

## **APPENDIX I – to include in the Special Conditions when one of the Beneficiaries is an international organisation<sup>1</sup>.**

7.3 The following modifications to the General Conditions shall apply to: **<include here the international organisation(s) who are beneficiary(ies) of the grant>** (hereinafter the “Organisation”)

- Nothing in this contract shall be interpreted as a waiver of the Organisation's privileges and immunities or of any specific agreement, including on verification, concluded in this respect with the European Union.
- Annexes VIII and IX are not applicable to the Organisation.
- Article 3 of the general conditions shall be supplemented as follows:

The organisation liability is subject to the rules governing the organisation's privileges and immunities.

- Article 6 of the general conditions shall be supplemented as follows:

Equipment and vehicles of the Organisation may routinely carry its emblem and other indications of ownership prominently displayed. If during the implementation of the Action, equipment, vehicles, or major supplies are purchased, the organisation shall, however, display appropriate acknowledgement on such vehicles, equipment and major supplies (including display of the European Union logo). Where such display could jeopardise the organisation's privileges and immunities or the safety and security of the organisation's staff or of the final beneficiaries, the organisation shall propose appropriate alternative arrangements. The acknowledgement and European Union logo shall be clearly visible in a manner that does not create any confusion regarding the identification of the action as an activity of the organisation, the ownership of the equipment and supplies by the Organisation, and the application to the Action of the Organisation's privileges and immunities.

- Article 7.5 of the General Conditions shall be supplemented by the following:

When the Action funded by the EU contributes to a larger action, the Organisation may transfer the equipment, vehicles and supplies paid by the budget of the Action to this larger action, if so provided for in the Special Conditions. In such case, it shall submit an inventory listing the items concerned and their use with the submission of the final report. The visibility requirements regarding the equipment, vehicles and supplies shall continue to apply at least until the end of the larger action.

Proofs of transfer of any equipment and goods transferred by the Organisation shall not be attached to the final report but kept for verification according to Article 16.

- Articles 12.8 to 12.10 (Administrative and financial penalties) of the General Conditions shall be subject to the privileges and immunities of the Organisation.
- Articles 13.1, 13.3 and 13.4 of the General Conditions shall be replaced by the following:

Without prejudice to any related Financial Framework Partnership Agreement, in default of amicable settlement, the parties may refer the matter to arbitration in accordance with the Permanent Court of Arbitration Optional Rules for Arbitration Involving International Organisations and States in force at the date of conclusion of this Agreement. The appointing authority shall be the Secretary General of the Permanent Court of Arbitration following a written request submitted by either Party. The Arbitrator's decision shall be binding on all Parties and there shall be no appeal.

---

<sup>1</sup> Where the Coordinator is an international organisation whose pillars have been positively assessed by the European Commission, this annex is not relevant, as the Organisation will sign a Contribution Agreement based on the related template. This template therefore applies only where a pillar assessed international organisation acts as co-beneficiary or where the coordinator or a co-beneficiary is an international organisation whose pillars have not been positively assessed.

- Article 14.11 of the General Conditions shall be supplemented by the following:

The following costs shall not be considered eligible: provisions, reserves or non-remuneration related costs. Employers' contributions to pension or other insurance funds run by the Organisation may only be eligible to the extent they do not exceed the actual payments made by these schemes and that the amount provisioned does not exceed the contribution that could have been made to an external fund;

The coordinator shall ensure that any financial report as required under Article 2 can be properly and easily reconciled to the accounting and bookkeeping system and to the underlying accounting and other relevant records. For this purpose, the beneficiary (ies) shall prepare and keep appropriate reconciliations, supporting schedules, analyses and breakdowns for verification.

**Only where the Organisation is a co-beneficiary whose pillars have been positively assessed:**

- The Organisation shall notify the contracting authority and the European Commission where it is not the contracting authority, without delay of any substantial change in the rules, procedures and systems applied in the implementation of the Action. This obligation concerns in particular (i) such changes affecting the pillar assessment undergone by the organisation, where applicable (ii) those which may affect the conditions for eligibility provided for in the applicable legal instruments of the EU, or (iii) any other circumstance likely to affect the implementation of the Action, delay or jeopardise its performance. The contracting authority reserves the right to adopt additional measures in response to said changes or to terminate the contract.
- Articles 4.3 and 4.4. of the general conditions shall be applied according to the Organisation's rules and regulations positively assessed in the pillar assessment.
- Article 15.7 of the general conditions shall be supplemented as follows:

The Organisation may decide to substitute the expenditure verification report and/or the detailed breakdown of expenditure for the part of incurred expenditure of the action that is implemented by the organisation by a management declaration stating that during the period covered by the corresponding report the contribution has been used and accounted for in compliance with the systems and rules positively assessed in the pillar assessment and with the obligations laid down in this contract. In that case, Annex VII is not applicable to the organisation.

**Select one:**

**For International Organisations which have established an arrangement to provide annually the management declaration:** [The Organisation shall provide annually a management declaration to the European Commission headquarters.]

**For International Organisations /Member State Organisations in all other cases:** [The Organisation shall provide a management declaration with every progress and final report.]

- Article 16 of the General Conditions shall be replaced by the following:

**Accounting**

- 16.1 The Organisation shall keep accurate and regular records and accounts of the implementation of the Action. The accounting regulations and rules of the Organisation shall apply to the extent that they ensure accurate, complete, reliable and timely information. Financial transactions and financial statements shall be subject to the internal and external auditing procedures laid down in the regulations and rules of the Organisation.

**Archiving**

- 16.2 For a period of five (5) years from the payment of the balance and in any case until any on-going audit, verification, appeal, litigation or pursuit of claim or investigation by the European Anti-Fraud Office (OLAF), if notified to the Organisation, has been disposed of, the Organisation shall keep and make available according to this article all relevant financial information (originals or copies) related to the contract and to any procurement contracts and agreements for financial support.

**Access and financial checks**

- 16.3. The Organisation shall allow the European Commission, or any authorised representatives, to conduct desk reviews and on-the-spot checks on the basis of supporting accounting documents and any other document related to the financing of the Action.
- 16.4. The Organisation agrees that OLAF may carry out investigations, including on-the-spot checks and inspections, in accordance with the provisions laid down by EU law for the protection of the financial interests of the EU against fraud, corruption and any other illegal activity.
- 16.5. The Organisation agrees that the execution of this contract may be subject to scrutiny by the Court of Auditors when the Court of Auditors audits the European Commission's implementation of EU expenditure. In such case, the Organisation shall provide to the Court of Auditors access to the information that is required for the Court to perform its duties.
- 16.6. The European Public Prosecutor's Office also has the right of access for the purpose of checks, audits and investigations.
- 16.7. To that end, the Organisation undertakes to provide officials of the European Commission, the European Public Prosecutor's Office, OLAF and the European Court of Auditors and their authorised agents, upon request, information and access to any documents and computerised data concerning the technical and financial management of operations financed under the contract, as well as grant them access to sites and premises at which such operations are carried out. The Organisation shall take all necessary measures to facilitate these checks in accordance with its regulations and rules. The documents and computerised data may include information that the Organisation considers confidential in accordance with its own established regulations and rules or as governed by contractual agreement. Such information once provided to the European Commission, the European Public Prosecutor's Office, OLAF, the European Court of Auditors, or any other authorised representatives, shall be treated in accordance with EU confidentiality rules and legislation and Article 5. Documents must be accessible and filed in a manner permitting checks, the Organisation being bound to inform the European Commission, the European Public Prosecutor's Office, OLAF or the European Court of Auditors of the exact location at which they are kept. Where appropriate, the parties may agree to send copies of such documents for a desk review.
- 16.8. Where applicable, the desk reviews, investigations, on-the-spot checks and inspections referred to in Article 16.3 to 16.8 shall refer to a verification that shall be performed in accordance with the verification clauses agreed between the Organisation and the European Commission. This is without prejudice to any cooperation arrangement between OLAF and the Organisation's anti-fraud bodies.
- 16.9. The European Commission shall inform the Organisation of the planned on-the-spot missions by agents appointed by the European Commission in due time in order to ensure adequate procedural matters are agreed upon in advance.
- 16.10. Failure to comply with the obligations set forth in this Article 16 constitutes a case of breach of a substantial obligation under this Agreement.