



Direktoratet for
internasjonalisering
og kvalitetsutvikling
i høyere utdanning

Meland kommune
Postboks 79
5906 FREKHAUG

Vår ref:
19/00138-42

Deres ref:

Dato:
29.05.2019

Innvilget søknad - 2019-1-NO01-KA104-060012 - Erasmus+ 2019 - Voksenopplæring - Mobilitet - Meland kommune

Direktoratet for internasjonalisering og kvalitetsutvikling i høyere utdanning (Diku) viser til deres søknad til Erasmus+ ansattmobilitet for voksenopplæringen, prosjektnummer 2019-1-NO01-KA104-060012.

Søknaden er innvilget og tildelt EUR 21 620.

Begrunnelse for tildeling

Alle søknader går gjennom to typer evalueringer i henhold til retningslinjene fra EU-kommisjonen: en gyldighetskontroll og en kvalitetsvurdering med poenggivning på en skala fra 0 til 100, der 60 poeng er laveste grense for tildeling. Søknaden deres ble vurdert som gyldig og fikk 79 poeng i kvalitetsvurderingen. Den sammenfattede ekspertvurderingen følger vedlagt.

Kontrakt

Vedlagt følger kontrakten samt vedlegg. Vi ber dere lese kontrakten og vedleggene nøye og kontrollere at navn og adresse er korrekt på forsiden og under punkt I.6.3. Meld fra til Diku hvis korrigeringer er nødvendig.

Dere skal fylle ut kontoopplysninger i artikkel I.5. I feltet «Reference...» kan dere oppgi prosjektkonto eller annen informasjon som kan identifisere overføring av midler. Vi ber om at dere signerer og returnerer kontraktens første del (Special Conditions). Kontrakten skal signeres av leder, scannes og sendes til Diku på denne e-postadressen:

POSTADRESSE
Postboks 1093
5809 Bergen
post@diku.no

HOVEDKONTOR
Fortunen 1
HJEMMESIDE
diku.no

TELEFON
+47 55 30 38 00
ORG.NO
986 339 523

SAKSBEHANDLER
Aud Trohaug
aud.trohaug@diku.no
+47 475 04 376

post@diku.no. Frist for innsending av signert kontrakt er **28. juni 2019**. Kontrakten blir deretter signert på Diku og returnert til dere på e-post for oppbevaring.

Utbetaling av tildelt beløp

Innen 30 dager etter at kontrakten er signert av begge parter, vil 80 % av tildelt beløp bli overført til bankkontoen som er oppgitt i kontrakten. De resterende midlene, maksimum 20 % av tildelt beløp, vil bli overført innen 60 dager etter at sluttrapport er mottatt og godkjent.

Bruk av midlene

Vi viser til kontraktens del I – artikkel 1.3, med dens henvisninger til andre artikler i kontrakten og retningslinjene i Annex III for informasjon om bruken av tildelt beløp. I Annex II – Budget Summary finnes detaljert budsjett med informasjon om hvilke mobiliteter som kan gjennomføres. Som mottaker har man en del fleksibilitet i bruken av midlene. I artikkel 1.3.3 finner dere detaljert informasjon om hvilke endringer som kan gjøres i prosjektet uten å endre kontrakten. Ta kontakt med oss dersom dere har spørsmål utover dette. Det er viktig å ta vare på reisebevis og deltakerbevis for mobilitetene, jf. Annex I – General conditions – artikkel II.20.2c, ettersom Diku, i henhold til Annex III – artikkel VI, kan etterspørre slik dokumentasjon.

Rapportering

Den elektroniske plattformen Mobility Tool+ skal brukes ved rapportering. For at den enkelte bruker og institusjon skal kunne få tilgang til dette verktøyet er det viktig at vi har riktig navn og e-postadresse til personen som er knyttet til det enkelte prosjekt. Som oppgitt i søknaden er **John Fredrik Wallace** med e-postadresse **john.fredrik.wallace@meland.kommune.no** registrert som kontaktperson for dette prosjektet. Dersom det er feil i e-postadressen, eller en annen person skal være kontaktperson, er det viktig at dere melder fra til Diku omgående. Dere vil få tilgang til Mobility Tool+ etter at kontrakten er signert av begge parter.

Kontaktperson ved Diku

Ved Diku er det Henrik Arvidsson som har ansvar for oppfølging av dette prosjektet. Kontaktinformasjon: e-post: henrik.arvidsson@diku.no, telefon: 472 47 104.

Oppstarts- og erfaringsseminar

Diku arrangerer et oppstarts- og erfaringsseminar for mobilitetsprosjekter og strategiske partnerskap i Erasmus+. Seminaret vil finne sted i Bergen 23.-24. september 2019. På oppstarts- og erfaringsseminaret vil dere få viktig informasjon om økonomi, rapportering og prosjektstyring. Vi anbefaler alle å delta slik at gjennomføring og rapportering i prosjektene er i henhold til retningslinjene for Erasmus+-programmet. I tillegg blir det mulighet for å diskutere prosjektene og for å bli kjent med oss og andre prosjekt koordinatorene. Invitasjon og program vil bli sendt ut etter sommeren, men hold av

datoene. Det er mulig å bruke midler fra «Organisational support» til å dekke utgifter i forbindelse med deltakelse på seminaret.

Klageadgang

Innen tre uker fra dere mottar dette brevet, kan dere klage på vedtaket. Klagen skal sendes skriftlig til Diku. Den skal vise til avgjørelsen det klages på med prosjektnummer og vår ref, og begrunne de endringer som ønskes i avgjørelsen. Ta også med eventuelle andre opplysninger som kan ha betydning når vi skal vurdere klagen. Dere kan lese mer om retten til å klage på nettstedet <https://diku.no/om-diku/organisasjon#content-section-10> og i forvaltningsloven kapittel VI.

Andre opplysninger

Dere kan få ytterligere opplysninger om Erasmus+ på vårt nettsted www.diku.no. Vennligst oppgi prosjektnummeret når dere kontakter Diku.

Vi ser frem til et hyggelig samarbeid og ønsker dere lykke til med gjennomføringen av prosjektet.

Med vennlig hilsen
Kristin Amundsen
seksjonsleder

Aud Trohaug
rådgiver

Dokumentet er elektronisk signert og har derfor ikke håndskrevne signaturer.

Vedlegg:

Consolidated assessment - Meland kommune
Meland kommune - kontrakt
Annex I - 2019 general conditions-monobeneficiary
AnnexII_2019-1-NO01-KA104-060012
Annex III - 2019 KA1 AE II.1.3_Mono-Financial and contractual rules
Annex IV - 2019 KA1 AE_ II.1.4 _ Applicable rates-mono
Annex V AE Staff Mobility Agreement Mono

Kopimottaker:

Meland kommune, John Fredrik Wallace

Consolidated assessment

Institution: Meland kommune

Project number: 2019-1-NO01-KA104-060012

Title: Entreprenørskap, språktrening og arbeidsintegrering for flyktninger

Total score: 79

Relevance of the project/strategy: 26 of maximum 30 points

Søknaden beskriver på en god måte hvilken tematikk Meland kommune ønsker å jobbe med. Det å utvikle gode integreringstiltak er i tråd med både europeiske, nasjonale og lokale prioriteringer. Man beskriver på en god måte hvilke planer man har om å utvikle tre forskjellige spor i introduksjonsprogrammet, og man redegjør også på en god måte hvordan man ønsker å utvikle disse ved at de ansatte får mulighet til jobbskygging.

Siden prosjektet er så tett knyttet til introduksjonsprogrammet er det stor sannsynlighet for at prosjektet kommer målgruppen for dette programmet til gode.

Det at Meland kommune skal slås sammen med to andre kommuner gjør også at dette arbeidet blir ekstra relevant når man skal utvikle et «nytt» tilbud.

Quality of project design and implementation: 30 of maximum 40 points

Det er ingen tvil om at dette er en organisasjon som er kapabel til å gjennomføre et godt prosjekt. Man skisserer på en god måte hvordan man ser for seg å velge ut potensielle jobbskyggingspartnere – og man har pekt seg ut et antall institusjoner, som fremstår som meget relevant. Lengde og innhold på reisene er fornuftig og i tråd med prosjektets målsetning.

Når det gjelder prosjektdeltakere så kan det virke som om man ønsker å inkludere deltakere fra fylkeskommunen og NAV. Dette er det dessverre ikke anledning til innen Erasmus+, da deltakerne må være ansatt i kommunen. Det er selvsagt ok å ha med deltakere fra andre institusjoner på egen regning, men det fremkommer ikke av søknaden om det er disse deltakerne som man viser til når man skisserer tre deltakere som ikke skal få støtte.

Et overordnet inntrykk er at man burde kunne oppnå tilnærmet samme effekt med noen færre mobiliteter.

Søknaden gir inntrykk av at alt det praktiske vil bli ivaretatt på en tilfredsstillende måte. Dog kunne søknaden med fordel ha utviklet teksten om forberedelse og oppfølging av deltakerne.

Impact and dissemination: 23 of maximum 30 points

Søknaden beskriver på en god måte hvilket læringsutbytte deltakerne forventes å sitte igjen med samt hvordan denne skal integreres i organisasjonen.

Man ha også gode tanker om evaluering av oppholdene og det er positivt at man ser for seg å gjennomføre kontinuerlig evaluering, slik at man får mulighet å justere kurs, dersom nødvendig. Det er også positivt at man skal gjennomføre en sluttevaluering for å se hva man tar med seg videre og hvordan man kan videreutvikle sitt internasjonale arbeid.

Man beskriver på en god måte hvordan prosjektet vil påvirke kommunen, men søknaden hadde blitt enda sterkere om den hadde skissert hvordan målgruppen (brukerne av integrasjonsprogrammet) vil bli påvirket.

Man har også gode rutiner for å spre resultatene av prosjektet internt og til de ansattes nettverk.

GRANT AGREEMENT for a:**Project with one beneficiary under the ERASMUS+ Programme¹****AGREEMENT NUMBER – 2019-1-NO01-KA104-060012**

This Agreement ('the Agreement') is concluded between the following parties:

on the one part,

Full official name:	Diku – Direktoratet for internasjonisering og kvalitetsutvikling i høyere utdanning
Official address in full:	Postboks 1093, 5809 Bergen

The **National Agency** (hereinafter referred to as "the NA"), represented for the purposes of signature of this Agreement by National Agency Director Siv Andersen, and acting under delegation by the European Commission, hereinafter referred to as "the Commission",

and

on the other part,

"the beneficiary"

Full official name:	Meland kommune
Official address in full:	Havnevegen 41 Postboks 79 5906 Frekhaug
PIC number:	909108348

represented for the purposes of signature of this Agreement by Rådmann Martin Kulild

The parties referred to above

¹ Regulation (EU) No 1288/2013 of the European Parliament and of the Council of 11 December 2013 establishing 'Erasmus+': the Union programme for education, training, youth and sport and repealing Decisions No 1719/2006/EC, No 1720/2006/EC and No 1298/2008/EC

HAVE AGREED

to the Special Conditions (“the Special Conditions”) and the following Annexes:

Annex I General Conditions

Annex II Description of the Project; Estimated budget of the project

Annex III Financial and contractual rules

Annex IV Applicable rates

Annex V Templates for agreements to be used between beneficiary and participants

which form an integral part of the Agreement.

The provisions in the Special Conditions of the Agreement take precedence over its Annexes.

The provisions in Annex I ‘General Conditions’ take precedence over those in other Annexes.

The provisions in Annex III take precedence over those in the other Annexes, except Annex I.

Within Annex II, the part on the Estimated budget takes precedence over the part on the Description of the project.

SPECIAL CONDITIONS

Table of Contents

ARTICLE I.1	– SUBJECT MATTER OF THE AGREEMENT	2
ARTICLE I.2	– ENTRY INTO FORCE AND IMPLEMENTATION PERIOD OF THE AGREEMENT	2
ARTICLE I.3	– MAXIMUM AMOUNT AND FORM OF THE GRANT	2
ARTICLE I.4	– REPORTING AND PAYMENT ARRANGEMENTS	3
I.4.1	Payments to be made	3
I.4.2	First pre-financing payment	3
I.4.3	Interim reports and further pre-financing payments	3
I.4.4	Final report and request for payment of the balance	3
I.4.5	Payment of the balance	4
I.4.6	Notification of amounts due	4
I.4.7	Payments to the beneficiary	5
I.4.8	Language of requests for payments and reports	5
I.4.9	Currency for requests for payments and conversion into euro	5
I.4.10	Currency for payments	5
I.4.11	Date of payment	5
I.4.12	Costs of payment transfers	5
I.4.13	Interest on late payment	5
ARTICLE I.5	– BANK ACCOUNT FOR PAYMENTS	6
ARTICLE I.6	– PROCESSING OF PERSONAL DATA AND COMMUNICATION DETAILS OF THE PARTIES	7
I.6.1	Communication details of the NA	7
I.6.2	Communication details of the beneficiary	7
ARTICLE I.7	– PROTECTION AND SAFETY OF PARTICIPANTS	7
ARTICLE I.8	– ADDITIONAL PROVISIONS ON USE OF THE RESULTS (INCLUDING INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS)	7
ARTICLE I.9	– USE OF IT TOOLS	8
I.9.1	Mobility Tool+	8
I.9.2	Erasmus+ Project Results Platform	8
ARTICLE I.10	– ADDITIONAL PROVISIONS ON SUBCONTRACTING	8
ARTICLE I.11	– ADDITIONAL PROVISION ON THE VISIBILITY OF UNION FUNDING	8
ARTICLE I.12	– SUPPORT TO PARTICIPANTS	8
ARTICLE I.13	– SPECIFIC DEROGATIONS FROM ANNEX I GENERAL CONDITIONS	9

ARTICLE I.1 – SUBJECT MATTER OF THE AGREEMENT

- I.1.1 The NA has decided to award a grant, under the terms and conditions set out in the Special Conditions, the General Conditions and the other Annexes to the Agreement, for the Project **Entreprenørskap, språktrening og arbeidsintegrering for flyktninger** ("the Project") under the Erasmus+ Programme, Key Action 1: Learning Mobility of Individuals, as described in Annex II.
- I.1.2 By signing the Agreement, the beneficiary accepts the grant and agrees to implement the Project, acting on its own responsibility.

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

- I.2.1 The Agreement enters into force on the date on which the last party signs it.
- I.2.2 The Project runs for **22 months** starting on 01.06.2019 and finishing on 31.03.2021.

ARTICLE I.3 – MAXIMUM AMOUNT AND FORM OF THE GRANT

I.3.1 **The maximum amount of the grant is EUR 21 620.**

I.3.2 In accordance with the estimated budget specified in Annex II and with the eligible costs and the financial rules specified in Annex III, the grant takes the form of:

a) the reimbursement of eligible costs of the action ('reimbursement of eligible costs') which are:

- (i) actually incurred
- (ii) declared on the basis of unit costs
- (iii) reimbursement of costs declared on the basis of lump sum: not applicable
- (iv) reimbursement of costs declared on the basis of flat-rate: 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
- e) financing not linked to costs: not applicable

I.3.3 Budget transfers without amendment

The beneficiary is allowed to transfer funds between the different budget categories resulting in a change of the estimated budget and the related activities described in Annex II, without requesting an amendment of the Agreement as specified in Article II.13, under

the condition that the Project is implemented in accordance with the approved project application and overall objectives described in Annex II, and the following specific rules are respected:

- (a) The beneficiary is allowed to transfer up to 100 % of the funds allocated for organisational support to other budget categories;
- (b) The beneficiary is allowed to transfer up to 50 % of the funds allocated for travel, individual support and course fees between these three budget categories.
- (c) The beneficiary is allowed to transfer funds allocated for any budget category to special needs support and exceptional costs covering financial guarantee or expensive travel costs, even if initially no funds were allocated for these categories as specified in Annex II.

ARTICLE I.4 – REPORTING AND PAYMENT ARRANGEMENTS

The following reporting and payment provisions shall apply:

I.4.1 Payments to be made

The NA must make the following payments to the beneficiary:

- a first pre-financing payment;
- one payment of the balance, on the basis of the request for payment of the balance referred to in Article I.4.4.

I.4.2 First pre-financing payment

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

The NA must pay to the beneficiary within 30 days following the entry into force of the Agreement a pre-financing payment of EUR 17 296 corresponding to 80 % of the maximum grant amount specified in Article I.3.1.

I.4.3 Interim reports and further pre-financing payments

Not applicable.

I.4.4 Final report and request for payment of the balance

Within 60 calendar days after the end date of the Project specified in Article I.2.2, the beneficiary must complete a final report on the implementation of the Project. This report must contain the information needed to justify the amount requested on the basis of unit

contributions where the grant takes the form of the reimbursement of unit contributions or the eligible costs actually incurred in accordance with Annex III.

The final report is considered as the beneficiary's request for payment of the balance of the grant.

The beneficiary must certify that the information provided in the request for payment of the balance is full, reliable and true. It must also certify that the costs incurred can be considered eligible in accordance with the 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.

1.4.5 Payment of the balance

The payment of the balance reimburses or covers the remaining part of the eligible costs incurred by the beneficiary for the implementation of the project.

The NA determines the amount due as the balance by deducting the total amount of pre-financing already made from the final amount of the grant determined in accordance with Article II.25.

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

If the total amount of earlier payments is lower than the final amount of the grant determined in accordance with Article II.25, the NA must pay the balance within 60 calendar days from when it receives the documents referred to in Article I.4.4, except if Article II.24.1 or II.24.2 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 amount to be paid may, however, be offset, without the beneficiary's consent, against any other amount owed by the beneficiary to the NA, up to the maximum amount of the grant.

1.4.6 Notification of amounts due

The NA must send a *formal notification* to the beneficiary:

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

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

I.4.7 Payments to the beneficiary

The NA must make payments to the beneficiary.

Payments to the beneficiary discharge the NA from its payment obligation.

I.4.8 Language of requests for payments and reports

All requests for payments and reports must be submitted in Norwegian or English.

I.4.9 Currency for requests for payments and conversion into euro

Request for payment must be drafted in euro.

The beneficiary with general accounts in a currency other than the euro must convert costs incurred in another currency into euros at the average of the daily exchange rates published in the C series of the Official Journal of the European Union, determined over the corresponding reporting period (available at <http://www.ecb.europa.eu/stats/exchange/eurofxref/html/index.en.html>).

If no daily euro exchange rate is published in the Official Journal of the European Union for the currency in question, conversion must be made at the average of the monthly accounting rates established by the Commission and published on its website (http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm), determined over the corresponding reporting period.

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

I.4.10 Currency for payments

The NA must make payments in euro.

I.4.11 Date of payment

Payments by the NA are considered to have been carried out on the date when they are debited to its account unless the national law provides otherwise.

I.4.12 Costs of payment transfers

Costs of the payment transfers are borne as follows:

- (a) the NA bears the costs of transfer charged by its bank;
- (b) the beneficiary bears the costs of transfer charged by its bank;
- (c) the party causing a repetition of a transfer bears all costs of repeated transfers.

I.4.13 Interest on late payment

If the NA does not pay within the time limit for payment, the beneficiary is entitled to late-payment interest. The interest payable is determined according to the provisions laid down in the national law applicable to the Agreement or in the rules of the NA. In the absence of such

provisions, the interest payable is determined according with 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*.

If the NA suspends the time limit for payment as provided for in Article II.24.2 or if it suspends an actual payment as provided for in Article II.24.1, 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 I.4.11. The NA does not consider payable interest when determining the final amount of grant within the meaning of Article II.25.

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 beneficiary only if the beneficiary requests it within two months of receiving late payment.

ARTICLE I.5 – BANK ACCOUNT FOR PAYMENTS

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

Name of bank:

Address of branch:

Precise denomination of the account holder:

Full account number (including bank codes):

IBAN code:

Reference for identification in the beneficiary's accounting system (max 20 characters):

ARTICLE I.6 – PROCESSING OF PERSONAL DATA AND COMMUNICATION DETAILS OF THE PARTIES

For the purpose of Article II.7, the data controller is:

Head of Unit B4
Directorate B – Youth, Education & Erasmus+
Directorate-General for Education, Youth, Sport and Culture
European Commission
B-1049 Brussels
Belgium

I.6.1 Communication details of the NA

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

*Diku
Postboks 1093
5809 Bergen*

E-mail address: erasmuspluss@diku.no

I.6.2 Communication details of the beneficiary

Any communication from the NA to the beneficiary must be sent to the following address:

John Fredrik Wallace
E-mail address: john.fredrik.wallace@meland.kommune.no
Phone number: +4748284872

ARTICLE I.7 – PROTECTION AND SAFETY OF PARTICIPANTS

The beneficiary shall have in place effective procedures and arrangements to provide for the safety and protection of the participants in their Project.

The beneficiary must ensure that insurance coverage is provided to participants involved in mobility activities.

ARTICLE I.8 – ADDITIONAL PROVISIONS ON USE OF THE RESULTS (INCLUDING INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS)

In addition to the provision of Article II.9.3, if the beneficiary produces educational materials under the scope of the Project, such materials must be made available through the Internet, free of charge and under open licenses².

² Open licence – a way by which the owner of a work grants permission to others to use the resource. A license is associated to each resource. There are different open licences according to the extent of the permissions granted or the limitations imposed and the beneficiary is free to

ARTICLE I.9 – USE OF IT TOOLS

I.9.1 Mobility Tool+

The beneficiary must make use of the web based Mobility Tool+ to record all information in relation to the activities undertaken under the Project, and to complete and submit the Progress Report, Interim report (if available in Mobility Tool+ and for the cases specified in article I.4.3) and Final report.

At least once a month during the mobility project, the beneficiary shall encode and update any new information regarding the participants and the mobility activities.

I.9.2 Erasmus+ Project Results Platform

The beneficiary may use the Erasmus+ Project Results Platform (<http://ec.europa.eu/programmes/erasmus-plus/projects>) to disseminate project results, in accordance with the instructions provided therein.

ARTICLE I.10 – ADDITIONAL PROVISIONS ON SUBCONTRACTING

By way of derogation, the provisions set out in points (c) and (d) of Article II.11.1 are not applicable.

ARTICLE I.11 – ADDITIONAL PROVISION ON THE VISIBILITY OF UNION FUNDING

Without prejudice to Article II.8, the beneficiary shall acknowledge the support received under the Erasmus+ programme in all communication and promotional materials, including on websites and social media. The guidelines for the beneficiary and other third parties are available at http://eacea.ec.europa.eu/about-eacea/visual-identity_en

ARTICLE I.12 – SUPPORT TO PARTICIPANTS

If, while implementing the Project, the beneficiary has to give support to participants, the beneficiary shall provide such support in accordance with the conditions specified in Annex II and Annex V (if applicable). Under those conditions, the following information must be stated at least:

- (a) the maximum amount of financial support. This amount must not exceed EUR 60 000 for each participant;
- (b) the criteria for determining the exact amount of the support;

choose the specific license to apply to their work. An open licence must be associated to each resource produced. An open licence is not a transfer of copyrights or Intellectual Property Rights (IPR).

- (c) the activities for which the participant may receive support, on the basis of a fixed list;
- (d) the definition of the persons or categories of persons which may receive support
- (e) the criteria for giving the support].

In accordance with the documents provided in Annex V, if applicable, the beneficiary must:

- Either transfer the financial support for the budget categories travel/ individual support/ course fees in full to the participants of mobility activities, applying the rates for unit contributions as specified in Annex IV;
- Or provide the support for the budget categories travel/ individual support/ course fees to participants of mobility activities in the form of provision of the required travel/subsistence/courses. In such case, the beneficiary must ensure that the provision of travel/subsistence/courses will meet the necessary quality and safety standards.

The beneficiary may combine the two options set out in the previous paragraph in so far as they ensure fair and equal treatment of all participants. In such case the conditions applicable to each option must be applied for the budget categories to which the respective option is applied.

ARTICLE I.13 – SPECIFIC DEROGATIONS FROM ANNEX I GENERAL CONDITIONS

1. For the purposes of this Agreement, in Annex I General Conditions the term "the Commission" must be read as "the NA", the term "action" must be read as "project" and the term "unit cost" must be read as "unit contribution", except where otherwise provided.

For the purposes of this Agreement, in Annex I General Conditions the notion "financial statement" must be read as "the budgetary part of the report", except where otherwise provided.

In Article II.4.1, Article II.8.2, Article II.20.3, Article II.27.1, Article II.27.3, the first paragraph of Article II.27.4, first paragraph of Article II.27.8. and in the Article II.27.9 the reference to "the Commission" must be read as reference to "the NA and the Commission".

In Article II.12 the term "financial support" must be read as "support" and the term "third parties" must be read as "participants".

2. For the purposes of this Agreement, the following clauses of Annex I General Conditions are not applicable: Article II.2.d (ii), Article II.12.2, Article II.13.4, Article II.17.2.1 (h), Article II.18.3, Article II.19.2, Article II.19.3, Article II.20.3, Article II.21, point c) of the sixth subparagraph of Article II.25.3, Article II.27.7.

For the purpose of this Agreement, the terms "*affiliated entities*", "*interim payment*", "*lump sum*", "*flat rate*" do not apply when mentioned in the General Conditions.

3. Article II.7.1 must be read as follows:

"II.7.1 Processing of personal data by the NA and the Commission

Any personal data included in the Agreement must be processed by the NA and the Commission in accordance with Regulation (EU) No 2018/1725³

Such data must be processed by the data controller identified in Article I.6.1 solely for implementing, managing and monitoring the Agreement or to protect the financial interests of the EU, including checks, audits and investigations in accordance with Article II.27.

The beneficiaries have the right to access, rectify or erase their own personal data and the right to restrict or, where applicable, the right to data portability or the right to object to data processing in accordance with Regulation (EU) No 2018/1725. For this purpose, they must send any queries about the processing of their personal data to the data controller identified in Article I.6.1.

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

4. In Article II.9.3, the title and letter (a) of the first paragraph must be read as follows:

"II.9.3 Rights of use of the results and of pre-existing rights by the NA and the Union

The beneficiary grants the NA and the Union the following rights to use the results of the project:

(a) for its own purposes and in particular to make available to persons working for the NA, Union institutions, agencies and bodies and to Member States' institutions, as well as to copy and reproduce in whole or in part and in an unlimited number of copies."

For the rest of this article, the references to the "Union" must be read as reference to "the NA and/or the Union".

5. The second paragraph of Article II.10.1 must be read as follows:

"The beneficiary must ensure that the NA, the Commission, the European Court of Auditors and the European Anti-Fraud Office (OLAF) can exercise their rights under Article II.27 also towards the beneficiary' contractors."

6. Article II.18 must be read as follows:

³ Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC.

II.18.1 The Agreement is governed by Norwegian Law.

II.18.2 The competent court determined in accordance with the applicable national law has sole jurisdiction to hear any dispute between the NA and any beneficiary concerning the interpretation, application or validity of the Agreement, if such dispute cannot be settled amicably.

7. Article II.19.1 must be read as follows:

"The conditions for the eligibility of costs are defined in sections I.1 and II.1 of Annex III."

8. Article II.20.1 must be read as follows:

"The conditions for declaring costs and contributions are defined in section I.2 and II.2 of Annex III."

9. Article II.20.2 must be read as follows:

"The conditions for records and other documentation to support the costs and contributions declared are defined in section I.2 and II.2 of Annex III."

10. The first paragraph of Article II.22 must be read as follows:

"The beneficiary is allowed to adjust the estimated budget set out in Annex II by transfers between the different budget categories, if the *project* is implemented as described in Annex II. This adjustment does not require an amendment of the Agreement as provided for in Article II.13, if the conditions provided for in Article I.3.3 are met."

11. Article II.23(b) must be read as follows:

"(b) still fails to submit such a request within further 30 calendar days following a written reminder sent by the NA."

12. The first paragraph of Article II.24.1.3 must be read as follows:

"During the period of suspension of payments the beneficiary is not entitled to submit any requests for payments and supporting documents referred to in Articles I.4.3 and I.4.4".

13. Article II.25.1(b) must be read as follows:

" II.25.1 Step 1 — Application of the reimbursement rate to the eligible costs and addition of the financing not linked to costs, unit, flat-rate and lump sum contributions

- (b) If, as provided for in Article I.3.2(a) (ii) to (v), the grant takes the form of the reimbursement of eligible unit costs, lump sum costs or flat rate costs , the reimbursement rate specified in that Article is applied to the those eligible costs as approved by the Commission for the corresponding categories of costs, beneficiaries and affiliated entities;

14. The second paragraph of Article II.25.4 must be read as follows:

"The amount of the reduction will be proportionate to the degree to which the *project* has been implemented improperly or to the seriousness of the breach, as provided for in section IV of Annex III."

15. The third paragraph of Article II.26.2 must be read as follows:

"If payment has not been made by the date specified in the debit note, the NA will recover the amount due:

- (a) by offsetting it, without the beneficiary's prior consent, against any amounts owed to the beneficiary by the NA ('offsetting');

In exceptional circumstances, to safeguard the financial interests of the Union, the NA may offset before the due date.

An action may be brought against such offsetting before the competent court determined in Article II.18.2;

- (a) by drawing on the financial guarantee where provided for in accordance with Article I.4.2 ('drawing on the financial guarantee');
- (b) by taking legal action as provided for in Article II.18.2 or in the Special Conditions."

16. The third paragraph of Article II.27.2 must be read as follows:

"The periods set out in the first and second subparagraphs are longer if a longer duration is required by national law, or if there are ongoing audits, appeals, litigation or pursuit of claims concerning the grant, including in the cases referred to in Article II.27.7. In the latter cases, the beneficiary must keep the documents until such audits, appeals, litigation or pursuit of claims have been closed."

17. Article II.27.3 must be read as follows:

"The beneficiary must provide any information, including information in electronic format, requested by the NA or Commission or by any other outside body authorised by the Commission.

If the beneficiary does not comply with the obligation set out in the first subparagraph, the NA may consider:

- (a) any cost insufficiently substantiated by information provided by the beneficiary as ineligible;
- (b) any unit, lump sum or flat-rate contribution insufficiently substantiated by information provided by the beneficiary as undue."

SIGNATURES

For the beneficiary	For the NA
Rådmann	National Agency Director
Martin Kulild	Siv Andersen
Signature:	Signature:
Done at (place)....., (date).....	Done at Bergen, (date).....

ANNEX I — GENERAL CONDITIONS

TABLE OF CONTENT

PART A — LEGAL AND ADMINISTRATIVE PROVISIONS.....5

ARTICLE II.1 - DEFINITIONS5

ARTICLE II.2 – GENERAL OBLIGATIONS OF THE BENEFICIARY6

ARTICLE II.3 – COMMUNICATION BETWEEN PARTIES7

 II.3.1 Form and means of communication.....7

 II.3.2 Date of communications.....7

ARTICLE II.4 – LIABILITY FOR DAMAGES7

ARTICLE II.5 – CONFLICT OF INTEREST8

ARTICLE II.6 - CONFIDENTIALITY8

ARTICLE II.7 – PROCESSING OF PERSONAL DATA.....8

 II.7.1 Processing of personal data by the Commission8

 II.7.2 Processing of personal data by the beneficiary9

ARTICLE II.8 – VISIBILITY OF UNION FUNDING9

 II.8.1 Information on Union funding and use of the European Union emblem.....9

 II.8.2 Disclaimers excluding Commission responsibility 10

ARTICLE II.9 – PRE-EXISTING RIGHTS AND OWNERSHIP AND USE OF THE RESULTS (INCLUDING INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS)..... 10

 II.9.1 Ownership of the results by the beneficiary 10

 II.9.2 Pre-existing rights..... 10

 II.9.3 Rights of use of the results and of pre-existing rights by the Union . 10

ARTICLE II.10 – AWARD OF CONTRACTS NECESSARY FOR THE IMPLEMENTATION OF THE ACTION 11

ARTICLE II.11 – SUBCONTRACTING OF TASKS FORMING PART OF THE ACTION.....	12
ARTICLE II.12 – FINANCIAL SUPPORT TO THIRD PARTIES	13
ARTICLE II.13 – AMENDMENTS TO THE AGREEMENTS	13
ARTICLE II.14 – ASSIGNMENT OF CLAIMS FOR PAYMENTS TO THIRD PARTIES	14
ARTICLE II.15 – FORCE MAJEURE.....	14
ARTICLE II.16 – SUSPENSION OF THE IMPLEMENTATION OF THE ACTION	14
II.16.1 Suspension of implementation by the beneficiary.....	14
II.16.2 Suspension of implementation by the Commission	15
II.16.3 Effects of the suspension.....	16
ARTICLE II.17 – TERMINATION OF THE AGREEMENT	16
II.17.1 Termination of the Agreement by the beneficiary.....	16
II.17.2 Termination of the Agreement by the Commission	17
II.17.3 Effects of termination	18
ARTICLE II.18 – APPLICABLE LAW, SETTLEMENT OF DISPUTES AND ENFORCEABLE DECISIONS	19
PART B — FINANCIAL PROVISIONS	20
ARTICLE II.19 – ELIGIBLE COSTS.....	20
II.19.1 Conditions for the eligibility of costs	20
II.19.2 Eligible direct costs.....	20
II.19.3 Eligible indirect costs.....	22
II.19.4 Ineligible costs.....	22
ARTICLE II.20 – IDENTIFIABILITY AND VERIFIABILITY OF THE AMOUNTS DECLARED	22
II.20.1 Declaring costs and contributions.....	22
II.20.2 Records and other documentation to support the costs and contributions declared.....	23

II.20.3 Conditions to determine the compliance of cost accounting practices	24
ARTICLE II.21 – ELIGIBILITY OF COSTS OF ENTITIES AFFILIATED TO THE BENEFICIARY	25
ARTICLE II.22 – BUDGET TRANSFERS	25
ARTICLE II.23 – NON-COMPLIANCE WITH THE REPORTING OBLIGATIONS.....	25
ARTICLE II.24 – SUSPENSION OF PAYMENTS AND TIME LINE FOR PAYMENT	26
II.24.1 Suspension of payments	26
II.24.2 Suspension of the time limit for payments	27
ARTICLE II.25 – CALCULATION OF THE FINAL AMOUNT OF THE GRANT	28
II.25.1 Step 1 — Application of the reimbursement rate to the eligible costs and addition of the financing not linked to costs, unit, flat-rate and lump sum contributions	28
II.25.2 Step 2 — Limit to maximum amount of the grant	29
II.25.3 Step 3 — Reduction due to the no-profit rule	29
II.25.4 Step 4 — Reduction due to improper implementation or breach of other obligations	30
ARTICLE II.26 - RECOVERY.....	31
II.26.1 Recovery	31
II.26.2 Recovery procedure	31
II.26.3 Interest on late payment	32
II.26.4 Bank charges	32
ARTICLE II.27 – CHECKS, AUDITS AND EVALUATIONS	32
II.27.1 Technical and financial checks, audits, interim and final evaluations.....	32
II.27.2 Duty to keep documents.....	33
II.27.3 Obligation to provide information	33
II.27.4 On-the-spot visits	33

II.27.5 Contradictory audit procedure	34
II.27.6 Effects of audit findings	34
II.27.7 Correction of systemic or recurrent errors, irregularities, fraud or breach of obligations.....	34
II.27.8 Rights of OLAF	36
II.27.9 Rights of the European Court of Auditors and EPPO	36

PART A — LEGAL AND ADMINISTRATIVE PROVISIONS

ARTICLE II.1 - DEFINITIONS

The following definitions apply for the purpose of the Agreement:

‘Action’: the set of activities or the project for which the grant is awarded, to be implemented by the beneficiary as described in Annex I;

‘Breach of obligations’: failure by the beneficiary to fulfil one or more of its contractual obligations;

‘Confidential information or document’: any information or document (in any format) received by either party from the other or accessed by either party in the context of the implementation of the Agreement that any of the parties has identified in writing as confidential. It does not include information that is publicly available;

‘Conflict of interests’: a situation where the impartial and objective implementation of the Agreement by the beneficiary is compromised for reasons involving family, emotional life, political or national affinity, economic interest, any other direct or indirect personal interest or any other shared interest with the Commission or any third party related to the subject matter of the Agreement;

‘Direct costs’: those specific costs which are directly linked to the implementation of the *action* and can therefore be attributed directly to it. They may not include any *indirect costs*;

‘Force majeure’: any unforeseeable, exceptional situation or event beyond the control of the parties that prevents either of them from fulfilling any of their obligations under the Agreement, which is not attributable to error or negligence on their part or on the part of the subcontractors affiliated entities or third parties in receipt of financial support and which proves to be inevitable despite their exercising due diligence. The following cannot be invoked as *force majeure*: labour disputes, strikes, financial difficulties or any default of a service, defect in equipment or materials or delays in making them available, unless they stem directly from a relevant case of *force majeure*;

‘Formal notification’: form of communication between the parties made in writing, by mail or electronic mail which provides the sender with compelling evidence that the message was delivered to the specified recipient;

‘Fraud’: any act or omission relating to the use or presentation of false, incorrect or incomplete statements or documents, which has as its effect the misappropriation or wrongful retention of funds or assets from the Union budget, the non-disclosure of information in violation of a specific obligation, with the same effect or the misapplication of such funds or assets for purposes other than those for which they were originally granted;

‘Grave professional misconduct’: 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;

‘Implementation period’: the period of implementation of the activities forming part of the *action*, as specified in Article I.2.2;

‘Indirect costs’: those costs which are not specific costs directly linked to the implementation of the *action* and which therefore cannot be attributed directly to it. They may not include any costs identifiable or declared as eligible *direct costs*;

‘Irregularity’: any infringement of a provision of Union law resulting from an act or omission by the beneficiary, which has or would have the effect of prejudicing the Union’s budget;

‘Maximum amount of the grant’: the maximum EU contribution to the *action*, as defined in Article I.3.1;

‘Pre-existing material’: any materials, document, technology or know-how which exists prior to the beneficiary using it for the production of a result in the implementation of the *action*;

‘Pre-existing right’: any industrial and intellectual property right on *pre-existing material*; it may consist in a right of ownership, a licence right and/or a right of use belonging to the beneficiary or any other third parties;

‘Related person’: any natural or legal person who is a member of the administrative management or supervisory body of the beneficiary or who has the powers of representation, decision or control with regard to the beneficiary;

‘Starting date’: the date on which the implementation of the *action* starts as provided for in Article I.2.2;

‘Subcontract’: a procurement contract within the meaning of Article II.10, which covers the implementation by a third party of tasks forming part of the *action* as described in Annex II;

ARTICLE II.2 – GENERAL OBLIGATIONS OF THE BENEFICIARY

The beneficiary:

- (a) is liable for carrying out the *action* in accordance with the Agreement;
- (b) must comply with any legal obligations it is bound by under applicable EU, international and national law;
- (c) must inform the Commission immediately of any events or circumstances of which the beneficiary is aware, that are likely to affect or delay the implementation of the *action*;
- (d) must inform the Commission immediately:
 - (i) of any change in its legal, financial, technical, organisational or ownership situation and of any change in its name, address or legal representative;
 - (ii) of any change in the legal, financial, technical, organisational or ownership situation of its affiliated entities and of any change in their name, address or legal representative;
 - (iii) of any change regarding the exclusion situations listed in Article 136 of Regulation (EU) 2018/1046, including for its affiliated entities.

ARTICLE II.3 – COMMUNICATION BETWEEN PARTIES

II.3.1 Form and means of communication

Any communication relating to the Agreement or to its implementation, including the notification of decisions, letters, documents or information related to administrative procedures, must:

- (a) be made in writing (in paper or electronic form) in the language of the Agreement;
- (b) bear the number of the Agreement; and
- (c) be made using the communication details identified in Article I.6.

In particular, the parties agree that any *formal notification* made by mail or email has full legal effect and is admissible as evidence in administrative or judicial proceedings.

If a party requests written confirmation of an electronic communication within a reasonable time, the sender must provide the signed hard copy of the document sent electronically as soon as possible.

II.3.2 Date of communications

Any communication is considered to have been effected when the receiving party receives it, unless the Agreement states that communication is considered to have been effected on the date when it was sent.

An email is considered to have been received by the receiving party on the date of dispatch, provided that it is sent to the email address indicated in Article I.6. The sender must be able to prove the date of dispatch, for instance by an automatically generated read report. If the sender receives a non-delivery report, it must make every effort to ensure that the other party actually receives the communication by email or mail. In such a case, the sender is not held in breach of its obligation to send the communication within a specified time limit.

Mail sent to the Commission using the postal or courier services is considered to have been received by the Commission on the date on which it is registered by the department identified in Article I.6.

Formal notifications are to be considered as having been received on the date of receipt indicated in the proof received by the sender that the message was delivered to the addressee.

The Commission may consider any undisclosed change of postal or electronic address by the other party to this Agreement as grave professional misconduct, which is one of the situations of exclusion referred to in Article 136(1)(c) of Regulation (EU, Euratom) 2018/1046.

ARTICLE II.4 – LIABILITY FOR DAMAGES

II.4.1 The Commission may not be held liable for any damage caused or sustained by the beneficiary, including any damage caused to third parties as a consequence of or during the implementation of the *action*.

II.4.2 Except in cases of *force majeure*, the beneficiary must compensate the Commission for any damage it sustains as a result of the implementation of the *action* or because the *action* was not implemented in full compliance with the Agreement.

ARTICLE II.5 – CONFLICT OF INTEREST

II.5.1 The beneficiary must take all necessary measures to prevent any situation of *conflict of interests*.

II.5.2 The beneficiary must inform the Commission without delay of any situation constituting or likely to lead to a *conflict of interests*. It must take immediately all the necessary steps to rectify this situation.

The Commission may verify that the measures taken are appropriate and may require additional measures to be taken by a specified deadline.

ARTICLE II.6 - CONFIDENTIALITY

II.6.1 During implementation of the *action* and for five years after the payment of the balance, the parties must treat with confidentiality any *confidential information and documents*.

II.6.2 The parties may only use *confidential information and documents* for a reason other than to fulfil their obligations under the Agreement if they have first obtained the prior written agreement of the other party.

II.6.3 The confidentiality obligations do not apply if:

- (a) the disclosing party agrees to release the other party from those obligations;
- (b) the *confidential information or documents* become public through other means than a breach of the confidentiality obligations;
- (c) the disclosure of the *confidential information or documents* is required by law.

ARTICLE II.7 – PROCESSING OF PERSONAL DATA

II.7.1 Processing of personal data by the Commission

Any personal data included in the Agreement must be processed by the Commission in accordance with Regulation (EU) No 2018/1725.¹

Such data must be processed by the data controller identified in Article I.6 solely for implementing, managing and monitoring the Agreement or to protect the financial interests of the EU, including checks, audits and investigations in accordance with Article II.27.

The beneficiary has the right to access, rectify or erase its own personal data and the right to restrict or, where applicable, the right to data portability or the right to object to data processing in accordance with Regulation (EU) No 2018/1725. For this purpose, it must send

¹ Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC

any queries about the processing of its personal data to the data controller identified in Article I.6.

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

II.7.2 Processing of personal data by the beneficiary

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

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

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

- (a) the pseudonymisation and encryption of personal data;
- (b) the ability to ensure the ongoing confidentiality, integrity, availability and resilience of processing systems and services;
- (c) the ability to restore the availability and access to personal data in a timely manner in the event of a physical or technical incident;
- (d) a process for regularly testing, assessing and evaluating the effectiveness of technical and organisational measures for ensuring the security of the processing;
- (e) measures to protect personal data from accidental or unlawful destruction, loss, alteration, unauthorised disclosure of or access to personal data transmitted, stored or otherwise processed.

ARTICLE II.8 – VISIBILITY OF UNION FUNDING

II.8.1 Information on Union funding and use of the European Union emblem

Unless the Commission requests or agrees otherwise, any communication or publication made by the beneficiary that relates to the *action*, including at conferences, seminars or in any information or promotional materials (such as brochures, leaflets, posters, presentations, in electronic form, etc.), must:

- (a) indicate that the *action* has received funding from the Union; and
- (b) display the European Union emblem.

When displayed in association with another logo, the European Union emblem must have appropriate prominence.

The obligation to display the European Union emblem does not confer on the beneficiary a right of exclusive use. The beneficiary may not appropriate the European Union emblem or any similar trademark or logo, either by registration or by any other means.

For the purposes of the first, second and third subparagraphs and under the conditions specified therein, the beneficiary may use the European Union emblem without first obtaining permission from the Commission.

II.8.2 Disclaimers excluding Commission responsibility

Any communication or publication that relates to the *action*, made by the beneficiary in any form and using any means, must indicate:

- (a) that it reflects only the author's view; and
- (b) that the Commission is not responsible for any use that may be made of the information it contains.

ARTICLE II.9 – PRE-EXISTING RIGHTS AND OWNERSHIP AND USE OF THE RESULTS (INCLUDING INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS)

II.9.1 Ownership of the results by the beneficiary

The beneficiary retains ownership of the results of the *action*, including industrial and intellectual property rights, and of the reports and other documents relating to it, unless stipulated otherwise in the Agreement.

II.9.2 Pre-existing rights

If the Commission sends the beneficiary a written request specifying which of the results it intends to use, the beneficiary must:

- (a) establish a list specifying all *pre-existing rights* included in those results; and
- (b) provide this list to the Commission at the latest with the request for payment of the balance.

The beneficiary must ensure that it or its affiliated entities have all the rights to use any *pre-existing rights* during the implementation of the Agreement.

II.9.3 Rights of use of the results and of pre-existing rights by the Union

The beneficiary grants the Union the following rights to use the results of the *action*:

- (a) for its own purposes and in particular to make available to persons working for the Commission, other Union institutions, agencies and bodies and to Member States' institutions, as well as to copy and reproduce in whole or in part and in an unlimited number of copies;
- (b) reproduction: the right to authorise direct or indirect, temporary or permanent reproduction of the results by any means (mechanical, digital or other) and in any form, in whole or in part;
- (c) communication to the public: the right to authorise any display performance or communication to the public, by wire or wireless means, including making the results available to the public in such a way that members of the public may access

- them from a place and at a time individually chosen by them; this right also includes communication and broadcasting by cable or by satellite;
- (d) distribution: the right to authorise any form of distribution of results or copies of the results to the public;
 - (e) adaptation: the right to modify the results;
 - (f) translation;
 - (g) the right to store and archive the results in line with the document management rules applicable to the Commission, including digitisation or converting the format for preservation or new use purposes;
 - (h) where the results are documents, the right to authorise the reuse of the documents in conformity with Commission Decision 2011/833/EU of 12 December 2011 on the reuse of Commission documents if that Decision is applicable and if the documents fall within its scope and are not excluded by any of its provisions. For the sake of this provision, the terms 'reuse' and 'document' have the meanings given to them by Decision 2011/833/EU.

The above rights of use may be further specified in the Special Conditions.

Additional rights of use for the Union may be provided for in the Special Conditions.

The beneficiary must ensure that the Union has the right to use any *pre-existing rights* included in the results of the *action*. The *pre-existing rights* must be used for the same purposes and under the same conditions as applicable to the rights of use of the results of the *action*, unless specified otherwise in the Special Conditions.

Information about the copyright owner must be inserted in cases where the result is divulged by the Union. The copyright information must read: '© — year — name of the copyright owner. All rights reserved. Licenced to the European Union under conditions.'

If the beneficiary grants rights of use to the Commission, this does not affect its confidentiality obligations under Article II.6 or the beneficiary's obligation under Article II.2.

ARTICLE II.10 – AWARD OF CONTRACTS NECESSARY FOR THE IMPLEMENTATION OF THE ACTION

II.10.1 If the implementation of the *action* requires the beneficiary to procure goods, works or services, it may award the contract in accordance with their usual purchasing practices provided that the contract is awarded to the tender offering best value for money or, as appropriate, to the tender offering the lowest price. In doing so, it must avoid any *conflict of interests*.

The beneficiary must ensure that the Commission, the European Court of Auditors and the European Anti-Fraud Office (OLAF) can exercise their rights under Article II.27 also towards the beneficiary' contractors.

II.10.2 The beneficiary that is a ‘contracting authority’ within the meaning of Directive 2014/24/EU² or ‘contracting entity’ within the meaning of Directive 2014/25/EU³ must comply with the applicable national public procurement rules.

The beneficiary must ensure that the conditions applicable to it under Articles II.4, II.5, II.6 and II.9 are also applicable to the contractors.

II.10.3 The beneficiary remains solely responsible for carrying out the *action* and for compliance with the Agreement.

II.10.4. If the beneficiary breaches its obligations under Article II.10.1 the costs related to the contract concerned are considered ineligible in accordance with Article II.19.2 (c), (d) and (e).

If the beneficiary breaches its obligations under Article II.10.2 the grant may be reduced in accordance with Article II.25.4.

ARTICLE II.11 – SUBCONTRACTING OF TASKS FORMING PART OF THE ACTION

II.11.1 The beneficiary may subcontract tasks forming part of the *action*. If it does so, it must ensure that, in addition to the conditions specified in Article II.10, the following conditions are also complied with:

- (a) subcontracting does not cover core tasks of the *action*;
- (b) recourse to subcontracting is justified because of the nature of the *action* and what is necessary for its implementation;
- (c) the estimated costs of the subcontracting are clearly identifiable in the estimated budget set out in Annex II;
- (d) any recourse to subcontracting, if not provided for in Annex II, is communicated by the beneficiary and approved by the Commission. The Commission may grant approval:
 - (i) before any recourse to subcontracting, if the beneficiary requests an amendment as provided for in Article II.13; or
 - (ii) after recourse to subcontracting if the subcontracting:
 - is specifically justified in the interim, or final technical report referred to in Articles I.4.3 and I.4.4; and
 - does not entail changes to the Agreement which would call into question the decision awarding the grant or be contrary to the equal treatment of applicants;
- (e) the beneficiary ensures that the conditions applicable to it under Article II.8 are also applicable to the subcontractors.

II.11.2 If the beneficiary breaches its obligations under Article II.11.1 (a), (b), (c) or (d), the costs related to the contract concerned are considered ineligible in accordance with Article II.19.2 (f).

² Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC

³ Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC

If the beneficiary breaches its obligation under Article II.11.1 (e) the grant may be reduced in accordance with Article II.25.4.

ARTICLE II.12 – FINANCIAL SUPPORT TO THIRD PARTIES

- II.12.1** If, while implementing the *action*, the beneficiary has to give financial support to third parties, the beneficiary must give such financial support in accordance with the conditions specified in Annex II. Under those conditions, the following information must be stated at least:
- (a) the maximum amount of financial support. This amount may not exceed EUR 60 000 for each third party except if achieving the objective of the *action* as specified in Annex I would otherwise be impossible or overly difficult ;
 - (b) the criteria for determining the exact amount of the financial support;
 - (c) the different types of activity that may receive financial support, on the basis of a fixed list;
 - (d) the persons or categories of persons which may receive financial support;
 - (e) the criteria for giving the financial support.
- II.12.2** As an exception to Article II.12.1, if the financial support takes the form of a prize, the beneficiary must give such financial support in accordance with the conditions specified in Annex II. Under those conditions, the following information must at least be stated:
- (a) the eligibility and award criteria;
 - (b) the amount of the prize;
 - (c) the payment arrangements.
- II.12.3** The beneficiary must ensure that the conditions applicable to it under Articles II.4, II.5, II.6, II.8, II.9 and II.27 are also applicable to the third parties receiving financial support.

ARTICLE II.13 – AMENDMENTS TO THE AGREEMENTS

- II.13.1** Any amendment to the Agreement must be made in writing.
- II.13.2** An amendment may not have the purpose or the effect of making changes to the Agreement which would call into question the decision awarding the grant or be contrary to the equal treatment of applicants.
- II.13.3** Any request for amendment must:
- (a) be duly justified;
 - (b) be accompanied by appropriate supporting documents; and
 - (c) be sent to the other party in due time before it is due to take effect, and in any case one month before the end of the *implementation period*.

Point (c) does not apply in cases duly substantiated by the party requesting the amendment if the other party agrees.

- II.13.4** In case of an operating grant the period set out in Article I.2.2 may not be extended via amendments.

II.13.5 Amendments enter into force on the date on which the last party signs or on the date of approval of the request for amendment.

Amendments take effect on a date agreed by the parties or, in the absence of such an agreed date, on the date on which the amendment enters into force.

ARTICLE II.14 – ASSIGNMENT OF CLAIMS FOR PAYMENTS TO THIRD PARTIES

II.14.1 The beneficiary may not assign any of its claims for payment against the Commission to any third party, except if approved by the Commission on the basis of a reasoned, written request by the beneficiary.

If the Commission does not accept the assignment or the terms of it are not complied with, the assignment has no effect on it.

II.14.2 In no circumstances may an assignment release the beneficiary from its obligations towards the Commission.

ARTICLE II.15 – FORCE MAJEURE

II.15.1 A party faced with *force majeure* must send a *formal notification* to the other party without delay, stating the nature of the situation or of the event, its likely duration and foreseeable effects.

II.15.2 The parties must take the necessary measures to limit any damage due to *force majeure*. They must do their best to resume the implementation of the *action* as soon as possible.

II.15.3 The party faced with *force majeure* may not be considered in breach of its obligations under the Agreement if it has been prevented from fulfilling them by *force majeure*.

ARTICLE II.16 – SUSPENSION OF THE IMPLEMENTATION OF THE ACTION

II.16.1 Suspension of implementation by the beneficiary

The beneficiary may suspend the implementation of the *action* or any part of it, if exceptional circumstances make such implementation impossible or excessively difficult, in particular in the event of *force majeure*.

The beneficiary must immediately inform the Commission, stating:

- (a) the reasons for suspension, including details about the date or period when the exceptional circumstances occurred; and
- (b) the expected date of resumption.

Once the circumstances allow the beneficiary to resume implementing the *action*, the beneficiary must inform the Commission immediately and present a request for amendment of the Agreement as provided for in Article II.16.3. This obligation does not apply if the Agreement is terminated in accordance with Articles II.17.1 or points (b) or (c) of Article II.17.2.1.

II.16.2 Suspension of implementation by the Commission

II.16.2.1 Grounds for suspension

The Commission may suspend the implementation of the *action* or any part thereof:

- (a) if the Commission has evidence that the beneficiary has committed *irregularities, fraud* or *breach of obligations* in the award procedure or while implementing the Agreement;
- (b) if the Commission has evidence that the beneficiary has committed systemic or recurrent *irregularities, fraud* or serious *breach of obligations* in other grants funded by the Union or the European Atomic Energy Community ('Euratom') awarded to the beneficiary under similar conditions and the *irregularities, fraud* or *breach of obligations* have a material impact on this grant; or
- (c) if the Commission suspects *irregularities, fraud* or *breach of obligations* committed by the beneficiary in the award procedure or while implementing the Agreement and needs to verify whether they have actually occurred.

II.16.2.2 Procedure for suspension

Step 1 Before suspending implementation of the *action*, the Commission must send a *formal notification* to the beneficiary:

- (a) informing it of:
 - (i) its intention to suspend the implementation;
 - (ii) the reasons for suspension;
 - (iii) the necessary conditions for resuming the implementation in the cases referred to in points (a) and (b) of Article II.16.2.1; and
- (b) inviting it to submit observations within 30 calendar days of receiving the *formal notification*.

Step 2 If the Commission does not receive observations or decides to pursue the procedure despite the observations it has received, it must send a *formal notification* to the beneficiary informing it of:

- (a) the suspension of the implementation;
- (b) the reasons for suspension; and
- (c) the final conditions for resuming the implementation in the cases referred to in points (a) and (b) of Article II.16.2.1; or
- (d) the indicative date of completion of the necessary verification in the case referred to in point (c) of Article II.16.2.1.

The suspension takes effect on the day the *formal notification* is received by the beneficiary or on a later date specified in the *formal notification*.

Otherwise, the Commission must send a *formal notification* to the beneficiary informing it that it is not continuing the suspension procedure.

II.16.2.3 Resuming implementation

In order to resume the implementation, the beneficiary must meet the notified conditions as soon as possible and must inform the Commission of any progress made.

If the conditions for resuming the implementation are met or the necessary verifications are carried out, the Commission must send a *formal notification* to the beneficiary:

- (a) informing it that the conditions for lifting the suspension are met; and
- (b) requiring it to present a request for amendment of the Agreement as provided for in Article II.16.3. This obligation does not apply if the Agreement is terminated in accordance with Articles II.17.1 or points (b), (f) or (g) of Article II.17.2.1.

II.16.3 Effects of the suspension

If the implementation of the *action* can be resumed and the Agreement has not been terminated, an amendment to the Agreement must be made in accordance with Article II.13 in order to:

- (a) set the date on which the *action* is to be resumed;
- (b) extend the duration of the *action*; and
- (c) make other changes necessary to adapt the *action* to the new situation.

The suspension is lifted with effect from the resumption date set out in the amendment. This date may be before the date on which the amendment enters into force.

Costs incurred during the period of suspension that relate to the implementation of the suspended *action* or the suspended part of it may not be reimbursed or covered by the grant.

Suspending implementation of the *action* does not affect the Commission's right to terminate the Agreement in accordance with Article II.17.2, reduce the grant or recover amounts unduly paid in accordance with Articles II.25.4 and II.26.

Neither party may claim damages due to suspension by the other party.

ARTICLE II.17 – TERMINATION OF THE AGREEMENT

II.17.1 Termination of the Agreement by the beneficiary

The beneficiary may terminate the Agreement.

The beneficiary must send a *formal notification* of termination to the Commission, stating:

- (a) the reasons for termination; and
- (b) the date on which the termination takes effect. This date must be set after the *formal notification*.

If the beneficiary does not state the reasons for the termination or if the Commission considers that the reasons do not justify termination, the Agreement is considered to have been terminated improperly.

The termination takes effect on the day specified in the *formal notification*.

II.17.2 Termination of the Agreement by the Commission

II.17.2.1 Grounds for termination

The Commission may terminate the Agreement, if:

- (a) a change to the beneficiary's legal, financial, technical, organisational or ownership situation is likely to affect the implementation of the Agreement substantially or calls into question the decision to award the grant, or a change regarding the exclusion situations listed in Article 136 of Regulation (EU) 2018/1046, that calls into question the decision to award the grant;
- (b) the beneficiary, any *related person* or any natural person who is essential for the award or for the implementation of the Agreement have committed serious *breach of obligations*, including improper implementation of the *action* as described in Annex I;
- (c) the implementation of the *action* is prevented or suspended due to *force majeure* or exceptional circumstances and either:
 - (i) resumption is impossible; or
 - (ii) the necessary changes to the Agreement would call into question the decision awarding the grant or be contrary to the equal treatment of applicants;
- (d) the beneficiary or a natural or legal person that assumes unlimited liability for the debts of the beneficiary:
 - (i) is declared bankrupt, is subject to insolvency or winding up procedures, its assets are being administered by a liquidator or by a Court, has entered into an agreement with creditors, has suspended business activities or is in any analogous situation arising from a similar procedure provided for under the Union or national law;
 - (ii) is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the applicable law;
- (e) the beneficiary or any *related person* or any natural person who is essential for the award or for the implementation of the Agreement has committed:
 - (i) *grave professional misconduct* proven by any means;
 - (ii) *fraud*;
 - (iii) corruption;
 - (iv) conduct related to criminal organisations;
 - (v) money laundering;
 - (vi) terrorism-related crimes (including terrorism financing);
 - (vii) child labour or other offences concerning trafficking of human beings;
- (f) the Commission has evidence that the beneficiary or any *related person* or any natural person who is essential for the award or for the implementation of the Agreement has committed *irregularities, fraud* or *breach of obligations* in the award procedure or while implementing the Agreement, including if the beneficiary or *related person* or natural person has submitted false information or failed to provide required information;
- (g) the Commission has evidence that the beneficiary has committed systemic or recurrent *irregularities, fraud* or serious *breach of obligations* in other Union or Euratom grants awarded to it under similar conditions and such *irregularities, fraud* or *breach of obligations* have a material impact on this grant;

- (h) a beneficiary or any *related person* or any natural person who is essential for the award or for the implementation of the Agreement has created an entity under a different jurisdiction with the intend to circumvent fiscal, social or any other legal obligations in the jurisdiction of its registered office, central administration or principal place of business;
- (i) a beneficiary or any *related person* has been created with the intend referred to in point (h) or
- (j) the Commission has sent the beneficiary a *formal notification* asking it to end the participation of its affiliated entity because that entity is in a situation provided for in points (d) to (i) and the beneficiary has failed to request an amendment ending the participation of the entity and reallocating its tasks.

II.17.2.2 Procedure for termination

Step 1- Before terminating the Agreement, the Commission must send a *formal notification* to the beneficiary:

- (a) informing it of:
 - (i) its intention to terminate;
 - (ii) the reasons for termination; and
- (b) requiring it, within 45 calendar days of receiving the *formal notification*:
 - (i) to submit observations; and
 - (ii) in the case of point (b) of Article II.17.2.1, to inform the Commission of the measures to ensure compliance with the obligations under the Agreement.

Step 2 — If the Commission does not receive observations or decides to pursue the procedure despite the observations it has received, it will send a *formal notification* to the beneficiary informing it of the termination and the date on which it takes effect.

Otherwise, the Commission must send a *formal notification* to the beneficiary informing it that the termination procedure is not continued.

The termination takes effect:

- (a) for terminations under points (a), (b) and (d) of Article II.17.2.1: on the day specified in the *formal notification* of termination referred to in the second subparagraph (i.e. in Step 2 above);
- (b) for terminations under points (c), (e) to (j) of Article II.17.2.1: on the day after the beneficiary receives the *formal notification* of termination referred to in the second subparagraph (i.e. in Step 2 above).

II.17.3 Effects of termination

Within 60 calendar days from the day on which the termination takes effect, the beneficiary must submit a request for payment of the balance as provided for in Article I.4.4.

If the Commission does not receive the request for payment of the balance by the above deadline, only costs or contributions which are included in an approved technical report and, where relevant, in an approved financial statement, are reimbursed or covered by the grant.

If the Agreement is terminated by the Commission because the beneficiary has breached its obligation to submit the request for payment, the beneficiary may not submit any request for payment after termination. In that case the second subparagraph applies.

The Commission calculates the final grant amount as referred to in Article II.25 and the balance as referred to in Article I.4.5 on the basis of the reports submitted. Only activities undertaken before the date when the termination takes effect or the end date of the *implementation period* as specified in Article I.2.2, whichever is the earliest, must be taken into account. Where the grant takes the form of reimbursement of costs actually incurred as provided for in Article I.3.2(a)(i), only costs incurred before termination takes effect are reimbursed or covered by the grant. Costs relating to contracts due for execution only after termination are not taken into account and are not reimbursed or covered by the grant.

The Commission may reduce the grant in accordance with Article II.25.4 in case of:

- (a) improper termination of the Agreement by the beneficiary within the meaning of Article II.17.1; or
- (b) termination of the Agreement by the Commission on any of the grounds set out in points (b) to (j) of Article II.17.2.1.

Neither party may claim damages on the grounds that the other party terminated the Agreement.

After termination, the beneficiary's obligations continue to apply, in particular those under Articles I.4, II.6, II.8, II.9, II.14, II.27 and any additional provisions on the use of the results, as set out in the Special Conditions.

ARTICLE II.18 – APPLICABLE LAW, SETTLEMENT OF DISPUTES AND ENFORCEABLE DECISIONS

II.18.1 The Agreement is governed by the applicable Union law, complemented, where necessary, by the law of Belgium.

II.18.2 In accordance with Article 272 TFEU, the General Court or, on appeal, the Court of Justice of the European Union, has sole jurisdiction to hear any dispute between the Union and any beneficiary concerning the interpretation, application or validity of the Agreement, if such dispute cannot be settled amicably.

II.18.3 In accordance with Article 299 TFEU, for the purposes of recovery within the meaning of Article II.26, the Commission may adopt an enforceable decision to impose pecuniary obligations on persons other than States.

An *action* may be brought against such decision before the General Court of the European Union in accordance with Article 263 TFEU.

PART B — FINANCIAL PROVISIONS

ARTICLE II.19 – ELIGIBLE COSTS

II.19.1 Conditions for the eligibility of costs

Eligible costs of the *action* are costs actually incurred by the beneficiary and which meet the following criteria:

- (a) they are incurred within the *implementation period*, with the exception of costs relating to the request for payment of the balance and the corresponding supporting documents referred to in Article I.4.4;
- (b) they are indicated in the estimated budget. The estimated budget is set out in Annex II;
- (c) they are incurred in connection with the *action* as described in Annex II and are necessary for its implementation;
- (d) they are identifiable and verifiable, in particular they are recorded in the beneficiary's accounting records and determined according to the applicable accounting standards of the country where the beneficiary is established and according to the beneficiary's usual cost accounting practices;
- (e) they comply with the requirements of applicable tax and social legislation; and
- (f) they are reasonable, justified and comply with the principle of sound financial management, in particular regarding economy and efficiency.

II.19.2 Eligible direct costs

To be eligible, the *direct costs* of the *action* must comply with the eligibility conditions set out in Article II.19.1.

In particular, the following categories of costs are eligible *direct costs*, provided that they satisfy the eligibility conditions set out in Article II.19.1 as well as the following conditions:

- (a) the costs of personnel working under an employment contract with the beneficiary or an equivalent appointing act and assigned to the *action*, provided that these costs are in line with the beneficiary's usual policy on remuneration.

Those costs include actual salaries plus social security contributions and other statutory costs included in the remuneration. They may also comprise additional remunerations, including payments on the basis of supplementary contracts regardless of the nature of those contracts, provided that they are paid in a consistent manner whenever the same kind of work or expertise is required, independently from the source of funding used.

The costs of natural persons working under a contract with the beneficiary other than an employment contract or who are seconded to the beneficiary by a third party against payment may also be included under such personnel costs, provided that the following conditions are fulfilled:

- (i) the person works under conditions similar to those of an employee (in particular regarding the way the work is organised, the tasks that are performed and the premises where they are performed);
 - (ii) the result of the work belongs to the beneficiary (unless exceptionally agreed otherwise); and
 - (iii) the costs are not significantly different from the costs of staff performing similar tasks under an employment contract with the beneficiary;
- (b) costs of travel and related subsistence allowances, provided that these costs are in line with the beneficiary's usual practices on travel;
- (c) the depreciation costs of equipment or other assets (new or second-hand) as recorded in the beneficiary's accounting statements, provided that the asset:
- (i) is written off in accordance with the international accounting standards and the beneficiary's usual accounting practices; and
 - (ii) has been purchased in accordance with Article II.10.1 if the purchase occurred within the *implementation period*;

The costs of renting or leasing equipment or other assets are also eligible, provided that these costs do not exceed the depreciation costs of similar equipment or assets and are exclusive of any finance fee;

Only the portion of the equipment's depreciation, rental or lease costs corresponding to the *implementation period* and the rate of actual use for the purposes of the *action* may be taken into account when determining the eligible costs. By way of exception, the full cost of purchase of equipment may be eligible under the Special Conditions, if this is justified by the nature of the *action* and the context of the use of the equipment or assets;

- (d) costs of consumables and supplies, provided that they:
 - (i) are purchased in accordance with Article II.10.1; and
 - (ii) are directly assigned to the *action*;
- (e) costs arising directly from requirements imposed by the Agreement (dissemination of information, specific evaluation of the *action*, audits, translations, reproduction), including the costs of requested financial guarantees, provided that the corresponding services are purchased in accordance with Article II.10.1;
- (f) costs entailed by *subcontracts* within the meaning of Article II.11, provided that the conditions laid down in Article II.11.1 (a), (b), (c) and (d) are met;
- (g) costs of financial support to third parties within the meaning of Article II.12, provided that the conditions laid down in that Article are met;
- (h) duties, taxes and charges paid by the beneficiary, notably value added tax (VAT), provided that they are included in eligible *direct costs*, and unless specified otherwise in the Agreement.

II.19.3 Eligible indirect costs

To be eligible, *indirect costs* of the *action* must represent a fair apportionment of the overall overheads of the beneficiary and must comply with the conditions of eligibility set out in Article II.19.1.

Eligible *indirect costs* must be declared on the basis of a flat rate of 7 % of the total eligible *direct costs* unless otherwise specified in Article I.3.2.

II.19.4 Ineligible costs

In addition to any other costs which do not fulfil the conditions set out in Article II.19.1, the following costs may not be considered eligible:

- (a) return on capital and dividends paid by the beneficiary;
- (b) debt and debt service charges;
- (c) provisions for losses or debts;
- (d) interest owed;
- (e) doubtful debts;
- (f) exchange losses;
- (g) costs of transfers from the Commission charged by the bank of the beneficiary;
- (h) costs declared by the beneficiary under another *action* receiving a grant financed from the Union budget. Such grants include grants awarded by a Member State and financed from the Union budget and grants awarded by bodies other than the Commission for the purpose of implementing the Union budget. In particular, if the beneficiary receives an operating grant financed by the EU or Euratom budget, it may not declare *indirect costs* for the period(s) covered by the operating grant, unless it can demonstrate that the operating grant does not cover any costs of the *action*.;
- (i) contributions in kind from third parties;
- (j) excessive or reckless expenditure;
- (k) deductible VAT.

ARTICLE II.20 – IDENTIFIABILITY AND VERIFIABILITY OF THE AMOUNTS DECLARED

II.20.1 Declaring costs and contributions

The beneficiary must declare as eligible costs or as a requested contribution:

- (a) for actual costs: the costs it actually incurred for the *action*;
- (b) for unit costs or unit contributions: the amount obtained by multiplying the amount per unit specified in Article I.3.2(a)(ii) or (b) by the actual number of units used or produced;
- (c) for lump sum costs or lump sum contributions: the global amount specified in Article I.3.2(a)(iii) or (c), if the corresponding tasks or part of the *action* as described in Annex II have been implemented properly;

- (d) for flat-rate costs or flat-rate contributions: the amount obtained by applying the flat rate specified in Article I.3.2(a)(iv) or (d);
- (e) for financing not linked to costs: the global amount specified in Article I.3.2(e), if the corresponding results or conditions as described in Annex II have been properly achieved or fulfilled;
- (f) for unit costs declared on the basis of the beneficiary's usual cost accounting practices: the amount obtained by multiplying the amount per unit calculated in accordance with the beneficiary's usual cost accounting practices by the actual number of units used or produced;
- (g) for lump sum costs declared on the basis of the beneficiary's usual cost accounting practices: the global amount calculated in accordance with its usual cost accounting practices, if the corresponding tasks or part of the *action* have been implemented properly;
- (h) for flat-rate costs declared on the basis of the beneficiary's usual cost accounting practices: the amount obtained by applying the flat rate calculated in accordance with the beneficiary's usual cost accounting practices.

For the forms of grant referred to in points (b), (c), (d), (f), (g) and (h), the amounts declared must comply with the conditions specified in points (a) and (b) of Article II.19.1.

II.20.2 Records and other documentation to support the costs and contributions declared

The beneficiary must provide the following if requested to do so in the context of the checks or audits described in Article II.27:

- (a) for actual costs: adequate supporting documents to prove the costs declared, such as contracts, invoices and accounting records.
In addition, the beneficiary's usual accounting and internal control procedures must permit direct reconciliation of the amounts declared with the amounts recorded in its accounting statements and with the amounts indicated in the supporting documents;
- (b) for unit costs or unit contributions: adequate supporting documents to prove the number of units declared.
The beneficiary does not need to identify the actual eligible costs covered or to provide supporting documents, such as accounting statements, to prove the amount declared per unit;
- (c) for lump sum costs or lump sum contributions: adequate supporting documents to prove that the *action* has been properly implemented.
The beneficiary does not need to identify the actual eligible costs covered or to provide supporting documents, such as accounting statements, to prove the amount declared as a lump sum;
- (d) for flat-rate costs or flat-rate contributions: adequate supporting documents to prove the eligible costs or requested contribution to which the flat rate applies.

The beneficiary does not need to identify the actual eligible costs covered or to provide supporting documents, such as accounting statements, for the flat rate applied;

- (e) for financing not linked to costs: adequate supporting documents to prove that the *action* has been properly implemented;
The beneficiary does not need to identify the actual eligible costs covered or to provide supporting documents, such as accounting statements, to prove the amount declared as a financing not linked to costs;
- (f) for unit costs declared on the basis of the beneficiary's usual cost accounting practices: adequate supporting documents to prove the number of units declared;
- (g) for lump sum costs declared on the basis of the beneficiary's usual cost accounting practices: adequate supporting documents to prove that the *action* has been properly implemented;
- (h) for flat-rate costs declared on the basis of the beneficiary's usual cost accounting practices: adequate supporting documents to prove the eligible costs to which the flat rate applies.

II.20.3 Conditions to determine the compliance of cost accounting practices

II.20.3.1 In the case of points (f), (g) and (h) of Article II.20.2, the beneficiary does not need to identify the actual eligible costs covered, but it must ensure that the cost accounting practices used for the purpose of declaring eligible costs are in compliance with the following conditions:

- (a) the cost accounting practices used constitute its usual cost accounting practices and are applied in a consistent manner, based on objective criteria independent from the source of funding;
- (b) the costs declared can be directly reconciled with the amounts recorded in its general accounts; and
- (c) the categories of costs used for the purpose of determining the costs declared are exclusive of any ineligible cost or costs covered by other forms of grant as provided for in Article I.3.2.

II.20.3.2 If the Special Conditions so provide, the beneficiary may submit to the Commission a request asking it to assess the compliance of its usual cost accounting practices. If required by the Special Conditions, the request must be accompanied by a certificate on the compliance of the cost accounting practices ('certificate on the compliance of the cost accounting practices').

The certificate on the compliance of the cost accounting practices must be:

- (a) produced by an approved auditor or, if the beneficiary is a public body, by a competent and independent public officer; and
- (b) drawn up in accordance with Annex VII.

The certificate must certify that the beneficiary's cost accounting practices used for the purpose of declaring eligible costs comply with the conditions laid down in

Article II.20.3.1 and with the additional conditions that may be laid down in the Special Conditions.

II.20.3.3 If the Commission has confirmed that the beneficiary's usual cost accounting practices are in compliance, costs declared in application of these practices may not be challenged *ex post*, if:

- (a) the practices actually used comply with those approved by the Commission; and
- (b) the beneficiary did not conceal any information for the purpose of the approval of its cost accounting practices.

ARTICLE II.21 – ELIGIBILITY OF COSTS OF ENTITIES AFFILIATED TO THE BENEFICIARY

If the Special Conditions contain a provision on entities affiliated to the beneficiary, costs incurred by such an entity are eligible, if:

- (a) they satisfy the same conditions under Articles II.19 and II.20 as apply to the beneficiary; and
- (b) the beneficiary ensures that the conditions applicable to it under Articles II.4, II.5, II.6, II.8, II.10, II.11 and II.27 are also applicable to the entity.

ARTICLE II.22 – BUDGET TRANSFERS

The beneficiary is allowed to adjust the estimated budget set out in Annex II by transfers between the different budget categories, if the *action* is implemented as described in Annex II. This adjustment does not require an amendment of the Agreement as provided for in Article II.13.

However, the beneficiary may not add costs relating to *subcontracts* not provided for in Annex 1, unless such additional *subcontracts* are approved by the Commission in accordance with Article II.11.1(d).

The first two subparagraphs do not apply to amounts which, as provided for in Article I.3.2(a)(iii) or (c), take the form of lump sums or which, as provided for in Article I.3.2(e), take the form of financing not linked to cost.

ARTICLE II.23 – NON-COMPLIANCE WITH THE REPORTING OBLIGATIONS

The Commission may terminate the Agreement as provided for in Article II.17.2.1(b) and may reduce the grant as provided for in Article II.25.4 if the beneficiary:

- (a) did not submit a request for interim payment or payment of the balance accompanied by the documents referred to in Articles I.4.3 or I.4.4 within 60 calendar days following the end of the corresponding reporting period; and
- (b) still fails to submit such a request within further 60 calendar days following a written reminder sent by the Commission.

ARTICLE II.24 – SUSPENSION OF PAYMENTS AND TIME LINE FOR PAYMENT

II.24.1 Suspension of payments

II.24.1.1 Grounds for suspension

The Commission may, at any time during the implementation of the Agreement, suspend the pre-financing payments, interim payments or payment of the balance:

- (a) if the Commission has evidence that the beneficiary has committed *irregularities, fraud* or *breach of obligations* in the award procedure or while implementing the Agreement;
- (b) if the Commission has evidence that the beneficiary has committed systemic or recurrent errors, *irregularities, fraud* or serious *breach of obligations* in other grants funded by the Union or the European Atomic Energy Community ('Euratom') awarded to the beneficiary under similar conditions and such *irregularities, fraud* or *breach of obligations* have a material impact on this grant; or
- (c) if the Commission suspects *substantial errors, irregularities, fraud* or *breach of obligations* committed by the beneficiary in the award procedure or while implementing the Agreement and needs to verify whether they have actually occurred.

II.24.1.2 Procedure for suspension

Step 1 — Before suspending payments, the Commission must send a *formal notification* to the beneficiary:

- (a) informing it of:
 - (i) its intention to suspend payments;
 - (ii) the reasons for suspension;
 - (iii) in the cases referred to in points (a) and (b) of Article II.24.1.1, the conditions that need to be met for payments to resume; and
- (b) inviting it to submit observations within 30 calendar days of receiving the *formal notification*.

Step 2 — If the Commission does not receive observations or decides to pursue the procedure despite the observations it has received, it must send a *formal notification* to the beneficiary informing it of:

- (a) the suspension of payments;
- (b) the reasons for suspension;
- (c) the final conditions under which payments may resume in the cases referred to in points (a) and (b) of Article II.24.1.1;
- (d) the indicative date of completion of the necessary verification in the case referred to in point (c) of Article II.24.1.1.

The suspension takes effect on the day the Commission sends *formal notification* of suspension (Step 2).

Otherwise, the Commission must send a *formal notification* to the beneficiary informing it that it is not continuing with the suspension procedure.

II.24.1.3 Effects of suspension

During the period of suspension of payments the beneficiary is not entitled to submit any requests for payments and supporting documents referred to in Articles I.4.2, I.4.3 and I.4.4.

The corresponding requests for payments and supporting documents may be submitted as soon as possible after resumption of payments or may be included in the first request for payment due following resumption of payments in accordance with the schedule laid down in Article I.4.1.

The suspension of payments does not affect the right of the beneficiary to suspend the implementation of the *action* as provided for in Article II.16.1 or to terminate the Agreement as provided for in Article II.17.1.

II.24.1.4 Resuming payments

In order for the Commission to resume payments, the beneficiary must meet the notified conditions as soon as possible and must inform the Commission of any progress made.

If the conditions for resuming payments are met, the suspension will be lifted. The Commission will send a *formal notification* to the beneficiary informing it of this.

II.24.2 Suspension of the time limit for payments

II.24.2.1 The Commission may at any moment suspend the time limit for payment specified in Articles I.4.2, I.4.3 and I.4.5 if a request for payment cannot be approved because:

- (a) it does not comply with the Agreement;
- (b) the appropriate supporting documents have not been produced; or
- (c) there is a doubt about the eligibility of the costs declared in the financial statements and additional checks, reviews, audits or investigations are necessary.

II.24.2.2 The Commission must send a *formal notification* to the beneficiary informing it of:

- (a) the suspension; and
- (b) the reasons for the suspension.

The suspension takes effect on the day the Commission sends the *formal notification*.

II.24.2.3 If the conditions for suspending the payment deadline are no longer met, the suspension will be lifted and the remaining period will resume.

If the suspension exceeds two months, the beneficiary may request the Commission if the suspension will continue.

If the payment deadline has been suspended because the technical reports or financial statements do not comply with the Agreement and the revised report or

statement is not submitted or was submitted but is also rejected, the Commission may terminate the Agreement as provided for in Article II.17.2.1(b) and reduce the grant as provided for in Article II.25.4.

ARTICLE II.25 – CALCULATION OF THE FINAL AMOUNT OF THE GRANT

The final amount of the grant depends on the extent to which the *action* has been implemented in accordance with the terms of the Agreement.

The final amount of the grant is calculated by the Commission at the time of the payment of the balance. The calculation involves the following steps:

Step 1 — Application of the reimbursement rate to the eligible costs and addition of the financing not linked to costs, unit, flat-rate and lump sum contributions

Step 2 — Limit to the *maximum amount of the grant*

Step 3 — Reduction due to the no-profit rule

Step 4 — Reduction due to improper implementation or breach of other obligations.

II.25.1 Step 1 — Application of the reimbursement rate to the eligible costs and addition of the financing not linked to costs, unit, flat-rate and lump sum contributions

This step is applied as follows:

- (a) If, as provided for in Article I.3.2(a)(i), the grant takes the form of the reimbursement of eligible costs actually incurred, the reimbursement rate specified in that Article is applied to those eligible costs as approved by the Commission for the corresponding categories of costs, beneficiaries and affiliated entities
- (b) If, as provided for in Article I.3.2(a) (ii) to (v), the grant takes the form of the reimbursement of eligible unit costs, , lump sum costs or flat rate costs, the reimbursement rate specified in that Article is applied to the those eligible costs as approved by the Commission for the corresponding categories of costs, for the beneficiary and its affiliated entities;

The amount of volunteers' work declared as direct eligible costs for the corresponding beneficiaries and affiliated entities must be limited to the following amount, whichever is the lowest:

- (i) the total sources of financing as indicated in the final financial statement and as accepted by the Commission multiplied by fifty per cent; or
- (ii) the amount of volunteers' work indicated in the estimated budget set out in Annex II. .
- (c) If, as provided for in Article I.3.2(b), the grant takes the form of a unit contribution, the unit contribution specified in that Article is multiplied by the actual number of units approved by the Commission for the beneficiary and its affiliated entities;

- (d) If, as provided for in Article I.3.2(c), the grant takes the form of a lump sum contribution, the Commission applies the lump sum specified in that Article for the beneficiary and its affiliated entities if it finds that the corresponding tasks or part of the *action* were implemented properly in accordance with Annex I;
- (e) If, as provided for in Article I.3.2(d), the grant takes the form of a flat-rate contribution, the flat rate referred to in that Article is applied to the eligible costs or to the contribution approved by the Commission for the beneficiary and its affiliated entities;
- (f) If, as provided for in Article I.3.2(e), the grant takes the form of financing not linked to costs, the Commission applies the amount specified in that Article for the corresponding beneficiaries and affiliated entities if it finds that [the conditions specified in Annex I were fulfilled][and][the results specified in Annex I were achieved].

If Article I.3.2 provides for a combination of different forms of grant, the amounts obtained must be added together.

II.25.2 Step 2 — Limit to maximum amount of the grant

The total amount paid to the beneficiary by the Commission may in no circumstances exceed the *maximum amount of the grant*.

If the amount obtained following Step 1 is higher than this maximum amount, the final amount of the grant is limited to the latter.

If volunteers' work is declared as part of direct eligible costs, the final amount of the grant is limited to the amount of total eligible costs and contributions approved by the Commission minus the amount of volunteers' work approved by the Commission.

II.25.3 Step 3 — Reduction due to the no-profit rule

The grant may not produce a profit for the beneficiary, unless specified otherwise in the Special Conditions.

The profit must be calculated as follows:

- (a) calculate the surplus of the total receipts of the action, over the total eligible costs of the action, as follows:
 - { receipts of the action
 - minus
 - the consolidated total eligible costs and contributions approved by the Commission corresponding to the amounts determined in accordance with Article II.25.1 }

The receipts of the action are calculated as follows:

- { the revenue generated by the *action* for the beneficiary and its affiliated entities other than non-profit organisations
- plus
- the amount obtained following Steps 1 and 2 }

The revenue generated by the *action* is the consolidated revenue established, generated or confirmed for the beneficiary and its affiliated entities other than non-profit organisations on the date on which the request for payment of the balance is drawn up by the beneficiary.

The following are not considered receipts:

- (i) in kind and financial contributions made by third parties,
 - (ii) in case of an operating grant, amounts dedicated to the building up of reserves.
- (b) If the amount calculated under (a) is positive, this amount will be deducted from the amount calculated following Steps 1 and 2 in proportion to the final rate of reimbursement of the actual eligible costs of the *action* approved by the Commission for the categories of costs referred to in Article I.3.2(a)(i).

II.25.4 Step 4 — Reduction due to improper implementation or breach of other obligations

The Commission may reduce the *maximum amount of the grant* if the *action* has not been implemented properly as described in Annex II (i.e. if it has not been implemented or has been implemented poorly, partially or late), or if another obligation under the Agreement has been breached.

The amount of the reduction will be proportionate to the degree to which the *action* has been implemented improperly or to the seriousness of the breach.

Before the Commission reduces the grant, it must send a *formal notification* to the beneficiary:

- (a) informing it of:
 - (i) its intention to reduce the *maximum amount of the grant*;
 - (ii) the amount by which it intends to reduce the grant;
 - (iii) the reasons for reduction; and
- (b) inviting it to submit observations within 30 calendar days of receiving the *formal notification*.

If the Commission does not receive any observations or decides to pursue reduction despite the observations it has received, it will send a *formal notification* informing the beneficiary of its decision.

If the grant is reduced, the Commission must calculate the reduced grant amount by deducting the amount of the reduction (calculated in proportion to the improper implementation of the *action* or to the seriousness of the *breach of obligations*) from the *maximum amount of the grant*.

The final amount of the grant will be the lower of the following two:

- (a) the amount obtained following Steps 1 to 3; or
- (b) the reduced grant amount following Step 4.

ARTICLE II.26 - RECOVERY

II.26.1 Recovery

Where an amount is to be recovered under the terms of the Agreement, the beneficiary must repay the Commission the amount in question.

The beneficiary is responsible for the repayment of any amount unduly paid by the Commission as a contribution towards the costs incurred by its affiliated entities.

II.26.2 Recovery procedure

Before recovery, the Commission must send a *formal notification* to the beneficiary:

- (a) informing it of its intention to recover the amount unduly paid;
- (b) specifying the amount due and the reasons for recovery; and
- (c) inviting the beneficiary to make any observations within a specified period.

If no observations have been submitted or if, despite the observations submitted by the beneficiary, the Commission decides to pursue the recovery procedure, the Commission may confirm recovery by sending a *formal notification* to the beneficiary consisting of a debit note, specifying the terms and the date for payment.

If payment has not been made by the date specified in the debit note, the Commission will recover the amount due:

- (a) by offsetting it, without the beneficiary's prior consent, against any amounts owed to the beneficiary by the Commission or an executive agency (from the Union or the European Atomic Energy Community (Euratom) budget) ('offsetting');

In exceptional circumstances, to safeguard the financial interests of the Union, the Commission may offset before the due date.

An *action* may be brought against such offsetting before the General Court of the European Union in accordance with Article 263 TFEU;

- (b) by drawing on the financial guarantee where provided for in accordance with Article I.4.2 ('drawing on the financial guarantee');

- (c) by taking legal action as provided for in Article II.18.2 or in the Special Conditions or by adopting an enforceable decision as provided for in Article II.18.3.

II.26.3 Interest on late payment

If payment is not made by the date in the debit note, the amount to be recovered will be increased by late-payment interest at the rate set out in Article I.4.13 from the day following the date for payment in the debit note up to and including the date the Commission receives full payment of the amount.

Partial payments must first be credited against charges and late-payment interest and then against the principal.

II.26.4 Bank charges

Bank charges incurred in the recovery process must be borne by the beneficiary, unless Directive 2007/64/EC⁴ applies.

ARTICLE II.27 – CHECKS, AUDITS AND EVALUATIONS

II.27.1 Technical and financial checks, audits, interim and final evaluations

The Commission may, during the implementation of the *action* or afterwards, carry out technical and financial checks and audits to determine that the beneficiary is implementing the *action* properly and is complying with the obligations under the Agreement. It may also check the beneficiary's statutory records for the purpose of periodic assessments of lump sum, unit cost or flat-rate amounts.

Information and documents provided as part of checks or audits must be treated on a confidential basis.

In addition, the Commission may carry out an interim or final evaluation of the impact of the *action*, measured against the objective of the Union programme concerned.

Commission checks, audits or evaluations may be carried out either directly by the Commission's own staff or by any other outside body authorised to do so on its behalf.

The Commission may initiate such checks, audits or evaluations during the implementation of the Agreement and during a period of five years starting from the date of payment of the balance. This period is limited to three years if the *maximum amount of the grant* is not more than EUR 60 000.

The check, audit or evaluation procedures are considered to be initiated on the date of receipt of the letter of the Commission announcing it.

⁴ Directive 2007/64/EC⁴ of the European Parliament and of the Council of 13 November 2007 on payment services in the internal market amending Directives 97/7/EC, 2002/65/EC, 2005/60/EC and 2006/48/EC and repealing Directive 97/5/EC.

If the audit is carried out on an affiliated entity, the beneficiary must inform that affiliated entity.

II.27.2 Duty to keep documents

The beneficiary must keep all original documents, especially accounting and tax records, stored on any appropriate medium, including digitalised originals when they are authorised by their respective national law and under the conditions laid down therein, during a period of five years starting from the date of payment of the balance.

The period during which documents must be kept is limited to three years if the *maximum amount of the grant* is not more than EUR 60 000.

The periods set out in the first and second subparagraphs are longer if there are ongoing audits, appeals, litigation or pursuit of claims concerning the grant, including in the cases referred to in Article II.27.7. In such cases, the beneficiary must keep the documents until such audits, appeals, litigation or pursuit of claims have been closed.

II.27.3 Obligation to provide information

The beneficiary must provide any information, including information in electronic format, requested by the Commission or by any other outside body authorised by the Commission.

If the beneficiary does not comply with the obligation set out in the first subparagraph, the Commission may consider:

- (a) any cost insufficiently substantiated by information provided by the beneficiary as ineligible;
- (b) any financing not linked to costs, unit, lump sum or flat-rate contribution insufficiently substantiated by information provided by the beneficiary as undue.

II.27.4 On-the-spot visits

During an on-the-spot visit, the beneficiary must allow Commission staff and outside personnel authorised by the Commission to have access to the sites and premises where the *action* is or was carried out, and to all the necessary information, including information in electronic format.

The beneficiary must ensure that the information is readily available at the moment of the on-the-spot visit and that information requested is handed over in an appropriate form.

If the beneficiary refuses to provide access to the sites, premises and information as required in the first and second subparagraphs, the Commission may consider:

- (a) any cost insufficiently substantiated by information provided by the beneficiary as ineligible;
- (b) any financing not linked to costs, unit, lump sum or flat-rate contribution insufficiently substantiated by information provided by the beneficiary as undue.

II.27.5 Contradictory audit procedure

On the basis of the findings made during the audit, a provisional report ('draft audit report') must be drawn up. It must be sent by the Commission or its authorised representative to the beneficiary, which must have 30 calendar days from the date of receipt to submit observations. The final report ('final audit report') must be sent to the beneficiary within 60 calendar days of expiry of the time limit for submission of observations.

II.27.6 Effects of audit findings

On the basis of the final audit findings, the Commission may take the measures it considers necessary, including recovery of all or part of the payments made by it, as provided for in Article II.26.

In the case of final audit findings after the payment of the balance, the amount to be recovered corresponds to the difference between the revised final amount of the grant, determined in accordance with Article II.25, and the total amount paid to the beneficiary under the Agreement for the implementation of the *action*.

II.27.7 Correction of systemic or recurrent errors, irregularities, fraud or breach of obligations

II.27.7.1 The Commission may extend audit findings from other grants to this grant if:

- (a) the beneficiary is found to have committed systemic or recurrent *irregularities, fraud or breach of obligations* in other EU or Euratom grants awarded under similar conditions and such *irregularities, fraud or breach of obligations* have a material impact on this grant; and
- (b) the final audit findings are sent to the beneficiary through a *formal notification*, together with the list of grants affected by the findings within the period referred to in Article II.27.1

The extension of findings may lead to:

- (a) the rejection of costs as ineligible;
- (b) reduction of the grant as provided for in Article II.25.4;
- (c) recovery of undue amounts as provided for in Article II.26;
- (d) suspension of payments as provided for in Article II.24.1;
- (e) suspension of the *action* implementation as provided for in Article II.16.2;
- (f) termination as provided for in Article II.17.2.

II.27.7.2 The Commission must send a *formal notification* to the beneficiary informing it of the systemic or recurrent irregularities, *fraud or breach of obligations* and of its intention to extend the audit findings, together with the list of grants affected.

- (a) If the findings concern eligibility of costs the procedure is as follows:

Step 1 — The *formal notification* must include:

- (i) an invitation to submit observations on the list of grants affected by the findings;
- (ii) a request to submit revised financial statements for all grants affected;

- (iii) where possible, the correction rate for extrapolation established by the Commission to calculate the amounts to be rejected on the basis of the systemic or recurrent errors, *irregularities, fraud or breach of obligations*, if the beneficiary:
 - considers that the submission of revised financial statements is not possible or practicable; or
 - will not submit revised financial statements.

Step 2 — The beneficiary has 60 calendar days from when it receives the *formal notification* to submit observations and revised financial statements or to propose a duly substantiated alternative correction method. This period may be extended by the Commission in justified cases.

Step 3 — If the beneficiary submits revised financial statements that take account of the findings the Commission will determine the amount to be corrected on the basis of those revised statements.

If the beneficiary proposes an alternative correction method and the Commission accepts it, the Commission must send a *formal notification* to the beneficiary informing it:

- (i) that it accepts the alternative method;
- (ii) of the revised eligible costs determined by applying this method.

Otherwise the Commission must send a *formal notification* to the beneficiary informing it:

- (i) that it does not accept the observations or the alternative method proposed;
- (ii) of the revised eligible costs determined by applying the extrapolation method initially notified to the beneficiary.

If the systemic or recurrent *irregularities, fraud or breach of obligations* are found after the payment of the balance, the amount to be recovered corresponds to the difference between:

- (i) the revised final amount of the grant, determined in accordance with Article II.25 on the basis of the revised eligible costs declared by the beneficiary and approved by the Commission or on the basis of the revised eligible costs after extrapolation; and
- (ii) the total amount paid to the beneficiary under the Agreement for the implementation of the *action*;

- (b) If the findings concern improper implementation or a breach of another obligation the procedure is as follows:

Step 1 — The *formal notification* must include:

- (i) an invitation to the beneficiary to submit observations on the list of grants affected by the findings and
- (ii) the correction flat rate the Commission intends to apply to the *maximum amount of the grant* or to part of it, according to the principle of proportionality.

Step 2 — The beneficiary has 60 calendar days from receiving the *formal notification* to submit observations or to propose a duly substantiated alternative flat-rate.

Step 3 — If the Commission accepts the alternative flat rate proposed by the beneficiary, it must send a *formal notification* to the beneficiary informing it:

- (i) that it accepts the alternative flat-rate;
- (ii) of the corrected grant amount by applying this flat rate.

Otherwise the Commission must send a *formal notification* to the beneficiary informing it:

- (i) that it does not accept the observations or the alternative flat rate proposed;
- (ii) of the corrected grant amount by applying the flat rate initially notified to the beneficiary.

If the systemic or recurrent *irregularities, fraud or breach of obligations* are found after the payment of the balance, the amount to be recovered corresponds to the difference between:

- (i) the revised final amount of the grant after flat-rate correction; and
- (ii) the total amount paid to the beneficiary under the Agreement for the implementation of the *action*.

II.27.8 Rights of OLAF

The European Anti-Fraud Office (OLAF) has the same rights as the Commission, particularly the right of access, for the purpose of checks and investigations.

Under Council Regulation (Euratom, EC) No 2185/96⁵ and Regulation (EU, Euratom) No 883/2013⁶ OLAF may also carry out on-the-spot checks and inspections in accordance with the procedures laid down by Union law for the protection of the financial interests of the Union against *fraud* and other *irregularities*.

Where appropriate, OLAF findings may lead to the Commission recovering amounts from the beneficiary.

Moreover, findings arising from an OLAF investigation may lead to criminal prosecutions under national law.

II.27.9 Rights of the European Court of Auditors and EPPO

The European Court of Auditors and the European Public Prosecutor's Office established by Council Regulation (EU) 2017/1939 ('the EPPO') have the same rights as the Commission, particularly the right of access, for the purpose of checks, audits and investigations.

⁵ Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities.

⁶ Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF).

Project 2019-1-NO01-KA104-060012

Project Details

Project Code	2019-1-NO01-KA104-060012
Project Title	Entreprenørskap, språktrening og arbeidsintegrering for flyktninger
Project Title in English	Entrepreneurship, language training and work integration for refugees
Submission ID	1529836

The beneficiary will implement the Project as described in the grant application with the aforementioned submission code.
Budget allocation can be modified by the beneficiary, except in the cases requiring an amendment approved by the National Agency, as specified in the article 1.3.3 of the Special Conditions of this Grant Agreement.

Budget Summary Budget approved/grant awarded by NA

Budget Items	Total Grant
Travel	3 850,00
Individual Support	11 820,00
Organisational Support	5 950,00
Total Granted	21 620,00

Budget Details

Activity Type	Travel	Individual Support	Course Fees	Exceptional Cost Expensive Travel (ECFET)	Total Grant
AE-JOB-SHDW - Job Shadowing	3 850,00	11 820,00	0,00	0,00	15 670,00
Total	3 850,00	11 820,00	0,00	0,00	15 670,00

Activity Type	Number of Participants requiring a grant	Number of participants not requiring a grant	Total number of participants	Average duration per participant (days)*	Number of accompanying persons
AE-JOB-SHDW - Job Shadowing	14	3	17	4,79	0
Total	14	3	17	4,79	0

Participating Organisation(s)

Meland kommune

Latin Legal Name	Meland kommune
Organisation Role	Coodinator
Registration Number	951549770
Legal Form	ANNEN JURIDISK PERSON
Address	Havnevegen 41, N-5918 Frekhaug Postboks 79, 5906 Frekhaug - 5906, Frekhaug - Norway
Country	Norway
PIC	909108348

ANNEX III – FINANCIAL AND CONTRACTUAL RULES

I. RULES APPLICABLE TO BUDGET CATEGORIES BASED ON UNIT CONTRIBUTIONS

I.1 Conditions for eligibility of unit contributions

Where the grant takes the form of a unit contribution, the number of units must comply with the following conditions:

- the units must be actually used or produced in the period set out in Article I.2.2 of the Special Conditions;
- the units must be necessary for implementing the Project or produced by it;
- the number of units must be identifiable and verifiable, in particular supported by records and documentation specified in this Annex.

I.2 Calculation and supporting documents for unit contributions

A. Travel

By default, the place of origin is understood as the place where the sending organisation is located and the place of the venue as the place where the receiving organisation is located. If a different place of origin or venue is reported, the beneficiary must provide the reason for this difference.

In case no travel took place or it was funded from other EU sources than the Erasmus+ Programme (e.g. a mobility participant is already at the place of the venue in relation to another activity than the one funded from the Agreement), the beneficiary must report that situation accordingly in Mobility Tool+ for each mobility concerned. In this case, no grant support for travel will be awarded.

- (a) Calculation of the grant amount for travel costs: the grant amount is calculated by multiplying the number of participants per distance band, including accompanying persons, by the unit contribution applicable to the distance band concerned, as specified in Annex IV of the Agreement. The unit contribution per distance band represents the grant amount for a return travel between the place of departure and the place of arrival.

For the establishment of the distance band applicable, the beneficiary must indicate the distance of a one-way travel using the on-line distance calculator available on the Commission's website at:

http://ec.europa.eu/programmes/erasmus-plus/tools/distance_en.htm.

The beneficiary will calculate in Mobility Tool+ the grant amounts for travel based on the applicable unit contribution rates.

- (b) Triggering event: the event that conditions the entitlement to the grant is that the participant has actually undertaken the activity.
- (c) Supporting documents: Proof of attendance of the activity in the form of a declaration signed by the receiving organisation specifying the name of the participant, the purpose of the activity, as well as its starting and end date.

B. Individual support

- (a) Calculation of the grant amount: the grant amount is calculated by multiplying the number of days/months per participant, including accompanying persons, by the unit contribution applicable per day/month for the receiving country concerned as specified in Annex IV of the Agreement. One travel day before the activity and one travel day following the activity can be included for the calculation of individual support if relevant.
 - In case of an interruption during the stay, the period of interruption will not be counted when calculating the individual support grant.
 - In case of termination by the participant of the agreement with the beneficiary due to "force majeure", the participant must be entitled to receive the amount of the grant corresponding at least to the actual duration of the mobility period. Any remaining funds must be refunded, except if agreed differently with the beneficiary.
 - In case of suspension by the participant of the grant agreement with the beneficiary due to "force majeure", the participant must be allowed to continue the activities after the interruption, provided that the mobility end date does not exceed the final date of the mobility project. This should be reported in Mobility Tool+ as a single mobility with an interruption period.
- (b) Triggering event: the event that conditions the entitlement to the grant is that the participant has actually undertaken the activity for the specified period.

- (c) Supporting documents: Proof of attendance of the activity in the form of a declaration signed by the receiving organisation specifying the name of the participant, the purpose of the activity, as well as its starting and end date.
- (d) Reporting: Participants in the mobility activities must report on this activity via an on-line questionnaire providing their feedback in terms of factual information and their appreciation of the activity period, as well as of its preparation and follow-up.

C. Organisational support

- (a) Calculation of the grant amount: the grant amount is calculated by multiplying the total number of participations in mobility activities by the unit contribution applicable as specified in Annex IV of the Agreement. Persons accompanying participants during their activity are not considered to be participants of mobility activities and are not considered for calculation of organisational support grant.
- (b) Triggering event: the event that conditions the entitlement to the grant is that the participant has actually undertaken the activity.
- (c) Supporting documents: Proof of attendance of the activity in the form of a declaration signed by the receiving organisation specifying the name of the participant, the purpose of the activity, as well as its starting and end date.

D. Course fees

- (a) Calculation of the grant amount: the grant amount is calculated by multiplying the total number of days per course by the unit contribution applicable as specified in Annex IV of the Agreement. The beneficiary must report in the Mobility Tool+ for each participant whether or not the training took the form of enrolment in a course for which a course fee had to be paid and must indicate the start and end date of the course concerned. Only the actual days during which the course takes place are considered for the calculation of the grant support for course fees.
- (b) Triggering event: the event that conditions the entitlement to the grant is that the participant has participated in a structured course requiring the payment of a course fee.
- (c) Supporting documents: proof of enrolment in the course and of payment of a course fee in the form of an invoice or other declaration issued and signed by the course provider specifying the name of the participant, the name of the course taken as well as the start and end date of the participant's participation in the course.

II. RULES APPLICABLE FOR THE BUDGET CATEGORIES BASED ON REIMBURSEMENT OF ACTUAL INCURRED COSTS

II.1. Conditions for the reimbursement of actual costs

Where the grant takes the form of a reimbursement of actual costs, the following conditions must apply:

- (a) they are incurred by the beneficiary;
- (b) they are incurred in the period set out in Article I.2.2.;
- (c) they are indicated in the estimated budget set out in Annex II or eligible following budget transfers in accordance with Article I.3.3;
- (d) they are incurred in connection with the Project as described in Annex II and are necessary for its implementation;
- (e) they are identifiable and verifiable, in particular are recorded in the beneficiary's accounting records and determined according to the applicable accounting standards of the country where the beneficiary is established and with the beneficiary's usual cost accounting practices;
- (f) they comply with the requirements of applicable tax and social legislation;
- (g) they are reasonable, justified, and comply with the principle of sound financial management, in particular regarding economy and efficiency;
- (h) they are not covered by a unit contribution as specified in Section I of this Annex.

II.2. Calculation of actual cost

A. Special needs support

- (a) Calculation of the grant amount: the grant is a reimbursement of 100% of the eligible costs actually incurred.
- (b) Eligible costs: costs directly related to participants with special needs and accompanying persons (including costs related to travel and subsistence, if justified) and as long as a unit contribution for these participants is not requested through budget categories "travel" and "individual support", and that are additional to costs supported by a unit contribution as specified in Section I of this Annex.

(c) Supporting documents: invoices of the related costs specifying the name and address of the body issuing the invoice, the amount and currency, and the date of the invoice.

(d) Reporting:

- The beneficiary must report in Mobility Tool+ whether additional grant support for special needs support or an accompanying person was used for any of the participants with special needs.
- In such case, the beneficiary must report in Mobility Tool+ the type of additional expenses as well as the real amount of related additional costs incurred.

B. Exceptional costs

(a) Calculation of the grant amount: the grant is a reimbursement of 75% of the eligible costs actually incurred for the financial guarantee, and of 80% of the eligible costs for expensive travel costs of eligible participants.

(b) Eligible costs:

- Costs relating to a pre-financing guarantee lodged by the beneficiary where such guarantee is required by the NA, as specified in Article I.4.2 of the Agreement.
- Costs of travel in the most economical but also effective way for eligible participants for which the standard funding rule does not cover at least 70% of the eligible costs. The exceptional costs for expensive travel replace the standard travel grant.

(c) Supporting documents:

- proof of the cost of the financial guarantee issued by the body providing the guarantee to the beneficiary, specifying the name and address of the body issuing the financial guarantee, the amount and currency of the cost of the guarantee, and providing the date and signature of the legal representative of the body issuing the guarantee.
- In the case of travel costs: proof of payment of the related costs on the basis of invoices specifying the name and address of the body issuing the invoice, the amount and currency, the date of the invoice and the travel route.]

III. CONDITIONS OF ELIGIBILITY OF PROJECT ACTIVITIES

- a) The beneficiary must ensure that the activities of the project for which grant support was awarded are eligible in accordance with the rules set out in the Erasmus+ Programme Guide for each Key Action and each field.
- b) Activities undertaken that are not compliant with the rules set out in the Erasmus+ Programme Guide as complemented by the rules set out in this Annex must be declared ineligible by the NA and the grant amounts corresponding to the activities concerned must be reimbursed in full. The reimbursement must cover all budget categories for which a grant was awarded in relation to the activity that is declared ineligible.
- c) The eligible minimum duration of mobility activities specified in the Programme Guide is the minimum duration of the activity excluding time for travel.

IV. RULES AND CONDITIONS FOR GRANT REDUCTION FOR POOR, PARTIAL OR LATE IMPLEMENTATION

- Poor, partial or late implementation of the Project may be established by the NA on the basis of the final report submitted by the beneficiary (including reports from individual participants taking part in the mobility activities).
- The NA may consider also information received from any other relevant source, proving that the Project is not implemented in accordance with the contractual provisions. Other sources of information may include monitoring visits, desk checks or on the spot checks undertaken by the NA.
- The final report will be assessed on the basis of quality criteria and scored on a total of maximum 100 points. If the final report scores below 50 points in total, the NA may reduce the final grant amount for organisational support on the basis of poor, partial or late implementation of the action even if all activities reported were eligible and actually took place.
- The final report will be assessed in conjunction with the reports from the mobility participants, using a common set of quality criteria focusing on:
 - The extent to which the action was implemented in line with the approved grant application
 - The quality of the learning outcomes and impact on participants

- The impact on the participating organisations
 - The quality of the practical arrangements provided in support of the mobility, in terms of preparation, monitoring and support to participants during their mobility activity
 - The quality arrangements for the recognition/validation of the learning outcomes of participants
- A grant reduction based on poor, partial or late implementation may be applied to the final amount of eligible expenses for organisational support and may be of:
- 25% if the final report scores at least 40 points and below 50 points;
 - 50% if the final report scores at least 25 points and below 40 points;
 - 75% if the final report scores below 25 points.

V. GRANT MODIFICATIONS

(a) Grant modification due to additional funds being available

- In the event of additional funds becoming available to the NA for (re)allocation to beneficiaries, the total maximum grant amount indicated in Article I.3.1 may be increased in accordance with the following conditions:
 - The beneficiary has not been awarded the full grant requested under the main selection round due to the high demand and limited budget rather than for reasons of weak past performance of the beneficiary;
 - On the basis of the information provided in the ad hoc interim report and data registered in Mobility Tool+, the realisation level of mobilities granted initially is in line with the Grant Agreement.
- The final grant amount awarded must not exceed the grant amount requested by the applicant in the initial grant application.

(b) Contractual modifications

In accordance with Article II.13 of Annex I of the Agreement, any modification of the grant as set out in Sections V (a) above will take the form of an amendment

VI. CHECKS OF GRANT BENEFICIARY AND PROVISION OF SUPPORTING DOCUMENTS

In accordance with Article II.27 of the Annex I of the Agreement, the beneficiary may be subject to checks and audits in relation to the Agreement. Checks and audits aim at verifying whether the beneficiary managed the grant in respect of the rules set out in the Agreement, in order to establish the final grant amount to which the beneficiary is entitled.

A final report check must be performed for all projects. In addition, the project may be subject to further desk check or on-the-spot check if the project Agreement is included in the NA sample required by the European Commission or if the NA has selected it for a targeted check based on its risk assessment.

For final report check and desk check, the beneficiary must supply to the NA copies of supporting documents specified in the section I.2, unless the NA makes a request for originals to be delivered. The NA must return original supporting documents to the beneficiary upon its analysis thereof. If the beneficiary is legally not authorised to send original documents for final report or desk checks, the beneficiary concerned may send a copy of the supporting documents instead.

The beneficiary may be requested by the NA to provide for any type of check, additional supporting documents or evidence that are typically required for another type of check, as specified in article II.27 of the General Conditions.

The different checks must include the following:

a) Final report check

The final report check is undertaken at final report stage at the NA premises in order to establish the final grant amount to which the beneficiary is entitled.

The beneficiary must submit to the National Agency a final report through Mobility Tool+ which will include the following information on grant expenditure:

- Unit contributions consumed for budget categories:
 - Travel
 - Individual support
 - Organisational support
 - Course fees
- Actual costs incurred for budget category:
 - Special needs support

- Actual costs incurred and supporting documents specified in Section II of this Annex for budget category:
 - Exceptional costs

b) Desk check

Desk check is an in-depth check of supporting documents at the NA premises that may be conducted at or after the final report stage.

Upon request, the beneficiary must submit to the National Agency the supporting documents for all budget categories.

c) On-the-spot checks

On-the-spot checks are performed by the NA at the premises of the beneficiary or at any other relevant premise for the execution of the Project. During on-the-spot checks, the beneficiary must make available for review by the National Agency original supporting documentation for all budget categories.

There are three types of possible on-the-spot checks:

- *On-the-spot check during project implementation*

This check is undertaken during the implementation of the Project in order for the National Agency to verify directly the reality and eligibility of all project activities and participants,

- *On-the-spot check after completion of the project*

This check is undertaken after the end of the Project and usually after the final report check.

In addition to providing all supporting documentation, the beneficiary must enable the National Agency access to the recording of project expense in the beneficiary accounts.

ANNEX IV: RATES APPLICABLE FOR UNIT CONTRIBUTIONS

KEY ACTION 1 – MOBILITY FOR ADULT EDUCATION STAFF

1. Travel

Travel distances	Amount
Between 10 and 99 KM:	20 EUR per participant
Between 100 and 499 KM:	180 EUR per participant
Between 500 and 1999 KM:	275 EUR per participant
Between 2000 and 2999 KM:	360 EUR per participant
Between 3000 and 3999 KM:	530 EUR per participant
Between 4000 and 7999 KM:	820 EUR per participant
8000 KM or more:	1500 EUR per participant

Nota bene: the "travel distance" represents the distance between the place of origin and the venue, whereas the "amount" covers the contribution to the travel both to and from the venue.

2. Individual Support:

Nota bene: the amount per day is calculated as follows:

up to the 14th day of activity: the amount specified in the table below per day per participant

+

between the 15th day of activity and 60th day of activity: 70% of the amount specified in the table below per day per participant.

Receiving country	Staff mobility Amount per day in EUR
Group 1: Norway, Denmark, Luxembourg, United Kingdom, Iceland, Sweden, Ireland, Finland, Liechtenstein	180
Group 2: Netherlands, Austria, Belgium, France, Germany, Italy, Spain, Cyprus, Greece, Malta, Portugal	160
Group 3: Slovenia, Estonia, Latvia, Croatia, Slovakia, Czech Republic, Lithuania, Turkey, Hungary, Poland, Romania, Bulgaria, North Macedonia, Serbia	140

Same rates apply for accompanying persons.

3. Organisational support

Up to the 100th participant: **350 EUR** per participant

+ beyond the 100th participant: **200 EUR** per additional participant

Nota bene: Accompanying persons are not considered to be participants in learning mobility activities and are not taken into account for calculation of Organisational Support.

4. Course fees

70 EUR per day per participant, with a maximum **700 EUR** per participant in the mobility project.

Erasmus+ MOBILITY AGREEMENT FOR ADULT EDUCATION STAFF (for optional use)

I. DETAILS ON THE PARTICIPANT

Name of the participant:
Sending institution (name, address):
Contact person (name, function, e-mail, tel):

II. DETAILS OF THE PROPOSED MOBILITY PROGRAMME ABROAD

Receiving organisation (name address):
Contact Person (name, function, e-mail, tel):

Planned dates of start and end of the mobility period:

Detailed programme of the mobility period:

Competences to be acquired by the participant:

Monitoring and Mentoring of the participant before, during and after the mobility period:

Foreseen use of outcomes, evaluation:

III. COMMITMENT OF THE PARTIES INVOLVED

By signing this document, the participant, the sending organisation and the receiving organisation confirm that they will implement the detailed programme of the mobility period as described above.

THE PARTICIPANT

Participant's signature

..... Date:

THE SENDING INSTITUTION

We confirm that this proposed mobility agreement is approved.

On completion of the mobility the institution will issue[...a Europass Mobility, *other form of validation/recognition...*] to the participant

Sending organisation's signature

..... Date:

THE RECEIVING ORGANISATION

We confirm that this proposed mobility agreement is approved.

On completion of the mobility the organisation will issue [...a *Certificate* ...] to the participant

Receiving organisation's signature

..... Date: