EUROPEAN UNION
GRANT AGREEMENT FOR PILLAR ASSESSED ORGANISATIONS
(PA GRANT AGREEMENT)

<PA grant agreement identification number>
(the "Agreement")

Select one:
[The European Union, represented by the European Commission or [full name and address of the Contracting Authority]], (the ‘Contracting Authority’) of the one part, and

<Full official name as mentioned in the LEF>
[<Legal status (International Organisation or others)>]
[<Organisation official registration number, if any>]
[<Full official address>]
[VAT number, for VAT registered beneficiaries],
hereinafter the ‘Organisation’

of the other part, (individually a "Party" and collectively the ‘Parties’) have agreed as follows:

SPECIAL CONDITIONS

Article 1 — Purpose

1.1 The purpose of this Agreement is the award of a financial contribution by the Contracting Authority to finance the implementation of the action entitled: <title of the Action> (the ‘Action’) described in Annex I.

1.2 By signing this Agreement, the Organisation declares that it is not in any of the situations excluding it from participating in contracts which are listed in Annex VII.

1.3 In the performance of the activities, the Organisation applies its own internal control and accounting systems as well as the rules and procedures for an independent external audit which have been positively assessed in the ex-ante pillars assessment, as well as any other Regulations and Rules, to the extent that these are not in conflict with the provisions of this Agreement.1 In case the pillar assessment raised some reservations the Organisation shall comply with the ad hoc measures stated in Article 7.2

1.4 This Action [is / is not] an EU External Action. In case of an EU External Action add the applicable instrument/EDF. The Action is financed under <instrument under the EU Budget or EDF>.

1.5 This Agreement is subject to the provisions of <reference to any relevant framework agreements between the European Commission and the Organisation and, if relevant, the Co-Beneficiaries>.

Article 2 — Implementation of the Action

2.1 This Agreement shall enter into force on the date when the last of the two Parties signs.

2.2 Implementation of the Action shall begin on:

select one in agreement with the Organisation

- [the day after the last Party signs.]

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1 If the situation of a Co-Beneficiary differs from that of the Organisation add the required information in Article 7.
2 Conclusions of the pillar assessment should be considered and required measures, if any, should be included in Article 7.
2.3 The Implementation Period of the Agreement is <number of months>.

**Article 3 — Financing the Action**

3.1 The total eligible costs of the Action are estimated at [EUR or the accounting currency of the Organisation] (“Currency of the Agreement”) <insert amount> as set out in Annex III. If the currency of the Agreement is not EUR insert which is estimated at <currency of the Agreement> <insert the amount corresponding to the amount of the EU Contribution in the currency of the Agreement at the InforEuro rate of the month of signature of this Agreement>.

3.2 The Contracting Authority undertakes to finance a maximum amount of EUR <....> This contribution is further limited to <enter applicable percentage> of the total eligible cost of the Action.

3.3 The final amount of the Contracting Authority’s contribution shall be determined in accordance with Articles 18, 19, 20 and 23 of Annex II and Article 3 of Annex II b).

3.4 Pursuant to Article 18 of Annex II, eligible indirect costs shall be declared on the basis of a flat-rate of <enter percentage, maximum 7%> of the final amount of direct eligible costs to be reimbursed by the Contracting Authority. The final amount of direct eligible costs of the Action is established in accordance with Article 18.

If a contingency reserve is foreseen, insert:

3.5 A reserve for contingencies and/or possible fluctuations in exchange rates not exceeding 5% of the eligible expenditure may be included in Annex III, to allow for adjustments necessary in the light of unforeseeable changes of circumstances on the ground. It can be used only with the prior written authorisation of the Contracting Authority, upon a duly justified request from the Organisation.

**Article 4 — Reporting and payment arrangements**

4.1 Payments shall be made in accordance with Article 19 of Annex II.

<For EU External Actions and CFSP> Insert The agreed pre-financing rate is <....%>.

Initial pre-financing instalment: <Currency of the Agreement> <value>.

Further pre-financing instalment(s): <Currency of the Agreement> <amount> following the end of the <1st, 2nd, etc.> reporting period, from date to date; (subject to the provisions of Annex II).

For EU External Actions and CFSP, the further pre-financing instalments should be indicated as one global amount and not broken down per payment. The actual instalments will be based on the updated forecast for the next reporting period. Where the Implementation Period is 12 months or less or where the EU contribution is EUR 100,000 or less, further pre-financing instalments should not be included.

Forecast balance of the final amount of the contribution, if any (subject to the provisions of Annex II):<Currency of the Agreement> <amount>.

Where the Currency of the Agreement is not EUR insert:

The sum of the payments in the accounting currency of the Organisation shall never exceed the total EU Contribution in EUR.

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1 In case of direct award, when the Action under this Agreement is part of a bigger project or programme of the Organisation for which the total final budget is not known at the time of the signature of this Agreement, the percentage may be up to 100% if the Contracting Authority has the assurance of the existence of co-financing.

2 The Parties have to agree on a pre-financing rate (X%). The determination of the amount of the pre-financing instalments corresponds to X% of the part of the forecast budget for the following reporting period of the Action which is being financed by the EU (excluding not authorised contingencies).

3 For EU External Actions and CFSP, by default, the reporting period is every 12 months as from the commencement of the Implementation Period.
4.2 For contributions of more than EUR 5,000,000, For EU External Actions and CFSP add: [a further pre-financing payment may be made only if the part financed by the Contracting Authority of the eligible costs approved is at least equal to the total amount of all the previous payments excluding the last one.] For Internal Policies, if a pre-financing is paid and if the reporting periods exceed eighteen month, add: [in addition to the reporting requirements set out in Article 3 of Annex II, the Organisation shall inform the Contracting Authority by <31 December> <30 November> each year about the cumulative expenditure incurred by the Organisation from the starting date of the Action specified in Article 2.2.

Insert, if needed:

4.3 For specific reporting requirements: <Specify the applicable reporting requirements and payment schedules/length of reporting period, etc.>

Article 5 — Communication language and contacts

5.1 All communications to the Contracting Authority in connection with the Agreement, including reports referred to in Article 3 of Annex II, shall be in <specify the language>. If requested by the Contracting Authority they shall be accompanied by a translation or a summary in English or French where the language of the Agreement is not English or French.

5.2 Any communication relating to the Agreement shall be in writing, shall state the number and/or title of the Action, and shall use the following addresses below.

5.3 Any communication relating to the Agreement, including payment requests and attached reports, and requests for changes to bank account arrangements shall be sent to:

For the Contracting Authority

[Option 1: where the Contracting Authority is the European Commission: European Commission

<Directorate-General for insert responsible DG>

For the attention of <address of the finance unit/section>

Copies of the documents referred to above, and correspondence of any other nature, shall be sent to:

European Commission

< Directorate-General for insert responsible DG>

For the attention of <address of the management unit/section>]

[Option 2: where the Contracting Authority is not the European Commission;

<address of the Contracting Authority’s management department>]

[A copy of the reports referred to in Article 3 of Annex II and the reports, publications, press releases and updates relevant to the Action referred to in Article 8.6 of the General Conditions shall be sent to <insert address>]

For the Organisation

<address of the Organisation for correspondence>

5.4. Ordinary mail shall be deemed to have been received on the date on which it is officially registered at the address referred to above.

5.5 The contact point within the Organisation which shall have the appropriate powers to cooperate directly with the European Anti-Fraud Office (OLAF) in order to facilitate the latter's operational activities shall be: <complete OLAF contact point within the Organisation>

Article 6 — Annexes

6.1 The following documents are annexed to these Special Conditions and form an integral part of the Agreement:

Annex I: Description of the Action (including the Logical Framework of the Project) and – where applicable - the Concept Note

Annex II: General Conditions for PA Grant or Delegation Agreements (Part II on Delegation Agreements does not apply)

[Annex II.b: Provisions applicable only to calls for proposals and other specific circumstances]

* EN, FR, ES or PT.
* Indicative Results Indicators measuring Outputs and Outcomes as determined by the nature of the Action, have to be included in Annex I attached to the Agreement.
Annex III: Budget for the Action

Annex IV: Financial identification form

Annex V: Standard request for payment

Annex VI: Communication and Visibility Plan

6.2 In the event of a conflict between the present Special Conditions and any annex thereto, the provisions of the Special Conditions shall take precedence. In the event of a conflict between the provisions of Annex II [and whenever applicable including Annex II.b] and those of the other annexes, those of Annex II [and whenever applicable and Annex II.b] shall take precedence.

Article 7 — Other specific conditions applying to the Action

7.1 The following shall supplement the General Conditions:

For costs of a project office:

7.1.x. Where the implementation of the Action requires the setting up or the use of a project office, the Organisation may declare as eligible direct costs capitalised and operating costs of the structure if all the following conditions are fulfilled:

a) They comply with the cost eligibility criteria referred to in Article 18.1 of the General Conditions;

b) They fall within one of the following categories:

i) costs of staff, including administration and management staff, directly assigned to the operations of the project office. The tasks listed in the Description of the Action (Annex I), undertaken by staff assigned to the project office will be directly attributable to the implementation of the Action;

ii) travel and subsistence costs for staff and other persons directly assigned to the operations of the project office;

iii) depreciation costs, rental costs or lease of equipment and assets composing the project office;

iv) costs of maintenance and repair contracts specifically awarded for the operations of the project office;

v) costs of consumables and supplies specifically purchased for the operations of the project office;

vi) costs of IT and telecommunication services specifically purchased for the operations of the project office;

vii) costs of energy and water specifically supplied for the operations of the project office;

viii) costs of facility management contracts including security fees and insurance costs specifically awarded for the operations of the project office;

c) The Organisation declares the eligible direct costs of the project office as actual costs or for staff costs on the basis of unit costs determined by the Organisation according to its usual accounting practice;

d) The Organisation declares as eligible only the portion of the capitalised and operating costs of project office which corresponds to the duration of the Action and

i) the rate of actual use of project office for the purposes of the Action; or

ii) the rate of use of a project office for the purposes of the Action, determined by the Organisation on the basis of a simplified allocation method, provided that the allocation method is compliant with the Organisation’s usual accounting and management practices, applied in a consistent manner regardless of the source of funding, and based on an objective, fair and reliable allocation key.

If the Organisation implements the Action together with Co-Beneficiaries:

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* Where payment is to be made to a bank account which is already known to the Contracting Authority, the Organisation may provide a copy of the relevant financial identification form: http://ec.europa.eu/budget/contracts_grants/info_contracts/financial_id/financial_id_en.cfm

If required, the Organisation shall provide a copy of the Legal Entity File: http://ec.europa.eu/budget/contracts_grants/info_contracts/legal_entities/legal_entities_en.cfm

* The Communication and Visibility plan describes the measures to acknowledge that the Action receives EU funding.

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**Any supplementary or derogation provisions not mentioned in this template shall be consulted with DG BUDG D1 and D2 for Internal Policies and with DG DEVCO R3 for external policies.**
[7.1.x For the purpose of this Agreement, the following legal entities are considered Co-Beneficiaries:
<Full official name as mentioned in the LEF of any Co-Beneficiary(ies)>
[<Legal status (organisation)>]
[<Organisation official registration number>] <Full official address>
[VAT number, for VAT registered beneficiaries]
Repeat as many times as Co-Beneficiaries

If the Organisation implements the Action together with Affiliated Entities add:
[7.1.x For the purpose of this Agreement, the following legal entities are considered Affiliated Entities:
<name of the legal entity>, affiliated to <name of the Organisation or Co-Beneficiary>
Repeat as many times as Affiliated Entities

If the Organisation implements the Action together with Co-Beneficiaries and Affiliated Entities add:
The declaration included in Article 1.2 also extends to the [Co-Beneficiaries] and [Affiliated Entities]

Insert if needed, if financial support to third parties is part of the Action:
[7.1.x Financial support is one of the main purposes of the Action.]

Insert if VAT, taxes, duties and charges are not eligible, i.e. in one of the following cases:

1. the basic act/financing agreement excludes their eligibility
2. for VAT, the activities supported through the contribution are engaged in by the Organisation as a Member State public authority (police, justice and public domain management):
[7.1.x <VAT/ taxes, duties and charges > are not eligible for <specify the relevant activities> or [all the activities described in Annex I]]

In case of accepted costs system (ineligible taxes, in kind contributions, overheads exceeding 7 %...);

7.1.x The following non eligible costs may be considered part of the total accepted costs of the Action for the purpose of co-financing: <clarify the conditions and specificities of the relevant costs, such as, non eligible taxes, including VAT, indirect costs exceeding 7%, in-kind-contributions etc.>
Unless the existence of the relevant costs has been recognized by the Contracting Authority ex ante, insert: The corresponding cost must be included separately in the budget and in the financial reports.

Only where relevant following a call for proposals, insert:
[The total accepted costs of the Action are estimated at <Currency of the Agreement> <enter total of estimated eligible costs plus non eligible costs, etc.> as set out in Annex III. The Contracting Authority’s contribution set out in Article 3.2 is further limited to <enter applicable percentage> % of the total accepted costs.]

7.2 The following derogations from Annex II shall apply:

If the objective of the Action is to reinforce the financial capacity of the Organisation or to generate an income to ensure its sustainability beyond the end of this Agreement, insert:
[7.2.x By derogation from Article 23.4 of Annex II, the no-profit rule shall not apply to: [choose > [actions the objective of which is the reinforcement of the financial capacity of the Organisation] or [actions which generate an income to ensure their continuity beyond the end of this Agreement]]

For EDF, only where the Agreement implements a financing agreement concluded following a 2013 or earlier template:
[7.2.x The initial pre-financing payment shall be made within 45 days of receipt by the Contracting Authority of the signed Agreement.]

For EDF, only where the Agreement implements a financing agreement concluded following a 2014 or later template:
[7.2.x The initial pre-financing payment shall be made within 60 days of receipt by the Contracting Authority of the signed Agreement.]

If needed in case the Implementation Period starts later than the entry into force of the Agreement:
[7.2.x By derogation from Article 19.1, first pre-financing instalment will be paid by <insert date>]

Done in <specify the place> in three originals in the English language, two for the Contracting Authority and one for the Organisation.

For the Organisation [and on behalf of the Co-] For the Contracting Authority
**Beneficiaries**

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<thead>
<tr>
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<td>Position</td>
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<td>Signature</td>
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In the case of ex-ante control if the European Commission makes the payments under the Agreement and if required (see Indirect Management with ex-ante controls, section 6.5.8.6 of the Practical Guide):

**Endorsed for financing by the European Union**

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<thead>
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11 In accordance with the mandate conferred on the Organisation, (see section 5 of the application form for calls for proposals available on the EuropeAid website), the Organisation signs this Agreement also on behalf of the Co-Beneficiaries, who, therefore, do not need to individually sign this Agreement to become parties to it.