



EUROPEAN COMMISSION
Executive Agency for Small and Medium-sized Enterprises (EASME)
Department B - LIFE and H2020 Energy, Environment & Resources
Unit B3 - LIFE and CIP Eco-Innovation

ANNEX III – MODEL SPECIFIC GRANT AGREEMENT FOR AN OPERATING GRANT*

SPECIFIC AGREEMENT No .../..

** This is a template which may be subject to changes at the time of signature*

This Specific agreement ("the Specific agreement") is concluded between the following parties:

on the one part,

The **European Union** ("the Union"), represented by the Executive Agency for Small and Medium-sized Enterprises (EASME) ('the Agency'), under the powers delegated by the European Commission ("the Commission"), represented for the purposes of signature of this Specific agreement by Mr Angelo Salsi, Head of Unit ,

and

on the other part,

"the partner"

[full official name] [ACRONYM]

[official legal status or form]

[official registration No]

[official address in full]

[VAT number],

represented for the purposes of signature of the Specific agreement by [function, forename and surname],

The parties referred to above

HAVE AGREED

To the Specific agreement and the following annexes:

Annex I Work programme of the partner

Annex II Estimated budget

ARTICLE 1 – SUBJECT MATTER OF THE SPECIFIC AGREEMENT

The Specific agreement is concluded in the context of the partnership established between the parties. It is drawn up in accordance with the relevant terms of Framework partnership agreement No [...] signed between the Agency and the partner on [insert the date on which the last party has signed the Framework agreement] ("the Framework agreement").

The Agency has decided to award a grant ("specific operating grant"), under the terms and conditions set out in the Specific agreement and the Framework agreement, for the work programme of the partner, as described in Annex I, which corresponds to the statutory activities and objectives of the partner.

By signing the Specific agreement, the partner accepts the grant and agrees to implement the work programme in accordance with the terms and conditions of the Specific agreement and the Framework agreement, acting on its own responsibility.

The generic term "action" used hereinafter in the Specific agreement means the work programme of the partner as described in Annex I.

ARTICLE 2 – ENTRY INTO FORCE AND IMPLEMENTATION PERIOD OF THE SPECIFIC AGREEMENT

2.1 The Specific agreement enters into force on the date on which the last party signs.

2.2 The action runs for **[insert number in bold]** months starting on [insert date]¹.

¹ For a specific grant for an action the date must be later than the date of entry into force of the Specific agreement unless authorised otherwise by the responsible authorising officer, in case the applicant demonstrates the need to start the action before the grant agreement enters into force. In any case the indicated date should not be earlier than the date of the submission of the grant application (Article 130 FR).

For a specific operating grant such a date may be earlier than the date of entry into force of the Specific agreement but can neither be earlier than the date of submission of the grant application nor be earlier than the start of the partner's financial year.

ARTICLE 3 – MAXIMUM AMOUNT AND FORM OF GRANT

3.1 The maximum amount of the grant is EUR [insert amount].

3.2 The grant takes the form of:

- (a) The reimbursement of [...] % of the eligible costs of the action ("reimbursement of eligible costs"), which are estimated at EUR [...] and which are:
 - (i) actually incurred ("reimbursement of actual costs") for the following categories of costs for the partner: personnel, travel and subsistence, rental, equipment and depreciation, external assistance or subcontracting, other direct costs
 - (ii) reimbursement of unit costs: not applicable
 - (iii) reimbursement of lump sum costs: not applicable
 - (iv) reimbursement of flat-rate costs: not applicable
 - (v) reimbursement of costs declared on the basis of the partner's usual cost accounting practices: not applicable
- (b) unit contribution: not applicable
- (c) lump sum contribution: not applicable
- (d) flat-rate contribution: not applicable

ARTICLE 4 –REPORTING, REQUEST FOR PAYMENTS AND SUPPORTING DOCUMENTS

4.1 Reporting periods

The *action* is covered by the following *reporting period*: month 1 to month 12

4.2 Request for second pre-financing payment and supporting documents

[The partner must submit a request for second pre-financing payment as soon as at least 70% of the previous pre-financing instalment paid has been used

The request must be accompanied by the following documents:

- (a) a progress report on the implementation of the *action* ('technical report on progress');
- (b) a statement on the amount of the previous pre-financing instalment used to cover costs of the *action* ('statement on the use of the previous pre-financing instalment'). The statement must be drawn up in accordance with Annex V of the Framework agreement.]

Not applicable

4.3 Request[s] for interim payment[s] and supporting documents

Not applicable

4.4 Request for payment of the balance and supporting documents

The partner must submit a request for payment of the balance within 60 calendar days following the end of the last reporting period.

This request must be accompanied by the following documents:

- (a) a final report on implementation of the action ('final technical report'), drawn up in accordance with Annex IV of the Framework agreement, containing:
 - (i) the information needed to justify the eligible costs declared or the contribution requested on the basis of unit costs and lump sums (where the grant takes the form of the reimbursement of unit or lump sum costs or of a unit or lump sum contribution, as provided for in Article 3.2(a)(ii) and (iii), (b) or (c));
 - (ii) information on subcontracting as referred to in Article II.11.1(d)(ii) of the Framework agreement;
- (b) a final financial statement ('final financial statement'). The final financial statement must include a consolidated statement and a breakdown of the amounts claimed by the partner.

The final financial statement must be drawn up in accordance with the structure of the estimated budget set out in Annex II of the Specific agreement and in accordance with Annex V of the Framework agreement and detail the amounts for each of the forms of grant set out in Article 3.2 for the last reporting period;

- (c) a summary financial statement ('summary financial statement').

This statement must include a consolidated financial statement and a breakdown of the amounts declared or requested by the partner, aggregating the financial statements already submitted previously and indicating the receipts referred to in Article II.25.3 of the Framework agreement for the partner.

The summary financial statement must be drawn up in accordance with Annex V of the Framework agreement;

- (d) a certificate on the financial statements and underlying accounts ('certificate on the financial statements') if the total contribution in the form of reimbursement of actual costs as referred to in Article 3.2(a)(i) is at least EUR 100 000

This certificate must be produced by an approved auditor or, in case of public bodies, by a competent and independent public officer and drawn up in accordance with Annex VI of the Framework agreement.

The certificate must certify that the costs declared in the final financial statement by the partner for the categories of costs reimbursed in accordance with Article 3.2(a)(i) are real, accurately recorded and eligible in accordance with the Specific agreement and the Framework agreement.

In addition, the certificate must certify that all the receipts referred to in Article II.25.3 of the Framework agreement have been declared.

The partner must certify that the information provided in the request for payment of the balance is full, reliable and true.

The partner must also certify that the costs incurred can be considered eligible in accordance with the Framework agreement and the Specific agreement and that the request for payment is substantiated by adequate supporting documents that can be produced in the context of the checks or audits described in Article II.27 of the Framework agreement.

In addition, the partner must certify that all the receipts referred to in Article II.25.3 of the Framework agreement have been declared.

Final reports shall be simultaneously submitted to the Agency and to the external monitoring team designated by the Agency.

The technical reports, including annexes, shall only be submitted in electronic format,

The final financial statements shall be submitted in both paper and electronic format.

4.5 Information on cumulative expenditure incurred

Not applicable

4.6 Currency for requests for payment and financial statements

Requests for payment and financial statements must be drafted in euros.

The partner with general accounts in a currency other than the euro must convert costs incurred in another currency into euros at the monthly accounting rate established by the Commission and published on its website

(available at http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm) applicable on the day when the cost was incurred, or

at the monthly accounting rate established by the Commission and published on its website (available at http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm) applicable on the first working day of the month following the period covered by the financial statement concerned

The partner with general accounts in euros must convert costs incurred in another currency into euros in accordance with their usual accounting practices.

4.7 Language of requests for payments, technical reports and financial statements

All requests for payments, technical reports and financial statements must be submitted in English.

ARTICLE 5 — PAYMENTS AND PAYMENT ARRANGEMENTS

5.1 Payments to be made

The Agency must make the following payments to the partner:

- a first pre-financing payment;

[- a second pre-financing payment, on the basis of the request for the second pre-financing payment referred to in Article 4.2;]

- one payment of the balance, on the basis of the request for payment of the balance referred to in Article 4.4.

5.2 Pre-financing payment[s]

The aim of the pre-financing is to provide the partner with a float. The pre-financing remains the property of the Union until the payment of the balance.

[Option if one pre-financing payment: The Agency must make the pre-financing payment of EUR [insert amount]² to the partner within 30 calendar days from [the entry into force of the Specific

² 60 % of the maximum amount of the grant (see article 3.1)

agreement] [or from when the Agency receives the financial guarantee of EUR [insert amount], whichever is the latest], except if Article II.24.1 of the Framework agreement applies.]

[Option if several pre-financing payments: The Agency must make a first pre-financing payment of EUR [insert amount]³ to the partner within 30 calendar days from [the entry into force of the Specific agreement] [or from when the Agency receives the financial guarantee of EUR [insert amount], whichever is the latest], except if Article II.24.1 of the Framework agreement applies.

The Agency must make a second pre-financing payment of EUR [insert amount]⁴ to the partner within 60 calendar days from the date when the Agency receives the request for second pre-financing payment referred to in Article 4.2, subject to having used at least 70% of the previous pre-financing instalment paid [or from when it receives the financial guarantee of EUR [insert amount], whichever is the latest], except if Article II.24.1 or II.24.2 of the Framework agreement apply.

[The financial guarantee must fulfil the following conditions:

- (a) it is provided by a bank or an approved financial institution or, if requested by the partner and accepted by the Agency, by a third party;
- (b) the guarantor stands as first-call guarantor and does not require the Agency to first have recourse against the principal debtor (i.e. the partner concerned); and
- (c) it explicitly remains in force until the pre-financing is cleared against interim payments or payment of the balance by the Agency. If payment of the balance takes the form of a recovery, the financial guarantee must remain in force until three months after the debit note is notified to the partner. The Agency must release the guarantee within the following month.]

If the statement on the use of the previous pre-financing instalment submitted in accordance with Article 4.2 shows that less than 70 % of the previous pre-financing instalment paid has been used to cover costs of the *action*, the amount of the new pre-financing to be paid must be reduced by the difference between the 70 % ceiling and the amount used.]

5.3 Interim payment[s]

Not applicable

³ 30 % of the maximum amount of the grant (see article 3.1)

⁴ 30 % of the maximum amount of the grant (see article 3.1)

5.4 Payment of the balance

The payment of the balance reimburses or covers the remaining part of the eligible costs incurred by the partner for the implementation of the *action*.

If the total amount of earlier payments is greater than the final amount of the grant determined in accordance with Article II.25 of the Framework agreement, the payment of the balance takes the form of a recovery as provided for by Article II.26 of the Framework agreement.

If the total amount of earlier payments is lower than the final amount of the grant determined in accordance with Article II.25 of the Framework agreement, the Agency must pay the balance within 90 calendar days from when it receives the documents referred to in Article 4.4, except if Article II.24.1 or II.24.2 of the Framework agreement apply.

Payment is subject to the approval of the request for payment of the balance and of the accompanying documents. Their approval does not imply recognition of the compliance, authenticity, completeness or correctness of their content.

The Agency determines the amount due as the balance by deducting the total amount of pre-financing and interim payments (if any) already made from the final amount of the grant determined in accordance with Article II.25 of the Framework agreement.

The amount to be paid may, however, be offset, without the partner's consent, against any other amount owed by the partner to the Agency or to an executive agency (under the EU or Euratom budget), up to the maximum amount of the grant.

5.5 Notification of amounts due

The Agency must send a *notification* to the partner:

- (a) informing it of the amount due; and
- (b) specifying whether the notification concerns a further pre-financing payment, an interim payment or the payment of the balance.

For the payment of the balance, the Agency must also specify the final amount of the grant determined in accordance with Article II.25 of the Framework agreement.

5.6 Interest on late payment

If the Agency does not pay within the time limits for payment, the partner is entitled to late-payment interest at the rate applied by the European Central Bank for its main refinancing operations in euros ('the reference rate'), plus three and a half points. The reference rate is the rate

in force on the first day of the month in which the time limit for payment expires, as published in the C series of the *Official Journal of the European Union*.

Late-payment interest is not due if the partner is a Member State of the Union (including regional and local government authorities and other public bodies acting in the name of and on behalf of the Member State for the purpose of the Framework agreement and the Specific agreement).

If the Agency suspends the time limit for payment as provided for in Article II.24.2 of the Framework agreement or if it suspends payments as provided for in Article II.24.1 of the Framework agreement, these actions may not be considered as cases of late payment.

Late-payment interest covers the period running from the day following the due date for payment, up to and including the date of actual payment as established in Article 5.8. The Agency does not consider payable interest when determining the final amount of grant within the meaning of Article II.25 of the Framework agreement.

As an exception to the first subparagraph, if the calculated interest is lower than or equal to EUR 200, it must be paid to the partner only if the partner requests it within two months of receiving late payment.

5.7 Currency for payments

The Agency must make payments in euros.

5.8 Date of payment

Payments by the Agency are considered to have been carried out on the date when they are debited to its account.

5.9 Costs of payment transfers

Costs of the payment transfers are borne as follows:

- (a) the Agency bears the costs of transfer charged by its bank;
- (b) the partner bears the costs of transfer charged by its bank;

5.10 Payments to the partner

The Agency must make payments to the partner.

Payments to the partner discharge the Agency from its payment obligation.

ARTICLE 6 – BANK ACCOUNT FOR PAYMENTS

All payments must be made to the partner's bank account as indicated below:

Name of bank: [...]

Precise denomination of the account holder: [...]

Full account number (including bank codes): [...]

[IBAN code: [...]]⁵

ARTICLE 7 - COMMUNICATION DETAILS OF THE PARTIES

7.1 Communication details of the Agency

Any communication addressed to the Agency must be sent to the following address:

Ordinary or registered mail by postal service:

European Commission

Executive Agency for Small and Medium-sized Enterprises (EASME)

Unit B.3 LIFE and CIP Eco-Innovation

B-1049 Brussels

Express delivery service or hand-delivery against signature:

European Commission

Executive Agency for Small and Medium-sized Enterprises (EASME)

Unit B.3 LIFE and CIP Eco-Innovation

Mail Service

Avenue du Bourget 1

B-1140 Brussels

E-mails: E-mail address: EASME-LIFE-NGO@ec.europa.eu

7.2 Communication details of the partner

Any communication from the Agency to the partner must be sent to the following address:

⁵ BIC or SWIFT code could be used for countries which do not use the IBAN code.

[Full name]

[Function]

[Name of the entity]

[Full official address]

Email address: [complete]

ARTICLE 8 - THE EXTERNAL MONITORING TEAM

Article 8.1 - The role of the external monitoring team

The Agency selected an external monitoring team (hereinafter “*the external monitoring team*”) to assist it by following and assessing the projects progress and its coherence with the actual costs incurred.

The external monitoring team shall not be authorised to take any decision on behalf of the Agency. A recommendation or a statement provided by the external monitoring team to the beneficiary cannot be interpreted as representing a position of the Agency.

Article 8.2 — Communication between the parties

- In addition to Article II.3.1 of the FPA:

After the submission of their final report, any correspondence relating to the Agreement or to its implementation sent by the beneficiary to the Agency shall be sent in parallel to *the external monitoring team*.

- In addition to Article II.3.2 of the FPA:

Mail sent to the Agency using the postal or courier services is considered to have been received by the Agency on the date on which it is registered by the unit identified in Article 7.1 of the specific agreement.

Article 8.3 — Confidentiality and processing of personal data

In addition to Articles II.6 and II.7 of the FPA, the external monitoring team shall act under the same rules for confidentiality and processing of personal data as those stipulated for the beneficiary and the Agency.

SIGNATURES

For the partner

[*function*/ forename / surname]

[signature]

Done at [place], [date]

For the Agency

[forename /surname]

[signature]

Done at [place], [date]

In duplicate in English