

ANNEX I TO FINANCING AGREEMENT N° ACP/FED/041-205

TECHNICAL AND ADMINISTRATIVE PROVISIONS

1. Title/basic act/ CRIS number	Support Programme for ACP Small Island Developing States (SIDS) and Coastal Countries CRIS number: ACP/FED/041-205 financed under the 11 th European Development Fund (EDF)	
2. Zone benefiting from the action/location	Africa, Caribbean and Pacific (ACP) countries The action shall be carried out at the following location: African, Caribbean and Pacific (ACP) Small Island Developing States (SIDS) and coastal countries, and at the level of the ACP Secretariat in Brussels where a Technical Assistance team will be based.	
3. Programming document	Intra-ACP Cooperation – 11 th European Development Fund – Strategy Paper and Indicative Programme 2014-2020.	
4. Sustainable Development Goals (SDGs)	<u>Main SDGs:</u> SDG14: Life Below Water SDG 15: Life on Land <u>Secondary SDGs:</u> SDG 4: Quality Education SDG 5: Gender Equality SDG 6: Clean Water and Sanitation SDG 7: Affordable and Clean Energy SDG 13: Climate Action	
5. Sector of concentration/ thematic area	Sector "Climate change, resilience building and the environment" Sub-sector "Environment" Objectives: 2.3	DEV. Assistance: YES ¹
6. Amounts concerned	Total estimated cost: EUR 35 000 000 Total amount of EDF contribution: EUR 35 000 000	
7. Aid modality and implementation modalities	Project Modality <u>Direct management through:</u> - Grants <u>Indirect management with</u> - Secretariat of the Pacific Regional Environment Programme (SPREP) - Secretariat of the African, Caribbean and Pacific (ACP) Group of States	
8 a) DAC code(s)	410 General Environmental Protection; 41030 Biodiversity; 41010 Environmental Policy and Administrative Management 41082 Environmental Research	
b) Main Delivery Channel	13000 – Third Country Government (Delegated Co-operation)	

¹ Official Development Assistance is administered with the promotion of the economic development and welfare of developing countries as its main objective.

9. Markers (from CRIS DAC form)	General policy objective	Not targeted	Significant objective	Main objective
	Participation development/good governance		x	
	Aid to environment			x
	Gender equality (including Women in Development)		x	
	Trade Development	x		
	Reproductive, Maternal, New born and child health	x		
	RIO Convention markers	Not targeted	Significant objective	Main objective
	Biological diversity			x
	Combat desertification		x	
	Climate change mitigation		x	
Climate change adaptation			x	
10. Global Public Goods and Challenges (GPGC) thematic flagships	EU Biodiversity for Life Flagship initiative The EU GCCA+ flagship initiative The Intra-ACP GCCA+ Programme			

SUMMARY

The programme is in line with the Declaration of the 8th Summit of ACP Heads of State and Government held in June 2016, the EU Agenda for change² and the EU Biodiversity Strategy 2020³.

This programme will contribute to the sustainable development of ACP SIDS and coastal countries by supporting and improving the management and sustainable use of marine and coastal resources. In addition, the programme will provide a platform for sensitizing all relevant stakeholders and promoting dialogue on issues relevant to the development of SIDS and coastal countries.

The focus of the programme emanates from the Intra-ACP Strategy Paper for the 11th EDF, which indicated that due attention had to be given to the specific needs of SIDS in the identification and implementation of actions under the climate change, resilience building and environment focal area.

The programme contributes directly to Sustainable Development Goals (SDGs) 14 and 15, as well as the three RIO Conventions - the United Nations Convention on Biological Diversity (UNCBD), the United Nations Convention to Combat Desertification (UNCCD) and the United Nations Framework Convention on Climate Change (UNFCCC). It will also promote gender equality and good governance.

The total budget for the programme is EUR 35 000 000, over 6 years (72 months).

The main expected results are:

² COM(2011)637 dated 13 October 2011

³ COM(2011)244 dated 3 May 2011

Result 1 – Capacities of ACP regions and countries to effectively manage coastal and marine biodiversity and enhance resilience to climate change are strengthened;

Result 2 – Regional, national and local efforts to assess, protect, manage and sustainably use marine and terrestrial biodiversity are supported;

Result 3 - Partnerships for environmental sustainability are developed and strengthened.

A part of this action will be implemented through indirect management with the Secretariat of the Pacific Regional Environment Programme (SPREP) to implement Results 1 and 2 in the Pacific region. For Result 2, SPREP will be responsible for identifying, developing and implementing pilot projects and activities, in close collaboration with relevant regional organizations, NGOs, national institutions and local communities.

In the Caribbean region, a direct grant will be awarded to the Organisation of Eastern Caribbean States (OECS) who will work closely with institutions such as universities, marine research institutes, NGOs, national institutions, local communities and other regional organisations, for the implementation of Result 1 and 2.

In the South-East Africa region, Result 1 will be implemented through a grant contract with the University of Mauritius while Result 2 will be implemented through a direct grant to the Indian Ocean Commission (IOC) to identify, develop and implement pilot projects and activities, in close collaboration with relevant regional organizations, NGOs, national institutions and local communities.

Result 3 will be implemented through indirect management with the African, Caribbean and Pacific Group of States through the establishment of a Brussels-based Programme Management Unit (PMU) which will, inter alia, provide Technical Assistance (TA) to the ACP Secretariat in the overall management of the Programme.

1 DESCRIPTION OF THE ACTION

1.1 Overall and specific objectives, expected results, and indicative activities

The **overall objective** of the programme is to contribute to the sustainable development of ACP SIDS and coastal countries.

The **specific objective** is to contribute to the implementation of the SAMOA Pathway by supporting and improving the management and sustainable use of coastal and marine resources.

The main expected results are:

- **Result 1** – Capacities of ACP regions and countries to effectively manage coastal and marine biodiversity and enhance resilience to climate change are strengthened.
- **Result 2** – Regional, national and local efforts to assess, conserve, protect, manage and sustainably use marine and terrestrial biodiversity are supported.
- **Result 3** – Partnerships for environmental sustainability are developed and strengthened.

Indicative activities for each result are listed here below:

Result 1: Capacities of ACP regions and countries to effectively manage coastal and marine biodiversity and enhance resilience to climate change are strengthened.

Activity 1.1: Strengthen the capacity of regional, national and local stakeholders to develop and implement national and regional policy and regulatory frameworks for sustainable management and use of coastal and marine natural resources.

Activity 1.2: Build the technical capacities of relevant stakeholders to sustainably manage coastal and marine protected areas more effectively, through inter alia, support for training and marine conservation educational programmes.

Activity 1.3: Facilitate access to appropriate and reliable technologies and promote the use of Information and Communication technologies (ICTs), such as Earth Observation, through the provision of hardware and software, training, development and/or strengthening of national and regional legislation and the involvement of the public and private sectors.

Activity 1.4: Strengthen regional and national decision-making processes for sustainable management and use of coastal and marine biodiversity by improving the use of the Biodiversity and Protected Area Management (BIOPAMA) Regional Information Systems (RIS).

Result 2: Regional, national and local efforts to assess, conserve, protect, manage and sustainably use marine and terrestrial biodiversity are supported.

Pilot projects will be identified by the ACP and EU in consultation with the regions, countries and implementing partners during the inception phase of the programme.

Activity 2.1: Identification of pilot-sites at regional level by regional, national and local stakeholders.

Activity 2.2: Improve the management effectiveness of Locally Managed Marine Areas (LMMA), including key coastal ecosystems (such as mangroves, coral reefs and sea grass beds), while contributing to food security and nutrition and access to water and energy for surrounding communities.

Activity 2.3: Support the sustainable development and management of small-scale fisheries by local communities.

Activity 2.4: Support on-going efforts to address land degradation, desertification and drought in order to reduce land-based sources of pollution that affects the coastal and marine environment, reinforcing coordination with EU funded projects on Drought Resilience in the region.

Result 3: Partnerships for environmental sustainability are developed and strengthened.

Activity 3.1: Enhance Intra- and inter-regional cooperation to sensitise relevant stakeholders about development challenges and vulnerabilities faced by ACP SIDS and coastal countries, notably during workshops and seminars, which will promote knowledge sharing and lead to the identification of best practices contributing to sustainability.

Activity 3.2: Facilitate access to technical and financial resources for SIDS and coastal countries to address development challenges, by promoting north-south, south-south and triangular cooperation as well as collaboration with donors and International Financial Institutions (IFIs)

Activity 3.3: Establish collaboration with international and regional partners to organise joint side-events at major global conferences such as COPs of United Nations Convention on Biological Diversity (UNCBD), United Nations Convention to Combat Desertification (UNCCD) and United Nations Framework Convention on Climate Change (UNFCCC), in order to ensure that ACP SIDS and coastal countries concerns are addressed.

1.2 Intervention logic

The proposed Support Programme was developed in order to contribute to the sustainable development ACP Small Island Developing States (SIDS) and coastal countries (Overall Objective), while at the same time supporting efforts towards achieving the Sustainable Development Goals (SDGs). The programme aims to contribute to the implementation of the

SAMOA Pathway by supporting and improving the management and sustainable use of coastal and marine resources (Specific Objective).

In order to achieve the objectives, the action will be implemented at regional, national and local levels, by targeting three expected results that are closely linked to each other. Strengthening the capacities of ACP regions and countries to effectively manage coastal and marine biodiversity (Result 1) and developing and strengthening partnerships for environment sustainability (Result 3) will benefit and support efforts on the ground to protect, manage and sustainably use marine and terrestrial biodiversity (Result 2).

1.3 Mainstreaming

General policy objectives

Good Governance and Human Rights

Preserving biodiversity is increasingly considered as contributing to people's security and rights. Involvement of and benefits for local populations will be one of the key criterion against which the individual on-the-ground pilot projects will be screened. In conducting all of their target activities, the implementing partners should follow the practices of good biodiversity or forest governance principles including: transparency, legitimacy, accountability, inclusiveness, fairness, connectivity, and resilience.

Gender equality

Women are generally key actors in the exploitation of natural resources and are considered to be one of the most vulnerable to the impacts of climate change. The cross-cutting issues of gender and climate change will be taken into account, to ensure coherence between gender-responsive climate policies and the balanced participation of women and men during the implementation of this programme.

Environmental and climate change

Environmental and climate change considerations are at the core of the action design and are explicitly mainstreamed in the results framework, by strengthening the capacities of stakeholders to protect and sustainably manage key ecosystems, the action will also address environmental sustainability issues as well as the impacts of climate change on biodiversity.

RIO markers

UNCBD

ACP Small Island Developing States and coastal countries have a wealth of terrestrial and marine biodiversity which contribute significantly to people's lives and livelihoods as well as provides invaluable ecosystem services. This programme will contribute to conservation and sustainable use of biological diversity, while taking into account access to and the fair and equitable sharing of benefits arising from the utilisation of genetic resources.

UNCCD

Land degradation and drought affects negatively the efforts of many ACP Small Island Developing States and coastal countries to ensure food security and nutrition, protect biodiversity, build resilience to natural disasters and adapt to the adverse impacts of climate change. To this end, the programme will seek to reduce land-based sources of pollution that impact the coastal and marine environment through addressing land degradation, drought and desertification, improving the sustainable use and management of terrestrial ecosystems and promoting climate smart agriculture.

UNFCCC

The adverse impacts of climate change and climate variability pose a significant risk to Small Island Developing States and coastal countries in the ACP Group, for many it represents a threat to their very survival. SIDS have consistently advocated for urgent and ambitious action by both developed and developing countries to further address climate change at the global level. SIDS have led the "1.5°C to stay alive campaign" for the last decade and finally the Intergovernmental Panel on Climate Change (IPCC) is developing a "Special Report on Global Warming of 1.5°C" which will be presented to the climate change community at COP 24. This programme will contribute to adaptation to climate change as well as mitigation action to reduce the global annual emissions of greenhouse gases in the atmosphere.

1.4 Contribution to SDGs

This programme will contribute to the Sustainable Development Goals, which are an integral part of the United Nations 2030 Agenda. It contributes primarily to the achievement of SDGs 14 (Life below Water) and 15 (Life on Land), but also promotes progress towards SDGs 4 (Quality Education), 5 (Gender Equality), 6 (Clean Water and Sanitation), 7 (Affordable and Clean Energy), 13 (Climate Action). This does not imply a commitment by the countries benefiting from this programme.

2 IMPLEMENTATION

2.1 Financing agreement

In order to implement this action, it is foreseen to conclude a financing agreement with the ACP Secretariat.

2.2 Indicative implementation period

The indicative operational implementation period of this action, during which the activities described in section 4 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Decision and the relevant contracts and agreements.

2.3 Implementation modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures⁴.

2.3.1 Grants

2.3.1.1 Grants for implementing Result 1 and 2 in the Caribbean region

(a) Purpose of the grant(s)

A Grant will be awarded to the Organisation for Eastern Caribbean States (OECS) to identify, develop and implement pilot projects and activities linked to Result 1 and 2 within the Caribbean region, in close collaboration with the relevant regional organisations, NGOs, national institutions and local communities and EU delegations. The implementation of the

⁴ www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

action will be conducted in full respect of the contractual and financial procedures described in the Practical Guide (PRAG)⁵.

(b) Type of applicants targeted

A Grant will be awarded to the Organisation for Eastern Caribbean States (OECS) based on their technical capacities to (i) supervise regional training organisations building capacities of relevant stakeholders to address issues related to sustainable management of marine and coastal resources, (ii) manage on-the-ground pilot projects and (iii) on their experience in working closely with local communities.

(c) Justification of a direct grant

The direct award to the OECS is justified because the nature of the action requires a specific type of beneficiary for its technical competence, specialisation or administrative power, Article 195(f) of Regulation (EU, Euratom) 2018/1046.

(d) Exception to the non-retroactivity of costs

Not Applicable

2.3.1.2 Grants for implementing Result 2 in the South-East Africa region

(a) Purpose of the grant(s)

A Grant will be awarded to the Indian Ocean Commission (IOC) to identify, develop and implement pilot projects and activities linked to Result 2 (Support regional, national and local efforts to protect, manage and sustainably use marine and terrestrial biodiversity) within the South-East Africa region, in close collaboration with the relevant regional organisations, NGOs, national institutions, local communities and EU delegations. The implementation of the action will be conducted in full respect of the contractual and financial procedures described in the Practical Guide (PRAG)⁶.

(b) Type of applicants targeted

A Grant will be awarded to the Indian Ocean Commission (IOC) based on their technical capacities to manage on-the-ground pilot projects and (ii) on their experience in working closely with local communities.

(c) Justification of a direct grant

The direct award to the IOC is justified because the nature of the action requires a specific type of beneficiary for its technical competence, specialisation or administrative power, Article 195(f) of Regulation (EU, Euratom) 2018/1046.

(d) Exception to the non-retroactivity of costs

Not Applicable

2.3.1.3 Grants for implementing Result 1 in the South-East Africa region

(a) Purpose of the grant(s)

A Grant will be awarded to the University of Mauritius to identify, develop and implement pilot projects and activities linked to Result 1 (Capacities of ACP regions and countries to effectively manage coastal and marine biodiversity and enhance resilience to climate change are strengthened) within the South-East Africa region, in close collaboration with the relevant regional organisations, NGOs, national institutions, local communities and EU delegations.

⁵ <http://intragate.ec.europa.eu/dg/devco/prag/>

⁶ <http://intragate.ec.europa.eu/dg/devco/prag/>

The implementation of the action will be conducted in full respect of the contractual and financial procedures described in the Practical Guide (PRAG)¹⁰.

(b) Type of applicants targeted

A Grant will be awarded to the University of Mauritius based on their technical competence to (i) supervise regional training organisations building capacities of relevant stakeholders to address issues related to sustainable management of marine and coastal resources, (ii) manage on-the-ground pilot projects and (iii) on their experience in working closely with local communities.

(c) Justification of a direct grant

The direct award to the University of Mauritius is justified because the nature of the action requires a specific type of beneficiary for its technical competence, specialisation and administrative power, Article 195(f) of Regulation (EU, Euratom) 2018/1046.

(d) Exception to the non-retroactivity of costs

Not Applicable

2.3.2 Prize(s) (direct management)

Not Applicable

2.3.3 Procurement (direct management)

Not Applicable

2.3.4 Indirect management with SPREP

A part of this action may be implemented in indirect management with the Secretariat of the Pacific Regional Environment Programme (SPREP) for the Pacific region. SPREP will manage the implementation of activities linked to Result 1 (Capacities of ACP regions and countries to effectively manage coastal and marine biodiversity are strengthened).

In addition, SPREP will be responsible for identifying, developing and implementing pilot projects and activities linked to Result 2 (Regional, national and local efforts to assess, conserve, protect, manage and sustainably use marine and terrestrial biodiversity are supported), within the Pacific region, in close collaboration with the relevant regional organisations, NGOs, national institutions and local communities.

SPREP has been selected using the following criteria: the nature of the action which requires the type of operational capacity, technical competence, specialisation, expertise in the concerned fields and administrative power, as well as experience with implementing EU funded programmes. SPREP has been the subject of an ex ante evaluation pursuant to Article 61 (1) of Regulation (EU, Euratom) No 966/2012 applicable pursuant to Article 17 of the Annex to Regulation (EU) n° 567/2014. The authorizing officer responsible for the Commission considers that SPREP may be invested with budget implementation tasks under indirect management under the following conditions:

- 1) In addition to Article 2 of the General Conditions and where external partners are used for the implementation of the action, the Organization shall indicate in detail (in the financial and narrative reports) who implements the action and what is the control of these actions by the Organization.
- 2) The organization must record and publish the results of its award-decision procedures.

(a) Overview of implementation

Activity/objective/output, include location	Type of financing (works, supplies, or service contract, grant, programme estimate)
Activities 1.1-1.4/specific objective 1/result 1: Capacity-building of ACP regions to strengthen capacity in managing coastal and marine biodiversity (Pacific region)	Service contracts / Grants
Activities 2.1-2.4/specific objective 1/result 2: Fund to support projects to assess, conserve, protect, manage and sustainably use marine and terrestrial biodiversity (Pacific region)	Grants

2.3.5 *Indirect management with the Secretariat of the African, Caribbean and Pacific Group of States (ACP Group)*

A part of this action with the objective of developing and strengthening partnerships for environmental sustainability (Result 3) may be implemented in indirect management with the Secretariat of the African, Caribbean and Pacific Group of States (ACP Group) according to the following modalities:

The Secretariat of the African, Caribbean and Pacific Group of States (ACP Group) will act as the contracting authority for the procurement and grant procedures. The Commission will control ex- ante all the procurement and grant procedures.

Payments are executed by the Commission.

The Secretariat of the African, Caribbean and Pacific Group of States (ACP Group) shall apply the Commission's rules on procurement and grants. These rules will be laid down in the financing agreement to be concluded with the Secretariat of the African, Caribbean and Pacific Group of States (ACP Group).

A Brussels-based programme management unit (PMU) will be established in order to provide Technical Assistance (TA) to the ACP Secretariat in the operational management of the proposed Support Programme. The Technical Assistance will support the ACP Secretariat with coordinating the implementation of programme, including monitoring, knowledge management and communication and visibility, building of partnerships, access to finance and capacity building.

2.4 **Scope of geographical eligibility for procurement and grants**

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall be subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

2.5 Indicative budget

	EU contribution (in EUR)	Indicative third party contribution, (in EUR)
2.3.1.1. Grant to OECS for implementing Result 1 in the Caribbean region	2 000 000	
2.3.1.1. Grant to OECS for implementing Result 2 in the Caribbean region	8 700 000	
2.3.1.2 Grant to IOC for implementing Result 2 in the South-East Africa region	7 500 000	
2.3.1.3 Grant to the University of Mauritius for implementing Result 1 in the South-East Africa region	2 500 000	
2.3.4 Indirect management with SPREP for implementing Results 1 and 2 in the Pacific region	12 000 000	
2.3.5 Indirect management with the Secretariat of the African, Caribbean and Pacific Group of States (ACP Group) for implementing Result 3.	1 000 000	
Communication and visibility	300 000	
Evaluation and Audit/Expenditure verification	200 000	
Contingencies	800 000	
Total	35 000 000	

2.6 Organisational set-up and responsibilities

A Programme Steering Committee (PSC) will be established to provide overall guidance to the programme and facilitate monitoring and evaluation. The PSC will consist of representatives from, but not necessarily limited to, the ACP Secretariat, the European Commission and regional and international implementing partners.

The ACP Secretariat, as Contracting Authority, will Chair the Steering Committee, while the Technical Assistance will be its Secretary.

The PSC will also invite observers to participate in the meetings of the Committee. Observers would include, those representatives designated by the ACP Regions to be the core members of the ACP Forum on SIDS. The Chair of the ACP Forum will also be invited to the meetings of the PSC as an observer.

2.7 Performance and Results monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the responsibilities of the Brussels-based Programme Management Unit (PMU).

To this end, the PMU shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (every six months) and final reports.

Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the logframe matrix. The report should be shared with the ACP secretariat.

The report shall be laid in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

2.8 Evaluation

Having regard to the importance of this programme, a mid-term and a final evaluation will be carried out via independent consultants contracted by the EU. The mid-term evaluation will be carried out for evaluation of achievements, potential problems identification and corresponding corrective measures.

The Commission shall inform the PMU and the ACP Secretariat at least one month in advance of the dates foreseen for the evaluation missions. The PMU shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to project premises and activities.

The final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account the particular complexity of the thematic and context.

The evaluation reports shall be shared with the partner country and other key stakeholders. The PMU, the ACP Secretariat and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, together decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Indicatively, two contracts for evaluation services shall be concluded under a framework contract at midterm and at the end of implementation.

2.9 Audit

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

Indicatively, two contracts for audit services shall be concluded under a framework contract in 2020.

2.10 Communication and visibility

The communications and visibility component of the programme will promote and disseminate information about the programme to a wide range of stakeholders and, in particular, those in the ACP regions and countries. All the proposed communications activities will support the implementation the three project result areas and therefore contribute to the achievement of the specific and overall project objectives.

A Communication and Visibility Plan for the programme will be developed by The TA during the start of implementation and funded from the communication and visibility budget line in the indicative budget. A budget of EUR 300 000 is estimated for this component over the duration of the project.

Communication and EU visibility is a legal obligation for all external actions funded by the EU. Likewise, appropriate visibility of the ACP Group shall be ensured in line with Annex IV – Article 12.3 of the Cotonou Partnership Agreement.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Requirements for European Union External Action (or any succeeding document) shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

APPENDIX - INDICATIVE LOGFRAME MATRIX

The activities, the expected outputs and all the indicators, targets and baselines included in the logframe matrix are indicative and may be updated during the implementation of the action, no amendment being required to the financing decision. The indicative logframe matrix will evolve during the lifetime of the action: new lines will be added for including the activities as well as new columns for intermediary targets (milestones) when it is relevant for reporting purpose on the achievement of results as measured by indicators.

Overall Objective / Impact	Intervention Logic	Indicators	Baselines	Targets	Sources of Verification	Assumptions
	To contribute to the sustainable development of ACP SIDS and coastal countries.	<ul style="list-style-type: none"> - Loss and damage (in EUR) from natural disasters and weather-related events. - Actual area of Marine Protected Areas.(ha) - Actual forest protected area, in ha (EU RF L2 #24) - Rate of net forest cover change (EU RF L1 #23) - State of global biodiversity (EU RF L1 #24) 	To be determined per country/region with the implementing partners during inception phase	To be determined per country/region with the implementing partners during inception phase	<ul style="list-style-type: none"> - Reports of the Committee of Ambassadors (COA) to ACP Council of Ministers. - Monitoring and evaluation reports from the PMU. 	

	Intervention Logic	Indicators	Baselines	Targets	Sources of Verification	Assumptions
<p>Specific Objective Outcome</p>	<p>Contributing to the implementation of the SAMOA Pathway by supporting and improving the management and sustainable use of coastal and marine resources.</p>	<ul style="list-style-type: none"> - Total area of designated Marine Protected Area supported by the action - Side events at CBD, UNFCCC, UNCCD and other convention conferences - Number of university programmes with graduates by the end of the project (per country) - Number of regulations reviewed by end of programme 	<p>To be determined per country/region during inception phase</p>	<p>To be determined per country/region during inception phase</p>	<ul style="list-style-type: none"> - Reports of the ACP Forum to the COA. - Monitoring and evaluation reports from the PMU. - Knowledge, Attitude and Practice Survey at end of programme. 	<ul style="list-style-type: none"> - Increased knowledge will lead to a change in behaviour at national, regional and Intra-ACP levels.

<p>Outputs : Results</p>	<p>1. Capacities of ACP regions and countries to effectively manage coastal and marine biodiversity and enhance resilience to climate change are strengthened</p>	<p>1.1. Number of educational programmes developed (per country/university). 1.2. Number of master scholarships in the field of marine conservation (per country/university). 1.3. Number of ICT infrastructures improved (per country/per region) 1.4. Number of stakeholders trained by this action to effectively manage coastal and marine resources (disaggregated by sex and country) 1.5. Number of countries with updated drafts of national legislation supported by this action 1.6. Number of MoUs signed with NGOs and private sector.</p>	<p>Zero with the support of this action (2018)</p>	<p>To be defined during inception phase, in accordance with the regions, countries, and implementing partners</p>	<ul style="list-style-type: none"> - Monitoring and evaluation reports of the programme. - Reports of workshops, seminars and side events. - Reports of the ACP Secretariat on legislation. - Training course reports. - MoUs between ACP Secretariat and partners, or between the institutions and NGOs 	<p>MoUs will facilitate joint implementation of activities. Capacity building will enable ACP regions to more effectively manage their environment in a sustainable way. Capacity for resilience to climate change will be improved. Capacities built will be retained The developed courses are incorporated into local institutes' curricula Draft legislation is followed-up by the authorities and reported by the countries MoUs are implemented and reported on.</p>
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	<p>2. Regional, national and local efforts to assess, conserve, protect, manage and sustainably use marine and terrestrial biodiversity are supported</p>	<p>2.1. Number of community-managed Marine Protected Areas established (per country)</p> <p>2.2. Number of sustainable small-scale fisheries launched or supported (per country)</p> <p>2.3. Number of capacity building initiatives supported for local communities by this action</p> <p>2.4. Number of initiatives to address land degradation, desertification and drought supported by this Action (per country/per region)</p>	<p>Zero with the support of this action (2018)</p>	<p>To be defined during inception phase, in accordance with the regions, countries, and implementing partners.</p>	<p>- Monitoring and evaluation reports of the programme. - Reports from initiatives or projects. - Reports from community managed MPAs.</p>	<p>Communities are willing to engage in the programme and make it their own. Governments are willing to set up an incentive mechanism to secure community participation in MPA management. Governments are willing to support small-scale fisheries management initiatives.</p>
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<p>3. Partnerships for environmental sustainability are developed and strengthened.</p>	<p>3.1. Number of participants to intra- and inter-regional knowledge sharing workshops and seminars (disaggregated by sex and country/organisation)</p> <p>3.2. Number of participants to side events organised at major global conferences (disaggregated by sex and country/organisation).</p> <p>3.3. Number of collaboration/MoUs with donors and IFI successfully established.</p> <p>3.4. The level of stakeholders' satisfaction with the overall quality and relevance of meetings.</p>	<p>Zero with the support of this action (2018)</p>	<p>To be defined during inception phase, in accordance with the regions, countries, and implementing partners.</p>	<p>- Reports of workshops, seminars and side events. - Minutes of Meetings. - Financial Agreements. - Report of the ACP Secretariat on major global conferences. - Knowledge, Attitude and Practice (KAP) survey.</p>	<p>- Relevant stakeholders will be available to attend meetings, workshops, seminars and side events. - Agreement is efficiently reached between the participating countries and IFI's/development partner</p>
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ANNEX II - GENERAL CONDITIONS

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Part One: Provisions Applicable to Activities for which the Partner is the Contracting Authority

Article 1 - General principles

- 1.1 The purpose of Part One is to define the tasks entrusted to the Partner in indirect management as described in Annex I (Technical and Administrative Provisions) and to define the rights and obligations of the Partner and of the Commission in carrying out these tasks.

Part One shall apply to the tasks related to the EU contribution alone or in combination with the funds of the Partner or of a third party where such funds are implemented in joint co-financing, i.e. where they are pooled.

These tasks encompass the implementation by the Partner as contracting authority of procedures for the award of procurement contracts, grant contracts and contribution agreements as well as the awarding, signing and enforcing of the resulting procurement contracts, grant contracts and contribution agreements. For the purpose of Part One of this Financing Agreement, every reference to grant contracts shall also include contribution agreement and every reference to grant beneficiaries shall also include organisations having signed contribution agreements.

The designation of entities pertaining to the Partner's government or administrative structure and identified in Annex I (Technical and Administrative Provisions) to carry out certain tasks, does not qualify as sub-delegation. Such entities shall respect the rights and obligations laid down in Part One for the Partner as contracting authorities, while at the same time the Partner remains fully responsible for the fulfilment of the obligations stipulated in this Financing Agreement. References in the Financing Agreement to Partner also encompass those entities.

As contracting authority, the Partner shall act under partial delegation, except when it acts under the imprest component of a programme estimate or under a Partner managed pool fund:

- Under partial delegation, the Partner acts as contracting authority for procurement contracts, grant contracts, whereby the Commission controls ex ante all award procedures and executes all related payments to the contractors and grant beneficiaries;
- Under the imprest component of a programme estimate, the Partner acts as contracting authority for procurement and grant contracts, whereby it may, up to established thresholds, conduct procurement and grant award procedures without or with limited ex ante control of the Commission and execute payments to the contractors and grant beneficiaries, as well as in the context of direct labour.
- Under a Partner managed pool fund, the Partner acts as contracting authority for procurement contracts and grant contracts, whereby the Commission does not control ex ante any award procedure and the Partner executes all related payments to the contractors and grant beneficiaries.

Where the Partner is an ACP State and the action is financed by the EDF pursuant to Article 1.1

of the Special Conditions, the tasks entrusted shall be those listed in points (c) to (k) of the sixth subparagraph of Article 35(1) and in Article 35(2) of Annex IV to the ACP-EC Partnership Agreement

Where the Partner is an OCT and the action is financed by the EDF pursuant to Article 1.1 of the Special Conditions, the implementation of tasks entrusted shall also respect the conditions of Article 86(3) of Council Decision 2013/755/EU of 25 November 2013 on the association of the overseas countries and territories with the European Union (Overseas Association Decision).

- 1.2 The Partner shall remain responsible for the fulfilment of the obligations stipulated in this Financing Agreement even if it designates other entities identified in Annex I (Technical and Administrative Provisions) to carry out certain tasks. The Commission, in particular, reserves the right to suspend payments, and to suspend and/or terminate this Financing Agreement on the basis of the acts, omissions and/or situations of any designated entity.
- 1.3 The Partner shall set up and ensure the functioning of an effective and efficient internal control system. The Partner shall respect the principles of sound financial management, transparency, non-discrimination, visibility of the European Union in the implementation of the action and avoid situations of conflict of interest.

A conflict of interest exists where the impartial and objective exercise of the functions of any responsible person is compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other direct or indirect personal interest.

Internal control system is a process aimed at providing reasonable assurance that operations are effective, efficient and economical, that the reporting is reliable, that assets and information are safeguarded, that fraud and irregularities are prevented, detected and corrected, and that risks relating to the legality and regularity of the financial operation are adequately managed, taking into account the multiannual character of the activities as well as the nature of the payments concerned.

In particular, where the Partner carries out payments under the imprest component of a programme estimate or in the framework of a Partner managed pool fund, the functions of the authorising and accounting officers shall be segregated and mutually incompatible and the Partner shall operate an accounting system that provides accurate, complete, reliable and timely information.

- 1.4 Outside the cases where the Partner applies its own (including in the case of a Partner managed pool fund, those agreed upon by the pool fund's donors) procedures and standard documents for the award of procurement contracts and grant contracts, the Partner shall conduct the award procedures and conclude the resulting contracts and agreements in the language of this Financing Agreement.
- 1.5 The Partner shall take the necessary measures to ensure the visibility of EU funding for the activities entrusted to it or for other activities under this action. These measures shall either be defined in Annex I (Technical and Administrative Provisions) or shall be agreed later between the Partner and the Commission.

These communication and information measures shall comply with the Communications and Visibility Requirements for EU External Actions laid down and published by the Commission, in force at the time of the measures.

- 1.6 Under partial delegation and under the imprest component of a programme estimate, the Partner shall keep all relevant financial and contractual supporting documents from the date of the entry into force of this Financing Agreement or as from an earlier date which is stipulated as the start date of cost eligibility in Article 6 of the Special Conditions for five years as from the end of the execution period, in particular, the following:

Procurement procedures:

- a. Forecast notice with proof of publication of the procurement notice and any corrigenda
- b. Appointment of shortlist panel
- c. Shortlist report (incl. annexes) and applications
- d. Proof of publication of the shortlist notice
- e. Letters to non-shortlisted candidates
- f. Invitation to tender or equivalent
- g. Tender dossier including annexes, clarifications, minutes of the meetings, proof of publication
- h. Appointment of the evaluation committee
- i. Tender opening report, including annexes
- j. Evaluation / negotiation report, including annexes and bids received¹
- k. Notification letter
- l. Supporting documents
- m. Cover letter for submission of contract
- n. Letters to unsuccessful candidates
- o. Award / cancellation notice, including proof of publication
- p. Signed contracts, amendments, riders and relevant correspondence

Calls for proposals and direct award of grants:

- a. Appointment of the evaluation committee
- b. Opening and administrative report including annexes and applications received²
- c. Letters to successful and unsuccessful applicants following concept note evaluation
- d. Concept note evaluation report

¹ Elimination of unsuccessful bids five years after the closure of the procurement procedure

² Elimination of unsuccessful applications three years after the closure of the grant procedure.

- e. Evaluation report of the full application or negotiation report with relevant annexes
- f. Eligibility check and supporting documents
- g. Letters to successful and unsuccessful applicants with approved reserve list following full application evaluation
- h. Cover letter for submission of grant contract
- i. Award/cancellation notice with proof of publication
- j. Signed contracts, amendments, riders and relevant correspondence.

1.7 The Partner shall ensure an appropriate protection of personal data. Personal data means any information relating to an identified or identifiable natural person.

Personal data shall be:

- Processed lawfully, fairly and in a transparent manner in relation to the data subject;
- Collected for specified, explicit and legitimate purposes and not further processed in a manner that is incompatible with those purposes;
- Adequate, relevant and limited to what is necessary in relation to the purposes for which they are processed;
- Accurate and, where necessary, kept up to date;
- Processed in a manner that ensures appropriate security of the personal data and
- Kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the personal data are processed. Personal data included in documents to be kept by the Partner in accordance with Article 16.1 has to be deleted once the deadline set out in Article 16.1 has expired.

Any operation involving the processing of personal data, such as collection, recording, organisation, storage, adaption or alteration, retrieval, consultation, use, disclosure, erasure or destruction, shall be based on rules and procedures of the Partner and shall only be done as far as it is necessary for the implementation of this Financing Agreement.

In particular, the Partner shall take appropriate technical and organisational security measures concerning the risks inherent in any such operation and the nature of the information relating to the natural person concerned, in order to:

- a) Prevent any unauthorised person from gaining access to computer systems performing such operations, and especially unauthorised reading, copying, alteration or removal of storage media; unauthorised data input as well as any unauthorised disclosure, alteration or erasure of stored information;
- b) Ensure that authorised users of an IT system performing such operations can access only the information to which their access right refers;
- c) Design its organisational structure in such a way that it meets the above requirements.

Article 2 - Deadline for the signature of contracts and agreements by the Partner

- 2.1 The procurement contracts and grant contracts shall be signed during the operational implementation period of this Financing Agreement.

When implementing a multi-donor Action, the procurement contracts and grant contracts shall be concluded within the contracting deadline set out in the Special Conditions or set out for the imprest component of the programme estimate.

When the Action is not a multi-donor Action, procurement contracts and grant contracts shall be concluded at the latest within three years of the entry into force of this Financing Agreement.

Additional procurement contracts and grant contracts resulting from an amendment to this Financing Agreement which increases the EU contribution shall be signed at the latest within three years of the entry into force of that amendment to this Financing Agreement, or for a multi-donor Action within the fixed contracting deadline for the additional EU contribution.

The three years-deadline for non-multi-donor Actions may not be extended, except when the action is financed by the EDF. In such cases, the extension shall be stipulated in Article 6 of the Special Conditions.

- 2.2 However, the following transactions may be signed at any time during the operational implementation period:

- a. amendments to procurement contracts and grant contracts already signed;
- b. individual procurement contracts to be concluded after early termination of existing procurement contracts;
- c. contracts relating to audit and evaluation, which may also be signed during the closure period;
- d. operating costs referred to in Article 5.1;

- 2.3 After expiry of the deadlines referred to in Article 2.1, the financial balance for the related activities entrusted to the Partner for which contracts have not been duly signed shall be decommitted by the Commission.

- 2.4 No such decommitment shall apply to the funds budgeted for audit and evaluations referred to in Article 2.2.c) or the operating costs referred to in Article 2.2.d).

Likewise, no such decommitment shall apply to any financial balance of the contingency reserve or to funds available again after early termination of a contract referred to in Article 2.2.b), which both may be used to finance contracts referred to in Article 2.2.

Article 3 – Exclusion and administrative sanctions

- 3.1 Exclusion criteria

- 3.1.1 When applying the procedures and standard documents laid down and published by the Commission for the award of procurement and grant contracts, the Partner shall accordingly ensure that no EU financed procurement or grant contract is awarded to an economic operator or grant applicant if the economic operator or grant applicant either itself, or a person having powers of representation, decision making or control over it, is in one of the exclusion situations provided for in the relevant procedures and standard documents of the Commission.
- 3.1.2 When applying its own (including, in the case of a Partner managed pool fund, those agreed upon by the pool fund's donors) procedures and standard documents for the award of procurement and grant contracts, the Partner shall adopt measures, in accordance with its own national legislation, to ensure that no EU financed procurement or grant contract is awarded to an economic operator or grant applicant if the Partner becomes aware that these entities:
- a) or persons having powers of representation, decision making or control over them, have been the subject of a final judgement or of a final administrative decision for fraud, corruption, involvement in a criminal organisation, money laundering, terrorist-related offences, child labour or trafficking in human beings;
 - b) or persons having powers of representation, decision making or control over them have been the subject of a final judgement or of a final administrative decision for an irregularity affecting the EU's financial interest;
 - c) are guilty of misrepresentation in supplying the information required as a condition of participation in the procedure or if they fail to supply this information;
 - d) have been the subject of a final judgment or of a final administrative decision establishing that the entities have created an entity under a different jurisdiction with the intention to circumvent fiscal, social or any other legal obligations of mandatory application in the jurisdiction of its registered office, central administration or principal place of business;
 - e) have been created with the intention described in point d) above as established by a final judgment or a final administrative decision.

The Partner may take into account, as appropriate and on its own responsibility, the information contained in the Commission's Early Detection and Exclusion System when awarding procurement and grant contracts. Access to the information can be provided through the liaison point(s) or via consultation to the Commission (European Commission, Directorate-General for Budget, Accounting Officer of the Commission, BRE2-13/505, B-1049 Brussels, Belgium and by email to BUDG-C01-EXCL-DB@ec.europa.eu in copy to the Commission address identified in Article 3 of the Special Conditions). The Commission may refuse payments to a contractor or grant beneficiary in an exclusion situation.

3.2 Information duty

The Partner shall inform the Commission when an economic operator or grant applicant is in a situation referred to in Article 3.1, or has committed irregularities and fraud, or has been found in serious breach of its contractual obligations.

3.3 Administrative sanctions

Where the Partner becomes aware of one of the situations referred to in Article 3.1 in the implementation of the tasks described in Annex I, the Partner shall, under the conditions of its national legislation, impose upon the economic operator or grant applicant, an exclusion from its future procurement or grant award procedures and/or a financial penalty proportional to the value of the contract concerned. Such financial penalties or exclusions shall be imposed following an adversarial procedure ensuring the right of defence of the person concerned.

The Partner may be exempted from the obligations under the first paragraph where:

- the Partner's national legislation does not allow to impose an exclusion and/or a financial penalty,
- the protection of the EU's financial interests requires to impose an administrative sanction within deadlines incompatible with the Partner's internal procedures,
- the imposition of an administrative sanction requires a mobilisation of resources beyond the Partner's means,
- its national legislation does not allow to exclude an economic operator from all EU financed award procedures.

In such cases, the Partner will notify its impediment to the Commission. The Commission may decide to impose to the economic operator or grant applicant an exclusion from future EU financed award procedures and/or a financial penalty between 2 % and 10 % of the total value of the contract concerned.

Article 4 - Partial delegation

Award procedures

4.1 The tasks shall be carried out by the Partner in accordance with the procedures and standard documents laid down and published by the Commission for the award of procurement contracts and grant contracts, in force at the time of the launch of the procedure in question.

Ex ante control

4.2 To allow ex ante control, the Partner shall submit tender dossiers and documents for calls for proposals, to the Commission for approval before launching invitations to tender and calls for proposals. Likewise, the Partner shall invite the Commission to the opening of tenders and proposals, and shall provide the Commission with copies of tenders and proposals received. The Partner shall notify the Commission of the results of the examination of tenders and proposals and shall submit the award proposal, as well as the draft procurement contracts and grant contracts to the Commission for approval.

During the implementation of the procurement contracts and grant contracts, the Partner shall equally submit draft addenda and draft administrative orders thereto, to the Commission for prior approval.

The Partner shall invite the Commission for provisional and final acceptance.

Report / Management Declaration

- 4.3 If Article 5 of the Special Conditions so provides, the report on the implementation of the tasks entrusted to the Partner shall follow the template provided in Annex III and the management declaration shall follow the template provided in Annex IV. An independent external audit opinion on the management declaration, performed in accordance with internationally accepted auditing standards, does not have to be provided in this case as the Commission shall conduct the audits for this action. These audits will verify the truthfulness of the assertions made in the management declaration and the legality and regularity of the underlying transactions made.

Payment procedures

- 4.4 The Partner shall provide the Commission with the approved payment requests within the following deadlines, starting from the date of receipt of the payment request, not counting the periods of suspension of the time-limit for payment:

(a) for pre-financing specified in the procurement contract and grant contract:

- (i) 15 calendar days for an action financed under the Budget;
- (ii) 30 calendar days for an action financed under the EDF;

b) 45 calendar days for other payments

The Commission shall act in accordance with Articles 4.9 and 4.10 within the period amounting to the time-limit for payment provided for in the procurement contract and grant contracts minus the above deadlines.

- 4.5 Upon receipt of a payment request from a contractor, or grant beneficiary, the Partner shall inform the Commission of its receipt and shall immediately examine whether the request is admissible, i.e. whether it contains the identification of that contractor or grant beneficiary, the contract or agreement concerned, the amount, the currency and the date. If the Partner concludes that the request is inadmissible, it shall reject it and inform the contractor or grant beneficiary of this rejection and of its reasons within 30 days of receipt of the request. The Partner shall also inform the Commission of this rejection and its reasons.
- 4.6 Upon receipt of an admissible payment request, the Partner shall examine whether a payment is due, i.e. whether all contractual obligations justifying the payment have been fulfilled, including examining a report, where applicable. If the Partner concludes that a payment is not due, it shall inform the contractor or grant beneficiary thereof and of the reasons. The dispatch of this information suspends the time-limit for payment. The Commission shall receive a copy of the information so dispatched. The Commission shall also be informed of the reply or corrective action of the contractor or grant beneficiary. That reply or action aimed at correcting the non-compliance with its contractual obligations shall restart the time-limit for payment. The Partner shall examine this reply or action pursuant to this paragraph.
- 4.7 If the Commission disagrees with the Partner's conclusion that a payment is not due, it shall inform the Partner thereof. The Partner shall re-examine its positions and, if it concludes that the payment is due, it shall inform thereof the contractor or, grant beneficiary. The suspension of the time-limit for payment shall be lifted upon dispatch of this information. The Partner shall also inform the Commission. The Partner shall further proceed as provided for in Article 4.8.

If disagreement between the Partner and the Commission persists, the Commission may pay the undisputed part of the invoiced amount provided that it is clearly separable from the disputed amount. It shall inform the Partner and the contractor or grant beneficiary of this partial payment.

- 4.8 Where the Partner concludes that the payment is due, it shall transfer the payment request and all necessary accompanying documents to the Commission for approval and payment. It shall provide an overview of how many days of the time-limit for payment are left and of all periods of suspension of this time-limit.
- 4.9 After transfer of the payment request pursuant to Article 4.8, if the Commission concludes that the payment is not due, it shall inform the Partner and, in copy, the contractor or grant beneficiary thereof and of the reasons. Informing the contractor or grant beneficiary shall have the effect of suspending the time-limit for payment, as provided for in the contract concluded. A reply or corrective action of the contractor or grant beneficiary shall be treated by the Partner in accordance with Article 4.6.
- 4.10 Where the Partner and the Commission conclude that the payment is due, the Commission shall execute the payment.
- 4.11 Where late-payment interest is due to the contractor or grant beneficiary, it shall be allocated between the Partner and the Commission pro rata to the days of delay in excess of the time limits stipulated in Article 4.4, subject to the following:
- (a) the number of days used by the Partner is calculated from the date of the registration of an admissible payment request referred to in Article 4.6 to the date of the transfer of the request to the Commission referred to in Article 4.8 and from the date of information by the Commission referred to Article 4.9 to the following transfer of the request to the Commission referred to in Article 4.8. Any period of suspension of the time-limit for payment shall be deducted.
 - (b) the number of days used by the Commission is calculated from the date following that of transfer of the request by the Partner referred to in Article 4.8 to the date of payment and from the date of transfer to the date of informing the Partner pursuant to Article 4.9.
- 4.12 Any circumstances unforeseen by the above procedure shall be solved in a spirit of cooperation between the Partner and the Commission by analogy to the above provisions while respecting the contractual relations of the Partner with the contractor or grant beneficiary.
- Where feasible, one party shall cooperate at the request of the other party in providing useful information for the assessment of the payment request, even before the payment request is formally transferred to or returned from the first party.
- 4.13 A procurement contract or grant contract which has not given rise to any payment within two years of its signature shall be automatically terminated and its funding shall be decommitted, except in case of litigation before judicial courts or arbitral bodies.

Article 5 - Imprest component of the programme estimate

Application

5.1 The programme estimate is a document laying down the programme of activities to be carried out and the human and material resources required, the corresponding budget and the detailed technical and administrative implementing arrangements for the execution of these operational activities over the operational implementation period of this Financing Agreement.

The programme estimate implementing the Financing Agreement must respect the procedures and standard documents concerning programme estimates laid down by the Commission, in force at the time of the adoption of the programme estimate in question.

The body implementing those operational activities within the programme estimate, may be the central government of the Partner itself (central operations) or a commissioned public law or private law body with a public-service mission (public commissioned operations) or, under EDF only, a private law body without a public-service mission on the basis of a service contract (private commissioned operations).

The programme estimate shall have an imprest component and may have a component of specific commitments.

Under the component of specific commitments, Article 4 shall apply.

Under the imprest component of the programme estimate, the implementing body may, up to established thresholds, conduct procurement and grant award procedures without or with limited ex ante control of the Commission and execute payments to the contractors and grant beneficiaries, as well as in the context of direct labour.

Direct labour relates to the operational activities which the implementing body executes directly using staff it employs and/or its existing resources (machinery, equipment, other inputs).

The operating costs incurred by the implementing body may be eligible for EU financing under the imprest component of the programme estimate. If so, they shall be eligible for EU financing during the entire duration of the execution period of this Financing Agreement, unless an earlier start of cost eligibility is stipulated in Article 6 of the Special Conditions. Operating costs are costs of the implementing body incurred in carrying out implementation tasks and include local staff, utilities (e.g. water, gas, and electricity), rental of premises, consumables, maintenance, short-term business trips and fuel for vehicles. They shall not include procurement of vehicles or of any other equipment, or any operational activity. Such ordinary operating costs may be charged and paid in accordance with the implementing body's own procedures.

Award procedures

5.2 Under the imprest component of the programme estimate, the implementing body may carry out, totally or partially, the award procedures for procurement and grant contracts in accordance with its own procedures and standard documents, to the extent that prior evidence is obtained by the Commission that the Partner's implementing body:

- ensures the functioning of an effective and efficient internal control system, and
- applies appropriate rules and procedures for procurement and/or grants.

To the extent that no such evidence is obtained, the award procedures for procurement and grant contracts shall be carried out by the implementing body in accordance with the procedures and standard documents laid down and published by the Commission, in force at the time of the launch of the procedure in question.

Ex ante control

5.3 Under the imprest component, unless the Technical and Administrative Arrangements of the programme estimate stipulate otherwise, the implementing body shall submit to the Commission for prior approval, the tender dossiers and proposals for award decision of procurement contracts whose value exceeds 100,000 EUR, as well as all guidelines for applications and proposals for award decisions of grant contracts, which follow the procedures and standard documents laid down and published by the Commission.

In addition to the record-keeping obligations laid down in Article 1.6 of these General Conditions, the Partner shall, during the same period, keep all relevant financial and contractual supporting documents.

Management declaration

5.4 The Partner shall submit to the Commission annually, by the date stipulated in Article 6 of the Special Conditions, a management declaration signed by the Partner using the template in Annex IV.

An independent external audit opinion on the management declaration, performed in accordance with internationally accepted auditing standards, does not have to be provided in this case as the Commission shall conduct the audits for this action. These audits will verify the truthfulness of the assertions made in the management declaration and the legality and regularity of the underlying transactions made.

Payments

5.5 The Commission shall transfer the first pre-financing instalment, upon signature of the programme estimate by all parties, within 60 calendar days where the programme estimate is financed by the EDF and 30 calendar days where it is financed from the EU Budget,

The Commission shall pay the further pre-financing instalments within 60 calendar days of receiving and approving the payment request and its reports.

Late-payment interest shall be due pursuant to the applicable Financial Regulation. The time-limit for the payment may be suspended by the Commission by informing the Partner, at any time during the period referred to above, that the payment request cannot be met, either because

the amount is not due or because the appropriate supporting documents have not been produced. If information which puts in doubt the eligibility of expenditure appearing in a payment request comes to the notice of the Commission, the Commission may suspend the time-limit for the payment for the purpose of further verification, including an on-the-spot check, in order to ascertain, prior to payment, that the expenditure is indeed eligible. The suspension and the reasons for it shall be communicated to the Partner as soon as possible. The time-limit for the payment shall resume once the missing supporting documents have been provided or the payment request has been corrected.

- 5.6 The Commission shall make payments to a bank account opened at a financial institution accepted by the Commission.
- 5.7 The Partner shall guarantee that funds paid by the Commission can be identified in this bank account.
- 5.8 Transfers in euro shall, if necessary, be converted into the Partner's national currency as and when payments have to be made by the Partner, at the bank rate in force on the day of payment by the Partner.

Article 6 – Pool fund managed by the Partner

Application

- 6.1 The Partner managing a pool fund, may be eligible for an EU Contribution to that pool fund, to the extent that prior evidence is obtained by the Commission that the managing entity within the Partner:
 - ensures the functioning of an effective and efficient internal control system,
 - uses an accounting system that provides accurate, complete and reliable information in a timely manner;
 - is subject to an independent external audit, performed in accordance with internationally accepted auditing standards by an audit service functionally independent of the entity or person concerned;
 - applies appropriate rules and procedures for procurement and grants;
 - ensures the ex post publication of information on recipients; and
 - ensures a reasonable protection of personal data.

Award procedures

- 6.2 As regards the EU Contribution to a Partner managed pool fund, the managing entity within the Partner shall carry out the tasks in accordance with its own procedures and standard documents for the award of procurement and grant contracts, or with those agreed upon among the donors.

Implementation

- 6.3 As regards the EU Contribution to a Partner managed pool fund, in addition to the rights and obligations already laid down in these General Conditions, further rules detailed in Annex V to the Financing Agreement shall apply to the Partner for the implementation of the EU Contribution to the pool fund.

Article 7 - Publication of information on procurement and grant contracts by the Partner

- 7.1 The Partner undertakes to publish each year in a dedicated and easily accessible place of its internet site, for each procurement and grant contract for which it is contracting authority under the imprest component of the programme estimate referred to in Article 5 and the pool funds referred to in Article 6, its nature and purpose, the name and locality of the contractor (contractors in case of a consortium) or grant beneficiary (grant beneficiaries in case of a multi-beneficiary grant), as well as the amount of the contract.

The locality of a natural person shall be a region at NUTS2 level. The locality of a legal person shall be its address.

If such internet publication is impossible, the information shall be published by any other appropriate means, including the official journal of the Partner.

Article 6 of the Special Conditions shall stipulate the location, on the internet or otherwise, of the place of publication; reference shall be made to this location in the dedicated place of the internet site of the Commission.

- 7.2 Education support and direct financial support to natural persons most in need shall be published anonymously and in an accumulated manner by category of expenditure.

Names of natural persons shall be replaced by "natural person" two years after publication. The name of a legal entity containing that of a natural person involved in this entity shall be treated as a natural person's name.

Publication of names of natural persons shall be waived if such publication risks violating their fundamental rights or damaging their commercial interests.

The Partner shall present a list of data to be published on natural persons with any justifications for proposed waivers of publication to the Commission which must grant prior authorisation to this list. Where necessary, the Commission shall complete the locality of the natural person limited to a region at NUTS2 level.

- 7.3 Publication of the procurement and grant contracts concluded (i.e. signed by the Partner and the contractor or grant beneficiary) during the reporting period shall take place within six months following the date for submitting the report pursuant to Article 6 of Special Conditions.
- 7.4 Publication of contracts may be waived if such publication risks harming the commercial interests of contractors or grant beneficiaries. The Partner shall present a list with such justifications to the Commission which must grant prior authorisation to such publication

waiver.

- 7.5 Where the Commission carries out payments to contractors or grant beneficiaries pursuant to Article 4, it shall ensure the publication of information on procurement contracts and grant contracts according to its rules.

Article 8 - Recovery of funds

- 8.1 The Partner shall take any appropriate measures to recover the funds unduly paid.

Amounts unduly paid and recovered by the Partner, amounts from financial guarantees lodged on the basis of procurement and grant award procedures, amounts from financial penalties imposed by the Partner, as well as damages awarded to the Partner shall be returned to the Commission.

- 8.2 Without prejudice to the above responsibility of the Partner to recover funds unduly paid, the Partner agrees that the Commission may, in accordance with the provisions of the Financial Regulation applicable and this Financing Agreement, formally establish an amount as being unduly paid under procurement contracts and grant contracts financed under Part One and proceed to its recovery by any means on behalf of the Partner, including by offsetting the amount owed by the contractor or grant beneficiary against any of its claims against the EU and by forced recovery before the competent courts.

- 8.3 To this end, the Partner shall provide to the Commission all the documentation and information necessary. The Partner hereby empowers the Commission to carry out the recovery in particular by calling on a guarantee of a contractor or grant beneficiary of which the Partner is the contracting authority or by offsetting the funds to be recovered against any amounts owed to the contractor or grant beneficiary by the Partner as contracting authority and financed by the EU under this or another Financing Agreement or by forced recovery before the competent courts.

- 8.4 The Commission shall inform the Partner that the recovery proceedings have been initiated (including where necessary before a national court).

- 8.5 Where the Partner is a grant beneficiary of an entity with which the Commission concluded a contribution agreement, the Commission may recover funds from the Partner which are due to the entity but which the entity was not able to recover itself.

Article 9 - Financial claims under procurement and grant contracts

- The Partner undertakes to confer with the Commission before taking any decision concerning a request for compensation made by a contractor or grant beneficiary and considered by the Partner to be justified in whole or in part. The financial consequences may be borne by the EU only where the Commission has given its prior authorisation. Such prior authorisation is also required for any use of funds committed under the present Financing Agreement to cover costs arising from disputes relating to contracts.

Article 10 - Cost overruns and ways of financing them

- 10.1 Individual overruns of the budget headings of the activities implemented by the Partner shall be dealt with by reallocating funds within the overall budget, in accordance with Article 25 of these General Conditions.
- 10.2 Wherever there is a risk of overrunning the amount foreseen for the activity implemented by the Partner, the Partner shall immediately inform the Commission and seek its prior authorisation for the corrective activities planned to cover the overrun, proposing either to scale down the activities or to draw on its own or other non-EU resources.
- 10.3 If the activities cannot be scaled down, or if the overrun cannot be covered either by the Partner's own resources or other resources, the Commission may, at the Partner's duly substantiated request, decide to grant additional EU financing. Should the Commission take such a decision, the excess costs shall be financed, without prejudice to the relevant EU rules and procedures, by the release of an additional financial contribution to be set by the Commission. This Financing Agreement shall be amended accordingly.

Part Two: Provisions Applicable to Budget Support

Article 11 - Policy dialogue

The Partner and the EU commit to engage in a regular constructive dialogue at the appropriate level on the implementation of this Financing Agreement.

Where the Partner is an ACP State and this action is financed under the EDF pursuant to Article 1.1 of the Special Conditions, this dialogue may form a part of the broader political dialogue provided for in Article 8 of the ACP-EC Partnership Agreement.

Article 12 - Verification of conditions and disbursement

- 12.1. The Commission shall verify the conditions for the payment of the tranches of the budget support component, as identified in Annex I (Technical and Administrative Provisions).
- Where the Commission concludes that the conditions for payment are not fulfilled, it shall inform the Partner thereof without undue delay.
- 12.2. Disbursement requests submitted by the Partner shall be eligible for EU financing provided that they are in accordance with the provisions set out in Annex I (Technical and Administrative Provisions) and that they are submitted during the operational implementation period.
- 12.3. The Partner shall apply its national foreign exchange regulations in a nondiscriminatory manner to all disbursements of the budget support component.

Article 13 - Transparency of budget support

The Partner hereby agrees to the publication by the Commission, of this Financing Agreement and any amendment thereof, including by electronic means, and of such basic information on the budget support which the Commission deems appropriate. Such publication shall not contain any data in violation of the EU laws applicable to the protection of personal data.

Article 14 - Recovery of budget support

All or part of the budget support disbursements may be recovered by the Commission, with due respect to the principle of proportionality, if the Commission establishes that payment has been vitiated by a serious irregularity attributable to the Partner, in particular if the Partner provided unreliable or incorrect information, or if corruption or fraud was involved.

Part Three: Provisions Applicable to this Action as a Whole, Irrespective of the Management Mode

Article 15 - Execution period and contracting deadline

15.1 The execution period of this Financing Agreement shall comprise two periods:

- an operational implementation period, in which the operational activities of the action are carried out. This period shall start on the entry into force of this Financing Agreement or on the date stipulated in the Special Conditions and end with the opening of the closure period.
- a closure period, during which final audit and evaluation are carried out and contracts and the programme estimate for the implementation of this Financing Agreement are technically and financially closed. The duration of this period is stipulated in Article 2.3 of the Special Conditions. It starts after the end of the operational implementation period.

These periods shall be reflected in the agreements to be concluded by the Partner and by the Commission in the implementation of this Financing Agreement, in particular in contribution agreements and procurement and grant contracts.

15.2 Costs related to the operational activities shall be eligible for EU financing only if they have been incurred during the operational implementation period; the costs incurred before the entry into force of this Financing Agreement shall not be eligible for EU financing unless provided otherwise in Article 6 of the Special Conditions. Costs related to final audits and evaluation, to closure activities and operating costs referred to in Article 5.1 shall be eligible until the end of the closure period.

15.3 Any balance remaining from the EU contribution shall be automatically decommitted no later than six months after the end of the execution period.

15.4 In exceptional and duly substantiated cases, a request may be made for the extension of the operational implementation period or the closure period, as well as correlatively of the execution period. If agreed upon, the Financing Agreement shall be amended accordingly.

- 15.5 Article 2 of these General Conditions shall apply to procurement contracts, grant contracts and contribution agreements awarded by the Commission as contracting authority with the exception of the last subparagraph of Article 2.1.

Article 16 - Verifications and checks by the Commission, the European Anti-Fraud Office (OLAF) and the European Court of Auditors

- 16.1 The Partner shall assist and support the verifications and checks carried out by the Commission, OLAF and the European Court of Auditors at their request.

The Partner agrees to the Commission, OLAF and the European Court of Auditors conducting documentary and on-the-spot controls on the use made of EU financing under the activities under this Financing Agreement and carrying out a full audit, if necessary, on the basis of supporting documents of accounts and accounting documents and any other documents relating to the financing of the activities, throughout the duration of this Financing Agreement and for five years from the end of the execution period.

- 16.2 The Partner also agrees that OLAF may carry out on-the-spot checks and verifications in accordance with the procedures laid down by EU law for the protection of the EU's financial interests against fraud and other irregularities.

To that end, the Partner shall grant officials of the Commission, OLAF and the European Court of Auditors and their authorised agents access to sites and premises at which operations financed under this Financing Agreement are carried out, including their computer systems, and to any documents and computerised data concerning the technical and financial management of those operations, and to take every appropriate measure to facilitate their work. Access by authorised agents of the Commission, OLAF and the European Court of Auditors shall be granted on conditions of strict confidentiality with regard to third parties, without prejudice to public law obligations to which they are subject. Documents must be accessible and filed in a manner permitting easy inspection, the Partner being bound to inform the Commission, OLAF or the European Court of Auditors of the exact location at which they are kept.

- 16.3 The checks and audits described above shall also apply to contractors, grant beneficiaries, organisations having signed contribution agreements and subcontractors who have received EU financing.
- 16.4 The Partner shall be notified of on the spot missions by agents appointed by the Commission, OLAF or the European Court of Auditors.

Article 17 - Tasks of the Partner in fighting irregularities, fraud and corruption

- 17.1 The Partner shall immediately inform the Commission of any element brought to its attention which arouses suspicions of irregularities, fraud or corruption and of any measure taken or planned to deal with them.
- 17.2 The Partner shall ensure and check regularly that the actions financed from the budget are

effectively carried out and implemented correctly. It shall take appropriate measures to prevent, detect and correct irregularities and fraud and where necessary, bring prosecutions and recover funds unduly paid.

"Irregularity" shall mean any infringement of this Financing Agreement, implementing contracts and programme estimate or of EU law resulting from an act or omission by anyone who has, or would have, the effect of prejudicing the funds of the EU, either by reducing or losing revenue owed to the EU, or by an unjustified item of expenditure.

"Fraud" shall mean any intentional act or omission concerning:

- the use or presentation of false, incorrect or incomplete, statements or documents which has as its effect the misappropriation or wrongful retention of funds from the general budget of the EU or the EDF;
- non-disclosure of information in violation of a specific obligation, with the same effect;
- the misapplication of such funds for purposes other than those for which they are originally granted.

17.3 The Partner undertakes to take every appropriate measure to prevent, detect and punish any practices of active or passive corruption during the implementation of the Financing Agreement.

"Passive corruption" shall mean the deliberate action of an official, who, directly or through an intermediary, requests or receives advantages of any kind whatsoever, for himself or for a third party, or accepts a promise of such an advantage, to act or refrain from acting in accordance with his duty or in the exercise of his functions in breach of his official duties, which has, or would have, the effect of harming the EU's financial interests.

"Active corruption" shall mean the deliberate action of whosoever promises or gives, directly or through an intermediary, an advantage of any kind whatsoever to an official, for himself or for a third party, to act or refrain from acting in accordance with his duty or in the exercise of his functions in breach of his official duties, which has, or would have, the effect of harming the EU's financial interests.

17.4 If the Partner does not take appropriate measures to prevent fraud, irregularities and corruption, the Commission may adopt precautionary measures including the suspension of this Financing Agreement.

Article 18 - Suspension of payments

18.1 Without prejudice to the suspension or termination of this Financing Agreement according to Articles 26 and 27, respectively, the Commission may suspend payments partially or fully, if:

- a) the Commission has established or has serious concerns that, on the basis of information it received, and needs to verify, the Partner has committed substantial errors, irregularities or fraud in the procurement and grant award procedure or in the implementation of the action, or the Partner has failed to comply with its obligations under this Financing Agreement, including obligations regarding the implementation of the Communication and Visibility plan;

- b) the Commission has established or has serious concerns that, on the basis of information it received, and needs to verify, the Partner has committed systemic or recurrent errors, irregularities, fraud or breach of obligations under this or other Financing Agreements, provided that those errors, irregularities, fraud or breach of obligations have a material impact on the implementation on this Financing Agreement or call into question the reliability of the Partner's internal control system or the legality and regularity of the underlying expenditure;
 - c) the Commission suspects that the Partner committed substantial errors, irregularities, fraud or breach of obligations in the procurement and grant award procedure or in the implementation of the action and needs to verify whether they have occurred.
 - d) it is necessary to prevent significant damage to the financial interests of the EU.
- 18.2 The Commission shall immediately inform the Partner about the suspension of payments and of the reasons for this suspension.
- 18.3 The suspension of payments shall have the effect of suspending payment time-limits for any payment request pending.
- 18.4 In order to resume payments the Partner shall endeavour to remedy the situation leading to the suspension as soon as possible and shall inform the Commission of any progress made in this respect. The Commission shall, as soon as it considers that the conditions for resuming payments have been met, inform the Partner thereof.

Article 19 - Allocation of funds recovered by the Commission to the action

Where the action is financed under the EDF, amounts unduly paid and recovered by the Commission, amounts from financial guarantees lodged on the basis of procurement and grant award procedures, amounts from financial penalties imposed, as well as damages awarded to the Commission shall be allocated to this action.

Article 20 - Right of establishment and residence

- 20.1 Where justified by the nature of the procurement contract, grant contract or contribution agreement, the Partner shall entitle natural and legal persons participating in invitations to tender for works, supply or service contracts or calls for proposals and organisations expected to sign contribution agreements with a provisional right of establishment and residence in the Partner's territory(ies). This right shall remain valid for one month after the contract is awarded.
- 20.2 The Partner shall also entitle procurement contractors, grant beneficiaries, organisations having signed contribution agreements and natural persons whose services are required for the performance of this action and members of their families with similar rights during the implementation of the action.

Article 21 - Tax and customs provisions and foreign exchange arrangements

21.1 The Partner shall apply to procurement contracts, grants contracts and contribution agreements financed by the EU the most favoured tax and customs arrangements applied to States or international development organisations with which it has relations.

Where the Partner is an ACP State, account shall not be taken of arrangements applied by it to the other ACP States or to other developing countries for the purpose of determining the most-favoured-State treatment.

21.2 Where a Framework Agreement is applicable, which includes more detailed provisions on this subject, these provisions shall apply as well.

Article 22 - Confidentiality

22.1 The Partner agrees that its documents and data held by an entity with which the Partner is in a contractual relationship regarding them may be forwarded to the Commission by that entity for the sole purpose of implementing this or another Financing Agreement. The Commission shall respect all confidentiality arrangements agreed between the Partner and that entity.

22.2 Without prejudice to Article 16 of these General Conditions, the Partner and the Commission shall preserve the confidentiality of any document, information or other material directly related to the implementation of this Financing Agreement that is classified as confidential.

22.3 The Parties shall obtain each other's prior written consent before publicly disclosing such information.

22.4 The Parties shall remain bound by the confidentiality until five years after the end of the execution period.

22.5 The Partner shall also comply with the obligations under Article 1.7 where the Commission provides personal data to the Partner, for example in the context of procedures and contracts managed by the Commission.

Article 23 - Use of studies

The contract related to any study financed under this Financing Agreement shall include the right for the Partner and for the Commission to use the study, to publish it and to disclose it to third parties.

Article 24 - Consultation between the Partner and the Commission

24.1 The Partner and the Commission shall consult each other before taking any dispute relating to the implementation or interpretation of this Financing Agreement further pursuant to Article 28 of these General Conditions.

24.2 Where the Commission becomes aware of problems in carrying out procedures relating to

management of this Financing Agreement, it shall establish all necessary contacts with the Partner to remedy the situation and take any steps that are necessary.

- 24.3 The consultation may lead to the amendment, suspension or termination of this Financing Agreement.
- 24.4 The Commission shall regularly inform the Partner of the implementation of activities described in Annex I which do not fall under Parts One and Two of these General Conditions.

Article 25 - Amendment of this Financing Agreement

- 25.1 Any amendment of this Financing Agreement shall be made in writing, including an exchange of letters.
- 25.2 If the request for an amendment comes from the Partner, the latter shall submit that request to the Commission at least three months before the amendment is intended to enter into force, except in cases which are duly substantiated by the Partner and accepted by the Commission. In the exceptional cases of an adjustment of the objectives of the action and/or an increase in the EU contribution, such request shall be submitted at least six months before the amendment is intended to enter into force.
- 25.3 If the adjustment both does not significantly affect the objectives of the activity implemented pursuant to Part One of these General Conditions, and if it concerns matters of detail which do not affect the technical solution adopted, and if it does not include the reallocation of funds, or if it concerns reallocations of funds for an amount equivalent to the amount of the contingency reserve, the Partner shall inform the Commission of the adjustment and its justification in writing as soon as possible and may apply that adjustment.
- 25.4 The use of the contingency reserve provided for an action shall be subject to the Commission's prior written approval.
- 25.5 Where the Commission considers that the Partner ceases to perform satisfactorily the tasks entrusted pursuant to Article 1.1 of these General Conditions and without prejudice to Articles 26 and 27 of these General Conditions, the Commission may decide to retake the tasks entrusted from the Partner in order to continue the implementation of the activities on behalf of the Partner after informing the latter in writing.

Article 26 - Suspension of this Financing Agreement

- 26.1 The Financing Agreement may be suspended in the following cases:
- The Commission may suspend the implementation of this Financing Agreement if the Partner breaches an obligation under this Financing Agreement.
 - The Commission may suspend the implementation of this Financing Agreement if the Partner breaches any obligation set under the procedures and standard documents referred to in Articles 1, 4, 5 and 6 of these General Conditions.
 - The Commission may suspend this Financing Agreement if the Partner breaches an

obligation relating to respect for human rights, democratic principles and the rule of law, in serious cases of corruption or if the Partner is guilty of grave professional misconduct proven by any justified means. Grave professional misconduct is to be understood as any of the following:

- a violation of applicable laws or regulations or ethical standards of the profession to which a person or entity belongs, or
- any wrongful conduct of a person or entity which has an impact on its professional credibility where such conduct denotes wrongful intent or gross negligence.

This Financing Agreement may be suspended in cases of force majeure, as defined below. "Force majeure" shall mean any unforeseeable and exceptional situation or event beyond the parties' control which prevents either of them from fulfilling any of their obligations, not attributable to error or negligence on their part (or the part of their contractors, agents or employees) and proves insurmountable in spite of all due diligence. Defects in equipment or material or delays in making them available, labour disputes, strikes or financial difficulties cannot be invoked as force majeure. A party shall not be held in breach of its obligations if it is prevented from fulfilling them by a case of force majeure of which the other party is duly informed. A party faced with force majeure shall inform the other party without delay, stating the nature, probable duration and foreseeable effects of the problem, and take any measure to minimise possible damage.

- Neither of the Parties shall be held liable for breach of its obligations under this Financing Agreement if it is prevented from fulfilling them by force majeure, provided it takes measures to minimise any possible damage.

26.2 The Commission may suspend this Financing Agreement without prior notice.

26.3 The Commission may take any appropriate precautionary measure before suspension takes place.

26.4 When the suspension is notified, the consequences for the on-going procurement and grant contracts, contribution agreements and programme estimate shall be indicated.

26.5 A suspension of this Financing Agreement is without prejudice to the suspension of payments and termination of this Financing Agreement by the Commission in accordance with Article 18 and 27 of the General Conditions.

26.6 The parties shall resume the implementation of the Financing Agreement once the conditions allow with the prior written approval of the Commission. This is without prejudice to any amendments of this Financing Agreement which may be necessary to adapt the action to the new implementing conditions, including, if possible, the extension of the operational implementation period, or the termination of this Financing Agreement in accordance with Article 27.

Article 27 - Termination of this Financing Agreement

- 27.1. If the issues which led to the suspension of this Financing Agreement have not been resolved within a maximum period of 180 days, either party may terminate this Financing Agreement at 30 days' notice.
- 27.2. This Financing Agreement shall be automatically terminated, if no implementing contract has been signed within the deadlines of Article 2.
- 27.3. When the termination is notified, the consequences for the on-going procurement contracts, grant contracts, contribution agreements and programme estimate shall be indicated.

Article 28 - Dispute settlement arrangements

- 28.1 Any dispute concerning this Financing Agreement which cannot be settled within a six-month period by the consultations between the parties provided for in Article 24 of these General Conditions may be settled by arbitration at one of the parties' request.

Where the Partner is an ACP State or an ACP regional body or organisation and this action is financed under the EDF, the dispute shall be submitted, prior to arbitration and after the consultations provided for in Article 24 of these General Conditions, to the ACP-EC Council of Ministers, or, between its meetings, to the ACP-EC Committee of Ambassadors, pursuant to Article 98 of the ACP-EC Partnership Agreement. If the Council or Committee does not succeed in settling the dispute, either party may request settlement of the dispute by arbitration in accordance with Articles 28.2, 28.3 and 28.4.

- 28.2 Each party shall designate an arbitrator within 30 days of the request for arbitration. Failing that, either party may ask the Secretary-General of the Permanent Court of Arbitration (The Hague) to designate a second arbitrator. The two arbitrators shall in their turn designate a third arbitrator within 30 days. Failing that, either party may ask the Secretary-General of the Permanent Court of Arbitration to designate the third arbitrator.
- 28.3 The procedure laid down in the Permanent Court of Arbitration Optional Rules for Arbitration Involving International Organisations and States shall apply. The arbitrators' decisions shall be taken by a majority within a period of three months.
- 28.4 Each party shall be bound to take the measures necessary for the application of the arbitrators' decision.

ANNEX III – REPORT FOR THE PERIOD <INSERT START AND END DATE FOR THE REPORTING PERIOD>

1. List in the first column each procurement and grant award procedure in the calls for tenders and calls for proposals table (Part A) and each contract in the contracts table (Part B). (if possible, please use the CRIS reference to identify each procedure and each contract).
2. In each row, make a 'x' or check in the appropriate column for each step of the procedure or of the contract management that has been completed during this reporting year.
3. Total the number of items in each column in the last row titled 'Total'.
4. On the "Comments" section (Part C), provided in this document, please report on any cases affecting the action, such as: results achieved, delays or advancements, disputes and their resolution, obstacles and the way they were tackled. In the first column in the tables in Part A and B, insert "see comments" where comments concern a concrete procedure or contract.

Part A – Calls for tenders, calls for proposals, negotiated procedures, direct awards

Reference of the call for tenders or of proposals or of the negotiated procedure or direct grant award	Publication of prior information notice or of grants work programme	Preparation of tender dossier or of guidelines for grant applicants	Publication of contract notice	Publication of tender dossier or guidelines for grant applicants	Reception of tenders or of proposals	Evaluation of tenders or of proposals	Award of contract or cancellation of procedure	Signature of contracts (put how many in case of grants)	Publication of award notice
Items relevant in case of a negotiated procedure or a grant awarded directly without a call for proposals	Not applicable	<input checked="" type="checkbox"/>	Not applicable	Not applicable	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Not applicable	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Example: CRIS 123456			✓	✓	✓	✓	✓						
TOTAL													

Part B – Contract management (one contract per line)

Contract reference	Payment of pre-financing (number of requests treated)	Interim payment (number of payments treated)	Balance (final payment) (number of requests treated)	Evaluation	Audit
TOTAL					

Part C – Results Reporting

For all activities implemented under indirect management by partner country, please report on the results achieved on the basis of the latest Logical Framework. Indicate if the Logical Framework has been updated.

Part D - Comments

Please report on any cases affecting the action, such as: delays or advancements, disputes and their resolution, obstacles and the way they were tackled. In the first column in the tables in Part A and B, insert "see comments" where comments concern a concrete procedure or contract.

ANNEX IV- MANAGEMENT DECLARATION

Instructions are highlighted in yellow and must be deleted from the final version. Grey highlighted text in square brackets contains options that can be chosen, depending on the instructions accompanying them. The square brackets and the grey highlighting have to be removed in the final version. Text requested by the instruction is to be filled in between the < > signs.

I, the undersigned, <insert forename and surname>, in my capacity as <insert function in the Partner's organisation or the designated entity pursuant to Article 1.2 of the General Conditions of the Financing Agreement>, confirm that in relation to the Financing Agreement[s] <insert reference of the concrete Agreement; insert references to all of the Financing Agreements if the Partner chose the option of the global management declaration covering all of the Financing Agreements>, based on my own judgement and on the information at my disposal, including, inter alia, the results of the [audits and]delete if not applicable controls carried out, that:

1. The information submitted for the period running from This period precedes the deadline for submission of this declaration stipulated in Article 6 of the Special Conditions and leaves no gaps with regard to the previous periods <insert date, can be the date of entry into force of the Financing Agreement for the first declaration> to <insert date, can be the end of the execution period of the Financing Agreement for the last declaration> is properly presented, complete and accurate.
2. The expenditure was used for its intended purpose as defined in Annex I (Technical and Administrative Provisions) of the above-mentioned Financing Agreement[s].
3. The control systems put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.
4. The Partner performed the activities in compliance with the obligations of the above-mentioned Financing Agreement[s]; in particular, it:
 - set up and ensured the functioning of an effective and efficient internal control system pursuant to Article 1.4 of Annex II (General Conditions) of the Financing Agreement;
 - used an accounting system that provided accurate, complete and reliable information in a timely manner where it carried out payment pursuant to Article 5 of Annex II (General Conditions) of the Financing Agreement;
 - applied appropriate rules and procedures for providing financing from Union funds through grants and procurement pursuant to Articles 1.3 and 5.3 of Annex II (General Conditions) of the Financing Agreement;

- ensures the ex post publication of information on procurement and grant contracts in accordance with Article 7 of Annex II (General Conditions) of the Financing Agreement;
- ensured an appropriate protection of personal data in accordance with Article 1.10 of Annex II (General Conditions) of the Financing Agreement.

Furthermore, I confirm that I am not aware of any undisclosed matter which could harm the interests of the European Union.

[However, the following reservations should be noted, <insert reservations; number them, if necessary>.] Reservations should be noted in case of significant weaknesses that fall within the scope of the management declaration. For example, significant control system weaknesses, significant occurrence of errors in the underlying transactions (legality and regularity), such as errors in public procurement or grant award procedures.

<insert place and date>

.....
<insert signature>

<insert forename, surname and function>