



**CONTRIBUTION AGREEMENT**

**between the**

**REGIONAL AUTHORISING OFFICER  
PACIFIC ISLANDS FORUM SECRETARIAT**

**and**

**THE SECRETARIAT OF THE PACIFIC COMMUNITY**

**Scientific Support for Oceanic Fisheries Management in the Western  
and Central Pacific (SCIFISH)  
9.ACP.RPA.013 & 9.PTO.REG.008**

# EUROPEAN COMMUNITY CONTRIBUTION AGREEMENT WITH AN INTERNATIONAL ORGANISATION

IDENTIFICATION NO. RPA/001/06REV

The Pacific Islands Forum Secretariat, EDF Regional Authorising Officer, with its Head office at Ratu Sukuna Road, Private Mailbag, Fiji Islands ("the Contracting Authority")

of the one part,

and

the Secretariat of the Pacific Community (SPC) with its Head office at, BPD5 98848, Noumea Cedex, New Caledonia, ("the Organisation")

of the other part,

have agreed as follows:

## Special Conditions

### Article 1 - Purpose

- 1(1) The purpose of this Agreement is a contribution by the Contracting Authority for the implementation of the action for the ACP component entitled: *Scientific Support for Oceanic Fisheries Management in the Western and Central Pacific Ocean (SCIFISH)*, ("the Action") as described in Annex 1.
- 1(2) The Organisation will be awarded the contribution on the terms and conditions set out in this Agreement, which consists of these special conditions ("Special Conditions") and their annexes.
- 1(3) The Organisation accepts the contribution and undertakes to do everything in its power to implement the Action under its own responsibility.
- 1(4) The Action *is not* a Joint Management Action for all purposes of this Agreement.
- [1(5) The Action *is not* a Multi-donor Action for all purposes of this Agreement.]

### Article 2 – Entry into force and Implementation Period

- 2(1) Following signatories of two Parties, this Agreement shall enter into force on the date of the endorsement by the European Commission.
- 2(2) The implementation of this Agreement will begin on the day following the entry into force.
- 2(3) The implementation period of this Agreement, as laid down in Annex I, is 48 months.

### Article 3 - Financing the Action

- 3(1) The total cost of the Action eligible for financing by the Contracting Authority is estimated at EUR 4,000,000, as set out in Annex III.

- 3(2) The Contracting Authority undertakes to finance a maximum of EUR 3,947,000; the final amount will be established in accordance with Articles 14 and 17 of Annex II.
- 3(3) Pursuant to Article 14(4) of Annex II, 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 by the Organisation as indirect costs.

#### **Article 4 - Narrative and financial reporting and payment arrangements**

- 4(1) Narrative and financial reports shall be produced in support of payment requests, in compliance with Articles 2 and 15(1) of Annex II.
- 4(2) Payment will be made in accordance with Article 15 of Annex II; of the options referred to in Article 15(1), the following will apply:

##### Option 2

First pre-financing	EUR 1,032,000
Forecast further instalments of pre-financing (subject to the provisions of Annex II)	EUR 840,100
Forecast final payment (subject to the provisions of Annex II)	EUR 394,700

#### **Article 5 - Contact addresses**

Any communication relating to this Agreement shall be in writing, shall state the number and title of the Action, and shall use the following addresses

##### For the Contracting Authority:

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

EDF Pacific Regional Authorising Officer, Pacific Islands Forum Secretariat, Ratu Sukuna Road, Private Mailbag, Suva, Fiji Islands.

A copy of the reports referred to in Article 4(1) shall be sent to the European Commission Delegation in charge of monitoring the Action, at the following address:

Head of Delegation, Delegation of the European Commission, Private Mailbag, GPO, Suva, Fiji Islands.

##### For the Organisation:

The Secretariat of the Pacific Community, BPD5 98848, Noumea Cedex, New Caledonia.

#### **Article 6 - Annexes**

- 6(1) The following documents are annexed to these Special Conditions and form an integral part of the Agreement:

Annex I: Description of the Action

Annex II: General Conditions applicable to European Community contribution agreements with international organisations

Annex III: Budget for the Action

Annex IV: Financial identification form

Annex V: Standard request for payment

6(2) In the event of a conflict between the provisions of the Annexes and those of the Special Conditions, the provisions of the Special Conditions shall take precedence. In the event of a conflict between the provisions of Annex II and those of the other annexes, the provisions of Annex II shall take precedence.

Done in four originals in the English language, one for the Contracting Authority, one for the Organisation and two for the European Commission.

**For the Organisation**

Name Mr. Falani Aukuso  
Position Deputy Director General

Signature

Date

**For the Contracting Authority**

Name Mr. Greg Urwin  
Position Secretary General & Regional Authorising Officer

Signature

Date

**Endorsed for financing by the European Community**

Name Mr. Wiepke Van Der Goot  
Position Head of Delegation

Signature

Date

## DESCRIPTION OF THE ACTION

### Summary

Development of fisheries is consistent with the region's poverty eradication targets and taking account of sustainable development criteria requires a strengthening of all regional institutions active in regional fisheries development.

The overall objectives and purpose of the project directly address this regional strategy. The measures to be taken by the project will enhance scientific information on oceanic marine resources and their ecosystem. The project will contribute to the effectiveness of the Western and Central Pacific Fisheries Commission (WCPFC) both through direct support of the Commission's science programme and by assisting Pacific ACPs and OCTs to meet their obligations to collect and provide relevant fisheries data and biological information. The project will ensure continuity of scientific data collection, analysis, scientific advice generation and capacity building until such time as the Tuna Commission is fully functional and in a position to take major financial responsibility for some or all of these programmes. It will also build regional and national capacity in Monitoring Control and Surveillance of regional tuna fisheries with the overall aim of eliminating illegal, unregulated and unreported (IUU) fishing. The major policy measures to be taken by the Region as a contribution to the implementation of the response strategy in this sector are:

- Ratification of the Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean.
- Conclusion of negotiations for the establishment of a Commission for the implementation of the Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean.
- Promotion of the principles enshrined in the International Code of Conduct for Responsible Fisheries.

### Intervention

#### Overall Objective

The overall objective of the project is the conservation and sustainable use of oceanic fish resources of the western and central Pacific Ocean.

#### Project Purpose

The project purpose is to provide a scientific basis for regional and national oceanic fisheries management decision-making by the Western and Central Pacific Fisheries Commission and by Pacific ACP and OCT Governments.

#### Results

The expected results of the project, which will achieve the project purpose, are enhanced oceanic fishery monitoring in Pacific ACPs, and OCTs and in the Commission Convention Area generally; enhanced assessments of the status of oceanic fish stocks and the impacts

of fishing upon them; and enhanced understanding of the pelagic ecosystem that supports oceanic fish stocks, including the ecosystem impacts of fishing.

### **Activities**

#### *Result 1: Enhanced oceanic fisheries monitoring*

- Provide training programmes for scientific observers and port samplers in Pacific ACPs through regional, sub-regional and national workshops.
- Provide training attachments of national fishery monitoring staff at SPC headquarters.
- Provide operational support (provision of equipment, data forms, funding of observer trips and port sampling operations) for national scientific observer and port sampling programmes.
- Provide quality control of scientific observer and port sampling data through data audits, operational reviews of sampling activities, observer debriefing and generally enhancing national capacity in observer and port sampling programmes.
- Develop and trial new technologies for enhancing quality of data and timeliness of data collection.
- Develop harmonised fisheries monitoring systems and data sharing protocols.
- Undertake compliance audits and IUU risk assessments of ACPs.
- Develop and implement methodologies to verify fisheries data.
- Develop and trial new technologies, including satellite based technologies for the detection of IUU fishing activities.

#### *Result 2: Enhanced stock assessments*

- Conduct large-scale conventional and electronic tagging and associated biological studies of tunas in the WCPO, including both tropical tunas (skipjack, yellowfin and bigeye tuna) and South Pacific albacore.
- Conduct analyses of tagging, biological and fishery oceanographic data to obtain a better understanding of the population dynamics, behaviour and biology of oceanic fish stocks.
- Incorporate tagging and biological data and/or the results of supporting analyses into models used to assess the status of targeted oceanic fish stocks and the impacts of fishing.

#### *Result 3: Enhanced understanding of the pelagic ecosystem*

- Develop and enhance models of the pelagic ecosystem supporting oceanic fish stocks targeted by regional tuna fisheries.
- Use such models to provide scientific advice on ecosystem aspects of fishery management, including (i) the impacts of environmental variability on oceanic fish stocks and fisheries; (ii) the effects of fishing on the pelagic ecosystem; and (iii) the potential benefits and effectiveness of specific ecosystem management measures, such as marine protected areas.

The outputs of this project will provide much of the scientific basis for future management decision making concerning tuna and related stocks in the WCPFC Convention Area. Given the current precarious status of two important stocks (yellowfin and bigeye tuna), long-term economic returns from the fishery may well rely on such management decisions, and the quality of scientific information underpinning them, taken over the next

5—10 years. Therefore, one means of evaluating the economic impact of SCIFISH is to examine the economic importance of the fishery itself to Pacific ACP and French Pacific OCTs. The project provides a very important service to the region in the management of the tuna fishery.

### **Project Implementation**

The project will recruit the services of a Port Sampling and Observer Coordinator, Port Sampling and server Trainer, Tagging Technician and an Ecosystem Modeller. These will be permanent positions throughout the project. Administration support will be provided by the relevant section of SPC. The technical support by other staff in SPC will compliment the work of the project.

#### **Organisational and implementation procedures**

The Secretary General of the Forum Secretariat as Regional Authorising Officer (RAO), will be the 'contracting authority' for the ACP component of the project. The OCT RAO (Government of New Caledonia) will act as 'contracting authority' for the OCT component.

A **Project Steering Committee (PSC)** will be set up to decide and approve the orientation and the course of the Project. The Directors of Fisheries from each of the participating countries (or their delegated representatives) will form the PSC and will meet at least once per year, or on an ad hoc basis whenever necessary, in one of the eight participating countries or at the SPC in Noumea. The European Commission and the RAOs will attend as observers. SPC will act as Secretariat for the PSC.

#### **Financing plan**

The project EU budget totals €6,610,000 - €4,000,000 (ACP) and €2,610,000 (OCT) - estimated over a four-year period covering technical assistance equipment, operations and administration.

	<b>Budget Line</b>	<b>(€) ACP</b>	<b>(€) OCT</b>
1	Contribution Agreement	3,947,000	2,565,000
2	Evaluation	33,000	30,000
3	Audit	20,000	15,000
	<b>Total</b>	<b>4,000,000</b>	<b>2,610,000</b>

#### **Evaluation and audit**

*Audit and evaluation will be organised in application of the relevant rules and regulations of SPC. In conformity with its financial regulations, the EC may undertake, including on the spot, checks related to the actions financed by the EC*

A provision for audit and evaluation is included in the budget. Audit, evaluation and framework contracts are always concluded by the Commission acting for and on behalf of the beneficiary countries.

A mid-term review and a final project evaluation will be carried out by an independent team of experts. Provision is also made for a general audit if needed. The project will be audited by independent auditors. The project will produce six monthly reports including a financial report.



- Work plan for the following period including objectives and indicators of achievement. If the report is sent after the end of the period covered by the preceding work plan, a new work plan, albeit provisional, is always required before such date.
- 2.5. The final report shall contain the above information (excluding the last indent) covering the whole implementation period of this Agreement, information on the measures taken to identify the European Union as the source of financing and details on the transfers of assets mentioned in article 7.3 if relevant, plus a full summary of the Action's income and expenditure and payments received.
- 2.6. The reports shall be presented in the same language as the Agreement. They shall be submitted at the following intervals:
- if payments follow option 1 in Article 15.1:
- a progress report shall be forwarded to the Contracting Authority at the end of every twelve-month period, where the implementation period of this Agreement is longer;
  - a final report shall be forwarded to the Contracting Authority within six months of the end of the implementation period of this Agreement as defined in Article 2 of the Special Conditions;
- if payments follow option 2 in Article 15.1:
- a progress report shall accompany every request for further instalment of pre-financing;
  - the final report shall be forwarded to the Contracting Authority within six months of the end of the implementation period of this Agreement as defined in Article 2 of the Special Conditions.
- 2.7. Reports will be submitted in Euro, and may be drawn from financial statements denominated in other currencies as per the Organisation's legislative requirements. Where necessary, actual expenditure will be converted into Euro using the rate of exchange at which the Contracting Authority's contribution was recorded in the Organisation's accounts, unless otherwise specified in article 4(3) of the Special Conditions.
- 2.8. Any additional reporting requirement will be set out in the Special Conditions.
- 2.9. If the Organisation fails to supply a final report by the final report deadline laid down in Article 2.6, and fails to furnish an acceptable written explanation of the reasons why it is unable to comply with this obligation, the Contracting Authority may refuse to pay any outstanding amount and recover any amounts unduly paid.
- Furthermore, where the Organisation fails to present a progress report and where relevant a request for payment by the end of each twelve-month period following the date laid down in Article 2(2) of the Special Conditions, the Organisation shall inform the Contracting Authority of the reasons why it is unable to do so, and shall provide a summary of the state of progress of the Action. If the Organisation fails to comply with this obligation, the Contracting Authority may terminate the Agreement in accordance with the first indent of Article 12.2, refuse to pay any outstanding amount and recover any amounts unduly paid.
- 2.10. In addition to the above mentioned reports, the Organisation will ensure that progress and situation reports, publications, press releases and updates, relevant to this Agreement, are communicated to the Contracting Authority as and when they are issued.

The Organisation and the Contracting Authority (the "Parties") will further endeavour to promote close collaboration and exchange of information on the Action. The Organisation

will invite the European Commission to join any donor committee which may be set up in connection with Multi-Donor Actions.

- 2.11. In any event the Organisation shall inform the Contracting Authority without delay of any circumstances likely to hamper or delay the implementation of the Action.

### **ARTICLE 3 – LIABILITY**

- 3.1. The Organisation shall have sole responsibility for complying with any legal obligation incumbent on it.
- 3.2. The Contracting Authority cannot under any circumstances or for any reason whatsoever be held liable for damage or injury sustained by the staff or property of the Organisation while the Action is being carried out or as a consequence of the Action. The Contracting Authority cannot therefore accept any claim for compensation or increases in payment in connection with such damage or injury.
- 3.3. Subject to the rules governing the Organisation's privileges and immunities, the Organisation shall assume sole liability towards third parties, including liability for damage or injury of any kind sustained by them in respect of or arising out of the Action. The Organisation shall discharge the Contracting Authority of all liability associated with any claim or action brought as a result of an infringement by the Organisation or the Organisation's employees or individuals for whom those employees are responsible of rules or regulations, or as a result of violation of a third party's rights.

### **ARTICLE 4 – CONFLICT OF INTERESTS**

The Organisation undertakes to take all necessary precautions to avoid conflicts of interests and shall inform the Contracting Authority without delay of any situation constituting or likely to lead to any such conflict.

There is a conflict of interests where the impartial and objective exercise of the functions of any person under this Agreement is compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other shared interest with another party.

### **ARTICLE 5 – CONFIDENTIALITY**

Subject to article 16, the Contracting Authority and the Organisation undertake to preserve the confidentiality of any document, information or other material directly related to the Agreement and duly classified as confidential, until at least five years after the end date as specified in article 12.5. Where the European Commission is not the Contracting Authority, it shall still have access to all documents communicated to the Contracting Authority, and will maintain the same confidentiality.

### **ARTICLE 6 – VISIBILITY**

- 6.1. Unless the European Commission requests or agrees otherwise, the Organisation shall take all appropriate measures to publicise the fact that an Action has received funding from the European Union. Information given to the press, the beneficiaries of an Action, all related publicity material, official notices, reports and publications, shall acknowledge that the Action was carried out "with funding by the European Union" and shall display in an appropriate way the European logo (twelve yellow stars on a blue background).

It is understood that the Organisation's equipment and vehicles may routinely carry its emblem and other indications of ownership prominently displayed. In cases where equipment or vehicles and major supplies have been purchased using funds provided by the European Community, the Organisation shall include appropriate acknowledgement on such vehicles, equipment and major supplies (including display of the European logo (twelve yellow stars on a blue background) provided that such actions do not jeopardise the Organisation's privileges and immunities and the safety and security of the Organisation's staff.

- 6.2. The size and prominence of the acknowledgement and European Union logo shall be clearly visible in a manner that will not create any confusion regarding the identification of the Action as an activity of the Organisation, the ownership of the equipment and supplies by the Organisation, and the application to the Action of the Organisation's privileges and immunities.
- 6.3. All publications by the Organisation pertaining to Actions that have received funding from the European Community, in whatever form and whatever medium, including the internet, shall carry the following or a similar disclaimer: "This document has been produced with the financial assistance of the European Union. The views expressed herein can in no way be taken to reflect the official opinion of the European Union."
- 6.4. If the equipment bought with a European Community contribution is not transferred to local partners of the Organisation or the final recipient of the Action at the end of the implementation period of this Agreement, the visibility requirements as regards this equipment (in particular display of the European logo) shall continue to apply between the end of the implementation period of this Agreement and the end of the overall Action, if the latter is longer.
- 6.5. Publicity pertaining to European Community contributions shall quote these contributions in Euro, in parenthesis if necessary. The Organisation's publications and reports prepared in response to, and in accordance with, its legislative directives are excluded from this provision.
- 6.6. The Organisation accepts that the Contracting Authority and the European Commission (where it is not the Contracting Authority) publish in any form and medium, including on their websites the name and address of the Organisation, the purpose of the contribution as well as the amount contributed and if relevant the percentage of cofinancing.

Upon a duly substantiated request by the Organisation, the European Commission may agree to forego such publicity if disclosure of the above information would risk threatening the Organisation's safety or harming its interests.

#### **ARTICLE 7 – OWNERSHIP/USE OF RESULTS AND EQUIPMENT**

- 7.1. Ownership, title and industrial and intellectual property rights in the results of the Action and the reports and other documents relating to it shall vest in the Organisation, as the case may be together with third parties or as may otherwise be agreed by the Organisation.
- 7.2. Notwithstanding the provisions of the first paragraph and subject to Article 5, the Organisation grants the Contracting Authority (and the European Commission where it is not the Contracting Authority) the right to use free of charge and as it sees fit all documents deriving from the Action, whatever their form, provided it does not thereby breach existing industrial and intellectual property rights.

- 7.3. Unless otherwise specified in the Special Conditions, the equipment, vehicles and supplies paid for by the Contracting Authority's funding shall be transferred to local authorities or partners (excluding commercial contractors) of the Organisation or to the final recipients of the Action by the end of the Action. The documentary proof of those transfers shall be kept for verification along with the documents mentioned in article 16.3.

#### **ARTICLE 8 – EVALUATION OF THE ACTION**

- 8.1. Representatives of the European Commission shall be invited to participate in the main monitoring and in the evaluation missions relating to the performance of the Action. The results of such missions shall be reported to the European Commission.
- 8.2. This is without prejudice to any evaluation mission which the European Commission as a donor may wish to perform. Evaluation missions by representatives of the European Commission should be planned and completed in a collaborative manner between the Organisation's staff and the European Commission's representatives, keeping in mind the commitment of the Parties to the effective and efficient operation of this Agreement. These missions are to be planned ahead and procedural matters are to be agreed upon by the European Commission and the Organisation in advance. The mission will offer to make a draft of its report available to the Organisation for comments prior to final issuance.

#### **ARTICLE 9 – AMENDMENT OF THE AGREEMENT**

- 9.1. Any modification of the Agreement, including the annexes thereto, shall be set out in writing in an amendment.

If the request for an amendment comes from the Organisation, the latter shall submit that request to the Contracting Authority one month before the amendment is intended to enter into force, unless there are special circumstances duly substantiated by the Organisation and accepted by the Contracting Authority. A request to extend the implementation period of this Agreement must be duly justified and submitted no later than one month before the end of it.

- 9.2. Where a modification to the Description of the Action and/or the Budget does not affect the basic purpose of the Action and the financial impact is limited to a transfer within a single budget heading, including cancellation or introduction of an item, or a transfer between budget headings involving a variation (as the case may be in cumulative terms) of 15 % or less of the amount originally entered (or as modified by a formal amendment) in relation to each concerned heading for eligible costs, the Organisation may amend the Budget and shall inform the Contracting Authority accordingly in writing. This method may not be used to amend headings for administrative costs or the contingency reserve.

Changes of address and changes of bank account may simply be notified in writing to the Contracting Authority. Changes of bank account must be specified in the request for payment, using the financial identification form attached as Annex IV.

#### **ARTICLE 10 – CONTRACTING**

- 10.1. If parts of the Action are contracted, the contracting arrangements, including in particular the principles for the award of procurement and grants, will be as specified in the Description of the Action. If they are not specified therein, the Organisation will present them to the Contracting Authority as soon as they are available. The Organisation will also inform the Contracting Authority, with as much prior notice as possible, of changes in

these arrangements. The Organisation will provide detailed information on contracting arrangements in the final report.

- 10.2. Unless otherwise agreed by the Parties in writing, the procurement of any goods, works or services and the award of grants by the Organisation and its partners in the context of the Action shall be carried out in accordance with the applicable rules and procedures adopted by the Organisation.

This is based on the understanding that the Organisation's rules and procedures conform to internationally accepted standards, in compliance with the principles of transparency, proportionality, sound financial management, equal treatment and non discrimination, care being taken to avoid any conflict of interests.

Without prejudice to the specific procedures and exceptions applied by the Organisation, the award by the Organisation of grants financed by the Contracting Authority's contribution shall comply with the following principles:

- may not be cumulative, awarded retrospectively or have the purpose or effect of producing a profit for the grant beneficiary;

- must involve co-financing, save in cases of humanitarian and crisis situation, the protection of health and fundamental rights of people, where the grant beneficiaries are third countries or other international organisations and where it is in the interest of the European Commission to be the sole donor.

- 10.3. If allowed by the applicable regulatory provisions of the European Community, the origin of the goods and the nationality of the organisations, companies and experts selected for carrying out activities in the Action shall be determined in accordance with the Organisation's relevant rules. In any event goods, organisations, companies and experts eligible under the applicable regulatory provisions of the European Community shall be eligible.

In all other cases the partners, contractors, experts and goods, the cost of which are financed out of the Contracting Authority's contribution, shall originate in the European Community or the country or countries eligible under the programme of which the Action is part. Any departure from the rules of origin and nationality set out above is subject to the specific provisions of the applicable regulatory provisions of the European Community.

- 10.4. The Organisation shall adopt reasonable measures, in accordance with its own procedures, to ensure that potential candidates or tenderers and grant beneficiaries shall be excluded from the participation in a procurement or award procedure financed by the Contracting Authority's contribution, if:

- they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;

- they have been convicted of an offence concerning their professional conduct by a judgement which has the force of *res judicata*;

- they have been the subject of a judgement which has the force of *res judicata* for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Community's financial interests;

- they are guilty of misrepresentation in supplying the information required as a condition of participation in the procedure or fail to supply this information.

- are subject to a conflict of interest.

- 10.5. With due regard to the applicable rules on confidentiality, security and protection of personal data, the Organisation shall provide on an annual basis to the Contracting Authority, a list of the names of contractors and grant beneficiaries financed by the Contracting Authority for its publication (including by electronic means such as Internet), unless such ex post publication is guaranteed by the Organisation itself.
- 10.6. In the event of failure to comply with the above provisions the relevant costs shall not be eligible for funding by the Contracting Authority.

#### **ARTICLE 11 – IMPLEMENTATION PERIOD OF THE AGREEMENT, SUSPENSION, *FORCE MAJEURE***

- 11.1. Irrespective of the starting date and implementation period of the Action, the implementation period of this Agreement shall be as set out in Article 2 of the Special Conditions
- 11.2. The Organisation may suspend implementation of all or part of the Action if circumstances (chiefly *force majeure*) make it too difficult or dangerous to continue. It shall inform the Contracting Authority without delay and provide all the necessary details. This Agreement may be terminated in accordance with Article 12.1. If the Agreement is not terminated, the Organisation shall endeavour to minimise the duration of the suspension and may resume implementation of the Action once the conditions allow, and shall inform the Contracting Authority accordingly.
- 11.3. The Contracting Authority may request the Organisation to suspend implementation of all or part of the Action if circumstances (chiefly *force majeure*) make it impossible or too difficult or dangerous to continue. This Agreement may be terminated in accordance with Article 12.1. If the Agreement is not terminated, the Organisation shall endeavour to minimise the duration of the suspension and shall resume implementation of the Action once the conditions allow, with the prior written approval of the Contracting Authority.
- 11.4. The implementation period of this Agreement is automatically extended by an amount of time equivalent to the duration of the suspension. This is without prejudice to any amendments to the Agreement which may be necessary to adapt the Action to the new implementing conditions.
- 11.5. *Force majeure* shall mean any unforeseeable exceptional situation or event beyond the Parties' control which prevents either of them from fulfilling any of their obligations under this Agreement, was not attributable to error or negligence on their part (or of their partners, contractors, agents or employees), and could not have been avoided by the exercise of due diligence. Defects in equipment or material or delays in making them available, labour disputes, strikes or financial problems cannot be invoked as *force majeure* by the defaulting party. Neither of the Parties shall be held liable for breach of its obligations under the Agreement if it is prevented from fulfilling them by *force majeure*. Without prejudice to Articles 11.2 and 11.3 above, the Party invoking *force majeure* shall notify the other without delay, stating the nature, likely duration and foreseeable effect, and take any measure to minimise possible damage.

#### **ARTICLE 12 – TERMINATION OF THE AGREEMENT**

- 12.1. If, at any time, either Party believes that the purposes of this Agreement can no longer be effectively or appropriately carried out, it shall consult the other Party. Failing agreement on a solution, either Party may terminate this Agreement by serving two months' written

notice. In this event, the Organisation shall be entitled to payment of the contribution only for the part of the Action carried out, and to reimbursement of commitments entered into by the Organisation for the implementation of the Action, which the Organisation cannot reasonably terminate on legal grounds.

12.2. Where the Organisation:

- fails, without justification, to fulfil any of the obligations incumbent on it and, after being given notice by letter to comply with those obligations, still fails to do so or to furnish a satisfactory explanation within 30 days of sending of the letter;
- fails to comply with articles 1.5, 1.6 or 4;
- makes false or incomplete statements to obtain the contribution provided for in the Agreement or provides reports that do not reflect reality;
- commits financial irregularities or is guilty of grave professional misconduct;
- undergoes legal, financial, technical or organisational change that is liable to affect this Agreement substantially or to call the award decision into question;

the Contracting Authority will enter into discussions with the Organisation and, failing a proper solution within one month, may terminate this Agreement, without prior notice and without paying compensation of any kind. In that event the Contracting Authority may demand full or partial repayment of any amounts unduly paid, after allowing the Organisation to submit its observations.

- 12.3. Prior to or instead of terminating the Agreement as provided for in Article 12.2, the Contracting Authority may suspend payments or (exceptionally) the eligibility of expenses as a precautionary measure, informing the Organisation immediately.
- 12.4. This Agreement shall be automatically terminated if it has not given rise to a payment by the Contracting Authority (including pre-financing) within three years of its signature.
- 12.5. Unless this Agreement is earlier terminated pursuant to this Article 12, the payment obligations of the European Community hereunder shall cease at the "end date", which shall occur 18 months after the end of the implementation period as defined in Article 2 of the Special Conditions.

The Contracting Authority notifies the Organisation of any postponement of the end date. The Contracting Authority shall postpone the end date, so as to be able to fulfil its payment obligations, in all cases where the Organisation has filed the payment request in accordance with contractual provisions or, in case of dispute, until completion of the dispute settlement procedure provided for in article 13.

### ARTICLE 13 – SETTLEMENT OF DISPUTES

- 13.1. The Parties shall endeavour to settle amicably any dispute or complaint relating to the interpretation, application or fulfilment of this Agreement, including its existence, validity or termination. In default of amicable settlement, any Party may refer the matter to arbitration in accordance with the Permanent Court of Arbitration Optional Rules for Arbitration Involving International Organisations and States in force at the date of this Agreement.
- 13.2. The language to be used in the arbitral proceedings shall be English. The appointing authority shall be the Secretary General of the Permanent Court of Arbitration following a written request submitted by either Party. The Arbitrator's decision shall be binding on all Parties and there shall be no appeal.

13.3. Nothing in this Agreement shall be interpreted as a waiver of any privileges or immunities accorded to any Party hereto by its constituent documents or international law.



## FINANCIAL PROVISIONS

### ARTICLE 14 – ELIGIBLE COSTS

- 14.1. To be considered eligible as direct costs under this Agreement, costs must:
- be necessary for carrying out the Action, be provided for specifically in this Agreement and comply with the principles of sound financial management, in particular value for money and cost-effectiveness;
  - have actually been incurred during the implementation period of this Agreement as defined in article 2 of the Special Conditions, whatever the time of actual disbursement by the Organisation;
  - be recorded in the Organisation's or Organisation's partners' accounts, be identifiable, backed by originals of supporting evidence (as the case may be in electronic form), and verifiable pursuant to the provisions of article 16.4.
- 14.2. Subject to the above and without prejudice to article 10.4, the following direct costs of the Organisation or its implementing partners may in particular be eligible:
- the cost of staff assigned to the Action, corresponding to actual salaries plus social security charges and other remuneration-related costs (including in the form of provisions). Identifiable personnel costs at headquarters level arising as a direct consequence of the Action may be included. Salaries and costs will not exceed those normally borne by the Organisation or partners;
  - travel and subsistence costs for staff taking part in the Action, provided they do not exceed those normally borne by the Organisation or partners;
  - purchase costs for equipment (new or used) which are attributable to the Action;
  - purchase costs for goods and services (transport, storage and distributing, rent of equipment, etc.) which are directly attributable to the Action;
  - costs directly arising out of, or related to, accepting or distributing contributions in kind;
  - costs of consumables and supplies directly attributable to the Action;
  - expenditure on contracting directly attributable to the Action;
  - the proportion of field office costs that corresponds to the amount of activity directly attributable to the Action or to the proportion of funding by the Contracting Authority;
  - costs deriving directly from the requirements of this Agreement (dissemination of information, evaluation specific to the Action, specific reporting for the needs of the Contracting Authority, translation, reproduction, insurance, targeted training for those involved in the Action, etc.) including financial service costs (in particular bank fees for transfers).
- 14.3. The following costs shall not be considered eligible:
- debts and provisions for possible future losses or debts;
  - interest owed by the Organisation to any third party;
  - items already financed from other sources;
  - purchases of land or buildings;
  - currency exchange losses;
  - taxes, duties and charges (unless the Organisation is not able to reclaim them and if allowed by the applicable regulatory provisions of the European Community).

- 14.4. A fixed percentage of direct eligible costs, not exceeding 7 %, may be claimed as indirect costs by the Organisation to cover the administrative overheads incurred for the Action.

Subject to the above, for comparable Actions and Actions where there is more than one donor the amount recovered shall not, in percentage terms, be higher or lower than for other comparable contributions.

Indirect costs are eligible provided that they do not include costs assigned to another heading of the budget of this Agreement.

Indirect costs may be charged on the value of in-kind commodities delivered by the Contracting Authority, including their associated costs.

Where the rates applied in accordance with the Organisation's governing bodies' decisions exceed 7%, the Organisation may recover the balance as direct eligible costs, subject to the provisions governing direct eligible costs referred to in this article 14 being fulfilled.

Indirect costs shall not be eligible where the Agreement concerns the financing of an Action where the Organisation is already receiving an operating grant from the European Community during the period in question.

- 14.5. A contingency reserve may be included in the Budget of the Action, to cover any adjustment necessary in the light of changed circumstances on the ground. The contingency reserve should not be higher than 5% of eligible costs and can only be used with the prior written (by letter) authorisation of the Contracting Authority, upon a duly justified request from the Organisation.
- 14.6. In the case of co-financing, contributions in kind made by the Organisation or its partners may neither be considered as co-financing nor as eligible costs. The cost of staff assigned to the Action is not a contribution in kind and may be considered as co-financing in the Budget for the Action when paid by the Organisation or its partners.

#### ARTICLE 15 – PAYMENTS

- 15.1. Payment procedures are set out in Article 4 of the Special Conditions and follow one of the two options below:

Option 1: When the implementation period of the Agreement does not exceed 12 months or the contribution is less than EUR 100 000

The Contracting Authority will provide a payment of pre-financing of from 80% up to 95% of the sum referred to in Article 3(2) of the Special Conditions less contingencies within 45 days of receiving the Agreement signed by both Parties and accompanied by a request for payment conforming to the model attached as Annex V.

The Contracting Authority will pay the balance within 45 days of approving the final report.

Option 2: When the implementation period of the Agreement exceeds 12 months and the contribution is of EUR 100 000 or more

The Contracting Authority will provide a payment of pre-financing of from 80% to 95% of that part of the forecast budget for the first 12 months of an Action which is being financed by it (excluding contingencies) within 45 days of receiving the Agreement signed by both Parties and accompanied by a request for payment conforming to the model attached as Annex V.

Each further instalment of pre-financing will cover the remainder of the Contracting Authority's part of the planned budget for the previous period (including any approved contingencies) plus a pre-financing of from 80% to 95% of that part of the forecast budget for the subsequent 12-month period (or of the remaining period if shorter as regards the last instalment of pre-financing) which is financed by it (excluding contingencies), and be made by the Contracting Authority within 45 days of approving a progress report, provided that at least 70% of the immediately preceding payment (and 100% of previous payments if any) has been incurred, as proven by the relevant report. For the purpose of this provision funds are incurred when they are the subject of a formal legal commitment between the Organisation (or its partners) and a third party.

The Contracting Authority will pay the balance within 45 days of approving the final report.

- 15.2. Any report will be deemed approved 45 days after receipt, accompanied by a request for payment conforming to the model attached as Annex V, if the Contracting Authority has not reacted.

If the Contracting Authority does not intend to approve a report, as submitted, it shall revert to the Organisation with a request explaining the reason and specifying the additional information it requires within the first 45-day period. The deadline for approving the report shall be suspended pending the receipt of the requested information. If the Contracting Authority deems that a payment request cannot be met, it shall revert to the Organisation with a request explaining the reason and specifying the additional information it requires within the second 45-day period. The payment period shall be suspended pending the registration of a properly formulated payment request.

Reports shall be presented in accordance with the stipulations of Article 2.

Approval of a report does not imply recognition of the regularity, authenticity, completeness and correctness of the declarations and information contained therein.

- 15.3. On expiry of the payment period specified in article 15.1, the Organisation may, within two months of receiving late payment, demand interest at the rate applied by the European Central Bank to its principal refinancing operations, as published in the C series of the Official Journal of the European Union on the first day of the month in which payment was due, increased by three and a half percentage points.

The interest shall be payable for the period elapsing from the day following expiry of the time limit for payment up to the day of payment. Any partial payment shall first cover the interest.

The interest shall not be treated as an income for the purposes of determining the final amount of Community financing within the meaning of article 17. The suspension of payment by the Contracting Authority may not be considered as late payment.

- 15.4. The level of pre-financing referred to in article 15.1 above shall be set at a level of between 80% and 95 % in 5% increments taking into account past record of the Organisation in particular as regards timely submission of the final report.
- 15.5. The Contracting Authority will make payments in EUR into the bank account referred to in the financial identification form in Annex IV. Where payment is to be made to a bank account which is already known to the Contracting Authority, the Beneficiary may provide a copy of the relevant financial identification form.
- 15.6. Where feasible, the funds paid by the Contracting Authority shall be maintained in Euro denominated bank accounts. They may be pooled together with contributions from other donors. They may be exchanged for other currencies in order to facilitate their disbursement.
- 15.7. For Joint Management Actions, the Organisation's rules and procedures pertaining to bank interest shall apply, and an equal treatment among donors shall be ensured. This is based on the understanding that these rules and procedures conform to internationally accepted standards.

In all other cases, interest earned by the Organisation on funds received from the Contracting Authority shall be identified as such and reflected in reports to the Contracting Authority. In such cases, subject to the conditions provided for in the applicable regulations of the European Community:

- Interests earned on pre-financing payments equal or below EUR 250 000 (or for crisis management, equal or below EUR 750 000 per agreement at the end of each financial year and for projects of a duration of more than 12 months) shall not be due to the Contracting Authority.

- Interest earned on pre-financing payments exceeding the amounts indicated above and below EUR 750 000 shall be assigned to the Action and deducted from the payment of the balance of the amounts due to the Organisation, unless the Contracting Authority requests the Organisation to reimburse the interest generated by pre-financing payments before the payment of the balance.

The Contracting Authority shall recover for each reporting period following the implementation of the Agreement the amount of earned by pre-financing payments exceeding EUR 750 000 per agreement at the end of the financial year.

#### **ARTICLE 16 – ACCOUNTS AND TECHNICAL AND FINANCIAL CHECKS**

- 16.1. The Organisation shall keep accurate and regular records and accounts of the implementation of the Action. Separate accounts shall be kept for each Action, and shall detail all income and expenditure.

For Joint Management Actions, the accounting regulations and rules of the Organisation shall apply. This is based on the understanding that these regulations and rules conform to internationally accepted standards.

In all other cases the Organisation shall use a dedicated double-entry book-keeping system as part of or as an adjunct to the Organisation's own accounts. This dedicated system shall follow the procedures dictated by professional practice and provide precise details of interest accruing on funds paid by the Contracting Authority.

- 16.2. Financial transactions and financial statements shall be subject to the internal and external auditing procedures laid down in the Financial Regulations, Rules and directives of the

Organisation. A copy of the audited financial statements shall be submitted to the European Commission by the Organisation.

- 16.3. The Organisation shall, until at least five years after the end date as specified in article 12.5:
- keep financial accounting documents concerning the activities financed by the contribution and,
  - make available to the competent bodies of the European Communities, upon request, all relevant financial information, including statements of accounts concerning the Action, whether they are executed by the Organisation or by its implementing partners or contractors.
- 16.4. In conformity with its financial regulations, the European Communities, including its Court of Auditors, may undertake, including on the spot, checks related to the Actions financed by the Contracting authority.
- 16.5. These provisions shall be applied in accordance with any specific agreement concluded in this respect by the Organisation and the European Community.

#### **ARTICLE 17 – FINAL AMOUNT OF FINANCING BY THE CONTRACTING AUTHORITY**

- 17.1. The total amount to be paid by the Contracting Authority to the Organisation may not exceed the maximum contribution established by Article 3(2) of the Special Conditions, even if the overall actual expenditure exceeds the estimated total budget set out in Annex III.
- 17.2. Where Article 3(2) of the Special Conditions sets out a maximum percentage of estimated total eligible cost to be financed by the Contracting Authority, and if the eligible costs at the end of the Action are less than the estimated total cost specified in Article 3(1) of the Special Conditions, the contribution of the Contracting Authority may be limited to the amount produced by multiplying the actual expenditure by the percentage laid down in Article 3(2) of the Special Conditions.
- Where the percentage set out in article 3(2) of the Special Conditions is likely to change in the course of implementation, the Organisation will consult the Contracting Authority without delay so as to agree on appropriate measures, in accordance with Article 9.
- 17.3. The Organisation accepts that the contribution of the Contracting Authority shall be limited to the amount required to balance income and expenditure for the Action and that it may not in any circumstances result in a surplus for the Organisation.
- 17.4. In cases where the Action is suspended or not completed within the implementation period of this Agreement, the funds that remain unexpended after all liabilities incurred in this period have been satisfied, including interest earned where applicable, will be reimbursed to the Contracting Authority.
- 17.5. Where the Action is not carried out at all, or is not carried out properly, in full or on time and without prejudice to its right to terminate this Agreement pursuant to article 12.2, the Contracting Authority may, after allowing the Organisation to submit its observations and without prejudice to article 13, reduce the contribution pro rata the actual implementation of the Action on the terms laid down in this Agreement.

#### **ARTICLE 18 – RECOVERY**

- 18.1. Where recovery is justified, the Organisation undertakes to repay to the Contracting Authority within 45 days of receiving a request from the latter any amounts paid in excess of the final amount due.
- 18.2. If the Organisation fails to repay by the due date, the sum due shall bear interest at the rate indicated in article 15.3. The interest shall be payable for the period elapsing from the day following expiry of the time limit for payment up to the day of payment. Any partial payment shall first cover the interest.
- 18.3. Amounts to be repaid to the Contracting Authority may be offset against amounts of any kind due to the Organisation, after informing it accordingly. The Organisation's prior consent is not required. This shall not affect the Parties' option to agree on payment in instalments.
- 18.4. Bank charges incurred by the repayment of amounts due to the Contracting Authority shall be borne entirely by the Organisation.

## BUDGET FOR THE ACTION

## ACP Component

	ACP Budget Items	Year 1	Year 2	Year 3	Year 4	Total
<b>1</b>	<b>Technical Assistance</b>					
	1.1 Port Sampling & Observer Coordinator	50,000	100,000	100,000	50,000	300,000
	1.2 Port Sampling & Observer Trainer	42,500	85,000	85,000	42,500	255,000
	1.3 Tagging Technician	37,500	75,000	75,000	37,500	225,000
	1.4 Ecosystem Modeller	50,000	100,000	50,000	0	200,000
	1.5 Ecosystem Modelling Services	60,000	40,000	0	0	100,000
	Sub-total technical assistance	240,000	400,000	310,000	130,000	1,080,000
<b>2</b>	<b>MCS activities</b>					
	2.1 Harmonised MCS data sharing protocols	0	30,000	0	0	30,000
	2.2 Compliance audits, IUU risk assessments	35,000	35,000	0	0	70,000
	2.3 Data verification methodologies	0	30,000	0	0	30,000
	2.4 Satellite detection of IUU fishing pilot	175,000	175,000	0	0	350,000
	Sub-total MCS activities	210,000	270,000	0	0	480,000
<b>3</b>	<b>Travel</b>					
	3.1 Port Sampling & Observer	12,000	20,000	20,000	12,000	64,000
	3.2 Tagging	12,000	18,000	18,000	12,000	60,000
	3.3 Ecosystem Modelling	5,000	8,000	8,000	5,000	26,000
	Sub-total travel	29,000	46,000	46,000	29,000	150,000
<b>4</b>	<b>Equipment</b>					
	4.1 Port Sampling & Observer	10,000	10,000	10,000	0	30,000
	4.2 Tagging / biological	25,000	25,000	25,000	0	75,000
	4.3 Computer	10,000	10,000	9,000	0	29,000
	Sub-total equipment	45,000	45,000	44,000	0	134,000
<b>5</b>	<b>Tagging Operations</b>					
	5.1 Vessel charter / operations	440,000	440,000	226,000	0	1,106,000
	5.2 Tag rewards, publicity, etc	35,000	35,000	12,000	12,000	94,000
	Sub-total tagging operations	475,000	475,000	238,000	12,000	1,200,000
<b>6</b>	<b>Training</b>					
	6.1 Port Sampling & Observer	10,000	20,000	20,000	10,000	60,000
	6.2 Stock Assessment	5,000	10,000	10,000	5,000	30,000
	Sub-total training	15,000	30,000	30,000	15,000	90,000
<b>7</b>	<b>Observer and Port Sampling Operations</b>					
	7.1 National observer programmes	20,000	20,000	20,000	0	60,000
	7.2 National port sampling programmes	10,000	10,000	10,000	0	30,000
	Sub-total observer and port sampling	30,000	30,000	30,000	0	90,000
<b>8</b>	<b>Data Processing and IT Support</b>					
	8.1 Scientific programming support	85,000	85,000	85,000	0	255,000
	8.2 Data processing support	25,000	25,000	25,000	0	75,000
	Sub-total data processing and IT support	110,000	110,000	110,000	0	330,000
<b>9</b>	<b>Administrative Support / Audit</b>	42,000	42,000	42,000	3,000	129,000
	<b>TOTAL DIRECT COSTS</b>	<b>1,196,000</b>	<b>1,448,000</b>	<b>850,000</b>	<b>189,000</b>	<b>3,683,000</b>
<b>10</b>	<b>Indirect Costs @ 7% of Direct Costs</b>	84,000	101,000	60,000	13,000	258,000
<b>11</b>	<b>CONTINGENCIES</b>	10,000	10,000	6,000	0	26,000
<b>12</b>	<b>EVALUATION</b>	0	16,500	0	16,500	33,000
	<b>TOTAL BUDGET</b>	<b>1,290,000</b>	<b>1,575,500</b>	<b>916,000</b>	<b>218,500</b>	<b>3,990,000</b>

**FINANCIAL IDENTIFICATION**

<b><u>ACCOUNT HOLDER</u></b>	
<b>NAME</b>	<input type="text"/>
<b>ADDRESS</b>	<input type="text"/>
<b>TOWN/CITY</b>	<input type="text"/>
<b>POSTCODE</b>	<input type="text"/>
<b>COUNTRY</b>	<input type="text"/>
<b>VAT NUMBER</b>	<input type="text"/>
<b>CONTACT PERSON</b>	<input type="text"/>
<b>TELEPHONE</b>	<input type="text"/>
<b>FAX</b>	<input type="text"/>
<b>E - MAIL</b>	<input type="text"/>

<b><u>BANK</u></b>	
<b>BANK NAME</b>	<input type="text"/>
<b>BRANCH ADDRESS</b>	<input type="text"/>
<b>TOWN/CITY</b>	<input type="text"/>
<b>POSTCODE</b>	<input type="text"/>
<b>COUNTRY</b>	<input type="text"/>
<b>ACCOUNT NUMBER</b>	<input type="text"/>
<b>IBAN</b>	<input type="text"/>

**REMARKS :**

<b>BANK STAMP + SIGNATURE of BANK REPRESENTATIVE</b> (Both Obligatory)
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<b>DATE + SIGNATURE of ACCOUNT HOLDER :</b> (Obligatory)
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## ANNEX V

### Request for payment for contribution agreement with an international organisation

Date of the request for payment <.....>

For the attention of  
<Address of the Contracting Authority>  
<Financial unit indicated in the Agreement><sup>1</sup>

Reference number of the Agreement: ...

Title of the Agreement: ...

Name and address of the Organisation: ...

Request for payment number: ...

Period covered by the request for payment: ...

Dear Sir/Madam,

I hereby request payment of the first prefinancing/further instalment of prefinancing/balance<sup>2</sup> under the Agreement mentioned above.

The amount requested is [as indicated in Article 4.2 of the Special Conditions of the Agreement/the following: ...]<sup>3</sup>

Please find attached the following supporting documents:

- signed Agreement (for the payment of the first prefinancing)
- narrative and financial progress report (for further instalments of pre-financing)
- final implementation report (for payment of the balance)<sup>4</sup>

The payment should be made to the following bank account: ...<sup>5</sup>

I hereby certify on honour that the information contained in this request for payment is full, reliable and true, that the costs incurred can be considered eligible in accordance with the Agreement and that this request for payment is substantiated by adequate supporting documents that can be checked.

Yours faithfully,

<signature>

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<sup>1</sup> Please do not forget to address a copy of this letter to the Commission delegation mentioned in Article 5.1 of the Special Conditions of the Agreement.

<sup>2</sup> Delete the two options which do not apply.

<sup>3</sup> Delete the option which does not apply.

<sup>4</sup> Delete the items which do not apply.

<sup>5</sup> Indicate the account number shown on the identification form annexed to the Agreement. In the event of change of bank account, please complete and attach a new identification form as per model.

AIDCOC5 - SR/RN

**SCIFISH**

**Calculation of annual payments for the funding contract**

Refer to : annex V from DTA and article 15 of Annex II (general conditions)

1) Total budget for year 1

*calculation for "predicted budget for first 12 months"( ref Art 15 / opt 2 premier -)*

In EUR	ACP
SCIFISH	3,947,000
Total year I	1,290,000

2) Calculation of 80 % of year 1 budget

EUR	ACP
80% of year 1 total	<b>1,032,000</b>

3) Calculation of total payment to SPC

Project total	4,000,000
Evaluation to deduct	53,000
total payment to SPC	3,947,000

4) Amount to retain on the final year

*application of 90% rule (ref Art 15 /opt 2 fin du § 15.1)*

10 % of total payment to SPC	394,700
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5) Calculation of annual allocation for years 2, 3 & 4

total payment to SPC	3,947,000
10% to deduct	394,700
sub-total	3,552,300
minus 80 % year 1	1,032,000
therefore subtotal:	2,520,300
Divided by 4	<b>840,100</b>

Payment summary

year 1	<b>1,032,000</b>
year 2	<b>840,100</b>
year 3	<b>840,100</b>
Year 4	<b>840,100</b>
year 5	
<b>max balance year 4*</b>	394,700
max total to pay	3,947,000

Evaluation to predict outside of budget "convention de subvention" :

	53,000
<b>Project's global budget</b>	<b>4,000,000</b>

## ANNEX II

### General Conditions applicable to European Community contribution agreements with international organisations

#### General and administrative provisions

Article 1 – General obligations .....	2
Article 2 – Obligations regarding information and financial and narrative reports .....	3
Article 3 – Liability .....	5
Article 4 – Conflict of interests .....	5
Article 5 – Confidentiality .....	5
Article 6 – Visibility .....	5
Article 7 – Ownership/use of results and equipment .....	6
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Article 10 – Contracting and Procurement .....	7
Article 11 – Implementation period of the Agreement, suspension, <i>force majeure</i> .....	8
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#### Financial provisions

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## GENERAL AND ADMINISTRATIVE PROVISIONS

### ARTICLE 1 – GENERAL OBLIGATIONS

- 1.1. The Organisation shall ensure that the Action is carried out in accordance with the Description of the Action contained in Annex 1 and is responsible for achieving the objectives set out therein. The Organisation shall report on the indicators of achievement specified in the Description of the Action.
- 1.2. The Organisation shall implement the Action with the requisite degree of care, efficiency, transparency and diligence, as required by best practice in the field concerned, and in compliance with this Agreement.

The Organisation shall make every effort to mobilise all the financial, human and material resources required for full implementation of the Action, as specified in the Description of the Action.

- 1.3. The Organisation may act either alone or in partnership with one or more organisations mentioned in the Description of the Action. It may also contract parts of the Action, in accordance with the provisions of article 10 hereof.

Partners participate in implementing the Action, and the costs they incur are eligible under the same conditions as those incurred by the Organisation.

The Organisation is fully responsible for the co-ordination and execution of all contracted activities. The Contracting Authority recognises no contractual link between itself and the Organisation's partner(s) or between itself and a contractor.

- 1.4. The Organisation undertakes to ensure that the conditions imposed upon it under Articles 1, 3, 4, 5, 6, 7, 14, 16 and 17 of this Agreement also apply to all partners and contractors involved.
- 1.5. The Organisation shall take appropriate measures to prevent irregularities, fraud, corruption or any other illegal activity in the management of the Action. All suspected and actual cases of irregularity, fraud and corruption related to this Agreement as well as measures related thereto taken by the Organisation must be reported to the Contracting Authority without delay.

Where appropriate the Organisation shall terminate contracts with partners, contractors or agents involved in fraudulent behaviour or corrupt practices in connection with this or any other actions implemented by the Organisation and financed by the European Community or the Contracting Authority, and take all reasonable measures to recover funds unduly paid.

- 1.6. Without prejudice to Articles 1.3 and 10, the Agreement and the payments attached to it may not be assigned to a third party in any manner whatsoever without the prior written consent of the Contracting Authority.
- 1.7. The provisions regarding "Joint Management Actions" in these General Conditions may apply where at least one of the following conditions is met:

- the performance of the Action requires the pooling of resources from a number of donors, and where it is not reasonably possible or appropriate to assign the share contributed by each donor to each type of expenditure (hereinafter, "Multi-donor Actions"). Article 3(2) of the Special Conditions will not show the percentage of

estimated total eligible cost, to which the Contracting Authority contributes, where the final funding of the Action is not known at the time of signing the Agreement, or

- the European Commission and the Organisation are bound by a long-term framework agreement laying down the administrative and financial arrangements for their cooperation; or
- the European Commission and the Organisation have jointly assessed the feasibility and defined the implementation of the Action.

1.8. Where the European Community is not the Contracting Authority, it shall not be a party to this Agreement, which shall only confer on it rights and obligations where explicitly stated. It will nevertheless endorse the Agreement to ensure that the Contracting Authority's contribution is eventually paid by the European Community budget<sup>1</sup>, and the provisions on visibility in this Agreement will apply accordingly.

## **ARTICLE 2 – OBLIGATIONS REGARDING INFORMATION AND FINANCIAL AND NARRATIVE REPORTS**

- 2.1. The Organisation shall provide the Contracting Authority with full information on the implementation of the Action. To that end, the Organisation shall provide before signature of this Agreement a work plan for the first period of implementation as specified in the Description of the Action. The Organisation shall also draw up progress reports and a final report. These reports shall consist of a narrative part and a financial part. Reporting, narrative as well as financial, shall cover the whole of the Action, regardless of whether this Action is wholly financed or co-financed by the Contracting Authority.
- 2.2. The Contracting Authority may request additional information at any time, providing the reasons for the request. Such information shall be supplied within 30 days of the request.
- 2.3. The Organisation shall send the Contracting Authority progress reports in accordance with the provisions below. Every report shall provide a complete account of all aspects of implementation for the period covered.

The report shall be laid out in such a way as to allow comparison of the objective(s), the means envisaged or employed (in particular all expenses actually incurred by the Organisation), the results expected and obtained and the budget details for the Action. The level of detail in any report should match that of the Description of the Action and of the Budget for the Action.

- 2.4. The narrative report shall directly relate to this Agreement and shall at least include:
- Summary and context of the Action;
  - Activities carried out during the reporting period (i.e. directly related to the Action description and activities foreseen in this Agreement);
  - Difficulties encountered and measures taken to overcome problems;
  - Changes introduced in implementation;
  - Achievements/results by using the indicators included in this Agreement;

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<sup>1</sup> Where the contribution is financed out of the European Development Fund, mentions of European Community financing must be read as referring to European Development Fund financing.