



## EUROPEAN COMMISSION

Employment, Social Affairs and Equal Opportunities DG

Social Protection and Integration  
**Social Protection, Social Services**

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### Study Service Contract

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*Contract title* **Study on the situation of private health insurance (mandatory or voluntary)**

*Contract reference No* **VC/2007/0357**  
The above title and reference No **must** be quoted in **all** correspondence with the Commission.

*Contractor* .....  
.....

#### Other administrative information

*Department* **DG EMPL/E/4**

*Prior information* O.J. ref. No of notice publication: —  
*Call for tender* DG EMPL ref. No: VT/2007/064 of .....

*Tender information* O.J. ref. No of notice publication: .....  
*EPIC* Record No: ...../.../.....  
*Databases* SMART record No: .....  
*Service category* No: A10

#### Other accounting information

*Commitment No* **SI2. ....**  
This commitment No **must** be quoted in correspondence relating to **invoices / payments.**

*Type of Contract* V/SE/STUSEC02

The European Community (hereinafter referred to as “**the Community**”),  
represented by the Commission of the European Communities (hereinafter referred to as “**the Commission**”),  
which is represented for the purposes of the signature of this Contract by Georg FISCHER,  
Head of Unit - EMPL/E/4, Employment, Social Affairs and Equal Opportunities DG,

on the one part,

AND

.....(*official name in full*),  
registered legal form: .....,  
statutory registration number: .....,  
official address in full: .....,  
VAT registration number: .....,  
(hereinafter referred to as “**the Contractor**”),  
represented for the purposes of the signature and management of the present Contract by  
.....(*forename and name in full*), .....(*function*),

of the other part,

HAVE AGREED

the Special Conditions and the General Conditions below and the following Annexes:

- **Annex I** Tender Specifications (Invitation to Tender No. VT/2007/064 of ..... ) and Monitoring
- **Annex II** Contractor's Tender (Registre CAD Ref. No. .... of .....
- **Annex III** Breakdown of prices
- **Annex IV** CVs and classification of experts
- **Annex V** Fiscal provisions regarding invoicing by the Contractor

which forms an integral part of this Contract (hereinafter referred to as “**the Contract**”).

The terms set out in the Special Conditions shall take precedence over those in the other parts of the Contract. The terms set out in the General Conditions shall take precedence over those in the Annexes. The terms set out in the Tender Specifications (Annex I) and in the Breakdown of prices (Annex III) shall take precedence over those in the Tender (Annex II).

Subject to the above, the several instruments forming part of this Contract are to be taken as mutually explanatory. Ambiguities or discrepancies within or between such parts shall be explained or rectified by a written instruction issued by the Commission, subject to the rights of the Contractor under Article I.7 should he dispute any such instruction.

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## I. **Special conditions**

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### Article I.1 **Subject**

**I.1.1.** The subject of the Contract is the following study: **Study on the situation of private health insurance (mandatory or voluntary)**.

**I.1.2.** The Contractor shall execute the tasks assigned to him in accordance with the Tender Specifications annexed to the Contract (Annex I).

### Article I.2 **Duration**

**I.2.1.** The Contract shall enter into force on the date on which it is signed by the last contracting party. The date of signature of the present Contract is that of the date stamp applied by the postal services of Employment, Social Affairs and Equal Opportunities DG on the title page of the present Contract after it has been signed by both parties.

**I.2.2.** Execution of the tasks may under no circumstances begin before the date on which the Contract enters into force.

**I.2.3.** The duration of the tasks shall not exceed 14 months. This period and all other periods specified in the Contract are calculated in calendar days. Execution of the tasks shall start from the date of entry into force of the Contract. The period of execution of the tasks may be extended only with the express written agreement of the parties before such period elapses.

The Commission is not obliged to react to any request for extension of the duration of the tasks received less than 30 days before expiry of the period of execution or with less than one third of the period of execution left to run, whichever period is the shorter.

### Article I.3 **Contract price**

**I.3.1. *Maximum total amount***

The maximum total amount to be paid by the Commission under the Contract shall be EUR ..... (*amount in figures*) covering all tasks executed.

**I.3.2. *Price revisions***

Not applicable.

**I.3.3. *Travel, subsistence and shipment expenses***

In addition to the total amount specified in Article I.3.1, travel, subsistence and shipment expenses shall be reimbursed in accordance with Article II.7, as shall other expenses provided for by the Tender Specifications up to a maximum amount of EUR 0.01. The daily subsistence allowance referred to in Article II.7.4(d) shall be determined in accordance with Annex III, 2.2.1.

### Article I.4 **Payment periods and formalities**

Payments under the Contract shall be made in accordance with Article II.4. Payments shall be executed only if the Contractor has fulfilled all his contractual obligations by the date on which the invoice is submitted. Payment requests may not be made if payments for previous periods have not been executed as a result of default of negligence on the part of the Contractor.

#### **I.4.1. Pre-financing**

Not applicable.

#### **I.4.2. Interim payment**

Requests for interim payment by the Contractor shall be admissible if accompanied by

- an interim technical report in accordance with the instructions laid down in Annex I,
- the relevant invoices,
- statements of reimbursable expenses in accordance with Article II.7,

provided the report has been approved by the Commission.

The Commission shall have 45 days from receipt to approve or reject the report, and the Contractor shall have 30 days in which to submit additional information or a new report.

Within 30 days of the date on which the report is approved by the Commission, an interim payment corresponding to the relevant invoices, up to maximum 50% of the total amount referred to in Article I.3.1, shall be made.

#### **I.4.3. Payment of the balance**

The request for payment of the balance of the Contractor shall be admissible if accompanied by:

- the final technical report in accordance with the instructions laid down in Annex I,
- the relevant invoices,
- statements of reimbursable expenses in accordance with Article II.7,

provided the report has been approved by the Commission.

The Commission shall have 45 days from receipt to approve or reject the report, and the Contractor shall have 30 days in which to submit additional information or a new report.

Within 30 days of the date on which the report is approved by the Commission, payment of the balance of the total amount referred to in Article I.3.1 shall be made.

#### **I.4.4. Performance guarantee**

Not applicable.

### **Article I.5 Bank account**

Payments shall be made to the Contractor's bank account denominated in euro <sup>1</sup>, identified <sup>2</sup> as follows:

- Name of bank: .....
- Address of branch in full: .....
- Exact designation of account holder: .....
- Full account number including codes: .....
- IBAN or, if non available, BIC code: —

### **Article I.6 General administrative provisions**

Any communication relating to the Contract shall be made in writing and shall bear the Contract number. Ordinary mail shall be deemed to have been received by the Commission on the date on which it is registered by the department responsible indicated below. Communications shall be sent to the following addresses:

#### **Commission**

European Commission  
Directorate-General Employment, Social Affairs and Equal Opportunities  
EMPL/E/4  
B-1049 Brussels (Belgium)

<sup>1</sup> Or local currency where the receiving country does not allow transactions in EUR.

<sup>2</sup> By a document issued or certified by the bank.

**Contractor**

..... (Mr/Mrs/Ms + forename and name)

..... (function)

..... (company name)

..... (official address in full)

**Article I.7 Applicable law and settlement of disputes**

**I.7.1.** The Contract shall be governed by the national substantive law of Belgium.

**I.7.2.** Any dispute between the parties resulting from the interpretation or application of the Contract which cannot be settled amicably shall be brought before the courts of Brussels.

**Article I.8 Other special conditions****Definition of the term “payment request” regarding the interests for late payments**

It is understood that a payment request, as mentioned in Article II.5.3, will only be considered as complete, if all specific documents mentioned in Article I.4; are joined to this request. If these specific documents are not sent to the Commission all together with the payment request, the 45 days shall only run from the date of the first registered receipt of the last document, making the payment request complete. As regards payments subject to the prior approval of a report (or to the signature of a certificate of final acceptance for supplies delivery) by the Commission, according to Article I.4, the period of 45 calendar days shall start only on the date when both the complete payment request has been registered and the report has been approved (or the certificate of final acceptance has been signed) by the Commission, provided the Commission has itself respected the time limits set in the present Contract and its annexes for such approvals.

**Data protection**

Any personal data included in the Contract shall be processed pursuant to Regulation (EC) No 45/2001 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data. It shall be processed solely for the purposes of the performance, management and follow-up of the Contract by Employment, Social Affairs and Equal Opportunities DG without prejudice to possible transmission to the bodies charged with a monitoring or inspection task in conformity with Community law. The Contractor shall have the right of access to his personal data and the right to rectify any such data that is inaccurate or incomplete. Should the Contractor have any queries concerning the processing of his personal data, he shall address them to Employment, Social Affairs and Equal Opportunities DG. The Contractor shall have right of recourse at any time to the European Data Protection Supervisor.

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## **II. General conditions**

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### **Article II.1 Performance of the Contract**

**II.1.1.** The Contractor shall perform the Contract to the highest professional standards. The Contractor shall have sole responsibility for complying with any legal obligations incumbent on him, notably those resulting from employment, tax and social legislation.

**II.1.2.** The Contractor shall have sole responsibility for taking the necessary steps to obtain any permit or licence required for performance of the Contract under the laws and regulations in force at the place where the tasks assigned to him are to be executed.

**II.1.3.** Without prejudice to Article II.3 any reference made to the Contractor's staff in the Contract shall relate exclusively to individuals involved in the performance of the Contract.

**II.1.4.** The Contractor must ensure that any staff performing the Contract have the professional qualifications and experience required for the execution of the tasks assigned to him.

**II.1.5.** The Contractor shall neither represent the Commission nor behave in any way that would give such an impression. The Contractor shall inform third parties that he does not belong to the European public service.

**II.1.6.** The Contractor shall have sole responsibility for the staff who execute the tasks assigned to him.

The Contractor shall make provision for the following employment or service relationships with his staff:

- staff executing the tasks assigned to the Contractor may not be given orders direct by the Commission;
- the Commission may not under any circumstances be considered to be the staff's employer and the said staff shall undertake not to invoke in respect of the Commission any right arising from the contractual relationship between the Commission and the Contractor.

**II.1.7.** In the event of disruption resulting from the action of a member of the Contractor's staff working on Commission premises or in the event of the expertise of a member of the Contractor's staff failing to correspond to the profile required by the Contract, the Contractor shall replace him without delay. The Commission shall have the right to request the replacement of any such member of staff, stating its reasons for so doing. Replacement staff must have the necessary qualifications and be capable of performing the Contract under the same contractual conditions. The Contractor shall be responsible for any delay in the execution of the tasks assigned to him resulting from the replacement of staff in accordance with this Article.

**II.1.8.** Should any unforeseen event, action or omission directly or indirectly hamper execution of the tasks, either partially or totally, the Contractor shall immediately and on his own initiative record it and report it to the Commission. The report shall include a description of the problem and an indication of the date on which it started and of the remedial action taken by the Contractor to ensure full compliance with his obligations under the Contract. In such event the Contractor shall give priority to solving the problem rather than determining liability.

**II.1.9.** Should the Contractor fail to perform his obligations under the Contract in accordance with the provisions laid down therein, the Commission may - without prejudice to its right to terminate the Contract - reduce or recover payments in proportion to the scale of the failure. In addition, the Commission may impose penalties or liquidated damages provided for in Article II.16.

## Article II.2 Liability

**II.2.1.** The Commission shall not be liable for damage sustained by the Contractor in performance of the Contract except in the event of wilful misconduct or gross negligence on the part of the Commission.

**II.2.2.** The Contractor shall be liable for any loss or damage caused by himself in performance of the Contract, including in the event of subcontracting under Article II.13. The Commission shall not be liable for any act or default on the part of the Contractor in performance of the Contract.

**II.2.3.** The Contractor shall provide compensation in the event of any action, claim or proceeding brought against the Commission by a third party as a result of damage caused by the Contractor in performance of the Contract.

**II.2.4.** In the event of any action brought by a third party against the Commission in connection with performance of the Contract, the Contractor shall assist the Commission. Expenditure incurred by the Contractor to this end may be borne by the Commission.

**II.2.5.** The Contractor shall take out insurance against risks and damage relating to performance of the Contract if required by the relevant applicable legislation. He shall take out supplementary insurance as reasonably required by standard practice in the industry. A copy of all the relevant insurance contracts shall be sent to the Commission should it so request.

## Article II.3 Conflict of Interests

**II.3.1.** The Contractor shall take all necessary measures to prevent any situation that could compromise the impartial and objective performance of the Contract. Such conflict of interests could arise in particular as a result of economic interest, political or national affinity, family or emotional ties, or any other relevant connection or shared interest. Any conflict of interests which could arise during performance of the Contract must be notified to the Commission in writing without delay. In the event of such conflict, the Contractor shall immediately take all necessary steps to resolve it.

The Commission reserves the right to verify that such measures are adequate and may require additional measures to be taken, if necessary, within a time limit which it shall set. The Contractor shall ensure that his staff, board and directors are not placed in a situation which could give rise to conflict of interests. Without prejudice to Article II.1 the Contractor shall replace, immediately and without compensation from the Commission, any member of his staff exposed to such a situation.

**II.3.2.** The Contractor shall abstain from any contact likely to compromise his independence.

**II.3.3.** The Contractor declares:

- that he has not made and will not make any offer of any type whatsoever from which an advantage can be derived under the Contract,
- that he has not granted and will not grant, has not sought and will not seek, has not attempted and will not attempt to obtain, and has not accepted and will not accept, any advantage, financial or in kind, to or from any party whatsoever, where such advantage constitutes an illegal practice or involves corruption, either directly or indirectly, inasmuch as it is an incentive or reward relating to performance of the Contract.

**II.3.4.** The Contractor shall pass on all the relevant obligations in writing to his staff, board, and directors as well as to third parties involved in performance of the Contract. A copy of the instructions given and the undertakings made in this respect shall be sent to the Commission should it so request.

## Article II.4 Payments

### **II.4.1. Pre-financing**

Where required by Article I.4.1, the Contractor shall provide a financial guarantee in the form of a bank guarantee or equivalent supplied by a bank or an authorised financial institution (guarantor) equal to the amount indicated in the same article to cover pre-financing under the Contract. Such guarantee

may be replaced by a joint and several guarantee by a third party. The guarantor shall pay to the Commission at its request an amount corresponding to payments made by it to the Contractor which have not yet been covered by equivalent work on his part. The guarantor shall stand as first-call guarantor and shall not require the Commission to have recourse against the principal debtor (the Contractor). The guarantee shall specify that it enters into force at the latest on the date on which the Contractor receives the pre-financing. The Commission shall release the guarantor from its obligations as soon as the Contractor has demonstrated that any pre-financing has been covered by equivalent work. The guarantee shall be retained until the pre-financing has been deducted from interim payments or payment of the balance to the Contractor. It shall be released the following month. The cost of providing such guarantee shall be borne by the Contractor.

#### **II.4.2. Interim payment**

At the end of each of the periods indicated in Annex I the Contractor shall submit to the Commission a formal request for payment accompanied by those of the following documents which are provided for in the Special Conditions:

- an interim technical report in accordance with the instructions laid down in Annex I;
- the relevant invoices indicating the reference number of the Contract to which they refer;
- statements of reimbursable expenses in accordance with Article II.7.

If the report is a condition for payment, on receipt the Commission shall have the period of time indicated in the Special Conditions in which:

- to approve it, with or without comments or reservations, or suspend such period and request additional information; or
- to reject it and request a new report.

If the Commission does not react within this period, the report shall be deemed to have been approved. Approval of the report does not imply recognition either of its regularity or of the authenticity, completeness or correctness of the declarations or information enclosed. Where the Commission requests a new report because the one previously submitted has been rejected, this shall be submitted within the period of time indicated in the Special Conditions. The new report shall likewise be subject to the above provisions.

#### **II.4.3. Payment of the balance**

Within sixty days of completion of the tasks referred to in Annex I the Contractor shall submit to the Commission a formal request for payment accompanied by those of the following documents which are provided for in the Special Conditions:

- a final technical report in accordance with the instructions laid down in Annex I;
- the relevant invoices indicating the reference number of the Contract to which they refer;
- statements of reimbursable expenses in accordance with Article II.7.

If the report is a condition for payment, on receipt the Commission shall have the period of time indicated in the Special Conditions in which:

- to approve it, with or without comments or reservations, or suspend such period and request additional information; or
- to reject it and request a new report.

If the Commission does not react within this period, the report shall be deemed to have been approved. Approval of the report does not imply recognition either of its regularity or of the authenticity, completeness or correctness of the declarations and information enclosed. Where the Commission requests a new report because the one previously submitted has been rejected, this shall be submitted within the period of time indicated in the Special Conditions. The new report shall likewise be subject to the above provisions.

## **Article II.5 General Provisions concerning Payments**

**II.5.1.** Payments shall be deemed to have been made on the date on which the Commission's account is debited.

**II.5.2.** The payment periods referred to in Article I.4 may be suspended by the Commission at any time if it informs the Contractor that his payment request is not admissible, either because the amount



is not due or because the necessary supporting documents have not been properly produced. In case of doubt on the eligibility of the expenditure indicated in the payment request, the Commission may suspend the time limit for payment for the purpose of further verification, including an on-the-spot check, in order to ascertain, prior to payment, that the expenditure is eligible.

The Commission shall notify the Contractor accordingly by registered letter with acknowledgment of receipt or equivalent. Suspension shall take effect from the date of dispatch of the letter. The remainder of the period referred to in Article I.4 shall begin to run again once the suspension has been lifted.

**II.5.3.** In the event of late payment the Contractor may claim interest within two months of receiving the payment. Interest shall be calculated at the rate applied by the European Central Bank to its most recent main refinancing operations (*“the reference rate”*) plus seven percentage points (*“the margin”*). The reference rate in force on the first day of the month in which the payment is due shall apply. Such interest rate is published in the C series of the Official Journal of the European Union. Interest shall be payable for the period elapsing from the calendar day following expiry of the time limit for payment up to the day of payment. Suspension of payment by the Commission may not be deemed to constitute late payment.

## Article II.6 Recovery

**II.6.1.** If total payments made exceed the amount actually due under the Contract or if recovery is justified in accordance with the terms of the Contract, the Contractor shall reimburse the appropriate amount in euro on receipt of the debit note, in the manner and within the time limits set by the Commission.

**II.6.2.** In the event of failure to pay by the deadline specified in the request for reimbursement, the sum due shall bear interest at the rate indicated in Article II.5.3. Interest shall be payable from the calendar day following the due date up to the calendar day on which the debt is repaid in full.

**II.6.3.** The Commission may, after informing the Contractor, recover amounts established as certain, of a fixed amount and due by offsetting, in cases where the Contractor also has a claim on the Communities that is certain, of a fixed amount and due. The Commission may also claim against the guarantee, where provided for.

## Article II.7 Reimbursements

**II.7.1.** Where provided by the Special Conditions or by Annex I, the Commission shall reimburse the expenses which are directly connected with execution of the tasks on production of original supporting documents, including receipts and used tickets.

**II.7.2.** Travel and subsistence expenses shall be reimbursed, where appropriate, on the basis of the shortest itinerary.

**II.7.3.** Travel expenses shall be reimbursed as follows:

- (a) travel by air shall be reimbursed up to the maximum cost of an economy class ticket at the time of the reservation;
- (b) travel by boat or rail shall be reimbursed up to the maximum cost of a first class ticket;
- (c) travel by car shall be reimbursed at the rate of one first class rail ticket for the same journey and on the same day;
- (d) travel outside Community territory shall be reimbursed under the general conditions stated above provided the Commission has given its prior written agreement.

**II.7.4.** Subsistence expenses shall be reimbursed on the basis of a daily allowance as follows:

- (a) for journeys of less than 200 km (return trip) no subsistence allowance shall be payable;
- (b) daily subsistence allowance shall be payable only on receipt of a supporting document proving that the person concerned was present at the place of destination;
- (c) daily subsistence allowance shall take the form of a flat-rate payment to cover all subsistence expenses, including accommodation, meals, local transport, insurance and sundries;

- (d) daily subsistence allowance, where applicable, shall be reimbursed at the rate specified in Article I.3.3.

**II.7.5.** The cost of shipment of equipment or unaccompanied luggage shall be reimbursed provided the Commission has given prior written authorisation.

## **Article II.8 Ownership of the Results – Intellectual and Industrial Property**

Any results or rights thereon, including copyright and other intellectual or industrial property rights, obtained in performance of the Contract, shall be owned solely by the Community, which may use, publish, assign or transfer them as it sees fit, without geographical or other limitation, except where industrial or intellectual property rights exist prior to the Contract being entered into.

## **Article II.9 Confidentiality**

**II.9.1.** The Contractor undertakes to treat in the strictest confidence and not make use of or divulge to third parties any information or documents which are linked to performance of the Contract. The Contractor shall continue to be bound by this undertaking after completion of the tasks.

**II.9.2.** The Contractor shall obtain from each member of his staff, board and directors an undertaking that they will respect the confidentiality of any information which is linked, directly or indirectly, to execution of the tasks and that they will not divulge to third parties or use for their own benefit or that of any third party any document or information not available publicly, even after completion of the tasks.

## **Article II.10 Use, Distribution and Publication of Information**

**II.10.1.** The Contractor shall authorise the Commission to process, use, distribute and publish, for whatever purpose, by whatever means and on whatever medium, any data contained in or relating to the Contract, in particular the identity of the Contractor, the subject matter, the duration, the amount paid and the reports. Where personal data is concerned, Article I.8 shall apply.

**II.10.2.** Unless otherwise provided by the Special Conditions, the Commission shall not be required to distribute or publish documents or information supplied in performance of the Contract. If it decides not to publish the documents or information supplied, the Contractor may not have them distributed or published elsewhere without prior written authorisation from the Commission.

**II.10.3.** Any distribution or publication of information relating to the Contract by the Contractor shall require prior written authorisation from the Commission and shall mention the amount paid by the Community. It shall state that the opinions expressed are those of the Contractor only and do not represent the Commission's official position.

**II.10.4.** The use of information obtained by the Contractor in the course of the Contract for purposes other than its performance shall be forbidden, unless the Commission has specifically given prior written authorisation to the contrary.

## **Article II. 11 Taxation**

**II.11.1.** The Contractor shall have sole responsibility for compliance with the tax laws which apply to him. Failure to comply shall make the relevant invoices invalid.

**II.11.2.** The Contractor recognises that the Commission is, as a rule, exempt from all taxes and duties, including value added tax (VAT), pursuant to the provisions of Articles 3 and 4 of the Protocol on the Privileges and Immunities of the European Communities.

**II.11.3.** The Contractor shall accordingly complete the necessary formalities with the relevant authorities to ensure that the goods and services required for performance of the Contract are exempt from taxes and duties, including VAT.

**II.11.4.** Invoices presented by the Contractor shall indicate his place of taxation for VAT purposes and shall specify separately the amounts not including VAT and the amounts including VAT.

## Article II.12 Force Majeure

**II.12.1.** *Force majeure* shall mean any unforeseeable and exceptional situation or event beyond the control of the contracting parties which prevents either of them from performing any of their obligations under the Contract, was not due to error or negligence on their part or on the part of a subcontractor, and could not have been avoided by the exercise of due diligence. Defects in equipment or material or delays in making it available, labour disputes, strikes or financial problems cannot be invoked as *force majeure* unless they stem directly from a relevant case of *force majeure*.

**II.12.2.** Without prejudice to the provisions of Article II.1.8, if either contracting party is faced with *force majeure*, it shall notify the other party without delay by registered letter with acknowledgment of receipt or equivalent, stating the nature, likely duration and foreseeable effects.

**II.12.3.** Neither contracting party shall be held in breach of its contractual obligations if it has been prevented from performing them by *force majeure*. Where the Contractor is unable to perform his contractual obligations owing to *force majeure*, he shall have the right to remuneration only for tasks actually executed.

**II.12.4.** The contracting parties shall take the necessary measures to reduce damage to a minimum.

## Article II.13 Subcontracting

**II.13.1.** The Contractor shall not subcontract without prior written authorisation from the Commission nor cause the Contract to be performed in fact by third parties.

**II.13.2.** Even where the Commission authorises the Contractor to subcontract to third parties, he shall none the less remain bound by his obligations to the Commission under the Contract and shall bear exclusive liability for proper performance of the Contract.

**II.13.3.** The Contractor shall make sure that the subcontract does not affect rights and guarantees to which the Commission is entitled by virtue of the Contract, notably Article II.17.

## Article II.14 Assignment

**II.14.1.** The Contractor shall not assign the rights and obligations arising from the Contract, in whole or in part, without prior written authorisation from the Commission.

**II.14.2.** In the absence of the authorisation referred to in 1 above, or in the event of failure to observe the terms thereof, assignment by the Contractor shall not be enforceable against and shall have no effect on the Commission.

## Article II.15 Termination by the Commission

**II.15.1.** The Commission may terminate the Contract in the following circumstances:

- (a) where the Contractor is being wound up, is having his affairs administered by the courts, has entered into an arrangement with creditors, has suspended business activities, is the subject of proceedings concerning those matters, or is in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- (b) where the Contractor has been convicted of an offence concerning his professional conduct by a judgment which has the force of *res judicata*;

- (c) where the Contractor has been guilty of grave professional misconduct proven by any means which the contracting authority can justify;
- (d) where the Contractor has not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which he is established or with those of the country applicable to the Contract or those of the country where the Contract is to be performed;
- (e) where the Commission seriously suspects the Contractor of fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Communities' financial interests;
- (f) where the Contractor is in breach of his obligations under Article II.3;
- (g) where the Contractor was guilty of misrepresentation in supplying the information required by the Commission as a condition of participation in the Contract procedure or failed to supply this information;
- (h) where a change in the Contractor's legal, financial, technical or organisational situation could, in the Commission's opinion, have a significant effect on the performance of the Contract;
- (i) where execution of the tasks has not actually commenced within three months of the date foreseen, and the new date proposed, if any, is considered unacceptable by the Commission;
- (j) where the Contractor is unable, through his own fault, to obtain any permit or licence required for performance of the Contract;
- (k) where the Contractor, after receiving formal notice in writing to comply, specifying the nature of the alleged failure, and after being given the opportunity to remedy the failure within a reasonable period following receipt of the formal notice, remains in serious breach of his contractual obligations.

**II.15.2.** In case of *force majeure*, notified in accordance with Article II.12, either contracting party may terminate the Contract, where performance thereof cannot be ensured for a period corresponding to at least to one fifth of the period laid down in Article I.2.3.

**II.15.3.** Prior to termination under point e), h) or k), the Contractor shall be given the opportunity to submit his observations.

Termination shall take effect on the date on which a registered letter with acknowledgment of receipt terminating the Contract is received by the Contractor, or on any other date indicated in the letter of termination.

**II.15.4. Consequences of termination**

In the event of the Commission terminating the Contract in accordance with this article and without prejudice to any other measures provided for in the Contract, the Contractor shall waive any claim for consequential damages, including any loss of anticipated profits for uncompleted work. On receipt of the letter terminating the Contract, the Contractor shall take all appropriate measures to minimise costs, prevent damage, and cancel or reduce his commitments. He shall draw up the documents required by the Special Conditions for the tasks executed up to the date on which termination takes effect, within a period not exceeding sixty days from that date.

The Commission may claim compensation for any damage suffered and recover any sums paid to the Contractor under the Contract.

On termination the Commission may engage any other contractor to complete the services. The Commission shall be entitled to claim from the Contractor all extra costs incurred in making good and completing the services, without prejudice to any other rights or guarantees it has under the Contract.

## Article II.16 Liquidated Damages

Should the Contractor fail to perform his obligations under the Contract within the time limits set by the Contract, then, without prejudice to the Contractor's actual or potential liability incurred in relation to the Contract or to the Commission's right to terminate the Contract, the Commission may decide to impose liquidated damages of 0.2% of the amount specified in Article I.3.1 per calendar day of delay. The Contractor may submit arguments against this decision within thirty days of notification by registered letter with acknowledgement of receipt or equivalent. In the absence of reaction on his part or of written withdrawal by the Commission within thirty days of the receipt of such arguments, the

decision imposing the liquidated damages shall become enforceable. These liquidated damages shall not be imposed where there is provision for interest for late completion. The Commission and the Contractor expressly acknowledge and agree that any sums payable under this article are in the nature of liquidated damages and not penalties, and represent a reasonable estimate of fair compensation for the losses that may be reasonably anticipated from such failure to perform obligations.

## Article II.17 Checks and Audits

**II.17.1.** Pursuant to Article 142 of the Financial Regulation applicable to the general budget of the European Communities, the European Court of Auditors shall be empowered to audit the documents held by the natural or legal persons receiving payments from the budget of the European Communities from signature of the Contract up to five years after payment of the balance.

**II.17.2.** The Commission or an outside body of its choice shall have the same rights as the European Court of Auditors for the purpose of checks and audits limited to compliance with contractual obligations from signature of the Contract up to five years after payment of the balance.

**II.17.3.** In addition, the European Anti Fraud Office may carry out on-the-spot checks and inspections in accordance with Council Regulation (Euratom, EC) No 2185/96 and Parliament and Council Regulation (EC) No 1073/1999 from signature of the Contract up to five years after payment of the balance.

## Article II.18 Amendments

Any amendment to the Contract shall be the subject of a written agreement concluded by the contracting parties. An oral agreement shall not be binding on the contracting parties.

## Article II.19 Suspension of the Contract

Without prejudice to the Commission's right to terminate the Contract, the Commission may at any time and for any reason suspend execution of the tasks under the Contract or any part thereof. Suspension shall take effect on the day the Contractor receives notification by registered letter with acknowledgment of receipt or equivalent, or at a later date where the notification so provides. The Commission may at any time following suspension give notice to the Contractor to resume the work suspended. The Contractor shall not be entitled to claim compensation on account of suspension of the Contract or of part thereof.

### Signatures

1. For the Contractor,  
..... (forename and name)  
..... (position)  
..... (company name)

2. For the Commission,  
Georg FISCHER  
Head of Unit - EMPL/E/4  
Employment, Social Affairs and Equal  
Opportunities DG

Done at ..... (place), Done at Brussels,

..... (date) ..... (date)

In duplicate in English.

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## Tender Specifications and Monitoring

ANNEX I Tender No. VT/2007/064 of .....

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### 1. Title of contract

**Study on the situation of Private Health Insurance (Mandatory or Voluntary)**

### 2. Background

#### a) The PROGRESS programme

In its Social Agenda (2005-2010), the Union has fixed as its overall strategic goal to promote more and better jobs and to offer equal opportunities for all. The realisation of the Social Agenda relies on a combination of instruments comprising EU legislation, the implementation of open methods of coordination in various policy fields and financial incentives.

In the period up to 2006, two distinct Community programmes supported the open method of coordination in the employment and social inclusion/social protection fields. Two further Community programmes backed up the promotion of gender equality and the non-discrimination principle. In addition, separate interventions addressed the promotion of labour law including health and safety regulations. With a view to greater coherence and simplification in the way Community programmes are delivered, the Commission proposed for the 2007-2013 period that all these separate programmes be integrated into one framework programme, PROGRESS.

The Decision n°1672/2006 establishing a Community programme for employment and social solidarity – PROGRESS was adopted by the European Parliament and the Council on 24 October and published in the Official Journal on 15 November 2006.

PROGRESS overall aim is to financially support the implementation of the objectives of the European Union in the employment and social affairs area, as set out in the Social Agenda, and thereby contribute to the achievement of the Lisbon Growth and Jobs Strategy<sup>3</sup> goals in these fields.

More specifically, PROGRESS will support:

- (1) the implementation of the European Employment Strategy (section 1);
- (2) the implementation of the open method of coordination in the field of social protection and inclusion (section 2);
- (3) the improvement of the working environment and conditions including health and safety at work and reconciling work and family life (section 3);
- (4) the effective implementation of the principle of non-discrimination and promotion of its mainstreaming in all EU policies (section 4);
- (5) the effective implementation of the principle of gender equality and promotion of its mainstreaming in all EU policies (section 5).

PROGRESS is therefore divided up into five policy sections which are (1) Employment, (2) Social inclusion and social protection, (3) Working conditions, (4) Non-discrimination and (5) Gender Equality.

It aims at supporting the core functions of the European Community towards fulfilling its Treaty-delegated tasks and powers in its respective areas of competence in the employment and social

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<sup>3</sup> On the Growth and Jobs Strategy see: [http://ec.europa.eu/growthandjobs/index\\_en.htm](http://ec.europa.eu/growthandjobs/index_en.htm)

sphere. It will support initiatives aimed at reinforcing the role of the Community in proposing EU strategies; implementing and following-up EU objectives and their translation into national policies; transposing and following-up of the EU legislation's application in a coherent way throughout Europe; promoting the co-operation and co-ordination mechanisms between Member States and cooperating with social partners and organisations that represent civil society.

## **b) Policy background**

The aim of Member States is to maintain or enhance universal access to high quality healthcare in a sustainable manner. Private Health Insurance (PHI) markets in the EU are diverse. Different historical patterns of insurance mechanisms development, variation in the rules and arrangements of statutory healthcare systems and differences in national regulatory regimes result in a wide variation in terms of Private Health Insurance types, levels of expenditure on PHI, levels of population coverage, types of insurers, premium setting mechanisms, selection criteria, policy conditions, benefits provided, premium prices, tax incentives, loss ratios, administrative costs, levels of access, equity implications and impact on free movement and free establishment.

In general, PHI whether Mandatory or Voluntary does not play a significant role in many health systems in the EU, either as a means of funding or as a means of gaining access to healthcare. The role of PHI is however evolving as many EU Member States are devising ways to control the growth of public spending and secure additional resources for their health sectors. Statutory healthcare systems in the EU are characterised by near universal coverage, mandatory participation, comprehensive benefit provision and high levels of public expenditure.

Private health insurance plays a variety of roles which are often determined by the statutory health insurance system and the organisational features of that healthcare system. In 2001, the Commission commissioned a study on Voluntary (Private) Health Insurance: Voluntary Health Insurance in the European Union<sup>4</sup>. This study differentiates between three types of Private or Voluntary Health Insurance (VHI): Substitutive VHI, Complementary VHI and Supplementary VHI.

In some cases, the introduction of market regulations into national health services lead to a dissociation of the function of production of services from that of financing of care (purchaser-provider split). This is intended to create competition among care providers. By making health funds financially accountable for the health care costs of those they insure, the intention is to encourage these funds to negotiate contracts with providers for a rational delivery of quality care. Many healthcare systems are trying to introduce elements of competition in the management of their healthcare systems. Elements of competition do not solely refer to a purchaser-provider split. Partial privatisation can be promoted within a strong regulatory framework, disallowing a clear-cut purchaser-provider split, for example. The degree, extent and administrative level of the regulatory framework determine the incidence and developmental capacity for PHI in a particular system.

Private health insurance can help governments pursue performance goals (efficiency, effectiveness) for their health systems. However, it can also put them at risk. The effect depends, in part on the role of private health insurance, in terms of market size and function with respect to public systems. Private health insurance can be credited with adding resources into health systems and making them more patient-centred. The development of private health insurance has however, also created significant challenges in terms of equity and cost containment, which in turn, explains the development of Risk-adjustment mechanisms and the strong regulation of the sector. Indeed, shifting the sources of funding for health care services from the public to the private sector does not necessarily translate into lower costs. Additionally, private insurers or providers are not always able to freely compete in terms of prices or quality of services. This is due to higher associated administrative costs for private insurers in comparison to public entities as well as the regulatory environment which can demand some form of risk equalisation which effectively hinders competitive market adjustments.

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<sup>4</sup> [http://ec.europa.eu/employment\\_social/social\\_protection/docs/vhi\\_en.pdf](http://ec.europa.eu/employment_social/social_protection/docs/vhi_en.pdf) , Voluntary health insurance in the European Union, Report prepared for the Directorate General for Employment and Social Affairs of the European Commission, 27 February 2002, E. Mossialos and S. Thomson, European Observatory on Health Care Systems and LSE Health & Social Care, London School of Economics and Political Science

### 3. Subject of the contract

The purpose of this contract will be to provide the Commission with information input in the form of a report that can help the Commission and EU Member States engage in policy discussion on the future trends in private health insurance markets, as well as their degree of incidence and coverage. An analysis of possible outcomes and limitations of PHI markets on the accessibility, quality and long-term sustainability of healthcare systems is to be provided after the presentation of the incidence, coverage and particularities of the various existing private health insurance markets (Mandatory or Voluntary).

The OECD Health Project on Private Health Insurance<sup>5</sup> refers to four types of PHI: **Primary PHI, Duplicate PHI, Complementary PHI** and **Supplementary PHI**. Within Primary PHI coverage, the Report differentiates between **Principal** and **Substitute Primary PHI**. In the Netherlands, Germany and for minor population groups in Belgium, Spain and Austria, PHI has a Primary role in providing health insurance for those lacking public health insurance coverage, either because individuals are not entitled to statutory publicly financed health insurance coverage (Principal PHI), or because they have chosen to, and are allowed to opt out of the statutory health insurance scheme (Substitute PHI). PHI in those cases is a source of primary coverage for population groups without access to public health cover.

Duplicate PHI provides an alternative private coverage for the same sets of services to people already covered by statutory social health insurance schemes. Duplicate PHI is common in countries where there is a separation between publicly funded and privately funded providers, such as Ireland. Duplicate PHI is commonly found in countries where eligibility to public schemes is based on residency (NHS based systems) rather than professional affiliation. Differentiated statutory coverage according to professional groups usually leads to the development of Primary PHI, be it Principal or Substitute.

Most EU countries require co-payments or some forms of cost sharing for services provided under the public schemes. Complementary PHI provides some form of reimbursement to patients for the required cost sharing or the services that are not covered by the public schemes (or for which reimbursement rates are below the market prices). The market size of Complementary PHI is related to the scale and extent of cost sharing. Complementary PHI is found in most countries that have introduced cost sharing such as Ireland, Denmark, Germany, Sweden, Italy, Luxembourg and France. The latter has a significant Complementary PHI market, which was extended to the majority of the population after the introduction of a public subsidisation scheme for the Complementary PHI purchase by low-income groups.

Supplementary PHI is typically provided to cover for additional health services not included in the statutory public health schemes. The range of covered services depends on the list of services excluded from the public insurance scheme and on the insurers' definition of 'health benefits'. Supplementary PHI finances goods and services excluded from public coverage such as luxury care, optical and dental care, long-term care, pharmaceuticals, rehabilitation, alternative medicine and/or superior hotel and amenity hospital services (even when the medical component of the service is covered by the public schemes).

The terminology used by the OECD does not reflect the terminology used either in the LSE study on Voluntary Health Insurance or the EU Non-Life Insurance Directives. Setting definitional issues aside, the demarcation between public and private health insurance is in some cases blurred and not straightforward. Indeed, health insurance schemes differ " in the degree of cross – subsidisation (across time, risks and income groups) inherent in the scheme, the ownership and management of the scheme, the level of compulsion in participation, and the sources of funding."<sup>6</sup>

Despite the varying possible definitions, the study should use similar terminology to the one used in the OECD Health Project and clearly identify which schemes it will cover, the national prerogatives that determine the type of PHI markets and the reasons behind the inclusion of those schemes or not.

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<sup>5</sup> The OECD Health Project, Private Health Insurance in OECD countries (2004), OECD

<sup>6</sup> The OECD Health Project, Private Health Insurance in OECD countries (2004), OECD



More specifically, the purpose of this contract can be broken down in three main steps which can correspond to three chapters of the report:

- The first step consists in providing an extensive overview of existing private health insurance markets as well as an analysis of the role and nature of PHI (Primary, Duplicate, Complementary and Supplementary PHI) markets in the EU. It will provide an overview of the various PHI market structures, conduct and performances. When addressing PHI markets, particular attention should be placed on the PHI functions which ensure effective access to all, including the most disadvantaged/high risk social groups (universality and solidarity PHI functions). The primary aim of the study is to update the findings and policy conclusions presented in the 2002 Report (cf. footnote 2) and extend them to the new Member States. This part will comprise the mapping out of existing policies in each country. This step of the analysis should lead to the identification of common or diverse approaches across Member States allowing a cross-country comparison. This step should cover all 27 EU Member States and the members of the European Economic Area (EEA). This step should also provide similar information on the private health insurance market in the U.S.
- The second step will address the impact of EU competition rules and regulations for an Internal Market in Non-life insurance products on the development and establishment of PHI markets and cross-border health services provision. The aim is to assess the degree to which the application of EU competition and Internal Market rules are and will be impacting on the provision of PHI and the possibilities and/or limitations for insurance organisations (legal entities) in expanding their activities in line with national prerogatives and concerns regarding their universality and solidarity functions. An important issue at stake in the provision of cross-border and within-border health insurance services is the degree, if any, of portability or transferability of rights, benefits and entitlements among insurance providers. Additionally, where PHI providers are in direct competition with the social or public health insurance schemes, the insured are not necessarily allowed to switch providers and when switching from one PHI provider to the other the portability of acquired rights and benefits is not always guaranteed. In this case, competitive market adjustments may be prevented. On one hand, the PHI providers have to provide similar benefits and coverage to the Social health insurance schemes and on the other there is no guarantee of portability amongst PHI providers (this is a major concern where not-for profit and for-profit PHI providers compete in a developed primary PHI market). Competitive market adjustments are prevented, in many cases, due to the desire to maintain some solidarity and universality functions in the organisation and provision of PHI and through regulation (which can be found to be in breach of competition and Internal Market rules). This step shall address the impact of EU competition rules and regulations for an Internal Market in the field of Non-life insurance, on the development and establishment of PHI markets and the possible tradeoffs observed with regard to their universality and solidarity functions when assigned. The analysis should be based on the European Court of Justices' jurisprudence and interpretation of the applicability of competition rules in the area of PHI. Several elements need to be highlighted reflecting in each case the national legal environment which determines the applicability or non-applicability of EU competition rules. Questions such as the role of mutual organisations, the nature of the affiliation (obligatory or voluntary), the nature of the service provided (economic or non-economic), the degree to which the insurance fund is organised along core functions of solidarity (non-personalisation of risk, no risk selection and mutual risk pooling) and general interest and the applicability or exclusion from EU competition rules should be the main focus of this step. This step will deal with a maximum of 15 EU Member States, to be proposed by the research team in the offer; these could be changed in agreement with the Commission services.
- The third step shall analyse the impact of setting up of a private market for health insurance on social protection systems in both systemic (organisation and structure of PHI markets) and financial terms. The analysis should provide existing information on this impact whether it is positive (increased competition and access) or limiting (no actual impact on cost containment and efficiency, resulting cream-skimming and risk selection). This chapter will consist of a more detailed analysis of social, health and long-term care policies of interest to the study. Due attention should be paid to the three dimensions established as common principles in the framework of the Open Method of Coordination namely access for all, quality and long-term sustainability from a public policy point of view. This should include issues of care coordination, restructuring care activities in view of achieving performance-related goals (introduction of a market for PHI), the impact of PHI markets on services accessibility

(especially for those at risk-of-poverty and the most vulnerable groups of the population in each Member State), its impact on the quality of care and services provided, and the possible trade-offs between the promotion of the sustainability of social protection systems in the framework of publicly funded services and the incidence of a private market in the area of health insurance (particularly the problem of information asymmetry, premium setting, tax exemptions, changes in the funding ratios...). A typical feature of insurance markets, and particularly health insurance, is risk-selection. Risk-selection can be problematic from a social protection point of view, for both small group (elderly, chronically ill) and systemic levels (high risk and low income persons). This has clear implications in terms of PHI accessibility and for the solidarity functions associated with health insurance. The analysis of policies should pay specific attention to the role of social protection systems and how they impact on/ are associated to these policies. Leading questions should be: Does the development of a Private Health Insurance market undermine the sustainability and promotion of adequate social protection systems? Does the establishment of a PHI market encourage or undermine a comprehensive approach to the different policy priorities identified at the national (restructuring and cost-containment issues) and European levels (for example access for all, high quality and long-term sustainability)? This step should cover in maximum, the same 15 EU Member States analysed in step 2, to be proposed by the research team in the offer; these could be changed in agreement with the Commission services.

This study will be used by the Commission to prepare an in-depth discussion under the health and long-term care strand of the Open Method of Coordination. The Social Protection Committee will review the results and use these to draw policy conclusions on how social protection systems can be enhanced or undermined by the introduction of private health insurance (Mandatory and Voluntary).

#### **4. Tasks to be carried out by the contractor**

The investigation should use as a departing point the existing academic/research work and reports by international organisations (OECD, WHO). The primary aim of the study is to update the findings and policy conclusions presented in the 2002 Report, prepared for the Directorate General for Employment and Social Affairs of the European Commission: Voluntary health insurance in the European Union<sup>7</sup> and expand them to the new Member States. Due to the definitional issues explained above, the difficulty in data gathering and degree of comparability amongst private health insurance schemes, the research team should engage in data gathering on the ground. The researchers may have to engage in visits to the countries included in the chosen sample and exchange of data with the relevant authorities (statistical offices, trade associations...) and stakeholders.

- The first step of the analysis should lead to the identification of common or diverse approaches across Member States allowing a cross-country comparison. A table (or similar comparison tool) for all countries and all policies chosen in the analysis could be produced to summarise this part of the analysis thus allowing for a synthetic and comparative view across Member States. The first step will cover the 27 EU Member States, the members of the European Economic Area (EEA) and the US for comparative purposes.
- The second step of the research should make use of existing EU legislation, academic/research work, reports by international organisations (OECD, WHO) and the European Court of Justices' jurisprudence. Due attention should be paid to the legal dimension, the definitional problems associated with the ECJ jurisprudence and the linkages between the transposition of relevant Directives and the ongoing debate regarding social services of general interest (whether PHI is considered part of those or not). The second and third step will not cover all the Member States covered in step 1. Steps 2 and 3 will provide an in-depth analysis of a maximum of 15 EU Member States. The selection of the Member States should take into account the size, the time of accession to the EU (i.e. both old and new EU

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<sup>7</sup> [http://ec.europa.eu/employment\\_social/social\\_protection/docs/vhi\\_en.pdf](http://ec.europa.eu/employment_social/social_protection/docs/vhi_en.pdf) , Voluntary health insurance

in the European Union, Report prepared for the Directorate General for Employment and Social Affairs of the European Commission, 27 February 2002, E. Mossialos and S. Thomson, European Observatory on Health Care Systems and LSE Health & Social Care, London School of Economics and Political Science

Member States), the geographical location and the organisational specificities of the Member States' social, health and long-term care services and systems. The tenderer will propose the countries in the tender. This list of selected countries and their PHI schemes and specificities for in-depth analysis, will be agreed with the Commission services and, if needed, adjusted during the first meeting following the signature of the contract.

- The third step in the study should provide appropriate statistical information, where available, showing policy trends but also relating policies to outcomes, thus providing a basis for evidence-based policy-making. Policies need to be analysed not only in line with how they impact on health status today but also in the future. The analysis in this part should refer to the effectiveness of interventions in relation to the three common objectives identified under the Open Method of Coordination for health and long-term care. If acknowledged, particular policies that could form the background for a successful best practice exchange between Member States should be highlighted. The in-depth analysis of the situation will be carried out for a maximum of 15 EU Member States. The selection of the Member States should take into account the size, the time of its accession to the EU (i.e. both old and new EU Member States), the geographical location and the organisational specificities of the Member States' social, health and long-term care services and systems. The tenderer will propose the countries in the tender. This list of selected countries and their PHI schemes and specificities for in-depth analysis, will be agreed with the Commission services and, if needed, adjusted during the first meeting following the signature of the contract.

The PROGRESS Programme aims at promoting gender mainstreaming in all its five policy sections and commissioned or supported activities. Consequently, the Contractor/Beneficiary will take the necessary steps to ensure that, its proposed team and/or staff respects the gender balance at all levels. It will also pay due attention when appropriate to the gender dimension of the service he is asked to deliver as detailed in the description of tasks.

Equally, needs of disabled people shall be duly acknowledged and met while executing the requested service. This will in particular entail that where the Contractor/Beneficiary organises training sessions, conference, issues publications or develops dedicated websites, people with disabilities have equal access to the facilities or the services provided.

Finally, the Contracting Authority encourages the Contractor to promote equal employment opportunities for all its staff and team. This entails that the Contractor shall foster an appropriate mix of people, whatever their ethnic origin, religions, age, and ability.

The Contractor will be required to detail in its activity report accompanying the request for the final instalment the steps and achievements it made towards meeting these contractual provisions.

## **5. Professional qualifications required**

See Annex IV of the draft contract

## **6. Time scheduling and reporting**

See Article I.2. of the contract.

**The contract will last 14 months from the official start of the contract which will be the date of signature of the contract by the second party.**

**Additional requirements** (specific deadlines for the performance of tasks):

The following reporting requirements are expected:

- An inception report in English consisting of a draft work programme and detailing the country coverage and explaining the choice of countries to be used in the analysis and the planned scope of social, health and long-term care services studied and the study team for the kick-off meeting to be determined bilaterally after the signature of the contract;

- An interim report in English containing a first draft of step 1 and ongoing work in steps 2 and 3 as identified in section 3 "Subject of the contract" above, within five (5) months after the official start of the contract;

- A first draft of the final report in English containing a first draft of the three steps and some preliminary conclusions and policy implications as described in section 3 "Subject of the contract" above, within eleven (11) months after the official start of the contract;
- The complete draft of the final report of the study in English, taking into account comments made by the Commission services on the first draft of the final report, within twelve (12) months after the official start of the contract;
- The study should then be finalised taking into account final remarks by the Commission services and the revised complete final report in English should be delivered within fourteen (14) months after the official start of the contract. The final report in English is to be coupled with a) an executive summary of maximum two (2) pages in English, b) a more substantial summary of ten (10) pages in English and c) a Methodology note in English (e.g. literature reviewed, interviews carried out, databases used...).

The study team should be available for three (3) working meetings with the Commission services corresponding to the delivery of the above reports:

- the kick-off meeting to be determined bilaterally after the signature of the contract to discuss the inception report regarding the draft working program and the country and PHI scheme coverage;
- Five (5) months after the official start of the contract in order to discuss the interim report consisting of a first draft of step 1 and ongoing work in steps 2 and 3;
- Eleven (11) months after the official start of the contract to discuss the draft of the final report consisting of a draft of steps 1, 2 and 3 and some preliminary conclusions and policy implications.

*The study team should be available for two (2) oral presentations of the final report at meetings to be determined by the Commission services including: a) a meeting twelve (12) months after the official start of the contract to present the complete draft of the final report of the study to the Commission services and b) a presentation of the final report during the in-depth discussion on this topic to take place under a Social Protection Committee meeting in Brussels and to be organised/determined by the Commission and EU Member States.*

Each reporting presentation should include:

- a progress report on the work programme detailing the outline and timetable for the further work needed;
- an update on the methodology (literature reviewed, interviews carried and planned, databases used).

The final study should be in English accompanied by summaries in English and approved by the Commission services. It should be in a web-friendly format and publishable format.

In accordance with the General conditions, the Contractor is under the obligation to acknowledge that the present service is delivered on behalf of the support of the Community in all documents and media produced, in particular final delivered outputs, related reports, brochures, press releases, videos, software, etc, including at conferences or seminars, as follows:

The seven-year Programme targets all stakeholders who can help shape the development of appropriate and effective employment and social legislation and policies, across the EU-27, EFTA and EU candidate and pre-candidate countries.

The Programme has six general objectives. These are:

- (1) to improve the knowledge and understanding of the situation prevailing in the Member States (and in other participating countries) through analysis, evaluation and close monitoring of policies;
- (2) to support the development of statistical tools and methods and common indicators, where appropriate broken down by gender and age group, in the areas covered by the programme;

- (3) to support and monitor the implementation of Community law, where applicable, and policy objectives in the Member States, and assess their effectiveness and impact;
- (4) to promote networking, mutual learning, identification and dissemination of good practice and innovative approaches at EU level;
- (5) to enhance the awareness of the stakeholders and the general public about the EU policies and objectives pursued under each of the policy sections;
- (6) to boost the capacity of key EU networks to promote, support and further develop EU policies and objectives, where applicable.

For more information see:

[http://ec.europa.eu/employment\\_social/progress/index\\_en.html](http://ec.europa.eu/employment_social/progress/index_en.html)

The present Call for tenders is issued in the context of the implementation of the 2007 annual plan of work which is consultable at: [http://ec.europa.eu/employment\\_social/progress/docs\\_en.html](http://ec.europa.eu/employment_social/progress/docs_en.html)

For publications it is also necessary to include the following reference: "The information contained in this publication does not necessarily reflect the position or opinion of the European Commission"

This publication is supported by the European Community Programme for Employment and Social Solidarity (2007-2013). This programme was established to financially support the implementation of the objectives of the European Union in the employment and social affairs area, as set out in the Social Agenda, and thereby contribute to the achievement of the Lisbon Strategy goals in these fields.

With regard to publication and any communication plan linked to the present service, the Contractor will insert the European Union logo, and if any another logo developed for the employment and social solidarity fields, and mention the European Commission as the Contracting Authority in every publication or related material developed under the present service contract.

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## Contractor's Tender

ANNEX II

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See attached document: ..... pages.

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## ANNEX III Breakdown of prices

### 1. Breakdown of prices

Description	Unit price in €	Max. No of units	Unit type	Sub-total per item	Total amounts in €
<b>FEES AND DIRECT COSTS</b> (fixed prices)					
Experts' fees (to be specified for each expert)					0,00
Details	0,00	0	w. d.	0,00	
Other direct costs (to be specified)					0,00
Details	0,00	0	unit	0,00	
<b>Sub-total "Fees and Direct Costs" (Art. I.3.1)</b>					<b>0,00</b>
<b>REIMBURSABLE EXPENSES</b> (max. prices)					
Travel expenses					0,00
Provision for supplementary journeys effected upon request of the Commission					
Details	0,00	0	trip	0,00	
Accommodation expense					0,00
Provision for supplementary accommodation upon request of the Commission					
Details	0,00	0	pers.	0,00	
Subsistence expense					0,00
Provision for supplementary subsistence upon request of the Commission					
Details	0,00	0	pers.	0,00	
<b>Sub-total "Reimbursable Expenses" (Art. I.3.3)</b>					<b>0,00</b>
<b>Overall Total</b>					<b>0,00</b>

w.d. = 1 working day for 1 expert

### 2. Calculation of amounts due under the present Contract

#### 2.1. Fees

Initial calculation based on unit price(s) per w.d. of expert(s) depending on the level of qualification of the expert(s) executing the mission. The unit price(s) is (are) expected to cover the expert(s) fees, the Contractor's administrative expenses, as well as the costs of producing the contractual number of copies of the required report(s)<sup>8</sup> in the required format(s), but does not include the reimbursable expenses defined below.

*N.B. Duration of the services:* This includes, besides the time necessary for the carrying out of the services themselves, the necessary time for preparatory work, trips and travelling back and forth between the offices of the Contractor and/or the expert(s) and the places where the services are being carried out and for meetings with the services of the Commission, as well as time for the preparation of reports and output documents related to the work.

<sup>8</sup> All details on Monitoring and Reporting are to be indicated and included in the Tender Specifications.

## 2.2. Reimbursements

If the reimbursement of expenses is foreseen in the Special Conditions, the Commission will reimburse only:

- the subsistence expenses of the Contractor and his staff,
- travel expenses (other than local transport costs),
- expenses for the shipment of equipment or unaccompanied luggage,

directly connected with performance of the tasks specified in Article I.1. of this Contract.

### 2.2.1 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 Contract are set as follows:

Destinations	DSA in EUR	Maximum hotel price in EUR	Destinations	DSA in EUR	Maximum hotel price in EUR
AT Austria	95,00	130,00	IT Italy	95,00	135,00
BE Belgium	92,00	140,00	LT Lithuania	68,00	115,00
BG Bulgaria	70,00	205,00	LU Luxembourg	92,00	145,00
CY Cyprus	93,00	145,00	LV Latvia	66,00	145,00
CZ Czech Republic	75,00	155,00	MK Macedonia	50,00	160,00
DE Germany	93,00	115,00	MT Malta	90,00	115,00
DK Denmark	120,00	150,00	NL The Netherlands	93,00	170,00
EE Estonia	71,00	110,00	PL Poland	72,00	145,00
EL Greece	82,00	140,00	PT Portugal	84,00	120,00
ES Spain	87,00	125,00	RO Romania	60,00	170,00
FI Finland	104,00	140,00	SE Sweden	97,00	160,00
FR France	95,00	150,00	SI Slovenia	70,00	110,00
HR Croatia	60,00	120,00	SK Slovakia	80,00	125,00
HU Hungary	72,00	150,00	TR Turkey	55,00	165,00
IE Ireland	104,00	150,00	UK United Kingdom	101,00	175,00

### 2.2.2 Travel expenses

Travel expenses shall be reimbursed following the provisions of Article II.7.3.

## 3. Additional provision

It is understood that the Parts “Fees and Direct Costs” and “Reimbursable Expenses” are set as provisions only. They constitute a maximum for the overall cumulative value of all services rendered by the Contractor under the present Contract – they will be due only if services are actually rendered to the Commission according to this Contract and its Annexes, both in quantity and in quality.



## ANNEX IV CVs and classification of experts

### 1. Classification of experts according to level of expertise

<i>Level of qualification</i>	<i>Category of personnel</i>
I	Highly qualified expert having assumed important responsibilities in his/her profession, recruited for his/her management/supervisory, thought and creativity skills as regards professional practise. He/she must have at least 15 years professional experience of which at least 7 must be connected with the professional sector concerned and the type of tasks to be performed.
II	Highly qualified expert having assumed responsibilities in his/her profession, recruited for his/her management/supervisory, thought and creativity skills as regards professional practise. He/she must have at least 10 years professional experience of which at least 4 must be connected with the professional sector concerned and the type of tasks to be performed.
III	Certified expert having received a high-level training in his/her profession, recruited for his/her thought and creativity skills as regards professional practise. He/she must have at least 5 years professional experience of which at least 2 must be connected with the professional sector concerned and the type of tasks to be performed.
IV	Junior expert, newcomer to the profession but holding a university degree or equivalent training related to the professional sector concerned and the type of tasks to be performed.

### 2. List of experts assigned

<i>Full names of experts assigned</i>	<i>Level of Qualification (I to iv, see above)</i>

### 3. CVs of experts assigned

See Annex II.

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## Fiscal provisions regarding invoicing by the Contractor

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Choose 1 out of 4 options:

- **(option 1: the Contractor is subject to VAT and his place of fiscal imposition is in Belgium)**

### Local supplies and services

Supplier with fiscal imposition place in Belgium – delivery address in Belgium

#### 1. VAT exemption – Exemption level

In Belgium, the terms of the present Contract have the same value as the VAT exemption request No 450 (VAT exemption – Article 42, par. 3.3, VAT Code).  
The European Commission benefits of a direct VAT exemption for all invoices EUR 123.95 and more.

#### 2. Invoicing the Commission

An invoice will be made for each payment related to the present Contract. The applied VAT rate and amount shall be specified.

In view of VAT exemption, invoices addressed to the European Commission should bear the mention: “Exonération de la TVA, article 42, § 3.3, du code de la TVA” or “Vrijstelling van BTW, artikel 42, § 3.3, BTW-Wetboek”.

The above indication is given only as piece of information. The Contractor must refer to the Belgian national laws.

- **(option 2: the Contractor is subject to VAT and his place of fiscal imposition is a Member State other than Belgium)**

### Intra-community supplies and services

Supplier with fiscal imposition place in a Member State other than Belgium – delivery address in Belgium

#### 1. VAT exemption level

The European Commission benefits of a direct exemption of VAT for all invoices of EUR 123.95 and more.

#### 2. Use of form 15.10

To allow the Contractor to justify to the fiscal authorities an invoicing to the European Commission using a 0% VAT rate (direct exemption) or to enable the benefit of the exemption by reimbursement, it is necessary to use the form 15.10.

These forms have recently been up-dated, and the new versions are the only ones to remain in official use. They entered into force on 01.04.1997, with a new ref. XXI/03278 – 01.04.1997.

See attached document: 2 pages and 1 page of explanatory notes.

### **3. Signature of the form 15.10 – Delegation of signature**

The forms must normally be signed by the fiscal authorities of Belgium. However, a delegation of signature has been awarded by the Belgium authorities to the European Commission – ref. ET 76430 of 22.12.1992 (This ref. No should be inserted in box 7 of new form 15.10). The Commission being represented for the present Contract by the Director General of Employment, Social Affairs and Equal Opportunities DG, form 15.10 will therefore be signed by the latter.

### **4. Invoicing the Commission**

An invoice will be made for each payment related to the present Contract. The applied VAT rate and amount shall be specified. Concerning the direct VAT exemption or VAT exemption by the way of reimbursement, the invoice shall bear all the necessary mentions.

The above indication is given only as piece of information. The Contractor must refer to the national laws in force in his Member State of fiscal imposition.

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- ▶ **(option 3: the Contractor is not subject to VAT)**

Not applicable to the present Contract.

- ▶ **(option 4: the country of fiscal imposition of the Contractor is unknown)**

Provisions to be applied depending on the country of fiscal imposition of the Contractor..

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