[*How to complete these special conditions:*

* < ... >, enter the information relevant to the call for proposals in question.
* The phrases within [ ] should only be included if appropriate
* the paragraphs shaded in grey should only be amended/included in exceptional cases, dictated by the requirements of a particular call for proposal procedure.

In no circumstances may you alter any other part of these standard instructions.

Note that the special conditions provide for allowed deviations from the general conditions. The use of further deviations from the general conditions requires an exception to be granted by the relevant services of the European Commission.

Please remember to delete this paragraph, any other text with yellow highlighting and all such brackets in the final version]

**GRANT CONTRACT**

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

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

(the ‘contract’)

[The European Union, represented by the European Commission or [<full name and address of the contracting authority*>*], (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’]

If a mono-beneficiary grant: [hereinafter the ‘beneficiary’[[1]](#footnote-2)]

[and

<Full official name of any co-beneficiary(ies)>

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

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

<Full official address>

[VAT number, for VAT registered beneficiaries]

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 [for action grants: the implementation of the action entitled: <title of the action> (the ‘action’)] [for operating grants: an operating grant for <specify> (the 'work programme') ] 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]

- [the first day of the month following the date on which the first instalment of pre-financing is paid by the contracting authority]

- a later date: [<specify the date>]

- exceptionally and subject to conditions on retroactive eligibility as stipulated in the practical guide, a date preceding the signature of the contract but not preceding the beneficiary(ies)’s request for a grant[[2]](#footnote-3):[ <specify the date>[[3]](#footnote-4).**]**

2.3 The implementation period of the [action] [work programme[[4]](#footnote-5)], 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**[[5]](#footnote-6)

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

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 choose the applicable option [actual costs[[6]](#footnote-7)] [and/or] [declared as simplified cost options].

The total eligible costs are estimated at [EUR] [<ISO code of the currency of the country to which the contracting authority belongs[[7]](#footnote-8)>] <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] [for operating grants: operating budget] 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 Pursuant to Article 14.6 of Annex II, <enter percentage, maximum 7 % …>% of the final amount of direct eligible costs of the action established in accordance with Articles 14 and 17 of Annex II, may be claimed as indirect costs.]

Option 2: for actions financed exclusively by way of financing not linked to costs (only for action grants):

[3.1 The grants takes the form of financing not linked to costs only. The provisions laid down in Annex II and other annexes regarding reimbursement of costs are not relevant for this contract.

The contracting authority undertakes to provide grant up to a maximum of EUR [<ISO code of the currency of the country to which the contracting authority belongs[[8]](#footnote-9)>] <amount, for action grants, enter the amount in heading 11 of Annex III >, as set out in Annex III.

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

Option 3: For actions financed by way of reimbursement of costs and financing not linked to costs (only for action grants):

[3.1 The grant takes the form of reimbursement of costs and financing not linked to costs. The provisions laid down in Annex II and other annexes regarding reimbursement of costs and financing not linked to costs shall apply to the relevant part of the action. The costs reimbursed are choose the applicable option [actual costs[[9]](#footnote-10)] [and/or] [declared as simplified cost options].

3.2 The total eligible costs for the part of the action financed by way of reimbursement of costs, are estimated at [EUR] [<ISO code of currency of the country to which the contracting authority belongs[[10]](#footnote-11)>] <amount, for action grants, enter the amount in heading 11 of Annex III >, as set out in Annex III.

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 part of the action specified in first sub-paragraph of Article 3.2.

The final amount of the contracting authority’s contribution to the part of the action financed by way of reimbursement of costs shall be determined in accordance with Articles 14 and 17 of Annex II.

Pursuant to Article 14.6 of Annex II, <enter percentage, maximum 7 % …>% of the final amount of the direct eligible costs, of the part of the action financed by way of reimbursement of costs, established in accordance with Articles 14 and 17 of Annex II, may be claimed as indirect costs.

3.3 The contracting authority undertakes to provide grant up to a maximum of EUR [<ISO code of the currency of the country to which the contracting authority belongs[[11]](#footnote-12)>] <amount, for action grants, enter the amount in heading 11 of Annex III > for the part of the action financed by way of financing not linked to costs, as set out in Annex III.

The final amount of the contracting authority’s contribution to the financing not linked to costs part of the action shall be determined in accordance with Articles 14bis and 17 of Annex II].

**Article 4 — Reporting and payment arrangements**

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

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

[4.1 Payments shall be made in accordance with Article 15 of Annex II option no. <choose 1 ,2 or 3> as set out in Article 15.1:

**[Option 1 and 2]**

Initial pre-financing payment: [EUR] [<contracting authority currency>] <amount>.

**[Option 2 only]**

Note that the forecast instalments should be indicated as one global amount and not broken down per payment. The actual instalments will be based on the updated forecast for the next reporting period. The total sum of pre-financing payments may not exceed 90 % of the amount referred to in Article 3.2 of the special conditions, excluding the reserve for contingencies.

Further pre-financing payments(s): [EUR] [<contracting authority currency>] <amount> (subject to the provisions of Annex II).

**[Option 1-2-3]**

Balance of the final amount of the grant: [EUR] [<contracting authority currency>] <amount> (subject to the provisions of Annex II)].

Option 2: for actions financed entirely by way of financing not linked to costs (only for action grants):

[4.1 Payments shall be made in accordance with Article 15 of Annex II option no. <choose 1 ,2 or 3> as set out in Article 15.1bis:

**[Option 1 and 2]**

Initial pre-financing payment: [EUR] [<contracting authority currency>] <amount>.

**[Option 2 only]**

Note that the forecast instalments should be indicated as one global amount and not broken down per payment. The actual instalments will be based on the updated forecast for the next reporting period. The total sum of pre-financing payments may not exceed 90 % of the amount referred to in Article 3.1 of the special conditions.

Further pre-financing payments(s): [EUR] [<contracting authority currency>] <amount> (subject to the provisions of Annex II).

**[Option 1-2-3]**

Balance of the final amount of the grant: [EUR] [<contracting authority currency>] <amount> (subject to the provisions of Annex II).]

Option 3: For actions financed by way of reimbursement of costs and financing not linked to costs (only for action grants):

[4.1 Payments shall be made in accordance with Article 15 of Annex II option no. <choose 1 ,2 or 3> as set out in Article 15.1ter:

**[Option 1 and 2]**

Initial pre-financing payment: [EUR] [<contracting authority currency>] <amount>.

**[Option 2 only.]**

Note that the forecast instalments should be indicated as one global amount and not broken down per payment. The actual instalments will be based on the updated forecast for the next reporting period. The total sum of pre-financing payments may not exceed 90 % of the amounts referred to in second subparagraph of Article 3.2 and Article 3.3 of the special conditions.

Further pre-financing payments(s): [EUR] [<contracting authority currency>] <amount> (subject to the provisions of Annex II).

**[Option 1-2-3]**

Balance of the final amount of the grant: [EUR] [<contracting authority currency>] <amount> (subject to the provisions of Annex II).]

If a financial guarantee is requested:

[4.x The first instalment of pre-financing is subject to the validation of a financial guarantee by the contracting authority amounting to EUR <amount, usually the amount of the first prefinancing payment> and complying with the requirements of Article 15.7 of Annex II.]

For operating grants or specific reporting requirements for action grants:

[4.x <Specify the applicable reporting requirements and payment schedules/length of reporting period>  
<Specify if the present action is not subject to a third party assessment for the financing not linked to costs component>]

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

**[**Option 1: where the contracting authority is the European Commission:

Payment requests and reports shall be sent in electronic format from an official corporate e-mail address of the beneficiary to: <E-email: functional mailbox > (finance unit/section)

Correspondence of any other nature or, exceptionally, payment requests on paper format shall be sent to:

European Commission

<Directorate-General for International Partnerships — EuropeAid/EU Delegation>

For the attention of <address of the finance unit/section>

Copies of the reports referred to above shall be sent to in electronic format from an official corporate e-mail address of the beneficiary to: < E-email: functional mailbox > (management unit/section)

Correspondence of any other nature or, exceptionally, reports on paper format shall be sent to:

European Commission

< Directorate-General for International Partnerships — EuropeAid /EU Delegation>

For the attention of <address of the management unit/section>**]**

**[**Option 2: where the contracting authority is not the European Commission:

<address of the contracting authority’s management department>

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

**[**A copy of the reports referred to in Article 4.[x] shall be sent to the concerned service of the European Commission, at the following address:

[<email address>] [<address of Directorate-General for International Partnerships— EuropeAid /EU Delegation >]**]**

For the coordinator

<address of the coordinator for correspondence>

5.2 Data protection controller

For direct management insert the following:

The entity acting as a data controller as provided for in Article 1.3 and 1.4 of Annex II 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 >.]

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]][[12]](#footnote-13) < 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], [1b], [1c], 2 and 3)] [operating grants: operating budget]

Annex IV: Procurement rules for beneficiary(ies)

Annex V: Standard request for payment and identification form

Annex VI: [Model narrative and financial reports] [operating grants: <annex if specific models are to be used for activity reports and financial statements>]

Annex VII: Terms of reference for an agreed upon procedures engagement for a grant contract to issue a contractual expenditure verification

[Option for financing not linked to costs: Terms of reference for a third party assessment]

**[**Annex VIII: Model financial guarantee**]**

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:

If affiliated entities are involved:

[7.1.x For the purpose of this agreement, the following legal entities are considered as affiliated entities:

- <name of the legal entity>, affiliated to <name of the beneficiary>;

- <name of the legal entity>, affiliated to <name of the beneficiary>;

Costs incurred or results achieved by these affiliated entities may be accepted as eligible, provided the entities concerned abide by all the relevant rules applicable to the beneficiary(ies) under this contract.

If financial support is authorised by the contracting authority, please include:

**[**7.1.x In accordance with Article 10.5 of Annex II, financial support is authorised.

Please add, where financial support to third parties exceeds EUR 60 000 per each third party (only allowed where achieving the objectives of the actions would otherwise be impossible or overly difficult:[The maximum amount of EUR 60 000 per each third party will not be applicable as achieving the objectives of the actions would otherwise be impossible or overly difficult.]

If VAT, taxes, duties and charges are not eligible[[13]](#footnote-14) (only for actions taking the form of reimbursement of costs, totally or partially):

**[**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: < clarify the conditions and specificities of the accepted costs, such as in-kind contributions, taxes, including VAT, etc. 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):[[14]](#footnote-15)

**[**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.

Where required in case of sensitive grant contracts

[7.1.x Article 6 of Annex II shall be supplemented with the following: The beneficiary will not disclose the funding source of the action and contractual relationship with the contracting authority in any communication among beneficiary(ies) or with any third parties. Visibility measures may be allowed on a case-by-case basis upon prior approval by the contracting authority.

7.1.x Article 5 of Annex II shall be supplemented with the following: In the interest of information security, any formal communication among the two parties relating to this contract shall take place through secured encryption systems agreed by both parties, or through in-person meetings. Printed documents shall be sent in a double envelope with the internal envelope marked “EU limited visibility – to be opened by the addressee only. Additional confidentiality measures may be agreed through an exchange of letters.]

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[[15]](#footnote-16) 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).

### If the no profit rule does not apply because of the action falls within one of the cases of Article 17.7 Annex II:

[7.2.x The no-profit rule shall not apply to this contract (or part of this contract), according to Article 17.7 of Annex II for the following reason:

choose

[- the objective of the action is the reinforcement of the financial capacity of a beneficiary.]

[- the action generates an income to ensure their continuity beyond the end of this contract.]

[- the action is implemented by non-profit organisations.]

[- the action is for study, research or training scholarships paid to natural persons.]

[- the action is a direct support paid to natural persons in most need, such as unemployed persons and refugees.]

[- the amount of the grant is equal to or less than EUR 60 000.]

[- the action includes financing not linked to costs.]

Where one of the beneficiaries is an international organisation and/or pillar assessed organisation refer to annex e3h11\_derogations\_Ios\_PA entities for the clauses to insert here.

[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) [[16]](#footnote-17)** | | **For the contracting authority** | |
| Name |  | Name |  |
| Title |  | Title |  |
| Signature |  | Signature |  |
| Date |  | Date |  |

[For contracts under indirect management **(only in the case of ex ante control if the European Commission makes the payments under the contract and if required (see indirect management with ex-ante controls, Section 6.2.1. of the practical guide)**:

**Endorsed for financing by the European Union[[17]](#footnote-18)**

Name

Title

Signature

Date ]

1. The terms beneficiary(ies) and coordinator should both be understood as referring to the only beneficiary of the action. [↑](#footnote-ref-2)
2. Please note that in some exceptional cases it is possible to go beyond the beneficiary(ies) request (see Section 6.2.7. practical guide). [↑](#footnote-ref-3)
3. Please note:

   for actions making use of financing not linked to costs (partially or totally): this option does not apply. Should the action combine reimbursement of costs and financing not linked to costs, and retroactivity is required for the reimbursement of costs component, if needed, two different implementaion periods must be laid down (one for the reimbursement of costs component and another for the financing not linked to costs component);

   for operating grant: costs may neither have been incurred before the grant application was submitted nor before the start of the beneficiary's budgetary year. [↑](#footnote-ref-4)
4. The duration of operating grants may not exceed 12 months. [↑](#footnote-ref-5)
5. 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-6)
6. 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-7)
7. Provided it is a freely convertible currency. [↑](#footnote-ref-8)
8. Provided it is a freely convertible currency. [↑](#footnote-ref-9)
9. 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-10)
10. Provided it is a freely convertible currency. [↑](#footnote-ref-11)
11. Provided it is a freely convertible currency. [↑](#footnote-ref-12)
12. In case the contracting authority has its own audit and verification system. [↑](#footnote-ref-13)
13. In one of the following cases: (i) the basic act/financing agreement excludes their eligibility; (ii) the call for proposals excludes their eligibility; (iii) for VAT, the activities supported through the grant are engaged in by the beneficiary(ies) as a Member State public authority (police, justice and public domain management). [↑](#footnote-ref-14)
14. To be inserted where the specific action requires it. [↑](#footnote-ref-15)
15. OJ L 205 of 21.11.2018, p. 39. [↑](#footnote-ref-16)
16. 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-17)
17. The European Union is not a party to the contract, shall not be subject to any obligation in connection therewith and shall not be involved in any dispute settlement, including arbitration proceedings, which may arise therefrom. [↑](#footnote-ref-18)