grant contract must be processed by the Commission in accordance with Regulation (EU) No 2018/1725.

Such data must be processed by the data controller identified in the special conditions solely for implementing, managing and monitoring the grant contract or to protect the financial interests of the EU, including checks, audits and investigations in accordance with Article 16 of these general conditions.

The beneficiaries have the right to access, rectify or erase their own personal data and the right to restrict the processing of their personal data or, where applicable, the right to data portability or the right to object to data processing in accordance with Regulation (EU) No 2018/1725. For this purpose, they must send any queries about the processing of their personal data to the data controller identified in the special conditions.

The beneficiaries may have recourse at any time to the European Data Protection Supervisor.

1.4 Processing of personal data by the beneficiaries

The beneficiaries must process personal data under the Agreement in compliance with applicable EU and national law on data protection (including authorisations or notification requirements).

The beneficiaries may grant their personnel access only to data that is strictly necessary for implementing, managing and monitoring the grant contract. The beneficiary must ensure that the personnel authorised to process personal data has committed itself to confidentiality or is under appropriate statutory obligation of confidentiality.

The beneficiaries must adopt appropriate technical and organisational security measures having regard to the risks inherent in the processing and to the nature, scope, context and purposes of processing of the personal data concerned. This is in order to ensure, as appropriate:

(a) the pseudonymisation and encryption of personal data;

(b) the ability to ensure the ongoing confidentiality, integrity, availability and resilience of processing systems and services;

(c) the ability to restore the availability and access to personal data in a timely manner in the event of a physical or technical incident;

(d) a process for regularly testing, assessing and evaluating the effectiveness of technical and organisational measures for ensuring the security of the processing;

(e) measures to protect personal data from accidental or unlawful destruction, loss, alteration, unauthorised disclosure of or access to personal data transmitted, stored or otherwise processed.]

7.2.x Derogation to Article 1.6.j of Annex A2 – only applicable, if the Coordinator will not handle financial management services including payments itself:

The public administration / mandated body in charge of financial management services and handling payments in this project will be <…name of public administration / mandated body >

7.2.x By derogation to Article 14.5 of Annex A2, the first paragraph shall read "The methods used to determine unit costs, lump sums and flat rates are those described in Annex B to the Twinning Manual.

7.2.x By derogation to Article 14.7, the reserve / contingency mentioned therein shall not exceed 2.5% of the direct eligible costs.

7.2.x By derogation to Article 14.11 h) of Annex A2, compensation for salary costs of the personnel of national administrations are eligible to the extent that they relate to the cost of activities, which the relevant public authority would not carry out if the Action were not undertaken.

7.2.x By derogation of Article 15.1 of Annex A2 the pre-financing will be calculated based on the formula: total budget (excluding contingencies / reserves and private sector services if contracted by the Contracting Authority) divided by the number of months of implementation and then multiplied by twelve.

7.2.x The last sentence of Article 15.2 of Annex A2 (extension of the deadline for submission of the final report) shall not apply.

7.2.x By derogation to Article 15.4 of Annex A2, the initial pre-financing payment shall be made within 30 days of the date of notification by the Contracting Authority of the conclusion of the signature procedure by all parties.

7.2.x By derogation to Article 15.7 of Annex A2, the expenditure verification report is only required for the final payment and the auditor is designated in accordance with legal obligations applicable to the Member States

7.2.x By derogation to Article 15.7 of Annex A2, a detailed breakdown of expenditure shall be submitted in support of each request for further pre-financing payment. This detailed breakdown of expenditure shall consist in the financial section of the reports produced in compliance with Articles 2 and 15 of Annex A2, provided that this financial section complies with the requirements for a detailed breakdown of expenditure that are defined in paragraphs 4, 5 and 6 of Article 15.7.

7.3 For direct management insert the following

The entity acting as a data controller as provided for in Article 1.3 and 1.4 of the general conditions is:

DG NEAR – Head of Unit R4: NEAR-R4@ec.europa.eu

For indirect management insert the following

For the purpose of Article 1.3 and 1.4 of the general conditions, 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

DG NEAR – Head of Unit R4: NEAR-R4@ec.europa.eu

For indirect management

7.3.1 Articles 1.3 and 1.4 of Annex A2 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 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, 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 Commission. When personal data is transmitted to the 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[[11]](#footnote-10) and as detailed in the specific privacy statement published at ePRAG.]

7.4 Other provisions:

7.4.1 All Twinning partners undertake to facilitate the organisation and conduct of the Twinning Review Missions described in the Twinning Manual.

7.4.2 All Visibility and Communication activities shall comply with the "Communication and Visibility Requirements for implementing partners": <https://ec.europa.eu/europeaid/funding/communication-and-visibility-manual-eu-external-actions_en>., in force at the time of signing the contract.

*Where the Commission is the Contracting Authority*

Done at [.........] in three originals in contract language, one original being for the European Commission one original being for the [Lead][[12]](#footnote-11) Member State Partner and one original being for the Beneficiary Administration

*Where the Commission is not the Contracting Authority*

Done at [.........] in four originals in the contract language, one original being for the European Commission, one original being for the Contracting Authority, one original being for the [Lead] Member State Partner and one original being for the Beneficiary Administration

|  |  |
| --- | --- |
| For the [Lead]Member State Partner | For the Contracting Authority |
|  |  |  |  |
| Name[[13]](#footnote-12): |  | Name[[14]](#footnote-13): |  |
| Title[[15]](#footnote-14): |  | Title[[16]](#footnote-15): |  |
| Signature: |  | Signature: |  |
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| Date: |  | Date: |  |
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|  |  |  |  |
| *Only under decentralised management with ex-ante control* |
|  |  |  |  |
| Endorsed for financing by the European Union |
|  |  |  |  |
| Name [[17]](#footnote-16): |  |  |  |
| Title [[18]](#footnote-17): |  |  |  |
| Signature: |  |  |  |
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| Date: |  |  |  |
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**Please ensure that the contact details of the PLs (both of the Member State partner(s) and of the Beneficiary administration) are also mentioned, if appropriate, on a separate sheet.**

1. Complete as appropriate: Administrative Office, Programme Administration Office, or other. [↑](#footnote-ref-1)
2. In case of consortium of MS Partners. [↑](#footnote-ref-2)
3. Should be the official registration address – postal/physical address is given in Article 5 – contact addresses [↑](#footnote-ref-3)
4. In case of consortium of MS Partners. [↑](#footnote-ref-4)
5. Model mandate provided in Annex A8. [↑](#footnote-ref-5)
6. Name of the Beneficiary and Beneficiary administration benefiting from the Twinning Grant Contract. [↑](#footnote-ref-6)
7. In case of consortium of Member State Partners. [↑](#footnote-ref-7)
8. [↑](#endnote-ref-1)
9. In case the auditor will only be selected at a later stage this should be reflected under 5.2 with the wording: "Will be identified and notified later" [↑](#footnote-ref-8)
10. For IPA I-funded Twinning Grant Contracts, taxes, including VAT, duties and charges and all other costs identified in Article 34(3) of the IPA Implementing Regulation [(EC) No 718/2007 of 12 June 2007, as amended)] are not eligible for the activities described in Annex A1. Please adapt in line with any existing (already allowed) derogations based on Article 66(3) of the said IPA Implementing Regulation. [↑](#footnote-ref-9)
11. OJ L 205 of 21.11.2018, p. 39. [↑](#footnote-ref-10)
12. In case of consortium of Member States Projects. [↑](#footnote-ref-11)
13. Name of the individual(s) authorised to sign. [↑](#footnote-ref-12)
14. Name of the official(s) authorised to sign. [↑](#footnote-ref-13)
15. Title of the individual(s) authorised to sign. [↑](#footnote-ref-14)
16. Title of the official(s) authorised to sign. [↑](#footnote-ref-15)
17. Name of the official(s) authorised to sign. [↑](#footnote-ref-16)
18. Title of the official(s) authorised to sign. [↑](#footnote-ref-17)