EUROPEAN COMMISSION
Employment, Social Affairs and Equal Opportunities DG

Social Dialogue, Social Rights, Working Conditions, Adaptation to Change

Grant Agreement for an action

Agreement title **European inspection and information campaign on manual handling of loads in 2007 ¿ phase I.**

Agreement ref. No **VS/2006/0335**
The above title and reference No **must** be quoted in **all** correspondence with the Commission.

Beneficiary **.....**
.....

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Other administrative information

Department **DG EMPL/F/4**

Ex-ante publicity Ref. No: —
Call for proposal Ref. No: VP/2006/015
SAGA Record No: —

Other accounting information

Commitment No **……**
This commitment No **must** be quoted in correspondence relating to **payments.**

Type of Agreement V/SB/ACG02

The European Community (**"the Community"**),
represented by the Commission of the European Communities (**"the Commission"**),
itself represented for the purposes of signature of this Agreement by Bernhard JANSEN, Director, EMPL/F, Employment, Social Affairs and Equal Opportunities DG,

of the one part,

AND

…… *(Beneficiary's official name in full)*,
official legal form: ……,
official registration No: ……,
official address in full: ……,
VAT No: ……
(**"the Beneficiary"**),
represented for the purposes of signature of this Agreement by …… *(Signatory's forename and name in full)*, …… *(Signatory's function)*,

of the other part,

HAVE AGREED

the **Special Conditions, General Conditions** and **Annexes** below:

- **Annex I** Description of the action
- **Annex II** Estimated budget of the action

which form an integral part of this Agreement (**"the Agreement"**).

The terms set out in the Special Conditions shall take precedence over those in the other parts of the Agreement.
The terms of the General Conditions shall take precedence over those in the Annexes.

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I. Special conditions

Article I.1 **Purpose of the Grant**

I.1.1. The Commission has decided to award a grant, under the terms and conditions set out in the Special Conditions, the General Conditions and the Annexes to the agreement, which the beneficiary hereby declares that he has taken note of and accepts, for the action entitled European inspection and information campaign on manual handling of loads in 2007 ¿ phase I. (**"the action"**).

I.1.2. The Beneficiary accepts the grant and undertakes to do everything in his power to carry out the action as described in Annex I, acting on his own responsibility.

Article I.2 **Duration**

I.2.1. The Agreement shall enter into force on the date when the last of the two parties signs.

I.2.2. The action shall run for 12 months from 31/07/2006 (**"the starting date"**).

Article I.3 **Financing the action**

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I.3.1. ***Total cost of the action***
The total cost of the action is estimated at EUR 0.00, as shown in the estimated budget in Annex II. The estimated budget shall give a detailed breakdown of the costs that are eligible for Community funding under the terms of Article II.14, of any other costs that the action may entail, and of all receipts, so that receipts and costs balance.

I.3.2. ***Eligible costs***
The total eligible costs of the action for which the Commission grant is awarded are estimated at EUR 0.00, as shown in the estimated budget in Annex II.

Indirect costs are eligible for flat-rate funding of 7% of the total direct costs eligible, subject to the conditions laid down in Article II.14.3.

I.3.3. ***Amount of the grant***
The Commission shall contribute a maximum of EUR 180 000.00 equivalent to ……% of the estimated total eligible costs indicated in paragraph 2. The final amount of the grant shall be determined as specified in Article II.17, without prejudice to Article II.19.

The Community grant may not finance the entire costs of the action. The amounts and sources of cofinancing other than from Community funds shall be set out in the estimated budget referred to in paragraph 1.

I.3.4. ***Adjustment of the estimated budget***
By way of derogation from Article II.13, the Beneficiary may, when carrying out the action, adjust the estimated budget by transfers between headings of eligible costs, provided that this adjustment of expenditure does not affect implementation of the action and the transfer between headings does not exceed 10% of the amount of each heading of estimated eligible costs for which the transfer is intended, and without exceeding the total eligible costs indicated in paragraph 2. He shall inform the Commission in writing.

Article I.4 **Payment arrangements**

I.4.1. ***Pre-financing***
Within 45 days of the date when the last of the two parties signs the Agreement a pre-financing payment shall be made to the Beneficiary, representing 30% of the amount specified in Article I.3.3.

I.4.2. ***Further pre-financing payments***
Not applicable.

I.4.3. ***Interim payment***
Any request for interim payment shall be accompanied by the interim technical implementation report and financial statement specified in Article II.15.3.

The Commission shall have 45 days to approve or reject the technical implementation report or to request additional supporting documents or information under the procedure laid down in Article II.15.3. In that case, the Beneficiary shall have 30 days to submit the additional information requested or a new report.

The amount of the interim payment(s) shall be determined on the basis of the eligible costs actually incurred, as shown in the interim statement and validated by the Commission, to which shall be applied the percentage of the Community grant specified in Article I.3.3.

In no circumstances may the interim payment exceed 70% of the maximum amount of the grant specified in Article I.3.3. Where appropriate, the amount of any pre-financing previously paid to the Beneficiary shall be deducted.

The interim payment shall be made to the Beneficiary within 45 days following approval by the Commission of the documents accompanying the request for interim payment. The Commission may suspend the period for payment in accordance with the procedure in Article II.16.2.

I.4.4. ***Payment of the balance***
The request for payment of the balance shall be accompanied by the final technical implementation report and financial statement specified in Article II.15.4 and by an external audit report on the action's accounts.

The Commission shall have 45 days to approve or reject the technical implementation report or to request additional supporting documents or information under the procedure laid down in Article II.15.4. In that case the Beneficiary shall have 30 days to submit the additional information or a new report.

A payment representing the balance of the grant determined in accordance with Article II.17 shall be made to the Beneficiary within 45 days following approval by the Commission of the technical implementation report accompanying the request for payment of the balance. The Commission may suspend the period for payment in accordance with the procedure in Article II.16.2.

Article I.5 **Submission of reports and other documents**

The technical implementation reports, financial statements and other documents referred to in Article I.4 must be submitted in 3 copies in English on the following dates:

- Interim technical implementation report and financial statement: at each request for interim payment and, for the first interim payment, at the latest within 2 months following half of the execution period mentioned in Article I.2.2.;
- Final technical implementation report and financial statement: at the request for final payment and, at the latest, within 3 months following the closing date of the action specified in Article I.2.2.

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Article I.6 **Bank account**

Payments shall be made to the Beneficiary's bank account or sub-account denominated in euro [1], as indicated below [2]:

- name of bank: ……
- address of branch: ……
- exact designation of account holder: ……
- full account number including codes: ……
- IBAN or, if non available, BIC code: —

This account or sub-account must identify the payments made by the Commission. If the funds paid to this account yield interest or equivalent benefits under the law of the State on whose territory the account is opened, such interest or benefits shall, if they are generated by pre-financing payments, be recovered by the Commission as specified in Article II.16.4.

Article I.7 **General administrative provisions**

Any communication in connection with this Agreement shall be in writing, indicating the number of the Agreement, and shall be sent to the following addresses:

For the Commission

- *Requests for payment and other financial information must be addressed to:*
  European Commission
  Directorate-General Employment, Social Affairs and Equal Opportunities
  EMPL/F
  B-1049 Bruxelles (Belgium)
- *The technical reports and all other correspondence must be sent to:*
  European Commission
  Directorate-General Employment, Social Affairs and Equal Opportunities
  EMPL/F/4
  B-1049 Bruxelles (Belgium)

Ordinary mail shall be considered to have been received by the Commission on the date on which it is formally registered by the Commission unit responsible referred to above.

For the Beneficiary

…… *(Mr/Mrs – forename and name)*
…… *(function)*
…… *(official denomination)*
…… *(full official address)*

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Article I.8 **Law applicable and competent court**

The grant is governed by the terms of the Agreement, the Community rules applicable and, on a subsidiary basis, by the law of Belgium relating to grants.

The beneficiary may bring legal proceedings regarding decisions by the Commission concerning the application of the provisions of the agreement and the arrangements for implementing it, before the Court of First Instance of the European Communities and, in the event of appeal, the Court of Justice of the European Communities.

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1 Except in the case of bank accounts in countries that do not accept euro transactions.

2 As shown by the account identification document issued or certified by the bank concerned.

II. General conditions

PART A Legal and administrative provisions

Article II.1 Liability

II.1.1. The beneficiary shall have sole responsibility for complying with any legal obligations incumbent on him.

II.1.2. The Commission shall not, in any circumstances or on any grounds, be held liable in the event of a claim under the agreement relating to any damage caused during the action's execution. Consequently, the Commission will not entertain any request for indemnity or reimbursement accompanying any such claim.

II.1.3. Except in cases of *force majeure*, the beneficiary shall make good any damage sustained by the Commission as a result of the execution or faulty execution of the action.

II.1.4. The beneficiary shall bear sole liability vis-à-vis third parties, including for damage of any kind sustained by them while the action is being carried out.

Article II.2 Conflict of Interests

The beneficiary undertakes to take all the necessary measures to prevent any risk of conflicts of interests which could affect the impartial and objective performance of the agreement. Such conflict of interests could arise in particular as a result of economic interest, political or national affinity, family or emotional reasons, or any other shared interest.

Any situation constituting or likely to lead to a conflict of interests during the performance of the agreement must be brought to the attention of the Commission, in writing, without delay. The beneficiary shall undertake to take whatever steps are necessary to rectify this situation at once. The Commission reserves the right to check that the measures taken are appropriate and may demand that the beneficiary take additional measures, if necessary, within a certain time.

Article II.3 Ownership/Use of the Results

II.3.1. Unless stipulated otherwise in this agreement, ownership of the results of the action, including industrial and intellectual property rights, and of the reports and other documents relating to it shall be vested in the beneficiary.

II.3.2. Without prejudice to paragraph 1, the beneficiary grants the Commission the right to make free use of the results of the action as it deems fit, provided it does not thereby breach its confidentiality obligations or existing industrial and intellectual property rights.

Article II.4 Confidentiality

The Commission and the beneficiary undertake to preserve the confidentiality of any document, information or other material directly related to the subject of the agreement that is duly classed as confidential, if disclosure could cause prejudice to the other party. The parties shall remain bound by this obligation beyond the closing date of the action.

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Article II.5 **Publicity**

II.5.1. Unless the Commission requests otherwise, any communication or publication by the beneficiary about the action, including at a conference or seminar, shall indicate that the action has received funding from the Community.

Any communication or publication by the beneficiary, in any form and medium, shall indicate that sole responsibility lies with the author and that the Commission is not responsible for any use that may be made of the information contained therein.

II.5.2. The beneficiary authorises the Commission to publish the following information in any form and medium, including via the Internet:

- the beneficiary's name and the address,
- the subject and purpose of the grant,
- the amount granted and the proportion of the action's total cost covered by the funding.

Upon a reasoned and duly substantiated request by the beneficiary, the Commission may agree to forgo such publicity if disclosure of the information indicated above would risk compromising the beneficiary's security or prejudicing his commercial interests.

Article II.6 **Evaluation**

Whenever the Commission carries out an interim or final evaluation of the action's impact measured against the objectives of the Community programme concerned, the beneficiary undertakes to make available to the Commission and/or persons authorised by it all such documents or information as will allow the evaluation to be successfully completed and to give them the rights of access specified in Article II.19.

Article II.7 **Suspension**

II.7.1. The beneficiary may suspend implementation of the action if exceptional circumstances make this impossible or excessively difficult, notably in the event of *force majeure*. He shall inform the Commission without delay, giving all the necessary reasons and details and the foreseeable date of resumption.

II.7.2. If the Commission does not terminate the agreement under Article II.11.2, the beneficiary shall resume implementation once circumstances allow and shall inform the Commission accordingly. The duration of the action shall be extended by a period equivalent to the length of the suspension. In accordance with Article II.13, a supplementary written agreement shall be concluded to extend the duration of the action and to make any amendments that may be necessary to adapt the action to the new implementing conditions.

Article II.8 **Force Majeure**

II.8.1. *Force majeure* shall mean any unforeseeable exceptional situation or event beyond the parties' control which prevents either of them from fulfilling any of their obligations under this agreement, was not attributable to error or negligence on their part, and proves insurmountable in spite of all due diligence. Defects in equipment or material or delays in making them available (unless due to *force majeure*), labour disputes, strikes or financial difficulties cannot be invoked as *force majeure* by the defaulting party.

II.8.2. A party faced with *force majeure* shall inform the other party without delay by registered letter with advice of delivery or equivalent, stating the nature, probable duration and foreseeable effects.

II.8.3. Neither of the parties shall be held in breach of their obligations under the agreement if they are prevented from fulfilling them by *force majeure*. The parties shall make every effort to minimise any damage due to *force majeure*.

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II.8.4. The action may be suspended in accordance with Article II.7.

Article II.9 **Award of Contracts**

II.9.1. If the beneficiary has to conclude contracts in order to carry out the action and they constitute costs of the action under an item of eligible direct costs in the estimated budget, he shall seek competitive tenders from potential contractors and award the contract to the bid offering best value for money; in doing so he shall observe the principles of transparency and equal treatment of potential contractors and shall take care to avoid any conflict of interests.

II.9.2. Contracts as referred to in paragraph 1 may be awarded only in the following cases:

(a) they may only cover the execution of a limited part of the action;
(b) recourse to the award of contracts must be justified having regard to the nature of the action and what is necessary for its implementation;
(c) the tasks concerned must be set out in Annex I and the corresponding estimated costs must be set out in detail in the budget in Annex II;
(d) any recourse to the award of contracts while the action is under way, if not provided for in the initial grant application, shall be subject to prior written authorisation by the Commission;
(e) the beneficiary shall retain sole responsibility for carrying out the action and for compliance with the provisions of the agreement. The beneficiary must undertake to make the necessary arrangements to ensure that the contractor waives all rights in respect of the Commission under the agreement;
(f) the beneficiary must undertake to ensure that the conditions applicable to him under Articles II.1, II.2, II.3, II.4, II.5, II.6, II.10 and II.19 of the agreement are also applicable to the contractor.

Article II.10 **Assignment**

Claims against the Commission may not be transferred.

In exceptional circumstances, where the situation warrants it, the Commission may authorise the assignment to a third party of the agreement and payments flowing from it following a written request to that effect, giving reasons, from the beneficiary. If the Commission agrees, it must make its agreement known in writing before the proposed assignment takes place. In the absence of the above authorisation, or in the event of failure to observe the terms thereof, the assignment shall not be enforceable against and shall have no effect on the Commission. In no circumstances shall such an assignment release the beneficiary from his obligations to the Commission.

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Article II.11 **Termination of the Agreement**

II.11.1. ***Termination by the beneficiary***
In duly justified cases, the beneficiary may withdraw his request for a grant and terminate the agreement at any time by giving 60 days' written notice stating the reasons, without being required to furnish any indemnity on this account. If no reasons are given or if the Commission does not accept the reasons, the beneficiary shall be deemed to have terminated this agreement improperly, with the consequences set out in the third subparagraph of paragraph 4.

II.11.2. ***Termination by the Commission***
The Commission may decide to terminate the agreement, without any indemnity on its part, in the following circumstances:

(a) in the event of a legal, financial, technical, organisational or auditing change in the beneficiary's situation that is liable to affect the agreement substantially or to call into question the decision to award the grant;
(b) if the beneficiary fails to fulfil a substantial obligation incumbent on him under the terms of the agreement, including its annexes;
(c) in the event of *force majeure*, notified in accordance with Article II.8, or if the action has been suspended as a result of exceptional circumstances, notified in accordance with Article II.7;

(d) if the beneficiary is declared bankrupt, is being wound up or is the subject of any other similar proceedings;
(e) if the beneficiary is found guilty of an offence involving his professional conduct by a judgment having the force of res judicata or if he is guilty of grave professional misconduct proven by any justified means;
(f) if the beneficiary is guilty of misrepresentation or submits reports inconsistent with reality to obtain the grant provided for in the agreement;
(g) if the beneficiary has intentionally or by negligence committed a substantial irregularity in performing the agreement or in the event of fraud, corruption or any other illegal activity on the part of the beneficiary to the detriment of the European Communities' financial interests. A substantial irregularity consists of any infringement of a provision of an agreement or regulation resulting from an act or an omission on the part of the beneficiary which causes or might cause a loss to the Community budget.

II.11.3. *Termination procedure*
The procedure is initiated by registered letter with advice of delivery or equivalent.

In the cases referred to in points (a), (b) and (d) of paragraph 2, the beneficiary shall have 30 days to submit his observations and take any measures necessary to ensure continued fulfilment of his obligations under the agreement. If the Commission fails to confirm acceptance of these observations by giving written approval within 30 days of receiving them, the procedure shall continue to run.

Where notice is given, termination shall take effect at the end of the period of notice, which shall start to run from the date when notification of the Commission's decision to terminate the agreement is received.

If notice is not given in the cases referred to in points (c), (e), (f) and (g) of paragraph 2, termination shall take effect from the day following the date on which notification of the Commission's decision to terminate the agreement is received.

II.11.4. *Effects of termination*
In the event of termination, payments by the Commission shall be limited to the eligible costs actually incurred by the beneficiary up to the date when termination takes effect, in accordance with Article II.17. Costs relating to current commitments that are not due to be executed until after termination shall not be taken into account. The beneficiary shall have 60 days from the date when termination takes effect, as notified by the Commission, to produce a request for final payment in accordance with Article II.15.4. If no request for final payment is received within this time limit, the Commission shall not reimburse the expenditure incurred by the beneficiary up to the date of termination and it shall recover any amount if its use is not substantiated by the technical implementation reports and financial statements approved by the Commission.

By way of exception, at the end of the period of notice referred to in paragraph 3, where the Commission is terminating the agreement on the grounds that the beneficiary has failed to produce the final technical implementation report and financial statement within the deadline stipulated in Article I.5 and the beneficiary has still not complied with this obligation within two months following the written reminder sent by the Commission by registered letter with advice of delivery or equivalent, the Commission shall not reimburse the expenditure incurred by the beneficiary up to the date on which the action ended and it shall recover any amount if its use is not substantiated by the technical implementation reports and financial statements approved by the Commission.

By way of exception, in the event of improper termination by the beneficiary or termination by the Commission on the grounds set out in points (e), (f) or (g) of paragraph 2, the Commission may require the partial or total repayment of sums already paid under the agreement on the basis of technical implementation reports and financial statements approved by the Commission, in proportion to the gravity of the failings in question and after allowing the beneficiary to submit his observations.

Article II.12 **Financial Penalties**

By virtue of the Financial Regulation applicable to the general budget of the European Communities, any beneficiary declared to be in grave breach of his obligations shall be liable to financial penalties of

between 2% and 10% of the value of the grant in question, with due regard for the principle of proportionality. This rate may be increased to between 4% and 20% in the event of a repeated breach in the five years following the first. The beneficiary shall be notified in writing of any decision by the Commission to apply such financial penalties.

Article II.13 **Supplementary Agreements**

II.13.1. Any amendment to the grant conditions must be the subject of a written supplementary agreement. No oral agreement may bind the parties to this effect.

II.13.2. The supplementary agreement may not have the purpose or the effect of making changes to the agreement which might call into question the decision awarding the grant or result in unequal treatment of applicants.

II.13.3. If the request for amendment is made by the beneficiary, he must send it to the Commission in good time before it is due to take effect and at all events one month before the closing date of the action, except in cases duly substantiated by the beneficiary and accepted by the Commission.

PART B Financial Provisions

Article II.14 **Eligible Costs**

II.14.1. To be considered as eligible costs of the action, costs must satisfy the following general criteria:

- they must be connected with the subject of the agreement and they must be provided for in the estimated budget annexed to it;
- they must be necessary for performance of the action covered by the agreement;
- they must be reasonable and justified and they must accord with the principles of sound financial management, in particular in terms of value for money and cost-effectiveness;
- they must be generated during the lifetime of the action as specified in Article I.2.2 of the agreement;
- they must be actually incurred by the beneficiary, be recorded in his accounts in accordance with the applicable accounting principles, and be declared in accordance with the requirements of the applicable tax and social legislation;
- they must be identifiable and verifiable.

The beneficiary’s internal accounting and auditing procedures must permit direct reconciliation of the costs and revenue declared in respect of the action with the corresponding accounting statements and supporting documents.

II.14.2. The eligible direct costs for the action are those costs which, with due regard for the conditions of eligibility set out in Article II.14.1, are identifiable as specific costs directly linked to performance of the action and which can therefore be booked to it direct. In particular, the following direct costs are eligible provided that they satisfy the criteria set out in the previous paragraph:

- the cost of staff assigned to the action, comprising actual salaries plus social security charges and other statutory costs included in the remuneration, provided that this does not exceed the average rates corresponding to the beneficiary's usual policy on remuneration;
- travel and subsistence allowances for staff taking part in the action, provided that they are in line with the beneficiary's usual practices on travel costs or do not exceed the scales approved annually by the Commission;
- the purchase cost of equipment (new or second-hand), provided that it is written off in accordance with the tax and accounting rules applicable to the beneficiary and generally accepted for items of the same kind. Only the portion of the equipment's depreciation corresponding to the duration of the action and the rate of actual use for the purposes of the action may be taken into account by the Commission, except where the nature and/or the context of its use justifies different treatment by the Commission;
- costs of consumables and supplies, provided that they are identifiable and assigned to the action;

- costs entailed by other contracts awarded by the beneficiary for the purposes of carrying out the action, provided that the conditions laid down in Article II.9 are met;
- costs arising directly from requirements imposed by the agreement (dissemination of information, specific evaluation of the action, audits, translations, reproduction, etc.), including the costs of any financial services (especially the cost of financial guarantees);

II.14.3. The eligible indirect costs for the action are those costs which, with due regard for the conditions of eligibility described in Article II.14.1, are not identifiable as specific costs directly linked to performance of the action which can be booked to it direct, but which can be identified and justified by the beneficiary using his accounting system as having been incurred in connection with the eligible direct costs for the action. They may not include any eligible direct costs.

By way of derogation from Article II.14.1, the indirect costs incurred in carrying out the action may be eligible for flat-rate funding fixed at not more than 7% of the total eligible direct costs. If provision is made in Article I.3.2 for flat-rate funding in respect of indirect costs, they need not be supported by accounting documents.

II.14.4. The following costs shall not be considered eligible:
- return on capital;
- debt and debt service charges;
- provisions for losses or potential future liabilities;
- interest owed;
- doubtful debts;
- exchange losses;
- VAT, unless the beneficiary can show that he is unable to recover it;
- costs declared by the beneficiary and covered by another action or work programme receiving a Community grant;
- excessive or reckless expenditure.

II.14.5. Contributions in kind shall not constitute eligible costs. However, the Commission can accept, in duly substantiated exceptional cases, that the cofinancing of the action referred to in Article I.3.3 should be made up entirely or in part of contributions in kind. In this case, the value calculated for such contributions must not exceed:
- the costs actually borne and duly supported by accounting documents of the third parties who made these contributions to the beneficiary free of charge but bear the corresponding costs;
- the costs generally accepted on the market in question for the type of contribution concerned when no costs are borne.

Contributions involving buildings shall not be covered by this possibility.

In the case of cofinancing in kind, a financial value shall be placed on the contributions and the same amount will be included in the costs of the action as ineligible costs and in receipts from the action as cofinancing in kind. The beneficiary shall undertake to obtain these contributions as provided for in the agreement.

II.14.6. By way of derogation from paragraph 3, indirect costs shall not be eligible under a project grant awarded to a beneficiary who already receives an operating grant from the Commission during the period in question.

Article II.15 **Requests for Payment**

Payments shall be made in accordance with Article I.4 of the Special Conditions.

II.15.1. ***Pre-financing***
Pre-financing is intended to provide the beneficiary with a float.

Where required by the provisions of Article I.4 on pre-financing, the beneficiary shall furnish a financial guarantee from a bank or an approved financial institution established in one of the Member States of the European Union. The guarantor shall stand as first call guarantor and shall not require the Commission to have recourse against the principal debtor (the beneficiary). The financial guarantee shall remain in force until final payments by the Commission match the proportion of the total grant

accounted for by pre-financing. The Commission undertakes to release the guarantee within 30 days following that date.

II.15.2. ***Further pre-financing payments***
Where pre-financing is divided into several instalments, the beneficiary may request a further pre-financing payment once he has used up the percentage of the previous payment specified in the provisions of Article I.4 on further pre-financing. The request shall be accompanied by the following documents:

- a detailed statement of the eligible costs actually incurred;
- where required by the above-mentioned provisions of Article I.4, a financial guarantee in accordance with paragraph 1;
- where required by the above-mentioned provisions of Article I.4, an external audit report on the action's accounts. The external audit shall be carried out by an independent body or expert officially authorised to carry out audits of accounts;
- any other documents in support of his request that may be required in support of the request for further pre-financing payments.

The documents accompanying the request for payment shall be drawn up in accordance with the relevant provisions in Article I.5 and the annexes.

II.15.3. ***Interim payments***
Interim payments are intended to reimburse the beneficiary for expenditure on the basis of a detailed statement of the costs incurred, once the action has reached a certain level of completion. It may clear all or part of any prefinancing.

By the appropriate deadline indicated in Article I.5, the beneficiary shall submit a request for interim payment accompanied by the following documents:

- an interim report on implementation of the action;
- an interim financial statement of the eligible costs actually incurred, following the structure of the estimated budget;
- where required by the provisions of Article I.4 on interim payment, an external audit report on the action's accounts. The external audit shall be carried out by an independent body or expert officially authorised to carry out audits of accounts. The purpose of the audit is to certify that the financial documents submitted to the Commission by the beneficiary comply with the financial provisions of the agreement, that the costs declared are the actual costs, and that all receipts have been declared.

The documents accompanying the request for payment shall be drawn up in accordance with the relevant provisions in Article I.5 and the annexes. If an external audit of the action's accounts is not required, the beneficiary himself shall certify that the financial documents submitted to the Commission comply with the financial provisions of the agreement, that the costs declared are the actual costs, and that all receipts have been declared.

On receipt of these documents, the Commission shall have the period specified in Article I.4 in order to:

- approve the interim report on implementation of the action;
- ask the beneficiary for supporting documents or any additional information it deems necessary to allow the approval of the report;
- reject the report and ask for the submission of a new report.

Failing a written reply from the Commission within the time limit for scrutiny indicated above, the report shall be deemed to have been approved. Approval of the report accompanying the request for payment shall not imply recognition of their regularity or of the authenticity, completeness and correctness of the declarations and information they contain.

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Requests for additional information or a new report shall be notified to the beneficiary in writing. The beneficiary shall have the period laid down in Article I.4 to submit the information or new documents requested. If additional information is requested, the time limit for scrutiny shall be extended by the time it takes to obtain this information. Where a report is rejected and a new report requested, the approval procedure described in this Article shall apply. In the event of renewed rejection, the Commission reserves the right to terminate the agreement by invoking Article II.11.2(b).

II.15.4. ***Payment of the balance***
Payment of the balance, which may not be repeated, is made after the end of the action on the basis of the costs actually incurred by the beneficiary in carrying out the action. It may take the form of a recovery order where the total amount of earlier payments is greater than the amount of the final grant determined in accordance with Article II.17.

By the appropriate deadline indicated in Article I.5, the beneficiary shall submit a request for payment of the balance accompanied by the following documents:

- a final report on the implementation of the action;
- a final financial statement of the eligible costs actually incurred, following the structure of the estimated budget;
- a full summary statement of the receipts and expenditure of the action;
- where required by the provisions of Article I.4 on payment of the balance, an external audit report on the action's accounts. The external audit shall be carried out by an independent body or expert officially authorised to carry out audits of accounts. The purpose of the audit is to certify that the financial documents submitted to the Commission by the beneficiary comply with the financial provisions of the agreement, that the costs declared are the actual costs, and that all receipts have been declared.

The documents accompanying the request for payment shall be drawn up in accordance with the provisions of Article I.5 and the annexes. If an external audit of the action's accounts is not required, the beneficiary himself shall certify that the financial documents submitted to the Commission comply with the financial provisions of the agreement, that the costs declared are the actual costs, and that all receipts have been declared.

On receipt of these documents, the Commission shall have the period specified in Article I.4 in order to:

- approve the final report on implementation of the action;
- ask the beneficiary for supporting documents or any additional information it deems necessary to allow the approval of the report;
- reject the report and ask for the submission of a new report.

Failing a written reply from the Commission within the time limit for scrutiny indicated above, the report shall be deemed to have been approved. Approval of the report accompanying the request for payment shall not imply recognition of their regularity or of the authenticity, completeness and correctness of the declarations and information they contain.

Requests for additional information or a new report shall be notified to the beneficiary in writing. The beneficiary shall have the period laid down in Article I.4 to submit the information or new documents requested. If additional information is requested, the time limit for scrutiny shall be extended by the time it takes to obtain this information. Where a report is rejected and a new report requested, the approval procedure described in this Article shall apply. In the event of renewed rejection, the Commission reserves the right to terminate the agreement by invoking Article II.11.2(b).

Article II.16 **General Provisions on Payments**

II.16.1. Payments shall be made by the Commission in euro. Any conversion of actual costs into euro shall be made at the daily rate published in the Official Journal of the European Union or, failing that, at the monthly accounting rate established by the Commission and published on its website applicable on the day when the payment order is issued by the Commission, unless the Special Conditions of the agreement lay down specific provisions.

Payments by the Commission shall be deemed to be effected on the date when they are debited to the Commission's account.

II.16.2. The Commission may suspend the period for payment laid down in Article I.4 at any time by notifying the beneficiary that his request for payment cannot be met, either because it does not comply with the provisions of the agreement, or because the appropriate supporting documents have not been produced or because there is a suspicion that some of the expenses in the financial statement are not eligible and additional checks are being conducted.

The Commission may also suspend its payments at any time if the beneficiary is found or presumed to have infringed the provisions of the agreement, in particular in the wake of the audits and checks provided for in Article II.19.

The Commission shall inform the beneficiary of any such suspension by registered letter with advice of delivery or equivalent. Suspension shall take effect on the date when notice is sent by the Commission. The remaining payment period shall start to run again from the date when a properly constituted request for payment is registered, when the supporting documents requested are received, or at the end of the suspension period as notified by the Commission.

II.16.3. On expiry of the period for payment specified in Article I.4, and without prejudice to paragraph 2 of this Article, the beneficiary may, within two months following the date of receipt of a late payment, request payment of interest on the late payment at the rate applied by the European Central Bank for its main refinancing operations in euros, plus three and a half points; the reference rate to which the increase applies shall be the rate in force on the first day of the month of the final date for payment, as published in the C series of the Official Journal of the European Union. This provision shall not apply to recipients of a grant which are public authorities of the Member States of the European Union.

Interest on late payment shall cover the period from the final date for payment, exclusive, up to the date of payment as defined in paragraph 1, inclusive. The interest shall not be treated as a receipt for the action for the purposes of determining the final grant within the meaning of Article II.17.4. The suspension of payment by the Commission may not be considered as late payment.

II.16.4. The beneficiary shall inform the Commission of the amount of any interest or equivalent benefits yielded by the pre-financing it has received from the Commission. Notification must be made annually if the interest in question represents a significant amount, and in any event when the request is made for interim payment or for payment of the balance that clears the pre-financing. The interest shall not be treated as a receipt for the action within the meaning of Article II.17.4. The Commission shall issue a recovery order in respect of it in accordance with Article II.18.

II.16.5. The beneficiary shall have two months from the date of notification by the Commission of the final amount of the grant determining the amount of the payment of the balance or the recovery order pursuant to Article II.17, or failing that of the date on which the payment of the balance was received, to request information in writing on the determination of the final grant, giving reasons for any disagreement. After this time such requests will no longer be considered. The Commission undertakes to reply in writing within two months following the date on which the request for information is received, giving reasons for its reply. This procedure is without prejudice to the beneficiary's right to appeal against the Commission's decision pursuant to Article I.8. Under the terms of Community legislation in this matter, such appeals must be lodged within two months following the notification of the decision to the applicant or, failing that, following the date on which the applicant learned of the decision.

Article II.17 **Determining the Final Grant**

II.17.1. Without prejudice to information obtained subsequently pursuant to Article II.19, the Commission shall adopt the amount of the final payment to be granted to the beneficiary on the basis of the documents referred to in Article II.15.4 which it has approved.

II.17.2. The total amount paid to the beneficiary by the Commission may not in any circumstances exceed the maximum amount of the grant laid down in Article I.3.3, even if the total actual costs eligible exceed the estimated total eligible costs specified in Article I.3.2.

II.17.3. If the actual eligible costs when the action ends are lower than the estimated total eligible costs, the Commission's contribution shall be limited to the amount obtained by applying the Community grant percentage specified in Article I.3.3 to the actual eligible costs approved by the Commission.

II.17.4. The beneficiary hereby agrees that the grant shall be limited to the amount necessary to balance the action's receipts and expenditure and that it may not in any circumstances produce a profit for him. Profit shall mean any surplus of total actual receipts attributable to the action over the total actual costs of the action. The actual receipts to be taken into account shall be those which have been established, generated or confirmed on the date on which the request for payment of the balance is drawn up by the beneficiary for financing other than the Community grant, to which shall be added the amount of the grant determined by applying the principles laid down in paragraphs 2 and 3 of this article. For the purposes of this article, only actual costs falling within the categories set out in the estimated budget referred to in Article I.3.1 and contained in Annex II shall be taken into account; non-eligible costs shall always be covered by non-Community resources.

Any surplus determined in this way shall result in a corresponding reduction in the amount of the grant.

II.17.5. Without prejudice to the right to terminate the agreement under Article II.11, and without prejudice to the right of the Commission to apply the penalties referred to in Article II.12, if the action is not implemented or is implemented poorly, partially or late, the Commission may reduce the grant initially provided for in line with the actual implementation of the action on the terms laid down in this agreement.

II.17.6. On the basis of the amount of the final payment determined in this way and of the aggregate amount of the payments already made under the terms of the agreement, the Commission shall set the amount of the payment of the balance as being the amount still owing to the beneficiary. Where the aggregate amount of the payments already made exceeds the amount of the final grant, the Commission shall issue a recovery order for the surplus.

Article II.18 **Recovery**

II.18.1. If any amount is unduly paid to the beneficiary or if recovery is justified under the terms of the agreement, the beneficiary undertakes to repay the Commission the sum in question on whatever terms and by whatever date it may specify.

II.18.2. If the beneficiary fails to pay by the date set by the Commission, the sum due shall bear interest at the rate indicated in Article II.16.3. Interest on late payment shall cover the period between the date set for payment, exclusive, and the date when the Commission receives full payment of the amount owed, inclusive. This provision shall not apply to recipients of a grant which are public authorities of the Member States of the European Union.

Any partial payment shall first be entered against charges and interest on late payment and then against the principal.

II.18.3. If payment has not been made by the due date, sums owed to the Commission may be recovered by offsetting them against any sums owed to the beneficiary, after informing him accordingly by registered letter with advice of delivery or equivalent, or by calling in the financial guarantee provided in accordance with Article II.15.1. The beneficiary's prior consent shall not be required.

II.18.4. Bank charges occasioned by the recovery of the sums owed to the Commission shall be borne solely by the beneficiary.

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II.18.5. The beneficiary understands that under Article 256 of the Treaty establishing the European Community, the Commission may adopt an enforceable decision formally establishing an amount as receivable from persons other than States. An action may be brought against such decision before the Court of First Instance of the European Communities.

Article II.19 **Checks and Audits**

II.19.1. The beneficiary undertakes to provide any detailed information requested by the Commission or by any other outside body authorised by the Commission to check that the action and the provisions of the agreement are being properly implemented.

II.19.2. The beneficiary shall keep at the Commission's disposal all original documents, especially accounting and tax records, or, in exceptional and duly justified cases, certified copies of original documents relating to the agreement for a period of five years from the date of payment of the balance specified in Article I.4.

II.19.3. The beneficiary agrees that the Commission may have an audit of the use made of the grant carried out either directly by its own staff or by any other outside body authorised to do so on its behalf. Such audits may be carried out throughout the period of implementation of the agreement until the balance is paid and for a period of five years from the date of payment of the balance. Where appropriate, the audit findings may lead to recovery decisions by the Commission.

II.19.4. The beneficiary undertakes to allow Commission staff and outside personnel authorised by the Commission the appropriate right of access to sites and premises where the action is carried out and to all the information, including information in electronic format, needed in order to conduct such audits.

II.19.5. By virtue of Council Regulation (Euratom, EC) No 2185/96 and Regulation (EC) No 1073/1999 of the European Parliament and the Council, the European Anti-Fraud Office (OLAF) may also carry out on-the-spot checks and inspections in accordance with the procedures laid down by Community law for the protection of the financial interests of the European Communities against fraud and other irregularities. Where appropriate, the inspection findings may lead to recovery decisions by the Commission.

II.19.6. The European Court of Auditors shall have the same rights as the Commission, notably right of access, as regards checks and audits.

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Signatures

1. For the Beneficiary,

…… *(forename, name)*
…… *(function)*
…… *(Beneficiary's official name in full)*

Done at …… *(place)*

…… *(date)*

2. For the Commission,
Bernhard JANSEN
Director
Employment, Social Affairs and Equal Opportunities DG

Done at Brussels

…… *(date)*

In duplicate, in English.

ANNEX I Description of the action

Terms of reference for editing of products for the SLIC information and inspection campaign on manual handling of loads in 2007, phase I.

1. BACKGROUND

With EU Directive 90/269/EEC on manual handling of loads d.d. 29 may 1990 the European Parliament and the Council of the European Union created a uniform and binding basis for the protection of workers of risks of musculoskeletal diseases arising from manual handling of loads. In order to achieve more harmony in the implementation of this directive the Senior Labour Inspectors' Committee at its meeting in March 2005 in Mondorf-les-Bains in Luxembourg decided to set up a working group to organise a common European Information and Inspection Campaign in 2007 to improve compliance with EU Directive 90/269/EEC. The working group shall link this European Information and Inspection Campaign to the European Week of Safety and Health at Work in November 2007 on the prevention of musculoskeletal disorders.

Manual handling of loads is an important factor of musculoskeletal disorders and loss of working capacity of a great number of workers in Europe. The Labour Inspectorates of the Member States strive to raise compliance with the Directive on manual handling of loads through a combined information and inspection campaign in the second half of 2007.
The enforcement of the Directive on manual handling of loads is complicated. The SLIC wants to enable Labour Inspectorates to improve the inspection and communication methods of on the basis of the combined existing methods and knowledge of Labour Inspectorates in Europe. The SLIC also strives to achieve more harmony in the enforcement of this Directive between Member States through mutual experiences with a collective information and inspection programme of all Labour Inspectorates.

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2. AIM OF THE CALL FOR PROPOSALS

The aim of this call for proposals is to enable Labour Inspectorates to assist the SLIC working group Manual Handling of Loads (and its subsidiary working groups) with the production of printed or printable materials to be used in the above mentioned campaign by :

- the editing and lay out of the inspection plan and related products,
- the editing and lay out of a communication plan and related products,

The applicant edits and designs the products of the inspection plan as well as the communication plan on the basis of materials supplied by the subsidiary working groups of the SLIC working group on manual handling of loads. The bone structure of this module for setting up a common European wide information and inspection campaign may be of use for future SLIC inspection and communication campaigns on other occupational health and safety risks.

The applicant organises the printed (or printable) materials in a concise manner and adds the following qualities:

a) a professional editing of all the materials, making the texts:
- easily accessible for the different target groups as inspectors, workers, employers experts
- easily applicable in existing communication plans and styles of Labour Inspectorates,
- easily multipliable by participating Labour Inspectorates.

b) a professional lay out that :
- enforces the written explanations in the texts with images, designs and graphs,
- emphasises the European context; (as well the SLIC campaign as the European Week on Safety and Health of the Agency) in 2007,
- is easily adaptable to national house styles of national Labour Inspectorates, (the use of the European Agencies logo for the Week of Safety and Health in 2007, as well as mentioning the role of the SLIC and the EU subvention are obligatory. There should be room for national logos).

3. PRODUCTS TO BE DELIVERED BY THE APPLICANT

For phase I, the applicant delivers a CD ROM which should contain:

3.1. An exploration of manual handling in Europe in the sub sectors transport and care, the problems of manual handling in these sectors and basic information on the state of the art of solutions

3.2. A bone structure for making national inspection project plans on manual handling of loads. Designed in a way that it can be easily completed by the participating national labour inspectorates, and flexible enough to fit different national inspection plans and working methods and guarantee uniform reporting on findings, interventions and effects.

3.3. An inspection method including a risk assessment instrument for manual handling of loads containing all relevant elements mentioned in the Directive 90/269/EEC.

3.4. The model of a communication and information plan for the manual handling of loads, which indicates the proposed target groups, how and when they can be addressed and what the content of the information can be.

3.5. The communication/information products as far as additional to the materials that the campaign of the European Agency for Safety and Health at work will produce for the week for Health and Safety at work in November 2007.

The applicant edits and takes care of the lay out of the materials, preferably in English, French or German. After approval by the Commission, the applicant delivers the definitive edition in the 19 other community languages on CD ROMS.

4. PROFESSIONAL QUALIFICATIONS

In the proposal the applicant labour inspectorate shows the experience in:
- coordinating the editing of products for information and inspection campaigns of labour inspectorates,
- knowledge of the subject manual handling of loads and its risks,

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- written in good accessible English, French or German

See attached document(s): 4 pages.

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ANNEX II **Estimated budget of the action**

1. Provisional budget in EUR

Headings and Items	*Sub-totals*	*Totals*
COSTS		
NON-ELIGIBLE COSTS		
Total Non-Eligible Costs		**0.00**
ELIGIBLE COSTS (D + I)		
Eligible Direct Costs (D)		
Heading 1 - Staff costs	*0.00*	
Heading 2 - Travel and subsistence allowances	*0.00*	
Heading 3 - Costs of services	*0.00*	
Heading 4 - Administration costs	*0.00*	
Total Eligible Direct Costs (D)		*0.00*
Eligible Indirect Costs (I)		
Heading 5 - Overheads	*0.00*	
Total Eligible Indirect Costs (I)		*0.00*
Total Eligible Costs = D + I		**0.00**
TOTAL COST OF THE ACTION		**0.00**
REVENUE		
COVER OF NON-ELIGIBLE COSTS		
Beneficiary's contribution to cover the non-eligible costs		0.00
INCOME		
Beneficiary's contribution in cash (C)		0.00
Revenue generated by the Action (R)		0.00
Commission Grant (S)		180 000.00
Total Income = C + R + S		**180 000.00**
TOTAL REVENUE OF THE ACTION		**180 000.00**

Additional information to the provisional budget
See attached document: 6 pages.

2. Calculation of amounts due under the present Agreement

2.1. *DSAs* (Daily Subsistence Allowances)

The daily subsistence allowance (DSA) is paid as a flat-rate amount and is considered to cover breakfast and two main meals, local travel, the cost of telecommunications, including fax and Internet, and all other sundries. They will be paid for each calendar day spent on mission away from the usual place of work, provided that the corresponding assignment is of a short-term nature. The DSA will vary according to the country in which the missions are to be carried out.

Daily subsistence allowances (DSA) are to be calculated as follows according to the length of the mission:

- 6 hours or less: reimbursement of actual expenses (on production of supporting documents);
- more than 6 hours but not more than 12 hours: 0.5 DSA;
- more than 12 hours, but not more than 24 hours: 1 DSA;
- more than 24 hours but not more than 36 hours: 1.5 DSA;

- more than 36 hours but not more than 48 hours: 2 DSA;
- more than 48 hours but not more than 60 : 2.5 DSA, and so on.

The agreed rates (in EUR per calendar day) to be used for the purposes of the present Agreement are set as follows:

Destinations		*DSA in EUR*	*Maximum hotel price in EUR*	*Destinations*		*DSA in EUR*	*Maximum hotel price in EUR*
AT	Austria	74,47	128,58	IT	Italy	60,34	114,33
BE	Belgium	84,06	117,08	LT	Lithuania	80,00	170,00
BG	Bulgaria	70,00	205,00	LU	Luxembourg	82,00	106,92
CY	Cyprus	50,00	110,00	LV	Latvia	85,00	165,00
CZ	Czech Republic	55,00	175,00	MK	Macedonia	50,00	160,00
DE	Germany	74,14	97,03	MT	Malta	60,00	115,00
DK	Denmark	91,70	148,07	NL	The Netherlands	78,26	131,76
EE	Estonia	70,00	120,00	PL	Poland	60,00	210,00
EL	Greece	66,04	99,63	PT	Portugal	68,91	124,89
ES	Spain	68,89	126,57	RO	Romania	60,00	170,00
FI	Finland	92,34	140,98	SE	Sweden	92,91	141,27
FR	France	72,58	97,27	SI	Slovenia	60,00	110,00
HR	Croatia	60,00	120,00	SK	Slovakia	50,00	125,00
HU	Hungary	50,00	165,00	TR	Turkey	55,00	165,00
IE	Ireland	80,94	139,32	UK	United Kingdom	86,89	149,03

2.2. *Travel expenses*

Travel expenses relating to journeys effected in execution of the present Agreement: these expenses will be reimbursed within the following limits:

- the journeys have to be carried out by the most direct and economic route;
- train journeys: first class;
- air travel: special fares (Apex type) will be the normal basis of reference. The “full fare economy” will be accepted only on a case-by-case basis with proper supporting evidence – in any case it constitutes a maximum (air travel allowed only for distances above 400 km, i.e. return flight above 800 km);
- car journeys: equivalent of corresponding first-class train ticket.

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