

ANNEX II.b - Provisions only applicable to a Contribution Agreement resulting from the award of a grant with or without a call for proposals for EU External Action¹

To be added to the Special Conditions

a) In Article 1.3bis SC, in case of Multi-Partner Contribution Agreements with non-pillar-assessed Partners, include:

<names of non-pillar-assessed entity> [is a/are] non-pillar assessed Partner[s] for the purposes of Annexes II.a and II.b.

b) In Article 3.1 SC:

- after the second sentence, indicate the percentage of total eligible costs financed by the EU Contribution if the guidelines of the call for proposals provide for the application of a percentage:

The EU Contribution is further limited to <enter applicable percentage> of the total eligible costs of the Action.

- at the end, insert the following sentence:

The final amount shall not exceed the amount obtained by applying the percentage laid down in the first subparagraph to the total eligible costs of the Action approved by the Contracting Authority.

c) In Article 7 SC, if the Organisation implements the Action together with Affiliated Entities add (and repeat as many times as Affiliated Entities):

7.1.x For the purpose of this Agreement, the following entities are considered Affiliated Entities:

<name of the legal entity>, affiliated to <name of the Organisation or Partner>;

d) In Article 7 SC, for accepted costs system, insert:

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, as follows: <clarify the conditions and specificities of the relevant costs in accordance with the relevant guidelines for applicants>.

The total accepted costs of the Action are estimated at <currency of the Agreement> <enter total of estimated eligible costs plus non-eligible costs>, as set out in Annex III. The Contracting Authority's contribution set out in Article 3.1 is further limited to <enter applicable percentage> of the total accepted costs.

e) In Article 7 SC, in case the guidelines for the call for proposals provide for the application of a percentage:

7.1.x By way of derogation from Article 3.8 f), if the EU Contribution is expressed both as nominal amount and as a percentage of total eligible costs of the Action, the full amount of the costs related to the Action needs to satisfy the eligibility conditions of Article 16 of Annex II.

The following provisions shall supplement Annex II

Article 8.3 of Annex II shall be supplemented as follows: "As an alternative, the relevant equipment, vehicles and remaining major supplies may also be transferred to local non-pillar-assessed Partners."

Article 10.4 of Annex II shall be supplemented as follows: "Amendments shall not have the purpose or the effect of making such changes to the Agreement as would call into question the award decision or, where applicable, be contrary to the equal treatment of applicants."

Where the Contribution Agreement results from a call for proposals or from an award of a grant without

¹ Even if non-assessed Partners or affiliated entities participate in the implementation of the Action. EU External Action refers to actions financed under NDICI-GE, EINS, EDF, DCI, ENI, IPA II, INSC, IcSP, PI, EIDHR, their predecessors and successor(s). All other actions - except CFSP and humanitarian aid - are Internal Policies.

a call for proposals, Article 16.1 of Annex II shall be supplemented as follows: “Costs related to Grants are only eligible if the Grants are provided in accordance with the requirements for financial support to third parties as set out in Annex I and the relevant guidelines for applicants. Costs related to Procurement Contracts shall be eligible provided that the non-pillar-assessed Partner awarded the Procurement Contract to the tender offering best value for money or, as appropriate, to the tender offering the lowest price, and conflicts of interest are avoided.”

Where the Contribution Agreement results from a call for proposals, Article 16.5 of Annex II shall be supplemented as follows: “Currency exchange losses”.

Where the EU Contribution is also expressed as a maximum percentage in the Special Conditions, Article 18.2 of Annex II shall be supplemented as follows: c) the amount obtained by applying the percentage set out in Article 3.1 of the Special Conditions to the total eligible costs of the Action approved by the Contracting Authority.

The following provision shall amend Annex II

If the Action is not a Multi-Donor Action and non-pillar-assessed Partners participate, Article 20.1 of Annex II shall be supplemented as follows:

Notwithstanding the foregoing, for Procurement Contracts to be signed by non-pillar-assessed Partners, the origin of the goods and the nationality of the organisations, companies and experts selected for carrying out activities in the Action shall be determined in accordance with the applicable regulatory provisions of the European Union.

The following provisions shall supplement Annex II.a

Article 1 of Annex II.a shall be supplemented as follows: except for Articles 2.2 to 2.4 of Annex II. Non-pillar-assessed Partners shall comply with second subparagraph of Article 2.7 of Annex II. Where part of the Action is implemented by affiliated entities the rules for Partners apply *mutatis mutandis*, except for Articles 2.2 to 2.4 of Annex II. Affiliated entities shall comply with second subparagraph of Article 2.7 of Annex II. Affiliated entities are not Party to the Agreement but shall be mentioned in Article 7 of the Special Conditions.

Article 2 of Annex II.a shall be supplemented as follows: The management declaration and, where applicable, audit opinion of the Organisation shall encompass the activities implemented by non-pillar-assessed Partners and any affiliated entities.

Article 6 of Annex II.a shall be supplemented as follows: The Organisation is financially responsible for the parts of the Action to be implemented by non-pillar-assessed Partners and any affiliated entities.