

**GRANT CONTRACT FOR A DECENTRALISED PROGRAMME
- EUROPEAN COMMUNITY EXTERNAL AID -**

[.....] (*Contract identification number*)

[.....] (*full name and address of the Contracting Authority*) (“the Contracting Authority”),

of the one part,

and

[.....] (*full name of Beneficiary*) [.....] (*acronym*) with its office at [.....] (*address [of registered office - for companies and associations; of main office - for public bodies and universities], VAT number or equivalent official registration number where appropriate*), (“the Beneficiary”)

of the other part,

have agreed as follows:

Special Conditions

Article 1 - Subject

- 1(1) The subject of this Contract is the Contracting Authority's grant for the implementation of the operation entitled: [.....] (*title of the Operation*) (“the Operation”).
- 1(2) The Beneficiary will be awarded the grant on the terms and conditions set out in this Contract, which consists of these special conditions (“Special Conditions”) and their annexes, which the Beneficiary hereby declares he has taken note of and accepts.
- 1(3) The Beneficiary accepts the grant and undertakes to carry out the Operation under his own responsibility.

Article 2 - Duration of execution

- 2(1) Implementation of the Operation will begin on:
(*select one*)
 - *the day following that on which the last of the two parties signs*
 - *the first day of the month following the date on which the advance is paid by the Contracting Authority*
 - [.....] (*a later date*).
- 2(2) The Operation's duration of execution, as laid down in Annex I, is [.....] (*number of months*).

Article 3 - Financing the Operation

- 3(1) The total cost of the Operation eligible for financing by the Contracting Authority is estimated at ... [...],¹ as set out in Annex III.
- 3(2) The Contracting Authority undertakes to finance a maximum of ... [...], equivalent to [...]% of the estimated total eligible cost specified in paragraph 1; the final sum will be established in accordance with Article 17 of Annex II.

Article 4 - Technical and financial reporting and payment arrangements

- 4(1) Technical and financial reports shall be produced to back up payment requests, in compliance with Articles 2 and 15(1) of Annex II.
- 4(2) Payment will be made in accordance with Article 15 of Annex II; of the options referred to in Article 15(1), the following will apply:²

Option 1

Advance:	... [.....]
Forecast final payment (subject to the provisions of Annex II)	... [.....]

Option 2

Advance (80% of the part of the forecast budget for the first 12 months of implementation financed by the Contracting Authority excluding contingencies):	... [.....]
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Intermediate annual payment(s):	... [.....]
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Forecast final payment (subject to the provisions of Annex II)	... [.....]
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Option 3

Forecast final (one off) payment (subject to the provisions of Annex II)	... [.....]
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Article 5 - Contact addresses

¹ State all amounts in the currency selected for payment (the euro or the currency of the country to which the Contracting Authority belongs).

² Delete the two options which do not apply. If the Contracting Authority wishes to reduce the percentage paid as an advance, Article 7(2) of the Special Conditions must state explicitly that this is by way of derogation from Article 15(1) of the General Conditions (specifying the frequency of payments), and the other relevant clauses of the General Conditions (in particular, correlation of reports and payment requests) must be observed.

Any communication relating to this Contract must be in writing, must state the number and title of the Operation and must use the following addresses

For the Contracting Authority:

[.....] (*address of the Contracting Authority's management department and/or the Project Management Unit responsible for managing the programme*)

For the Beneficiary:

[.....]

A copy of the reports referred to in Article 4(1) must be sent to the European Commission Delegation responsible for supervising the Operation, at the following address:

[.....]

Article 6 - Annexes

6(1) The following documents are annexed to these Special Conditions and form an integral part of the Contract:

Annex I: Description of the Operation

Annex II: General Conditions applicable to European Community-financed grant contracts concluded under decentralised external aid programmes

Annex III: Budget for the Operation

Annex IV: Contract-award procedures

Annex V: standard request for payment and financial identification form

6(2) In the event of conflict between the provisions of the Annexes and those of the Special Conditions, the provisions of the Special Conditions shall take precedence. In the event of conflict between the provisions of Annex II and those of the other annexes, the provisions of Annex II shall take precedence.

[Article 7 - Other specific conditions applying to the Operation]

7(1) The following shall supplement the General Conditions:

7(1)(1) The audit firm which will carry out the audit(s) referred to in Article 16(5) of Annex II is [.....] (name, address, telephone and fax).³

³ This provision will be inserted only where an audit is provided for under the terms of Article 16(4) of Annex II. Where the Contracting Authority wants to have a systematic audit of the project carried out, Article 7(2) of the Special Conditions must stipulate that Article 16(5) of the General Conditions does not apply.

7(2) The following derogations from the General Conditions shall apply:

7(2)(1) By derogation from Article [...].

Done at [...] in four originals in the English language, three originals being for the Contracting Authority and one original being for the Beneficiary.

For the Beneficiary

.....

[name and title of the individual(s) authorised to sign]

[signature]

[date]

For the Contracting Authority

.....

[name of the official(s) authorised to sign]

[signature]

[date]

Endorsed for financing by the European Community

.....

[name of the official(s) authorised to sign]

[signature]

[date]