



European Union Agency for Law Enforcement Training

GRANT DECISION FOR AN ACTION

Decision Nr [...] of the

European Union Agency for Law Enforcement Training

on the award of a grant to support *[insert name of the action]* within the *Framework Partnership Agreement No [...]*

The **European Union Agency for Law Enforcement Training** (hereinafter referred to as "CEPOL"), represented for the purposes of signature of this Grant Decision by its Executive Director, Detlef Schroeder, Dr h.c.,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2015/2219 of the European Parliament and of the Council of 25 November 2015 on the European Union Agency for Law Enforcement Training (CEPOL) and replacing and repealing Council Decision 2005/681/JHA¹,

Having regard to Title VII GRANTS of Regulation (EU, Euratom) No 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012²

Having regard to the Management Board Decision 19/2019/MB of 22 May 2019, adopting the CEPOL Financial Regulation and repealing decision 01/2014/GB,

Whereas:

- (1) Regulation (EU, Euratom) No 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union (hereinafter the «Financial Regulation») provides the framework for the award of CEPOL grants;
- (2) This Grant Decision is adopted following a call for proposals by which applicants have been informed of the model Grant Decision of the Agency and of the General

¹ OJ L319, 4.12.2015, p.1

² OJ L 193, 30.7.2018, p.1

Conditions. Submission of a grant application implies acceptance of the General Conditions annexed to this Grant Decision;

- (3) The addressee of this Grant Decision presented a grant application under this call for proposals (application No [*insert number and date of the application*]), wherein it declares that it has taken note of the conditions set out in the call, including the General Conditions of the model Grant Decision annexed to it, and accepts them;
- (4) The application fulfils the conditions set out in the abovementioned call for proposals and has been selected;
- (5) The Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities³ and Regulation (EU, EURATOM) No 883/2013 of the European Parliament and the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF)⁴ provide for measures for the effective protection of the Union's financial interests;
- (6) The Agency, the Commission and the European Court of Auditors may check the use made of the grant at any time during the implementation of the action and during a period of five years following the date of payment of the balance or of three years following the payment of the balance in the case the maximum amount of the grant is not more than EUR 60 000.

HAS DECIDED AS FOLLOWS:

³ OJ L 292, 15.11.1996, p. 2–5.

⁴ OJ L 136, 31.5.1999, p. 1–7.

ARTICLE 1 – PURPOSE OF THE GRANT

CEPOL grant is awarded to:

[full official name] [ACRONYM]

[official legal status or form]⁵

[official registration No]⁶

[official address in full]

[VAT number],

hereinafter referred to as “the beneficiary”,

represented for the purposes of this Grant Decision by [function, forename and surname]

for the action entitled **[insert title of the action in bold]** (“the action”) as described in Annex I, under the terms and conditions set out in the present Grant Decision, the General Conditions and the other Annexes to this Grant Decision.

The beneficiary shall implement the action, acting on its own responsibility.

ARTICLE 2 – ENTRY INTO FORCE OF THE GRANT DECISION AND DURATION

- 2.1** The Grant Decision shall take effect on the date of its notification to the beneficiary.
- 2.2** The action shall be held in **[Qx/200X]**. The exact starting date of the action and the end date of the action must be communicated by the Beneficiary at least **[x month/days]** in advance to CEPOL using the communication details set in article 6.2. CEPOL has the right to refuse the proposed start date of the action within 3 weeks as from the reception of the proposal; otherwise the date proposed becomes effective.

ARTICLE 3 - MAXIMUM AMOUNT AND FORM OF THE GRANT

The grant shall be of a **maximum amount of EUR [...]** and shall take the form of:

- (a) The reimbursement of 95% of the eligible costs of the action ("reimbursement of eligible costs"), which are estimated at EUR [...]** and which are:

⁵ To be deleted or filled in according to the "Legal Entity" form. Delete if the beneficiary is a natural person or a public-sector body.

⁶ To be deleted or filled in according to the "Legal Entity" form. Delete if the beneficiary is a natural person or a public-sector body. (For natural persons, also indicate the number of their identity card or, failing that, of their passport or equivalent).

- (i) **actually incurred (“reimbursement of actual costs”) for the [following] categories of costs indicated in Annex III [: ...].**

ARTICLE 4 – ADDITIONAL PROVISIONS ON REPORTING, PAYMENTS AND PAYMENT ARRANGEMENTS

4.1 Reporting periods, payments and additional supporting documents

In addition to the provisions set out in the General Conditions n° 23 and 24, the following reporting and payment arrangements shall apply:

- *[Upon notification of this Grant Decision, a pre-financing payment of [EUR [...]] [[...]]% of the maximum amount specified in Article 3] shall be paid to the beneficiary within 30 days.*

[Payment of the balance - all grants]

- Sole reporting period set out in Article 2.2: The balance shall be paid to the beneficiary subject to the receipt of supporting documents in accordance with General Condition n° 23.2.

4.2 Time limit for payments

The time limit for the Agency to make payment of the balance is 60 days.

4.3 Language of requests for payments, training reports and financial reports

All requests for payments, training reports and financial report shall be submitted in English.

ARTICLE 5 – BANK ACCOUNT FOR PAYMENTS

All payments shall be made to the beneficiary's bank account, denominated in euro, as indicated below⁷:

Name of bank: [...]

Address of branch: [...]

Precise denomination of the account holder: [...]

Full account number (including bank codes): [...]

[IBAN code: [...]]⁸

⁷ As shown by the account identification document issued or certified by the bank concerned

⁸ BIC or SWIFT code applies to for countries where the IBAN code does not apply.

ARTICLE 6 - DATA CONTROLLER AND COMMUNICATION DETAILS

6.1 Data controller

The entity acting as a data controller according to General Condition n° 6 shall be the person who is representing the Agency for the purposes of the signature of this Grant Decision.

6.2 Communication details of the Agency

Any communication addressed to the Agency shall be sent to the following address:

European Union Agency for Law Enforcement Training,
Attn.: Executive Director
1066 Budapest
Ó utca 27
Hungary
E-mail address: *[insert functional mailbox]*

6.3 Communication details of the beneficiary

This Grant Decision is addressed to the beneficiary:

[Full name]
[Function]
[Name of the entity]
[Full official address]
E-mail address: *[complete]*

Any communication from the Agency to the beneficiary shall be sent to the above mentioned address.

ARTICLE 7 – ADDITIONAL PROVISIONS ON THE USE OF THE RESULTS (INCLUDING INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS)

In addition to the provisions of General Condition n° 8.3, the beneficiary shall warrant that the Agency and the Commission has the rights to:

- (a) communicate to the public the results of the action by any means of communication.
- (b) edit or re-write in another way the results of the action, including shortening, summarising, modifying the content, correcting technical errors in the content;
- (c) cut, insert meta-data, legends or other graphic, visual, audio or word elements in the results of the action;
- (d) extract a part (e.g. audio or video files) of, divide into parts or compile the results of the action;

- (e) prepare derivative works of the results of the action;
- (f) translate, insert subtitles in, dub the results of the action in:
 - all official languages of EU
 - languages of candidate countries;
- (g) authorise or sub-licence the modes of exploitation set out above to third parties.

The Agency and the Commission shall have the rights of use specified in the General Conditions and set out above for the whole duration of the industrial or intellectual property rights concerned.

ARTICLE 8 – SPECIAL PROVISIONS ON BUDGET TRANSFERS

Not applicable.

ARTICLE 9 – ORDER OF PRECEDENCE AND ANNEXES

The Annex II "General Conditions" (hereinafter referred to as the "General Conditions") and the other Annexes to the present Grant Decision form an integral part of the present Grant Decision. The terms set out in this Grant Decision shall take precedence over those in the General Conditions. The terms of the General Conditions shall take precedence over the other Annexes.

ARTICLE 10 – SPECIAL PROVISIONS ON THE CONVERSION OF COSTS INCURRED IN ANOTHER CURRENCY INTO EURO

Requests for payment and financial statements must be drafted in euros.

The beneficiary and affiliated entities with general accounts in a currency other than the euro must convert costs incurred in another currency into euros at the average of the daily exchange rates published in the C series of the *Official Journal of the European Union* (available at <http://www.ecb.europa.eu/stats/exchange/eurofxref/html/index.en.html>), determined over the corresponding reporting period.

If no daily euro exchange rate is published in the *Official Journal of the European Union* for the currency in question, conversion must be made at the average of the monthly accounting rates established by the Commission and published on its website (http://ec.europa.eu/budget/contracts_grants/info_contracts/infoeuro/infoeuro_en.cfm), determined over the corresponding reporting period.

The partner and affiliated entities with general accounts in euros must convert costs incurred in another currency into euros in accordance with their usual accounting practices.

SIGNATURE

For the Agency

[forename/surname]

Executive Director

[signature]

Done at Budapest, [date]

In duplicate in English

Annex I Description of the action

Annex II General Conditions (hereinafter referred to as “the General Conditions”)

Annex III Estimated budget of the action

Annex IV *[Model training report (T43)]*

Annex V *[Model financial report (T44)]*

ANNEX II

GENERAL CONDITIONS

Submission of a grant application implies the acceptance of these General Conditions. These General Conditions bind the beneficiary to whom the grant is awarded and shall constitute an annex to the Grant Decision.

TABLE OF CONTENT

PART A – LEGAL AND ADMINISTRATIVE PROVISIONS

GENERAL CONDITION N° 1 – GENERAL OBLIGATIONS OF THE BENEFICIARY

GENERAL CONDITION N° 2 – COMMUNICATIONS BETWEEN THE AGENCY AND THE BENEFICIARY

GENERAL CONDITION N° 3 – LIABILITY FOR DAMAGES

GENERAL CONDITION N° 4 – CONFLICT OF INTERESTS

GENERAL CONDITION N° 5 – CONFIDENTIALITY

GENERAL CONDITION N° 6 – PROCESSING OF PERSONAL DATA

GENERAL CONDITION N° 7 – VISIBILITY OF UNION FUNDING

GENERAL CONDITION N° 8 - PRE-EXISTING RIGHTS AND OWNERSHIP AND USE OF THE RESULTS (INCLUDING INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS)

GENERAL CONDITION N° 9 – AWARD OF CONTRACTS NECESSARY FOR THE IMPLEMENTATION OF THE ACTION

GENERAL CONDITION N° 10 – SUBCONTRACTING OF TASKS FORMING PART OF THE ACTION

GENERAL CONDITION N° 11 – FINANCIAL SUPPORT TO THIRD PARTIES

GENERAL CONDITION N° 12 – AMENDMENTS TO THE GRANT DECISION

GENERAL CONDITION N° 13 – ASSIGNMENT OF CLAIMS FOR PAYMENTS TO THIRD PARTIES

GENERAL CONDITION N° 14 – FORCE MAJEURE

GENERAL CONDITION N° 15 – SUSPENSION OF THE IMPLEMENTATION OF THE ACTION

GENERAL CONDITION N° 16 – WITHDRAWAL OF THE GRANT DECISION

GENERAL CONDITION N° 17 – ADMINISTRATIVE AND FINANCIAL PENALTIES

GENERAL CONDITION N° 18 – APPLICABLE LAW, COMPETENT COURT AND ENFORCEABLE DECISION

PART B – FINANCIAL PROVISIONS

GENERAL CONDITION N° 19 – ELIGIBLE COSTS

GENERAL CONDITION N° 20 – IDENTIFIABILITY AND VERIFIABILITY OF THE AMOUNTS DECLARED

GENERAL CONDITION N° 21 – ELIGIBILITY OF COSTS OF ENTITIES AFFILIATED TO THE BENEFICIARY

GENERAL CONDITION N° 22 – BUDGET TRANSFERS

GENERAL CONDITION N° 23 – TECHNICAL AND FINANCIAL REPORTING – REQUESTS FOR PAYMENT AND SUPPORTING DOCUMENTS

GENERAL CONDITION N° 24 – PAYMENTS AND PAYMENT ARRANGEMENTS

GENERAL CONDITION N° 25 – DETERMINING THE FINAL AMOUNT OF THE GRANT

GENERAL CONDITION N° 26 – RECOVERY

GENERAL CONDITION N° 27 – CHECKS, AUDITS AND EVALUATION

PART A – LEGAL AND ADMINISTRATIVE PROVISIONS

GENERAL CONDITION N° 1 – GENERAL OBLIGATIONS OF THE BENEFICIARY

The beneficiary shall:

- (a) be responsible for carrying out the action in accordance with the terms and conditions of the Grant Decision;
- (b) be responsible for complying with any legal obligations incumbent on it;
- (c) inform the Agency immediately of any change likely to affect or delay the implementation of the action of which the beneficiary is aware;
- (d) inform the Agency immediately of any change in its legal, financial, technical, organisational or ownership situation or of its affiliated entities and of any change in its name, address or legal representative or of its affiliated entities;

GENERAL CONDITION N° 2 – COMMUNICATIONS BETWEEN THE AGENCY AND THE BENEFICIARY

2.1 Form and means of communications

Any communication relating to the Grant Decision or to its implementation shall be made in writing (in paper or electronic form), shall bear the number of the Grant Decision and shall be made using the communication details identified in Article 6 of the Grant Decision.

Electronic communications shall be confirmed by an original signed paper version of that communication if requested by the Agency or the beneficiary provided that this request is submitted without unjustified delay. The sender shall send the original signed paper version without unjustified delay.

Formal notifications shall be made by registered mail with return receipt or equivalent, or by equivalent electronic means.

2.2 Date of communications

Any communication is deemed to have been made when it is received by the addressee, unless the Grant Decision refers to the date when the communication was sent.

Electronic communication is deemed to have been received by the addressee on the day of successful dispatch of that communication, provided that it is sent to the addressees listed in Article 6 of the Grant Decision. Dispatch shall be deemed unsuccessful if the sender receives a message of non-delivery. In this case, the sender shall immediately send again such communication to any of the other addresses listed in Article 6 of the Grant Decision. In case of unsuccessful dispatch, the sender shall not be held in breach of its obligation to send such communication within a specified deadline.

Mail sent to the Agency using the postal services is considered to have been received by the Agency on the date on which it is registered by the department identified in Article 6.2 of the Grant Decision.

Formal notifications made by registered mail with return receipt or equivalent, or by equivalent electronic means, shall be considered to have been received by the addressee on the date of receipt indicated on the return receipt or equivalent.

GENERAL CONDITION N° 3 – LIABILITY FOR DAMAGES

- 3.1** The Agency shall not be held liable for any damage caused or sustained by the beneficiary, including any damage caused to third parties as a consequence of or during the implementation of the action.
- 3.2** Except in cases of force majeure, the beneficiary shall compensate the Agency for any damage sustained by it as a result of the implementation of the action or because the action was not implemented or implemented poorly, partially or late.

GENERAL CONDITION N° 4 - CONFLICT OF INTERESTS

- 4.1** The beneficiary shall take all necessary measures to prevent any situation where the impartial and objective implementation of the Grant Decision is compromised for reasons involving economic interest, political or national affinity, family or emotional ties or any other shared interest (“conflict of interests”).
- 4.2** Any situation constituting or likely to lead to a conflict of interests during the implementation of the Grant Decision shall be notified to the Agency, in writing, without delay. The beneficiary shall immediately take all the necessary steps to rectify this situation. The Agency reserves the right to verify that the measures

taken are appropriate and may require additional measures to be taken within a specified deadline.

GENERAL CONDITION N° 5 – CONFIDENTIALITY

- 5.1** The Agency and the beneficiary shall preserve the confidentiality of any information and documents, in any form, which are disclosed in writing or orally in relation to the implementation of the Grant Decision and which are explicitly indicated in writing as confidential.
- 5.2** The beneficiary shall not use confidential information and documents for any reason other than fulfilling its obligations under the Grant Decision, unless otherwise agreed with the Agency in writing.
- 5.3** The Agency and the beneficiary shall be bound by the obligations referred to in General Conditions n° 5.1 and 5.2 during the implementation of the Grant Decision and for a period of five years starting from the payment of the balance, unless:
- (a) the Agency or the beneficiary agrees to release the other from the confidentiality obligations earlier;
 - (b) the confidential information becomes public through other means than in breach of the confidentiality obligation through disclosure by the Agency or by the beneficiary.
 - (c) the disclosure of the confidential information is required by law.

GENERAL CONDITION N° 6 – PROCESSING OF PERSONAL DATA

6.1 Processing of personal data by the Agency

Any personal data included in the Grant Decision shall be processed by the Agency pursuant to Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data.

Such data shall be processed by the data controller identified in Article 6.1 of the Grant Decision solely for the purposes of the implementation, management and monitoring of the Grant Decision, without prejudice to possible transmission to the bodies charged

with the monitoring or inspection tasks in application of Union law.

The beneficiary shall have the right of access to his/her personal data and the right to rectify any such data. Should the beneficiary have any queries concerning the processing of his/her personal data, he/she shall address them to the data controller, identified in Article 6.1 of the Grant Decision.

The beneficiary shall have the right of recourse at any time to the European Data Protection Supervisor.

6.2 Processing of personal data by the beneficiary

The beneficiary shall process personal data under this Grant Decision in compliance with applicable EU and national law on data protection (including authorisations or notification requirements).

The access to data that the beneficiary grants to its personnel shall be limited to the extent strictly necessary for the implementation, management and monitoring of the Grant Decision.

The beneficiary undertakes to adopt appropriate technical and organisational security measures having regard to the risks inherent in the processing and to the nature of the personal data concerned, in order to:

- (a) prevent any unauthorised person from gaining access to computer systems processing personal data, and especially:
 - (i) unauthorised reading, copying, alteration or removal of storage media;
 - (ii) unauthorised data input as well as any unauthorised disclosure, alteration or erasure of stored personal data;
 - (iii) unauthorised persons from using data-processing systems by means of data transmission facilities;
- (b) ensure that authorised users of a data-processing system can access only the personal data to which their access right refers;
- (c) record which personal data have been communicated, when and to whom;
- (d) ensure that personal data being processed on behalf of third parties can be processed only in the manner prescribed by the Agency;

- (e) ensure that, during communication of personal data and transport of storage media, the data cannot be read, copied or erased without authorisation;
- (f) design its organisational structure in such a way that it meets data protection requirements.

GENERAL CONDITION N° 7 – VISIBILITY OF UNION FUNDING

7.1 Information on Union funding and use of European Union emblem

Unless the Agency requests or agrees otherwise, any communication or publication related to the action, made by the beneficiary, including at conferences, seminars or in any information or promotional materials (such as brochures, leaflets, posters, presentations, etc.), shall indicate that the action has received funding from the Union and shall display the European Union emblem.

When displayed in association with another logo, the European Union emblem must have appropriate prominence.

The obligation to display the European Union emblem does not confer to the beneficiary a right of exclusive use. The beneficiary shall not appropriate the European Union emblem or any similar trademark or logo, either by registration or by any other means.

For the purposes of the first, second and third subparagraphs and under the conditions specified therein, the beneficiary is exempted from the obligation to obtain prior permission from the Agency to use the European Union emblem.

7.2 Disclaimers excluding Agency and Commission responsibility

Any communication or publication related to the action, made by the beneficiary in any form and using any means, shall indicate that it reflects only the author's view and that the Agency and the Commission are not responsible for any use that may be made of the information it contains.

GENERAL CONDITION N° 8 – PRE-EXISTING RIGHTS AND OWNERSHIP AND USE OF THE RESULTS (INCLUDING INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS)

8.1 Ownership of the results by the beneficiary

Unless stipulated otherwise in the Grant Decision, ownership of the results of the action, including industrial and intellectual property rights, and of the reports and other documents relating to it, shall be vested in the beneficiary.

8.2 Pre-existing industrial and intellectual property rights

Where industrial and intellectual property rights, including rights of third parties, exist prior to the notification of the Grant Decision, the beneficiary shall establish a list which shall specify all rights of ownership and use of the pre-existing industrial and intellectual property rights and disclose it to the Agency at the latest before the commencement of implementation.

The beneficiary shall ensure that it or its affiliated entities have all the rights to use any pre-existing industrial and intellectual property rights during the implementation of the Grant Decision.

8.3 Rights of use of the results and of pre-existing rights by the Agency and the Commission

Without prejudice to General Conditions n° 1, 3 and 8.1, the beneficiary grants the Agency and the Commission the right to use the results of the action for the following purposes:

- (a) use for its own purposes, and in particular, making available to persons working for the Agency, the Union institutions, agencies and bodies and to Member States' institutions, as well as, copying and reproducing in whole or in part and in unlimited number of copies;
- (b) distribution to the public, and in particular, publication in hard copies and in electronic or digital format, publication on the internet, including on the Europa website, as a downloadable or non-downloadable file, broadcasting by any kind of technique of transmission, public display or presentation, communication through press information services, inclusion in widely accessible databases or indexes;
- (c) translation;

- (d) giving access upon individual requests without the right to reproduce or exploit, as provided for by Regulation (EC) No 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents;

storage in paper, electronic or other format;

- (e) archiving in line with the document management rules applicable to the Agency and/or the Commission;
- (f) rights to authorise or sub-licence the modes of exploitation set out in points (b) and (c) to third parties.

Additional rights of use for the Agency and the Commission may be provided for in the Grant Decision.

The beneficiary shall warrant that the Agency and the Commission has the right to use any pre-existing industrial and intellectual property rights, which have been included in the results of the action. Unless specified otherwise in the Grant Decision, those pre-existing rights shall be used for the same purposes and under the same conditions applicable to the rights of use of the results of the action.

Information about the copyright owner shall be inserted when the result is divulged by the Agency and/or the Commission. The copyright information shall read: "© – year – name of the copyright owner. All rights reserved. Licenced to the European Union under conditions.".

GENERAL CONDITION N° 9 – AWARD OF CONTRACTS NECESSARY FOR THE IMPLEMENTATION OF THE ACTION

- 9.1** Where the implementation of the action requires the procurement of goods, works or services, the beneficiary shall award the contract to the tender offering best value for money or, as appropriate, to the tender offering the lowest price. In doing so, it shall avoid any conflict of interests.

The beneficiary shall ensure that the Commission, the European Court of Auditors and the European Anti-Fraud Office (OLAF) can exercise their rights under General Condition n° 27 also towards its contractors.

- 9.2** A beneficiary that is a "contracting authority" within the meaning of Directive

2004/18/EC⁹ or a "contracting entity" within the meaning of Directive 2004/17/EC¹⁰ shall comply with the applicable national public procurement rules.

The beneficiary shall ensure that the conditions applicable to it under General Conditions n° 3, 4, 5 and 8 are also applicable to the contractor.

- 9.3** The beneficiary shall retain sole responsibility for carrying out the action and for compliance with the provisions of the Grant Decision.
- 9.4** If the beneficiary breaches its obligations under General Condition n° 9.1 the costs related to the contract concerned are considered ineligible in accordance with points (d) and (e) of General Condition n° 19.2.

If the beneficiary breaches its obligations under General Condition n° 9.2 the grant may be reduced in accordance with General Condition n° 25.4.

GENERAL CONDITION N° 10 – SUBCONTRACTING OF TASKS FORMING PART OF THE ACTION

- 10.1** A "subcontract" is a procurement contract within the meaning of General Condition n° 9, which covers the implementation by a third party of tasks forming part of the action as described in Annex I.
- 10.2** The beneficiary may subcontract tasks forming part of the action, provided that, in addition to the conditions specified in General Condition n° 9 and the Grant Decision, the following conditions are complied with:
- (a) subcontracting does not cover core tasks of the action;
 - (b) recourse to subcontracting is justified having regard to the nature of the action and what is necessary for its implementation;
 - (c) the estimated costs of the subcontracting are clearly identifiable in the estimated budget set out in Annex III;
 - (d) any recourse to subcontracting, if not provided for in Annex I, is

⁹ Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public work contracts, public supply contracts and public service contracts.

¹⁰ Directive 2004/17/EC of the European Parliament and of the Council of 31 March 2004 coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors.

communicated by the beneficiary and approved by the Agency. Such an approval may be given by the Agency:

(i) before any recourse to subcontracting, if the beneficiary requests an amendment in accordance with General Condition n° 12 or

(ii) after recourse to subcontracting if it:

- is specifically justified in the interim or final training report referred to in General Condition n° 23.2 and
- does not entail changes to the Grant Decision which would call into question the decision awarding the grant or breach the principle of equal treatment of applicants;

(e) the beneficiary ensures that the conditions applicable to it under General Condition n° 7 are also applicable to the subcontractor.

10.3 If the beneficiary breaches its obligations under points (a), (b), (c) or (d) of General Condition n° 10.2, the costs related to the contract concerned are considered ineligible in accordance with point (f) of General Condition n° 19.2.

If the beneficiary breaches its obligation under point (e) of General Condition n° 10.2 the grant may be reduced in accordance with General Condition n° 25.4.

GENERAL CONDITION N° 11 - FINANCIAL SUPPORT TO THIRD PARTIES

11.1 Not applicable.

GENERAL CONDITION N° 12 – AMENDMENTS TO THE GRANT DECISION

12.1 Any amendment to the Grant Decision shall be made in writing by means of a modifying Decision.

12.2 An amendment may not have the purpose or the effect of making changes to the Grant Decision which would call into question the decision awarding the grant or be contrary to the equal treatment of applicants.

12.3 Any request for amendment by the beneficiary shall be duly justified and shall be sent to the Agency in due time before it is due to take effect, and in any case one month before the end of the period set out in Article 2.2 of the Grant

Decision, except in cases duly substantiated by the beneficiary and accepted by the Agency.

- 12.4** Amendments shall take effect on the date of notification of the modifying Decision.

Amendments shall apply from the date indicated in the modifying Decision or, in the absence of such a date, on the date on which the amendment takes effect.

GENERAL CONDITION N° 13 – ASSIGNMENT OF CLAIMS FOR PAYMENTS TO THIRD PARTIES

- 13.1** Claims for payments of the beneficiary against the Agency may not be assigned to third parties, except in duly justified cases where the situation warrants it.

The assignment shall only be enforceable against the Agency if it has accepted the assignment on the basis of a written and reasoned request to that effect made by the beneficiary. In the absence of such acceptance, or in the event of failure to observe the terms thereof, the assignment shall have no effect on the Agency.

- 13.2** In no circumstances shall such an assignment release the beneficiary from its obligations towards the Agency.

GENERAL CONDITION N° 14 – FORCE MAJEURE

- 14.1** "*Force majeure*" shall mean any unforeseeable exceptional situation or event beyond the Agency's and/or the beneficiary's control, which prevents either of them from fulfilling any of their obligations under the Grant Decision, which was not attributable to error or negligence on their part or on the part of subcontractors, in the implementation and which proves to be inevitable in spite of exercising all due diligence. Any default of a service, defect in equipment or material or delays in making them available, unless they stem directly from a relevant case of force majeure, as well as labour disputes, strikes or financial difficulties cannot be invoked as *force majeure*.

- 14.2** The beneficiary faced with *force majeure* shall formally notify the Agency without delay, stating the nature, likely duration and foreseeable effects.

- 14.3** The beneficiary shall take the necessary measures to limit any damage due to *force majeure*. The beneficiary shall do its best to resume the implementation of the action as soon as possible.
- 14.4** The beneficiary faced with *force majeure* shall not be held to be in breach of its obligations under the Grant Decision if it has been prevented from fulfilling them by *force majeure*.
- 14.5** The obligations under General conditions n° 14.2, 14.3 and 14.4 shall apply mutatis mutandis to the Agency if faced with *force majeure*.

GENERAL CONDITION N° 15 – SUSPENSION OF THE IMPLEMENTATION OF THE ACTION

15.1 Suspension of the implementation by the beneficiary

The beneficiary may suspend the implementation of the action or any part thereof if exceptional circumstances make such implementation impossible or excessively difficult, in particular in the event of *force majeure*. The beneficiary shall inform the Agency without delay, giving all the necessary reasons and details and the foreseeable date of resumption.

Unless the Grant Decision is withdrawn in accordance with points (a) (c) or (d) of General Condition n° 16.1, the beneficiary shall, once the circumstances allow resuming the implementation of the action, inform the Agency immediately and present a request for amendment of the Grant Decision as provided for in General Condition n° 15.3.

15.2 Suspension of the implementation by the Agency

15.2.1 The Agency may suspend the implementation of the action or any part thereof:

- (a) if the Agency has evidence that the beneficiary has committed substantial errors, irregularities or fraud in the award procedure or in the implementation of the Grant Decision or if the beneficiary fails to comply with its obligations under the Grant Decision;
- (b) if the Agency has evidence that the beneficiary has committed systemic or recurrent errors, irregularities, fraud or breach of obligations under other grants funded by the Union or the European Atomic Energy Community which were awarded to the beneficiary under similar conditions, provided that those errors, irregularities,

fraud or breach of obligations have a material impact on this grant; or

- (c) if the Agency suspects substantial errors, irregularities, fraud or breach of obligations committed by the beneficiary in the award procedure or in the implementation of the Grant Decision and needs to verify whether they have actually occurred.

15.2.2 Before suspending the implementation the Agency shall formally notify the beneficiary of its intention to suspend, specifying the reasons thereof, and, in the cases referred to in points (a) and (b) of General Condition n° 15.2.1, the necessary conditions for resuming the implementation. The beneficiary shall be invited to submit observations within 30 calendar days from receipt of this notification.

If, after examination of the observations submitted by the beneficiary, the Agency decides to stop the suspension procedure, it shall formally notify the beneficiary thereof.

If no observations have been submitted or if, despite the observations submitted by the beneficiary, the Agency decides to pursue the suspension procedure, it may suspend the implementation by formally notifying the beneficiary thereof, specifying the reasons for the suspension and, in the cases referred to in points (a) and (b) of General Condition n° 15.2.1, the definitive conditions for resuming the implementation or, in the case referred to in point (c) of General Condition n° 15.2.1, the indicative date of completion of the necessary verification.

The suspension shall take effect on the day of the receipt of the notification by the beneficiary or on a later date, where the notification so provides.

In order to resume the implementation, the beneficiary shall endeavour to meet the notified conditions as soon as possible and shall inform the Agency of any progress made in this respect.

Unless the Grant Decision is withdrawn in accordance with points (a), (c), (i) or (j) of General Condition n° 16.1, the Agency shall, as soon as it considers that the conditions for resuming the implementation have been met or the necessary verification, including on-the-spot checks, has been carried out, formally notify the beneficiary thereof and invite the beneficiary to present a request for amendment of the Grant Decision as provided for in General Condition n° 15.3.

15.3 Effects of the suspension

If the implementation of the action can be resumed and the Grant Decision is not withdrawn, an amendment to the Grant Decision shall be made in accordance with General Condition n° 12 in order to establish the date on which the action shall be resumed, to extend the duration of the action and to make any other modifications that may be necessary to adapt the action to the new implementing conditions.

The suspension is deemed lifted as from the date of resumption of the action notified by the Agency in accordance with the first subparagraph. Such a date may be before the date on which the amendment takes effect.

Any costs incurred by the beneficiary, during the period of suspension, for the implementation of the suspended action or the suspended part thereof, shall not be reimbursed or covered by the grant.

The right of the Agency to suspend the implementation is without prejudice to its right to withdraw the Grant Decision in accordance with General Condition n° 16.1 and its right to reduce the grant or recover amounts unduly paid in accordance with General Conditions n° 25.4 and 26.

Neither the Agency nor the beneficiary shall be entitled to claim compensation on account of a suspension by the other.

GENERAL CONDITION N° 16 –WITHDRAWAL OF THE GRANT DECISION

16.1 Grounds for withdrawal

The Agency may withdraw the Grant Decision in the following circumstances:

- (a) if the beneficiary has requested it on duly justified grounds via a formal notification that states the reasons and indicates the date of effect;
- (b) if a change to the beneficiary's legal, financial, technical, organisational or ownership situation is likely to affect the implementation of the Grant Decision substantially or calls into question the decision to award the grant;
- (c) if the beneficiary does not implement the action as specified in Annex I or fails to comply with another substantial obligation incumbent on it under the terms of the Grant Decision;
- (d) in the event of force majeure, notified in accordance with General Condition n°

14, or in the event of suspension by the beneficiary as a result of exceptional circumstances, notified in accordance with General Condition n° 15, where resuming the implementation is impossible or where the necessary modifications to the Grant Decision would call into question the decision awarding the grant or would result in unequal treatment of applicants;

- (e) if the beneficiary is declared bankrupt, is being wound up, is having its affairs administered by the courts, has entered into an arrangement with creditors, has suspended business activities, is the subject of any other similar proceedings concerning those matters, or is in an analogous situation arising from a similar procedure provided for in national legislation or regulations;
- (f) if the beneficiary or any related person, as defined in the second subparagraph, have been found guilty of professional misconduct proven by any means;
- (g) if the beneficiary is not in compliance with its 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 it is established or in which the action is implemented;
- (h) if the Agency has evidence that the beneficiary or any related person, as defined in the second subparagraph, have committed fraud, corruption, or are involved in a criminal organisation, money laundering or any other illegal activity detrimental to the Union's financial interests;
- (i) if the Agency has evidence that the beneficiary or any related person, as defined in the second subparagraph, have committed substantial errors, irregularities or fraud in the award procedure or in the implementation of the Grant Decision, including in the event of submission of false information or failure to submit required information in order to obtain the grant provided for in the Grant Decision; or
- (j) if the Agency has evidence that the beneficiary has committed systemic or recurrent errors, irregularities, fraud or breach of obligations under other grants funded by the Union or the European Atomic Energy Community which were awarded to the beneficiary under similar conditions, provided that those errors, irregularities, fraud or breach of obligations have a material impact on this grant.

For the purposes of points (e), (g) and (h) "any related person" shall mean any natural person which has the power to represent the beneficiary or to take decisions on its behalf.

16.2 Procedure for withdrawal

In all cases other than point (a) of General condition n° 16.1, before withdrawing the Grant Decision the Agency shall formally notify the beneficiary of its intention, specifying the reasons thereof and inviting the beneficiary, within 45 calendar days from receipt of the notification, to submit observations and, in the case of point (c) of General Condition n° 16.1, to inform the Agency about the measures taken to ensure that it continues to fulfil its obligations under the Grant Decision.

If, after examination of the observations submitted by the beneficiary, the Agency decides to stop the withdrawal procedure, it shall formally notify the beneficiary thereof.

If no observations have been submitted or if, despite the observations submitted by the beneficiary, the Agency decides to pursue the withdrawal procedure, it may withdraw the Grant Decision by formally notifying the beneficiary thereof, specifying the reasons for the withdrawal.

In the cases referred to in points (b), (c), (e) and (g) of General Condition n° 16.1, the formal notification shall specify the date on which the withdrawal takes effect. In the cases referred to in points (d), (f), (h), (i) and (j) of General Condition n° 16.1, the withdrawal shall take effect on the day following the date on which the formal notification was received by the beneficiary.

16.3 Effects of the withdrawal

Payments by the Agency shall be limited to the amount determined in accordance with General Condition n° 25 on the basis of the eligible costs incurred by the beneficiary and the actual level of implementation of the action on the date when the withdrawal takes effect. Costs relating to current commitments, which are not due for execution until after the withdrawal, shall not be taken into account. The beneficiary shall have 60 days from the date when the withdrawal of the Grant Decision takes effect, as provided for in General Condition n° 16.2, to produce a request for payment of the balance in accordance with General Condition n° 23.2. If no request for payment of the balance is received within this time limit, the Agency shall not reimburse or cover any costs which are not included in a financial report approved by it or which are not justified in a training report approved by it. In accordance with General Condition n° 26, the Agency shall recover any amount already paid, if its use is not substantiated by the training reports and, where applicable, by the financial reports approved by the Agency.

Where the Agency, in accordance with point (c) of General Condition n° 16.1, is withdrawing the Grant Decision on the ground that the beneficiary has failed to

produce the request for payment and, after a reminder, has still not complied with this obligation within the deadline set out in General Condition n° 23.3, the first subparagraph shall apply, subject to the following:

- (a) there shall be no additional time period from the date when the withdrawal of the Grant Decision takes effect for the beneficiary to produce a request for payment of the balance in accordance with General Condition n° 23.2; and
- (b) the Agency shall not reimburse or cover any costs incurred by the beneficiary up to the date of withdrawal or up to the end of the period set out in Article 2.2 of the Grant Decision, whichever is the earlier, which are not included in a financial statement approved by it or which are not justified in a technical report approved by it.

In addition to the first and second subparagraphs, where the Grant Decision is withdrawn on the grounds set out in point (a) without a justified reason or in points (c), (f), (h), (i) and (j) of General Condition n° 16.1, the Agency may also reduce the grant or recover amounts unduly paid in accordance with General Conditions n° 25.4 and 26, in proportion to the gravity of the failings in question and after allowing the beneficiary to submit its observations.

Neither the Agency nor the beneficiary shall be entitled to claim compensation on account of the withdrawal.

GENERAL CONDITION N° 17 – ADMINISTRATIVE AND FINANCIAL PENALTIES

17.1 By virtue of Articles 109 and 131(4) Regulation (EU, EURATOM) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and with due regard to the principle of proportionality, if the beneficiary has committed substantial errors, irregularities or fraud, has made false declarations in supplying required information or has failed to supply such information at the moment of the submission of the application or during the implementation of the grant, or has been found in serious breach of its obligations under the Grant Decision, it shall be liable to:

- (a) administrative penalties consisting of exclusion from all contracts and grants financed by the Union budget for a maximum of five years from the date on which the infringement is established and confirmed following a contradictory procedure with the beneficiary; and/or
- (b) financial penalties of 2% to 10% of the maximum amount of the grant set

out in Article 3 of the Grant Decision.

In the event of another infringement within five years following the establishment of the first infringement, the period of exclusion under point (a) may be extended to 10 years and the range of the rate referred to in point (b) may be increased to 4% to 20%.

- 17.2** The Agency shall formally notify the beneficiary of any decision to apply such penalties.

The Agency and the Commission are entitled to publish such decision under the conditions and within the limits specified in Article 109(3) of Regulation (EU, EURATOM) No 966/2012.

An action may be brought against such decision before the General Court of the European Union, pursuant to Article 263 Treaty on the Functioning of the European Union ("TFEU").

GENERAL CONDITION N° 18 – APPLICABLE LAW, COMPETENT COURT AND ENFORCEABLE DECISION

- 18.1** The Grant Decision is governed by the applicable Union law.
- 18.2** Pursuant to Article 263 TFEU, the beneficiary may bring an action for review of legality of decisions by the Agency related to the implementation of this Grant Decision before the General Court or, on appeal, the Court of Justice of the European Union. The proceedings shall be instituted within two months of the notification of the decision to the beneficiary or, in the absence thereof, of the date on which the decision came to its knowledge.
- 18.3** By virtue of Article 299 TFEU, for the purposes of recoveries within the meaning of General Condition n° 26 or financial penalties, the Commission may adopt an enforceable decision to impose pecuniary obligations on persons other than States. An action may be brought against such decision before the General Court of the European Union pursuant to Article 263 TFEU.

PART B – FINANCIAL PROVISIONS

GENERAL CONDITION N° 19 – ELIGIBLE COSTS

- 19.1** Conditions for the eligibility of costs

Eligible costs of the *action* are costs actually incurred by the partner and which meet the following criteria:

- (a) they are incurred within the *implementation period* of the Grant decision, with the exception of costs relating to the request for payment of the balance and the corresponding supporting documents referred to in Article I.4.1 of the Grant decision;
- (b) they are indicated in the estimated budget of an *action*. The estimated budget is set out in Annex III of the Grant decision;
- (c) they are incurred in connection with the *action* as described in Annex I of the Grant decision and are necessary for its implementation;
- (d) they are identifiable and verifiable, in particular they are recorded in the partner's accounting records and determined according to the applicable accounting standards of the country where the partner is established and according to the partner's usual cost accounting practices;
- (e) they comply with the requirements of applicable tax and social legislation; and
- (f) they are reasonable, justified and comply with the principle of sound financial management, in particular regarding economy and efficiency.

19.2 Eligible direct costs

To be eligible the direct cost of an action must comply with the eligibility conditions set out in Article 19.1.

The 'direct cost' mentioned above is to be understood as referring to any cost mentioned in Annex I to CEPOL Executive Director Decision 3/2019/IGN Integrated Guidance Note for Cepol Residential Training and Activities that satisfies the criteria set out in Article 19.1.

19.3 Eligible indirect costs

Indirect costs are not eligible for CEPOL contribution, nevertheless they can be considered eligible for the Action if they are claimed as own costs under co-financing as specified in Article II.19.5. To be eligible, indirect costs of the action must represent a fair apportionment of the overall overheads of the partner and must comply with the conditions of eligibility set out in Article II.19.1.

19.4 Ineligible costs

In addition to any other costs which do not fulfil the conditions set out in General Condition n° 19.1, the following costs shall not be considered eligible:

- (a) return on capital;
- (b) debt and debt service charges;

- (c) provisions for losses or debts;
- (d) interest owed;
- (e) doubtful debts;
- (f) exchange losses;
- (g) costs of transfers from the Agency charged by the bank of the beneficiary;
- (h) costs declared by the beneficiary in the framework of another action receiving a grant financed from the Union budget (including grants awarded by a Member State and financed from the Union budget and grants awarded by other bodies than the Agency for the purpose of implementing the Union budget); in particular, indirect costs shall not be eligible under a grant for an action awarded to the beneficiary when it already receives an operating grant financed from the Union budget during the period in question;
- (i) contributions in kind from third parties;
- (j) excessive or reckless expenditure;
- (k) deductible VAT.

GENERAL CONDITION N° 20 – IDENTIFIABILITY AND VERIFIABILITY OF THE AMOUNTS DECLARED

20.1 Reimbursement of actual costs

Where, in accordance with Article 3(a)(i) of the Grant Decision, the grant takes the form of the reimbursement of actual costs, the beneficiary must declare as eligible costs the costs it actually incurred for the action.

If requested to do so in the context of the checks or audits described in General Condition n° 27, the beneficiary must be able to provide adequate supporting documents to prove the costs declared, such as contracts, invoices and accounting records. In addition, the beneficiary's usual accounting and internal control procedures must permit direct reconciliation of the amounts declared with the amounts recorded in its accounting statements as well as with the amounts indicated in the supporting documents.

GENERAL CONDITION N° 21 – ELIGIBILITY OF COSTS OF ENTITIES AFFILIATED TO THE BENEFICIARY

Where the Grant Decision contains a provision on entities affiliated to the beneficiary, costs incurred by such an entity are eligible, provided that they satisfy the same conditions under General Conditions n° 19 and 20 as apply to the beneficiary, and that the beneficiary ensures that the conditions applicable to it under General Conditions n° 3, 4, 5, 7, 9, 10 and 27 are also applicable to the entity.

GENERAL CONDITION N° 22 – BUDGET TRANSFERS

Without prejudice to General Condition n° 10 and provided that the action is implemented as described in Annex I, the beneficiary is allowed to adjust the estimated budget set out in Annex III, by transfers between the different budget categories, without this adjustment being considered as an amendment of the Grant Decision within the meaning of General Condition n° 12.

GENERAL CONDITION N° 23 – TECHNICAL AND FINANCIAL REPORTING – REQUESTS FOR PAYMENT AND SUPPORTING DOCUMENTS

23.1 Requests for further pre-financing payments and supporting documents

Not applicable.

23.2 Requests for payment of the balance and supporting documents

The beneficiary shall submit a request for payment of the balance within 60 days following the end of reporting period for which, in accordance with Article 4.1 of the Grant Decision, the balance is due.

This request shall be accompanied by the following documents:

- (a) a final report on implementation of the *action* (T43 – ‘Training Report’), drawn up in accordance with Annex IV of the Grant Decision and Annex IV of the Framework agreement, containing:
 - (i) the information needed to justify the eligible costs declared;
 - (ii) information on *subcontracting* as referred to in Article II.11.1(d)(ii) of the Framework agreement;

(b) a final financial statement (T44 – ‘Financial Report’).

The financial report must include a consolidated statement and a breakdown of the amounts claimed by the partner.

The financial report must be drawn up in accordance with the structure of the estimated budget set out in Annex III of the Grant Decision and in accordance with Annex V of the Framework agreement and detail the amounts for each of the forms of grant set out in Article 3.(a)(i) for the last reporting period.

The beneficiary shall certify that the information provided in the request for payment of the balance is full, reliable and true. It shall also certify that the costs incurred can be considered eligible in accordance with the Grant Decision and that the request for payment is substantiated by adequate supporting documents that can be produced in the context of the checks or audits described in General Condition n° 27. In addition, for the payment of the balance, it shall certify that all the receipts referred to in General Condition n° 25.3.2 have been declared.

23.3 Non-submission of documents

Where the beneficiary has failed to submit a request for interim payment or payment of the balance accompanied by the documents referred to above within 60 days following the end of the corresponding reporting period and where the beneficiary still fails to submit such a request within 60 days following a written reminder sent by the Agency, the Agency reserves the right to withdraw the Grant Decision in accordance with General Condition n° 16.1(c), with the effects described in the second and the third subparagraphs of General Condition n° 16.3.

23.4 Currency for requests for payment and financial statements and conversion into euro

Requests for payment and financial statements must be drafted in euros.

The beneficiary and affiliated entities with general accounts in a currency other than the euro must convert costs incurred in another currency into euros at the average of the daily exchange rates published in the C series of the Official Journal of the European Union (available at <http://www.ecb.europa.eu/stats/exchange/eurofxref/html/index.en.html>), determined over the corresponding reporting period.

If no daily euro exchange rate is published in the Official Journal of the European Union for the currency in question, conversion must be made at the average of the monthly accounting rates established by the Commission and published on its website (http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm), determined over the corresponding reporting period.

The partner and affiliated entities with general accounts in euros must convert costs incurred in another currency into euros in accordance with their usual accounting practices.

GENERAL CONDITION N° 24 – PAYMENTS AND PAYMENT ARRANGEMENTS

24.1 Pre-financing

The pre-financing is intended to provide the beneficiary with a float.

Without prejudice to General Conditions n° 24.5 and 24.6, where Article 4.1 of the Grant Decision provides for a pre-financing payment upon notification of the Grant Decision, the Agency shall pay to the beneficiary within 30 days following that date.

24.2 Further pre-financing payments

Not applicable.

24.3 Interim payments

Not applicable.

24.4 Payment of the balance

The payment of the balance, which may not be repeated, is intended to reimburse or cover after the end of the period set out in Article 2.2 of the Grant Decision the remaining part of the eligible costs incurred by the beneficiary for its implementation. Where the total amount of earlier payments is greater than the final amount of the grant determined in accordance with General Condition n° 25, the payment of the balance may take the form of a recovery as provided for by General Condition n° 26.

Without prejudice to General Conditions n° 24.5 and 24.6, on receipt of the documents referred to in General Condition n° 23.2, the Agency shall pay the amount due as the balance within the time limit specified in Article 4.2 of the Grant Decision.

This amount shall be determined following approval of the request for payment of the balance and of the accompanying documents and in accordance with the fourth subparagraph. Approval of the request for payment of the balance and of the accompanying documents shall not imply recognition of the regularity or of the authenticity, completeness and correctness of the declarations and information it contains.

The amount due as the balance shall be determined by deducting, from the final amount of the grant determined in accordance with General Condition n° 25, the total amount of pre-financing and interim payments already made.

24.5 Suspension of the time limit for payment

The Agency may suspend the time limit for payment specified in Article 4.2 of the Grant Decision and in General Condition n° 24.2 at any time by formally notifying the beneficiary that its request for payment cannot be met, either because it does not comply with the provisions of the Grant Decision, or because the appropriate supporting documents have not been produced, or because there is doubt about the eligibility of the costs declared in the financial statement.

The beneficiary shall be notified as soon as possible of any such suspension, together with the reasons thereof.

Suspension shall take effect on the date when notification is sent by the Agency. The remaining payment period shall start to run again from the date on which the requested information or revised documents are received or the necessary further verification, including on-the-spot checks, is carried out. Where the suspension exceeds two months, the beneficiary may request a decision by the Agency on whether the suspension is to be continued.

Where the time limit for payment has been suspended following the rejection of one of the technical reports or financial statements provided for by General Condition n° 23 and the new report or statement submitted is also rejected, the Agency reserves the right to withdraw the Grant Decision in accordance with General Condition n° 16.1(c), with the effects described in General Condition n° 16.3.

24.6 Suspension of payments

The Agency may, at any time during the implementation of the Grant Decision, suspend the pre-financing payments or payment of the balance:

- (a) if the Agency has evidence that the beneficiary has committed substantial errors, irregularities or fraud in the award procedure or in the implementation of the grant, or if the beneficiary fails to comply with its obligations under the Grant Decision;
- (b) if the Agency has evidence that the beneficiary has committed systemic or recurrent errors, irregularities, fraud or breach of obligations under other grants funded by the Union or by the European Atomic Energy Community which were

awarded to the beneficiary under similar conditions, provided that those errors, irregularities, fraud or breach of obligations have a material impact on this grant;
or

- (c) if the Agency suspects substantial errors, irregularities, fraud or breach of obligations committed by the beneficiary in the award procedure or in the implementation of the Grant Decision and needs to verify whether they have actually occurred.

Before suspending payments, the Agency shall formally notify the beneficiary of its intention to suspend payments, specifying the reasons thereof and, in the cases referred to in points (a) and (b) of the first subparagraph, the necessary conditions for resuming payments. The beneficiary shall be invited to make any observations within 30 calendar days from receipt of this notification.

If, after examination of the observations submitted by the beneficiary, the Agency decides to stop the procedure of payment suspension, the Agency shall formally notify the beneficiary thereof.

If no observations have been submitted or if, despite the observations submitted by the beneficiary, the Agency decides to pursue the procedure of payment suspension, it may suspend payments by formally notifying the beneficiary, specifying the reasons for the suspension and, in the cases referred to in points (a) and (b) of the first subparagraph, the definitive conditions for resuming payments or, in the case referred to in point (c) of the first subparagraph, the indicative date of completion of the necessary verification.

The suspension of payments shall take effect on the date when the notification is sent by the Agency. In order to resume payments, the beneficiary shall endeavour to meet the notified conditions as soon as possible and shall inform the Agency of any progress made in this respect.

The Agency shall, as soon as it considers that the conditions for resuming payments have been met or the necessary verification, including on-the-spot checks, has been carried out, formally notify the beneficiary thereof.

During the period of suspension of payments and without prejudice to the right to suspend the implementation in accordance with General Condition n° 15.1 or to request a withdraw of the Grant Decision in accordance with General Condition n° 16.1 (a), the beneficiary is not entitled to submit any requests for payments and supporting documents referred to in General Condition n° 23.

The corresponding requests for payments and supporting documents may be

submitted as soon as possible after resumption of payments or may be included in the first request for payment due following resumption of payments in accordance with the schedule laid down in Article 4.1 of the Grant Decision.

24.7 Notification of amounts due

The Agency shall formally notify the amounts due. In the case of payment of the balance, it shall also specify the final amount of the grant determined in accordance with General Condition n° 25.

24.8 Interest on late payment

On expiry of the time limits for payment specified in Article 4.2 of the Grant Decision, and in General Conditions n° 24.1 and 24.2, and without prejudice to General Conditions n° 24.5 and 24.6, the beneficiary is entitled to interest on late payment at the rate applied by the European Central Bank for its main refinancing operations in euros ("the reference rate"), plus three and a half points. The reference rate shall be the rate in force on the first day of the month in which the time limit for payment expires, as published in the C series of the *Official Journal of the European Union*.

The first subparagraph shall not apply where the beneficiary is a Member State of the Union, including regional and local government authorities and other public bodies acting in the name and on behalf of the Member State for the purpose of this Grant Decision.

The suspension of the time limit for payment in accordance with General Condition n° 24.5 or of payment by the Agency in accordance with General Condition n° 24.6 may not be considered as late payment.

Interest on late payment shall cover the period running from the day following the due date for payment, up to and including the date of actual payment as established in General Condition n° 24.10. The interest payable shall not be considered for the purposes of determining the final amount of grant within the meaning of General Condition n° 25.3.

By way of derogation from the first subparagraph, when the calculated interest is lower than or equal to EUR 200, it shall be paid to the beneficiary only upon request submitted within two months of receiving late payment.

24.9 Currency for payments

Payments by the Agency shall be made in euro.

24.10 Date of payment

Payments by the Agency shall be deemed to be effected on the date when they are debited to the Commission's account.

24.11 Costs of payment transfers

Costs of the payment transfers shall be borne in the following way:

- (a) costs of transfer charged by the bank of the Agency or the Commission shall be borne by the Agency or the Commission;
- (b) costs of transfer charged by the bank of the beneficiary shall be borne by the beneficiary;
- (c) all costs of repeated transfers caused either by the Agency or by the beneficiary shall be borne by the one which caused the repetition of the transfer.

GENERAL CONDITION N° 25 – DETERMINING THE FINAL AMOUNT OF THE GRANT

25.1 Calculation of the final amount

Without prejudice to General Conditions n° 25.2, 25.3 and 25.4, the final amount of the grant shall be determined as follows: Where, in accordance with Article 3(a) of the Grant Decision, the grant takes the form of the reimbursement of eligible costs, the amount obtained by application of the reimbursement rate specified in that Article to the eligible costs of the action approved by the Agency for the corresponding categories of costs, for the beneficiary and its affiliated entities;

25.2 Maximum amount

The total amount paid to the beneficiary by the Agency may in no circumstances exceed the maximum amount specified in Article 3 of the Grant Decision.

Where the amount determined in accordance with General Condition n° 25.1 exceeds this maximum amount, the final amount of the grant shall be limited to the maximum amount specified in Article 3 of the Grant Decision.

25.3 No-profit rule and taking into account of receipts

25.3.1 The grant may not produce a profit for the beneficiary, unless specified otherwise in the Grant Decision. "Profit" shall mean a surplus of the receipts over the eligible costs of the action.

25.3.2 The receipts to be taken into account are the receipts established, generated or confirmed on the date on which the request for payment of the balance is drawn up by the beneficiary, which fall within one of the following two categories:

(a) income generated by the action; or

(b) financial contributions specifically assigned by the donors to the financing of the eligible costs of the action reimbursed by the Agency in accordance with Article 3(a)(i) of the Grant Decision.

25.3.3 The following shall not be considered as a receipt to be taken into account for the purpose of verifying whether the grant produces a profit for the beneficiary:

(a) financial contributions referred to in point (b) of General Condition n° 25.3.2, which may be used by the beneficiary to cover costs other than the eligible costs under the Grant Decision;

(b) financial contributions referred to in point (b) of General Condition n° 25.3.2, the unused part of which is not due to the donor at the end of the period set out in Article 2.2 of the Grant Decision;

25.3.4 The eligible costs to be taken into account are the eligible costs approved by the Agency for the categories of costs reimbursed in accordance with Article 3(a) of the Grant Decision.

25.3.5 Where the final amount of the grant determined in accordance with General Conditions n° 25.1 and 25.2 would result in a profit for the beneficiary, the profit shall be deducted in proportion to the final rate of reimbursement of the actual eligible costs of the action approved by the Agency for the categories of costs referred to in Article 3(a)(i) of the Grant Decision. This final rate shall be calculated on the basis of the final amount of the grant in the form referred to in Article 3(a)(i) of the Grant Decision, as determined in accordance with General Conditions n° 25.1 and 25.2.

25.4 Reduction for poor, partial or late implementation

Without prejudice to the right to withdraw the Grant Decision referred to in General Condition n° 16 and without prejudice to the right of the Agency to apply penalties referred to in General Condition n° 17, if the action is not implemented or is implemented poorly, partially or late or if another obligation under the Grant Decision has been breached, the Agency may reduce the grant initially provided for, in line with the actual implementation of the action or in proportion to the seriousness of the breach.

GENERAL CONDITION N° 26 – RECOVERY

26.1 Financial responsibility

Where an amount is to be recovered under the terms of the Grant Decision, the beneficiary shall repay the Agency the amount in question. The beneficiary shall be responsible for the repayment of any amount unduly paid by the Agency as a contribution towards the costs incurred by its affiliated entities.

26.2 Recovery procedure

Before recovery, the Agency shall formally notify the beneficiary of its intention to recover the amount unduly paid, specifying the amount due and the reasons for recovery and inviting the beneficiary to make any observations within a specified period.

If no observations have been submitted or if, despite the observations submitted by the beneficiary, the Agency decides to pursue the recovery procedure, the Agency may confirm recovery by formally notifying to the beneficiary a debit note (“debit note”), specifying the terms and the date for payment.

If payment has not been made by the date specified in the debit note, the Agency or the Commission shall recover the amount due:

- (a) by offsetting it against any amounts owed to the beneficiary by the Agency or the Commission from the Union or the European Atomic Energy Community (Euratom) budget (“offsetting”); in exceptional circumstances, justified by the necessity to safeguard the financial interests of the Union, the Agency or the Commission may recover by offsetting before the due date; the beneficiary’s prior consent shall not be required; an action may be brought against such offsetting before the

General Court of the European Union pursuant to Article 263 TFEU;

(b) not applicable;

(c) by adopting an enforceable decision in accordance with General Condition n° 18.3.

26.3 Interest on late payment

If payment has not been made by the date set out in the debit note, the amount due shall bear interest at the rate established in General Condition n° 24.8. Interest on late payment shall cover the period running from the day following the due date for payment, up to and including the date when the Agency or the Commission actually receives payment in full of the outstanding amount.

Any partial payment shall first be appropriated against charges and interest on late payment and then against the principal.

26.4 Bank charges

Bank charges incurred in connection with the recovery of the sums owed to the Agency or the Commission shall be borne by the beneficiary except where Directive 2007/64/EC of the European Parliament and of the Council of 13 November 2007 on payment services in the internal market amending Directives 97/7/EC, 2002/65/EC, 2005/60/EC and 2006/48/EC and repealing Directive 97/5/EC applies.

GENERAL CONDITION N° 27 – CHECKS, AUDITS AND EVALUATION

27.1 Technical and financial checks or audits and interim and final evaluations

The Agency and/or the Commission may carry out technical and financial checks and audits in relation to the use of the grant.

Information and documents provided in the framework of checks or audits shall be treated on a confidential basis.

In addition, the Agency and/or the Commission may carry out interim or final evaluation of the impact of the action measured against the objective of the Union programme concerned.

Checks, audits or evaluations made by the Agency and/or the Commission may be carried out either directly by its own staff or by any other outside body authorised to do so on its behalf.

Such checks, audits or evaluations may be initiated during the implementation of the Grant Decision and for a period of five years starting from the date of payment of the balance. This period shall be limited to three years in case the maximum amount specified in Article 3 of the Grant Decision is not more than EUR 60 000.

The check, audit or evaluation procedure shall be deemed to be initiated on the date of receipt of the letter of the Agency or the Commission announcing it.

27.2 Duty to keep documents

The beneficiary shall keep all original documents, especially accounting and tax records, stored on any appropriate medium, including digitalised originals when they are authorised by its national law and under the conditions laid down therein, for a period of five years starting from the date of payment of the balance.

This period shall be limited to three years if the maximum amount specified in Article 3 of the Grant Decision is not more than EUR 60 000.

The periods set out in the first and second subparagraphs shall be longer if there are on-going audits, appeals, litigation or pursuit of claims concerning the grant, including in the case referred to in General Condition n° 27.7. In such cases, the beneficiary shall keep the documents until such audits, appeals, litigation or pursuit of claims are closed.

27.3 Obligation to provide information

The beneficiary shall provide any information, including information in electronic format, requested by the Agency and/or the Commission, or by any other outside body authorised by it, in the context of checks, audits or evaluations as referred to in General Condition n° 27.1

In case the beneficiary does not comply with the obligation set out in the first subparagraph, the Agency and/or the Commission may consider any cost insufficiently substantiated by information provided by the beneficiary as ineligible.

27.4 On-the-spot visits

During an on-the-spot visit, the beneficiary shall allow Agency and/or Commission staff and outside personnel authorised by the Agency and/or by the Commission to have access to the sites and premises where the action is or was carried out, and to all the necessary information, including information in electronic format.

It shall ensure that the information is readily available at the moment of the on-the-spot visit and that information requested is handed over in an appropriate form.

In case the beneficiary refuses to provide access to the sites, premises and information in accordance with the first and second subparagraphs, the Agency and/or the Commission may consider any cost insufficiently substantiated by information provided by the beneficiary as ineligible.

27.5 Contradictory audit procedure

On the basis of the findings made during the audit, a provisional report (“draft audit report”) shall be drawn up. It shall be sent by the Agency and/or the Commission or its authorised representative to the beneficiary, which shall have 30 days from the date of receipt to submit observations. The final report (“final audit report”) shall be sent to the beneficiary within 60 days of expiry of the time limit for submission of observations.

27.6 Effects of audit findings

On the basis of the final audit findings, the Agency and/or the Commission may take the measures which it considers necessary, including recovery of all or part of the payments made by it, in accordance with General Condition n° 26.

In the case of final audit findings made after the payment of the balance, the amount to be recovered shall correspond to the difference between the revised final amount of the grant, determined in accordance with General Condition n° 25, and the total amount paid to the beneficiary under the Grant Decision for the implementation of the action.

27.7 Correction of systemic or recurrent errors, irregularities, fraud or breach of obligations

27.7.1 The Agency and/or the Commission may take all measures which it considers necessary, including recovery of all or part of the payments made by it under the Grant Decision, in accordance with General Condition n° 26, where the following conditions are fulfilled:

- (a) the beneficiary is found, on the basis of an audit of other grants awarded to it under similar conditions, to have committed systemic or recurrent errors, irregularities, fraud or breach of obligations that have a material impact on this grant; and
- (b) the final audit report containing the findings of the systemic or recurrent errors, irregularities, fraud or breach of obligations is received by the beneficiary within the period referred to in General Condition n° 27.1.

27.7.2 The Agency and/or the Commission shall determine the amount to be corrected under the Grant Decision:

- (a) wherever possible and practicable, on the basis of costs unduly declared as eligible under the Grant Decision.

For that purpose, the beneficiary shall revise the financial statements submitted under the Grant Decision taking account of the findings and resubmit them to the Agency and/or the Commission within 60 days from the date of receipt of the final audit report containing the findings of the systemic or recurrent errors, irregularities, fraud or breach of obligations.

In the case of systemic or recurrent errors, irregularities, fraud or breach of obligations found after the payment of the balance, the amount to be recovered shall correspond to the difference between the revised final amount of the grant, determined in accordance with General Condition n° 25 on the basis of the revised eligible costs declared by the beneficiary and approved by the Agency and/or by the Commission, and the total amount paid to the beneficiary under the Grant Decision for the implementation of the action;

- (b) where it is not possible or practicable to quantify precisely the amount of ineligible costs under the Grant Decision, by extrapolating the correction rate applied to the eligible costs for the grants for which the systemic or recurrent errors or irregularities have been found.

The Agency and/or the Commission shall formally notify the extrapolation method to be applied to the beneficiary, which shall have 60 days from the date of receipt of the notification to submit observations and to propose a duly substantiated alternative method.

If the Agency and/or the Commission accepts the alternative method proposed by the beneficiary, it shall formally notify the beneficiary thereof and determine the revised eligible costs by applying the accepted alternative method.

If no observations have been submitted or if the Agency and/or the Commission does not accept the observations or the alternative method proposed by the beneficiary, the Agency and/or the Commission shall formally notify the beneficiary thereof and determine the revised eligible costs by applying the extrapolation method initially notified to the beneficiary.

In the case of systemic or recurrent errors, irregularities, fraud or breach of obligations found after the payment of the balance, the amount to be recovered shall correspond to the difference between the revised final amount of the grant, determined in accordance with General Condition n° 25 on the basis of the revised eligible costs after extrapolation, and the total amount paid to the beneficiary under the Grant Decision for the implementation of the action; or

(c) not applicable.

27.8 Checks and inspections by OLAF

The European Anti-Fraud Office (OLAF) shall have the same rights as the Agency and the Commission, notably right of access, for the purpose of checks and investigations.

By virtue of Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities and Regulation (EU, EURATOM) No 883/2013 of the European Parliament and the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF), OLAF may also carry out on-the-spot checks and inspections in accordance with the procedures laid down by Union law for the protection of the financial interests of the Union against fraud and other irregularities.

Where appropriate, OLAF findings may lead to recovery by the Agency and/or the Commission.

27.9 Checks and audits by the European Court of Auditors

The European Court of Auditors shall have the same rights as the Agency and/or the Commission, notably right of access, for the purpose of checks and audits.