

SPECIFICATIONS

To Invitation to Tender ECFIN/C/2005/001

OJ 2005/S 175-173228 dated 10/09/2005

Study 'Economic Resilience in the Euro Area'

These specifications follow the publication of
- the prior information notice in OJEU S-97-095820 of 21/05/2005
- the contract notice in OJEU S-2005/S 175-173228 of 10/09/2005

Part 1: Technical description
Part 2: Administrative details
Part 3: Assessment and award of a contract
Part 4: Draft service contract

Annex 1 : Declaration of the candidate's eligibility
Annex 2: Financial Identification Form
Annex 3 : Legal entity Form

PART 1: TECHNICAL DESCRIPTION

1. Background

The recovery of the euro area economy from the slowdown of 2001 has been lacklustre when compared with the performance of the USA, the United Kingdom and other “Anglo-Saxon” economies over the same period. The euro area’s performance is also disappointing from a historical perspective with growth rates in the initial stages of the recovery lagging behind what would be expected on the basis of past experience. The shallowness of investment, the weakness in private consumption, the persistence of inflation and other anomalous features of the euro area’s sluggish recovery raise questions over its vulnerability to shocks and the institutional determinants of its return to “equilibrium”.

Recent studies have conjectured that the euro area suffers from a lack of economic resilience, meaning that structural rigidities in euro area labour, product and capital markets hamper recovery from economic slowdowns by, *inter alia*, prolonging unemployment spells, slowing wage adjustment and resource reallocation, weighing on consumer and investor confidence and blunting the effectiveness of monetary policy. Empirical analysis suggests that industrial countries adjust at different speeds to common shocks. At one end of the spectrum, the USA and the United Kingdom, respond fairly rapidly to most categories of economic disturbance, while, at the other end, Germany adjusts in a slower and more costly manner.

Empirical analysis of the determinants of economic resilience has been less conclusive. While certain labour and product market rigidities can be related to the speed of an economic recovery, the same rigidities also imply smaller deviations from the equilibrium. A number of additional factors, it suggests, could potentially explain the euro area’s sluggish recovery including size, openness, trade linkages and downward pressures on potential growth. Work recently carried out at DG Economic and Financial Affairs using the New Keynesian Dynamic Stochastic General Equilibrium (NK-DSGE) Model suggest that structural rigidities are important for the explanation of long-term growth but contribute little to cyclical adjustment. The channel through which structural rigidities have their strongest effect seems to be investment.

2. Objectives

Understanding the economic resilience of the euro area and its determinants is essential for assessing the short- and medium-term economic outlook and for designing appropriate macroeconomic policies and structural reforms. The overarching objective of this study is to develop a more rigorous understanding of economic resilience and to generate fresh empirical evidence regarding its determinants. The study should explore alternative ways of measuring resilience within the euro area and other industrial economies and examine the welfare costs of having a comparatively low degree of resilience. On the basis of this analysis, the study should empirically explore the determinants of economic resilience giving due regard to the impact of rigidities in product, labour and capital markets and the interaction between macroeconomic and structural policies. The overall results of this analysis should provide policy-relevant conclusions concerning the types of economic reform that are likely to bolster the euro area’s recovery from economic slowdowns and other disturbances.

3. Content

The research will be divided into two parts. Part 1 will explore different ways of measuring economic resilience and consider the welfare implications of having differing degrees thereof. Drawing on the results of this analysis, Part 2 will present empirical evidence on the determinants of economic resilience and draw policy conclusions that are relevant for the euro area.

Part 1 of the study should begin with a literature review on economic resilience, covering definitional and measurement issues. Economic theory and empirical methods should then be used to consider whether existing indicators of resilience can be improved and to explore the welfare implications of having high / low degrees of resilience. These two elements are clearly interconnected in so far as a well-designed indicator will capture those elements of resilience that are most relevant from a welfare perspective. In the first instance, the welfare implications of slow economic recovery should be explored, including the impact of prolonged periods of below-potential growth on economic confidence. A broader question to consider here is whether indicators of economic resilience should focus exclusively on the steepness of the economic recovery (i.e. the speed at which it moves from trough to peak) or whether duration (the number of periods between trough and peak) and amplitude (the percentage gain in economic growth between trough and peak) should also be taken into account.

Other issues that may be of relevance here are the cumulative impact of economic shocks, the presence of asymmetries and non-linearities in the behaviour of euro area economies, and the impact of hysteresis and persistence effects. A combination of empirical methods could potentially be used in this part of the study, including, for example, a cross-country examination of key economic variables during recent economic slowdowns, followed by a welfare analysis of differing degrees of resilience using existing measures of the welfare costs of business cycle fluctuations and aggregate inefficiency gaps.

Part 2 of the study will explore the determinants of economic resilience by reviewing the relevant literature and presenting original theoretical and empirical analysis. The focus in this study will be on the link between economic resilience and structural rigidities. The role of macroeconomic policies in economic recoveries is beyond the scope of this inquiry and should therefore not be explored. The principal hypothesis to test is whether structural rigidities in product, labour and capital markets can explain the variation in economic resilience between the euro area (and its Member States) and other industrial economies. The measure of economic resilience that is developed in Part 1 of the study should serve as the basis for this analysis. When it comes to assessing the determinants of economic resilience, the following questions are relevant. What factors determine the resilience of consumption and investment to economic shocks? What is the link between housing markets and economic resilience? How do variations in employment protection legislation, incentives to make work pay, wage-determination, product market legislation and financial market integration affect recovery from an economic slowdown?

A combination of different methods could potentially be used to explore the determinants of economic resilience. For example, dynamic panel regressions could be used to explore cross-country adjustment dynamics and the interaction between economic resilience and institutional variables, denoting rigidities in product, labour and

capital markets. The results of this analysis could, in turn, feed into a small Dynamic Stochastic General Equilibrium model that would assess the impact of structural rigidities on economic resilience. The tender should include a detailed description of the empirical method(s) to be used in this part of the project. Due regard should be given to the lagged effects of structural variables, the interaction between structural rigidities, and the sensitivity of econometric results to the specification of institutional variables. The tender should also address the relevance of other explanatory variables, including initial conditions and the specific category of shocks. The robustness of the econometric analysis should be tested against the usual battery of misspecification tests, by experimenting with different sample sizes and with alternative sets of structural indicators. Appropriate tests of structural breaks may have to be considered to evaluate the possible specific role of major institutional changes such as the launch of EMU.

The study should conclude by discussing the implications of its theoretical and empirical findings on economic resilience for euro area economy policy. A key issue here concerns which economic reforms are most likely to bolster economic resilience and the optimal sequence thereof. Another issue for discussion is whether, and how, a high degree of economic resilience will facilitate the conduct of macroeconomic policies.

4. Deliverables

The physical and intellectual products generated by the contractor's assignment will remain the property of the Commission. The contractor undertakes not to use these products outside this assignment without the written agreement of the Directorate-General for Economic and Financial Affairs. Any physical material that must be delivered by the contractor to the Commission, including the six paper copies of the final report, should be sent to the following address:

European Commission,
Directorate-General for Economic and Financial Affairs,
Directorate C, The economy of the euro area and of the European Union,
Attn Mr. Servaas Deroose - BU1 0/209,
B - 1049 Brussels.

The work carried out by the contractor in performance of the contract will be the subject of the following deliverables, which should be provided in English.

1. A draft interim report containing the literature review, the bulk of the theoretical analysis and the preliminary empirical findings must be submitted electronically no later than 5 months after the signature of the contract. Within 30 days, the Commission will then either inform the contractor that it accepts the draft, accepts the draft under the condition of the integration of its remarks in the final report, or asks for a review of the interim report based on its comments.

2. The final report will describe the overall work carried out and the results obtained in performance of the contract, covering the issues laid out in the specifications. It will also contain an executive summary of the main results. A draft of the final report must be submitted to the Commission no later than 9 months after the signature of the contract. Within 30 days, the Commission will then either inform the contractor that it accepts the draft, accepts the draft under the condition of the integration of its remarks in the report, or asks for a review of the final report based on its comments. Within 30 days of receiving any such comments from the Commission, the Contractor will send the Commission 6 paper copies of the final report and one copy in electronic format (Word 97 compatible), ensuring that the Commission's instructions regarding the draft final report have been fully taken into account. The Contractor will also send to the Commission the complete dataset compiled for the purpose of the study (Excel compatible).

3. Four meetings in the Commission premises in Brussels are foreseen in the course of the elaboration of the study. A first meeting will take place within 30 days of the signature of the contract in order to discuss the research questions and formalise the work plan for the study. A second meeting will take place within two weeks of the submission of the interim report and will be devoted to the technical presentation and discussion of the material presented within. A third meeting will be devoted to the presentation and discussion of the draft final report of the study and will take place two weeks after its submission. Finally, a fourth meeting will be convened for a presentation of the final report to a broader audience of Commission officials. The Contractor will present the results of the study a maximum two weeks after the submission of the final report.

The European Commission expects the contractor to adhere to the highest scientific and professional standards in his/her report. In particular, the methodology and the techniques used to meet the requirements of the study shall derive from accepted standards of the profession. The report should contain clear objectives and means deployed to reach those objectives. The report shall in addition be original in its content and/or findings and represent a contribution with value-added compared to existing materials. The European Commission retains the right to refuse a study that would not meet those standards.

5. Starting date of the contract and duration of the tasks

The contract is due to be signed in December 2005.

The study should be completed within **11 months** of the signature of the contract (see point 4).

The execution of the tasks may not start before the contract has been signed.

6. Place of performance

The place of performance of the tasks shall be the contractor's premises or any other place indicated in the tender, with the exception of the Commission's premises.

PART 2: ADMINISTRATIVE DETAILS

1. General terms and conditions for the submission of tenders

- Submission of a tender implies that the Contractor accepts all the terms and conditions set out in these specifications (including the annexes) and waives all other terms of business
- Submission of a tender binds the Contractor to whom the contract is awarded during performance of the contract.
- Changes to tenders will be accepted only if they are received on or before the final date set for the receipt of tenders.
- Expenses incurred in respect of the preparation and presentation of tenders cannot be refunded.
- No information of any kind will be given on the state of progress with regard to the evaluation of tenders.
- Once the Commission has accepted the tender, it shall become the property of the Commission and the Commission shall treat it confidentially.
- The protocol on the Privileges and Immunities or, where appropriate, the Vienna Convention of 24 April 1963 on Consular Relations shall apply to this invitation to tender.

2. No obligation to award the Contract

- Fulfilment of adjudication or invitation to tender procedure shall not involve the Commission in any obligation to award the contract.
- The Commission shall not be liable for any compensation with respect to tenderers whose tenders have not been accepted. Nor shall it be liable in the event of its deciding not to award the contract.

3. Joint tenders

When a partnership or a consortium is envisaged three cases can arise:

1. The offer originates from a consortium already formally set up as a separate and legal entity able to submit its statutes, mode of operation, technical and financial capacity, such as result from the contributions of its various members. It is such a consortium that will bear the technical and financial responsibility for the contract and will present the requested financial guarantee.
2. The offer originates from companies not yet having created a consortium as a separate legal entity but planning to constitute one as referred to in item 1, if

their joint offer is accepted. In such a situation, the Tenderer will have to provide the legal form, the envisaged draft statutes and mode of operation of the consortium, the various technical and financial contributions as well as the guarantees envisaged.

3. The offer originates from companies not wishing to constitute formally a consortium as a separate legal entity and thus constituting effectively an association. In such a case, the offer will be submitted in the form of subcontracting (cf. 9), in which case one of the companies shall assume the total responsibility for the offer. This company will sign the contract in its name, the other companies then being regarded as subcontractors of the first.

In all cases of joint tenders, the information required in Part 2, 6.1. “administrative information”, Part 3, 1. “information for assessment of exclusion criteria” and 2. “information for assessment of selection criteria” must be provided for all members participating in the tender.

4. Subcontractors

- Where, in a bid, the amount of the services executed by a subcontractor is equal to or exceeds 20% of the contract, the subcontractor must provide all the necessary documents for assessing the bid as a whole with regard to the exclusion criteria, selection criteria (as a whole) and award criteria. Where those services represent less than 20% of the contract, the subcontractor shall not be required to provide documents on his financial and economic capacity.
- The bid must clearly identify the subcontractor(s) and document their willingness to accept the tasks and their acceptance of the terms and conditions set out in 6 above.
- Tenderers must inform the subcontractor(s) that Article II.17 of the standard service contract will applied to them.
- Once the contract has been signed, Article II.13 of the above-mentioned service contract shall govern the subcontracting.

5. Payments

Payments shall be made in accordance with Article I.4 of the Draft Service Contract.

6. Content of the tender

All tenders must be presented in three sections:

6.1. Administrative proposal

- full name of organization, legal status, address, person to contact, person authorized to sign on behalf of the organization, telephone number, facsimile number, VAT number. In addition, a duly completed and signed financial identification form (see annex 2) and legal entity form (see annex 3), proof of enrolment (declaration or certificates) in one of the professional or trade registers, in country of establishment;

- if the tenderer is a natural person, she/he will be required to provide proof of her/his status as a self-employed person. To this end she/he must supply details of her/his social security cover and situation with regards to VAT regulation.
- a declaration of the candidate's eligibility; certifying that he/she is not in one of the situations listed in articles 93 and 94 of the Financial Regulation of the European Communities (Official Journal L 248 of 16/09/2002) (see annex 1)
- Documents relating to the selection criteria (see part 3 point 2.1. Financial and Economic capacity)
- the service provider's educational and professional qualifications and those of the firm's managerial staff and, in particular, those of the person or persons responsible for providing the services (curriculum vitae)
- a list, for the past three years, of the principal studies, services contracts, consultancy work, surveys, publications or other work previously carried out in English, indicating the name of the client and stating which, if any, were done for the European Commission.
- tenders from consortiums of firms or groups of service providers must specify the role, qualifications and experience of each member (see also part 3, points 1, 2 and 3 – exclusion, selection and award criteria)

6.2. Technical proposal

- A study proposal with the methodology to fulfil the requirements mentioned in Part 1, point 3. The tender should give indications on the theoretical background used, the methodology used in the empirical study that will be undertaken and on its appropriateness for this purpose, in conformity with the guidelines included in the approach. It should also give indications on the data to be used and their reliability.

6.3. A financial proposal

- The price must be quoted in euro, including for the countries which do not form part of the euro zone. For the tenderers of the countries which do not form part of the euro zone, the amount of the offer cannot be revised because of exchange rate movements. The choice of exchange rate belongs to the tenderer, who assumes the risks or opportunities associated with these exchange rate movements.
- The price must be a fixed amount, inclusive all expenses.
- The price will not be subject to revision.
- For your guidance, the maximum budget allocation to this study is fixed at **€ 60.000 (sixty thousand Euro)**.
- The price quotation must be signed by the tenderer or his duly authorised representative.

- The price must be quoted free of all duties, taxes and other charges, including VAT, as the Communities are exempt from such charges under Articles 3 and 4 of the Protocol on the Privileges and Immunities of the European Communities of 8 April 1965 (OJEC L 152 of 13 July 1967). Exemption is granted to the Commission by the governments of the Member States, either through refunds upon presentation of documentary evidence or by direct exemption. For those countries where national legislation provides an exemption by means of a reimbursement, the amount of VAT is to be shown separately. In case of doubts about the applicable VAT system, it is the tenderer's responsibility to contact his national authorities to clarify the way in which the European Community is exempt from VAT.

PART 3: ASSESSMENT AND AWARD OF A CONTRACT

The assessment will be based on each tenderer's bid.

All the information will be assessed in the light of the criteria set out in these specifications. The procedure for the award of the contract, which will concern only admissible bids will be carried out in three successive stages. Only bids meeting the requirements of stage one will be examined in the following stage.

The aim of each of these stages is:

- 1) to check, in the first stage (exclusion criteria), whether tenderers can take part in the tendering procedure and, where applicable, be awarded the contract (see annex 1);
- 2) to check, in the second stage (selection criteria), the technical and professional capacity as well as the economic and financial capacity of each tenderer who has passed the exclusion stage (see Part 3, point 2 – selection criteria);
- 3) to assess on the basis of the award criteria each bid which has passed the exclusion and selection stages (see Part 3, point 3 - Award criteria).

In the case of consortia, the exclusion, selection and award criteria will be applicable to all the members of the consortium. The same principle will also be applied in the case that there are sub-contractors.

The bid must clearly identify the subcontractor's and document their willingness to accept the task and thus acceptance of the terms and conditions set out in Part 2 1.

Tenderers must inform the subcontractors that Article II.17 of the standard service contract will be applied to them.

Once the contract has been signed, Article II.13 of the above mentioned service contract shall govern subcontractors.

1. EXCLUSION CRITERIA

Tenderers falling within one or more of the following categories will automatically be excluded from the tendering procedure.

Tenders will not be considered if the candidates are in any of the following situations:[□]

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

[□] In compliance with articles 93 and 94 of the Financial Regulation applicable to the general budget of the European Communities.

- (c) they have been guilty of grave professional misconduct proven by any means which the contracting authority can justify;
- (d) they have 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 they are established or with those of the country of the contracting authority or those of the country where the contract is to be performed;
- (e) they have been the subject of a judgment which has the force of *res judicata* for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Communities' financial interests;
- (f) following another procurement procedure or grant award procedure financed by the Community budget, they have been declared to be in serious breach of contract for failure to comply with their contractual obligations;
- (g) they are faced with a conflict of interest;
- (h) they have been guilty of misrepresentation in supplying the information required or have failed to supply this information.

Tenderers or their representatives must fill in and sign the form in Annex 1 to these specifications. By completing this form, tenderers:

- state whether or not they are in one or more of the situations described in the form; and
- undertake to submit to the Commission any document relating to the exclusion criteria that the Commission may see fit to request.

2. SELECTION CRITERIA

Only the tenders fulfilling all the selection criteria will be examined in the light of the award criteria. The selection criteria are set out below

2.1. Financial and economic capacity may be shown by means of the following:

- financial statements for the last financial year;
- declaration concerning the sales turnover related to the field associated with the invitation to tender during the last exercise;
- other substantiating documents if the candidate or tenderer cannot, for valid reasons, provide those indicated above.

2.2. Technical and professional competence:

The next criteria will be used to assess the candidate' ability to complete the proposed work programme:

- Candidates should have at least 3 years experience in the field of EU related economic research, as well as in the area of quantitative techniques
- The candidate's technical and professional capacity of producing high quality reports on economic issues in English

- The Commission reserves the right not to select any tender if the amounts tendered exceed the budget envisaged for this project

3. AWARD CRITERIA

The Commission will award the contract to the bidder who presents the most economically advantageous tender on the basis of the following award criteria:

A. Technical quality of the bid

Demonstration of understanding the requirements and clarity of the proposal	15
Approach and method proposed for project management, planning and implementation including activity scheduling and task assignment to team members	15
Merits of the methodology proposed	
<ul style="list-style-type: none"> • The theoretical basis of the proposed methodology 	30
<ul style="list-style-type: none"> • The empirical feasibility of the proposed methodology 	30
<ul style="list-style-type: none"> • The bid demonstrates a clear understanding that theoretical and empirical analysis should yield results that are relevant for the policy debate on the resilience of the euro area. 	10

Since assessment of the tenders will focus on the quality of the proposed services, tenders should elaborate on all points addressed by these specifications in order to score as many points as possible. The mere repetition of mandatory requirements set out in these specifications, without going into details or without giving any added value, will only result in a very low score. In addition, if certain essential points of these specifications are not expressly covered by the tender, the Commission may decide to give a zero mark for the relevant qualitative award criteria.

B. the Price

Having examined the tenders from a technical point of view, the evaluation committee will proceed considering which is the economically most advantageous offer taking into account **only those tenders that have obtained at least 60 out the 100 points that are available for the technical quality of the bid**. The evaluation committee will then proceed with the financial comparison of the tenders retained for further consideration according to the following procedure.

C. The overall score

The overall score is given by the following formulae:

$$S_i = Q_i * p_q + P_i * p_p, \text{ where}$$

- S_i is the overall score of offer i
- Q_i is the technical score for offer i
- P_i is the price of offer i
- p_q is the weight attached by the contracting authorities to quality i.e. 0.7
- p_p is the weight attached by the contracting authorities to price i.e. 0.3

The technical score for offer (i) is scaled according to the technical score received by the offer that is judged to have the highest quality, which gets the maximum score of 100. Using a rule of three, the technical score for all offers will be converted. For example, if the best offer (in terms of quality) obtains 80 points, this will be the base of 100. An offer obtaining 40 points will be converted into a score of 50. The same principle applies to the price. In this case, the lowest price will be converted into a base of 100. An offer with a price that is double that of the lowest price will receive a score of 50.

4. OPENING OF TENDERS

The tenders received will be opened on **28th October 2005 at 11h00** in the Commission building at **Avenue Beaulieu 5, room BU1 – 00/147, B-1160 Brussels**.

One authorised representative of each tenderer may attend the opening of tenders.

5. AWARD COMMITTEE

The process of awarding will take place in **November 2005**. An awarding committee is to be set up for this purpose.

6. INFORMATION FOR TENDERERS

The Commission will inform tenderers of decisions reached concerning the award of the contract, including the grounds for any decision not to award a contract or to recommence the procedure.

PART 4 : DRAFT SERVICE CONTRACT
Nr ECFIN-...-2005/SI2.....

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 Mr Servaas Deroose, Director of Economy of the Euro Zone and the Union, Directorate General Economic and Financial Affairs,

of the one part,

and

[official name in full]

[*official 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 of this contract by (name in full and function),

of the other part,

HAVE AGREED

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

Annex I – Tender Specifications (Call for Tenders no. ECFIN/C/2005/001)

Annex II – Tender of the Contractor (no. [complete] of [complete])

which form 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) shall take precedence over those in the Tender (Annex II).

Subject to the above, the several instruments forming part of the 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.

I – SPECIAL CONDITIONS

ARTICLE I.1 - SUBJECT

- I.1.1.** The subject of the Contract is a study aimed at assessing the factors of resilience of private consumption in the Euro Area.
- 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.
- 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 11 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 on which the contract is signed by the last contracting party. The period of execution of the tasks may be extended only with the express written agreement of the parties before such period elapses.

ARTICLE I.3 – CONTRACT PRICE

The [*maximum*] total amount to be paid by the Commission under the Contract shall be EUR [amount in figures and in words] covering all tasks executed.

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 or negligence on the part of the Contractor.

I.4.1. Interim payment:

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

- the draft interim report in accordance with the instructions laid down in Annex I
- the relevant invoice

provided the report has been approved by the Commission.

On receipt, the Commission shall have 30 days to approve or to send its comments.

On receipt of the draft report, the Commission shall have 30 days to approve, to approve under the condition of the integration of its remarks in the final report, or to ask for a review of the interim report based on its comments. Within 30 days of the date on which the report is approved in writing by the Commission, an interim payment corresponding to (complete amount in figures) EUR (amount in figures and in words) equal to 50% of the total amount referred to in Article I.3 shall be made.

I.4.2. Payment of the balance:

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

- the final report in accordance with the instructions laid down in Annex I
- the relevant invoice

provided the report has been approved by the Commission.

On receipt, the Commission shall have 30 days to approve or to send its comments.

On receipt of the draft final report, the Commission shall have 30 days to approve, to approve under the condition of the integration of its remarks in the report, or to ask for a review of the final report based on its comments. Within 30 days of the date on which the report is approved in writing by the Commission, payment of the balance corresponding to (complete amount in figures) EUR (amount in figures and in words) equal to 50% of the total amount referred to in Article I.3 shall be made.

ARTICLE I.5 – BANK ACCOUNT

Payments shall be made to the Contractor's bank account denominated in euro, identified as follows:

- Name of bank: [complete]
- Address of branch in full: [complete]
- Exact designation of account holder: [complete]
- Full account number including codes: [complete]
- [*IBAN code*: [complete]]

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 Economic & Financial Affairs

Head of Unit R-2

Contract n°: **ECFIN-...-2005/SI2.....**

B-1049 Brussels

Belgium

Contractor:

Mr/Mrs/Ms [complete]

[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 Belgium.

ARTICLE I.8 – TERMINATION BY EITHER CONTRACTING PARTIES

Either contracting party may, of its own volition and without being required to pay compensation, terminate the Contract by serving 3 months formal prior notice. Should the Commission terminate the Contract, the Contractor shall only be entitled to payment corresponding to part-performance of the Contract. 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.

II – GENERAL CONDITIONS

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 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 IV 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 IV;
- 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 III 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 IV;
- 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 acknowledgement 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 acknowledgement 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 judgement 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 acknowledgement 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 acknowledgement 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

For the Contractor,

For the Commission,

Servaas Deroose,

Director of Economy of the Euro Zone
and the Union,

Directorate General Economic and
Financial Affairs

Signature:

Signature:

Done at Brussels, [date]

Done at Brussels, [date]

In duplicate in English.

Declaration of the candidate's eligibility

Tenders will not be considered if the candidates are in any of the following situations: [□]

- (a) they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- (b) they have been convicted of an offence concerning their professional conduct by a judgment which has the force of *res judicata*;
- (c) they have been guilty of grave professional misconduct proven by any means which the contracting authority can justify;
- (d) they have 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 they are established or with those of the country of the contracting authority or those of the country where the contract is to be performed;
- (e) they have been the subject of a judgment which has the force of *res judicata* for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Communities' financial interests;
- (f) following another procurement procedure or grant award procedure financed by the Community budget, they have been declared to be in serious breach of contract for failure to comply with their contractual obligations;
- (g) they are faced with a conflict of interest;
- (h) they have been guilty of misrepresentation in supplying the information required or have failed to supply this information.

..... (Nom)
 (Signature)
 (Date)

[□] In compliance with articles 93 and 94 of the Financial Regulation applicable to the general budget of the European Communities.

Annex 2

http://europa.eu.int/comm/budget/execution/ftiers_fr.htm

Annex 3

http://europa.eu.int/comm/budget/execution/legal_entities_fr.htm