

GRANT CONTRACT
- EXTERNAL ACTIONS OF THE EUROPEAN UNION -
NDICI-GEO-NEAR/2022/441-320
(the 'contract')

The European Union, represented by the European Commission (the 'contracting authority')

of the one part,

and

Permanent Secretariat of the Transport Community

International organisation

17921304

Masarikova 5, Vracar, Belgrade, Serbia

111305000

hereinafter the 'beneficiary'

of the other part,

(the 'parties'),

have agreed as follows:

Special conditions

Article 1 — Purpose

- 1.1 The purpose of this contract is the award of a grant by the contracting authority to finance the implementation of the action entitled: *”Preparatory activities to support the progressive involvement of Georgia, the Republic of Moldova and Ukraine in the activities of the Transport Community”* (the ‘action’) described in Annex I.
- 1.2 The beneficiary(ies) shall be awarded the grant on the terms and conditions set out in this contract, which consists of these special conditions (the ‘special conditions’) and the annexes, which the beneficiary(ies) hereby declares it has noted and accepted.
- 1.3 The beneficiary(ies) accepts the grant and undertakes to be responsible for carrying out the action.

Article 2 — Implementation period of the action

- 2.1 This contract shall enter into force on the date when the second of the two parties signs.
- 2.2 Implementation of the action shall begin on **01/01/2023**.
- 2.3 The implementation period of the action as laid down in Annex I, is 12 months.
- 2.4 The execution period of this contract shall end when the payment of the balance is made by the contracting authority and, in any event, at the latest 18 months after the end of the implementation period as stipulated in Article 2.3 unless postponed in accordance with Article 12.5 of Annex II.

Article 3 — Financing the action

- 3.1 The total eligible costs are estimated at EUR 167,274.57, as set out in Annex III.
- 3.2 The contracting authority undertakes to finance a maximum amount of EUR 167,274.57.
The grant is further limited to 100% of the total eligible cost of the action specified in paragraph 1.
The final amount of the contracting authority’s contribution shall be determined in accordance with Articles 14 and 17 of Annex II.

Article 4 — Reporting and payment arrangements

- 4.1 Payments shall be made in accordance with Article 15 of Annex II option no.1 as set out in Article 15.1
 - (i) Initial pre-financing payment: EUR 127,447.29.
 - (ii) Balance of the final amount of the grant: EUR 39,827.28.
- 4.2 An electronic system will be used by the contracting authority and the beneficiary(ies) for all stages of implementation including, inter alia, management of the contract (amendments and notifications), reporting (including reporting on results) and payments. The beneficiary(ies) will be required to register in and use the appropriate electronic exchange system to allow for the e-management of the contract. With regard to interim and final reports, the beneficiary(ies) will be expected to use the forms in the electronic system for encoding and submitting the reports.

The electronic management of the contract through the aforementioned system may commence on the date on which implementation of the contract starts, as described in Article 2 above, or at a later date. In the latter case, the contracting authority will inform the beneficiary(ies) in writing that he/they will be required to use the electronic system for all communications within a maximum period of 3 months.

Article 5 — Contact addresses

- 5.1 Any communication relating to this contract shall be in writing, state the number and title of the action and be sent to the following addresses:

For the contracting authority

Payment requests and attached reports, including requests for changes to bank account arrangements shall be sent to:

European Commission

Directorate-General for Neighbourhood and Enlargement Negotiations

For the attention of Head of Unit R.4: Contracts and Finance Neighbourhood

Office J54, 5/205B –1049 Brussels

Belgium

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

European Commission

Directorate-General for Neighbourhood and Enlargement Negotiations

For the attention of Head of Unit C1: Georgia, Moldova, Economic Investment Plan

Office L15, 04/091B –1049 Brussels

Belgium

For the Beneficiary

Permanent Secretariat of the Transport Community

For the attention of the Deputy Director, Ms Ljuba Siljanoska

Masarikova 5/8, 11111 Belgrade

- 5.2 The expenditure verification(s) referred to in Article 15.7 of Annex II will be carried out by:

~~Crowe RS Advisory d.o.o.~~

~~Member Crowe Global~~

~~Majke Jevrosime 23, 11000 Belgrade, Serbia~~

~~+381 11 655 85 00 | www.crowe.rs~~

Article 6 — Annexes

- 6.1 The following documents are annexed to these special conditions and form an integral part of the contract:

Annex I: Description of the action (including the logical framework of the project)

Annex II: General conditions applicable to European Union-financed grant contracts for external actions

Annex III: Budget for the action (worksheets 1, 2 and 3)

Annex IV: Procurement rules for beneficiary(ies)

Annex V: Standard request for payment and financial identification form

Annex VI: Model narrative and financial report

Annex VII: Terms of reference for an expenditure verification of a European Union financed grant contract for external actions and model report of factual findings

- 6.2 In the event of a conflict between the provisions of the present special conditions and any annex thereto, the special conditions shall take precedence. In the event of a conflict between the provisions of Annex II and those of the other annexes, those of Annex II shall take precedence.

Article 7 — Other specific conditions applying to the action

7.1 The entity acting as a data controller as provided for in Article 1.3 and 1.4 of the general conditions is: Head of Unit R4 –Contracts and Finance Neighbourhood.

7.2 The following modifications to the General Conditions shall apply to: Permanent Secretariat of the Transport Community (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.

- 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.

Done in English in three originals, two originals being for the European Commission and one original being for the beneficiary(ies).

For the beneficiary(ies)

Name Matej ZAKONJŠEK

Title Director

For the contracting authority

Name Nicholas CENDROWICZ

Title Deputy Head of Unit, NEAR.C1

Signature

Date

Signature

Date