

**ANNEX A**

**TWINNING CONTRACT**

**“SPECIAL CONDITIONS”**

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(for official use only)

**TWINNING CONTRACT**  
[Twinning contract identification number]

[The European Union, represented by the European Commission], or [full name and address of the Contracting Authority in the Beneficiary Country]<sup>1</sup>, ("the Contracting Authority")

of the one part,

and

*[Full official name of [Lead]<sup>2</sup> MS partner + acronym where relevant] with its office at [full official address]<sup>3</sup>*

*[where relevant legal status, official registration name and VAT number]*  
("the [Lead]<sup>4</sup> Member State Partner" - MSP),

**[If a multi-MSP twinning contract:** [hereinafter the "Lead Member State Partner"]

and

*[Full official name of Junior MS partner + acronym where relevant] with its office at [full official address],*

*[where relevant legal status, official registration name and VAT number]*

who have conferred powers of attorney for the purposes of the signature of the agreement to the Lead Member State Partner<sup>5</sup>

collectively referred to as "Member State Parties" where a provision applies without distinction to the Lead Member State Partner and the Junior Member State Partner(s)]

of the other part,

(the "Parties")

have agreed as follows:

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<sup>1</sup> Complete as appropriate: Administrative Office, Programme Administration Office, or other.

<sup>2</sup> In case of consortium of MSPs.

<sup>3</sup> Should be the official registration address – postal/physical address is given in Article 5 – contact addresses

<sup>4</sup> In case of consortium of MSPs.

<sup>5</sup> Model mandate provided in Annex A8.

## Special Conditions

### Article 1 - Purpose

- 1.1 The purpose of this contract is the award of a Twinning grant, consisting of reimbursement of expenditures, by the Contracting Authority to finance the implementation of the Action entitled: [*title of Action*] ("the Action") described in annex A1.
- 1.2 The Member State Partner(s) shall be awarded the Twinning grant on the terms and conditions set out in this Contract, which consists of these special conditions ("Special Conditions") and the annexes, which the Member State Partner(s) hereby declares it has noted and accepted.
- 1.3 The Member State Partner(s) accepts the Twinning grant and undertakes to be responsible for carrying out the Action.
- 1.4 The Final Recipient of the Action is: [.....]<sup>6</sup>

### Article 2 – Execution and Implementation period of the Action (legal and work plan duration)

- 2.1 The execution period of the contract (legal duration) shall enter into force upon the date of notification by the Contracting Authority of the contract signed by all parties. The execution period of the contract shall end 3 months after the implementation period of the Action as stipulated in art 2.2.
- 2.2 The implementation period of the Action shall take .....months and shall begin on the date of the arrival of the Resident Twinning Adviser (RTA). His/her arrival has to take place at the latest within one month following the notification of the Twinning contract.

#### Twinning Light:

The implementation period of the Action shall take....months and shall start on the date of the notification of the Twinning Light contract.

### Article 3 - Financing the Action

- 3.1 The total cost of the Action eligible for financing by the Contracting Authority is estimated at EUR [.....], as set out in Annex A3.
- 3.2 The Contracting Authority undertakes to finance a maximum amount of EUR [...].The final amount shall be established in accordance with Article 17 of Annex A2 except where annex A7 applies. The Action is co-financed as per Annex A3 by the Final Recipient of the Action.

### Article 4 - Payment arrangements and technical and financial reporting

- 4.1 Payment shall be made in accordance with Article 15 of Annex A2 option no. 2, as set out in Article 15.1.

Initial pre-financing payment: EUR [.....]

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<sup>6</sup> Name of the Beneficiary Country Administration benefiting from the Twinning Contract.

Further pre-financing payment(s): EUR [.....]  
(subject to the provisions of Annex A2)

Balance of the final amount of the Twinning contract  
(subject to the provisions of Annex A2): EUR [.....]

- 4.2 Technical and financial reports shall be produced in compliance with Articles 2 and, 15.1 and 15.3 of Annex A2, using the relevant twinning templates.

Financial section of these reports shall comply with the requirements defined in paragraphs 4, 5 and 6 of Article 15.7 of Annex 2 (requirements for a detailed breakdown of expenditure).

In addition to these reports, the [Lead]<sup>7</sup> Member State Partner shall send additional interim reports in compliance with article 2.1 of Annex A2 on a quarterly basis. The specific reporting procedure shall follow the provisions spelled out in Annex A7 to this contract.

## 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

**Option 1: where the Contracting Authority is not the European Commission (after conferral of management with or without ex-ante control):**

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

*[address of the Contracting Authority's management department]*

A copy of the reports referred to in Article 4.2 must be sent to the concerned service of the European Commission at the following address:

*[address of the EU Delegation/ Directorate-General for Enlargement / Directorate-General for Development and Cooperation - EuropeAid ]*

**Option 2: where the Contracting Authority is an EU Delegation:**

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

*[address of the finance section of the Delegation]*

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

*[address of the management section of the Delegation]*

**Under ENPI ONLY, add:**

*[address of the PAO]*

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<sup>7</sup> In case of consortium of MSPs.

### **Option 3: Where the Contracting Authority is the European Commission Headquarters**

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

European Commission  
Directorate-General for Development and Cooperation - EuropeAid / Directorate General for Enlargement  
For the attention of the finance unit [*address of the finance unit*]

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

European Commission  
Directorate-General for Development and Cooperation - EuropeAid / Directorate General for Enlargement  
For the attention of the management unit [*address of the management unit*]

A copy of the reports referred to in Article 4.2 must be sent to the EU Delegation in charge of monitoring the Action, at the following address: [*address of the Delegation*]

*With reference to the three options:*

For the [Lead]<sup>8</sup> Member State Partner

[*address of the [Lead]<sup>9</sup> MSP for correspondence*]

For the Final Recipient of the Action

[*address of the Final Recipient of the Action*]

- 5.2 The expenditure verification referred to in Article 15.7 of Annex A2 will be carried out by [*name, address, telephone and fax numbers of selected audit firm*].

### **Article 6 - Annexes**

- 6.1 The following documents are annexed to these Special Conditions and form an integral part of the Contract:

Annex A1:	Description of the Action (including the Work Plan)
Annex A2:	General Conditions applicable to European Union-financed grant contracts for External Actions
Annex A3:	Budget for the Action (including co-financing part by the Final Recipient of the Action)
Annex A4:	Contract-award procedures
Annex A5:	Standard request for payment and financial identification form
Annex A6:	Expenditure verification report
Annex A7:	Special Financial Annex
Annex A8:	Mandate (if Member States have formed a consortium)

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<sup>8</sup> In case of consortium of MSPs.

<sup>9</sup> In case of consortium of MSPs.

- 6.2 In the event of conflict between the provisions of the present Special Conditions and any Annex thereto, the provisions of the Special Conditions shall take precedence. In the event of conflict between the provisions of Annex A2 and those of the other annexes, those of Annex A2 shall take precedence.  
In case of discrepancies between Article 14 of Annex A2 and Annex A7, the latter shall prevail.

## **Article 7 - Other specific conditions applying to the Action**

- 7.1 The General Conditions are supplemented by the following:

7.1.1 In annexes A2 to A7:

In case of consortium of Member State Partners, the Member State Partner signing the Twinning contract and leading the consortium is referred to as the Lead Member State Partner.

The term “Beneficiary(ies)” refers collectively to all Member State Partners (MSP), including the Lead Member State Partner.

The term “Coordinator” refers to the Lead Member State Partner.

When there is only one Member State Partner, the terms Beneficiary(ies) and Coordinator should both be understood as referring to the only Member State Partner.

7.1.2. The Action is co-financed as per annex A3 by the Final Recipient of the Action.

7.1.3 In article 7.1 and 7.2 of annex A2, the term ‘Beneficiary(ies)’ is replaced by ‘the Final Recipient of the Action’. Article 7.2 of Annex A2 applies also to any work done by the RTA(s) and other experts mobilised by the MSP(s) in the performance of their duties related to the implementation of the Action.

7.1.4<sup>1011</sup> [*not applicable for ENPI*] Taxes, including VAT, duties and charges and all other costs identified in Article 34(3) of the IPA Implementing Regulation [(EC) No 718/2007 of 12 June 2007, as amended)] are not eligible for the activities described in Annex A1.

- 7.2 The following derogations from the General Conditions shall apply:

7.2.1 By derogation from article 9.4 of Annex A2, changes to the Twinning work plan and budget shall be governed by the procedure spelled out in Annex A7.

7.2.2 By derogation from Article 12.1 of Annex A2:

In case of failure by the Final Recipient of the Action to fulfil any of their obligations under the Twinning Contract, or for any other duly substantiated external reason, the MSP(s) may terminate the Twinning Contract by giving three months' notice in writing to the Final Recipient of the Action, after having informed the CA, the Commission Headquarters and the administrative office of the BC.

In case of failure by the MSP(s) to fulfil any of their obligations under the Twinning Contract, or for any other duly substantiated external reason, the Final Recipient of the Action may terminate the Twinning Contract by giving three months' notice in writing to the MSP(s), after agreement with the Commission Headquarters and after having informed the CA (where the Commission is not the CA) and the administrative office of the BC.

In case of failure by the MSP(s) or by the Final Recipient of the Action to fulfil any of their obligations under the Twinning Contract, or for any other duly substantiated external reason, the CA, after agreement with the Commission (where the Commission is not the Contracting Authority), may halt funding of the Action or terminate the Action by giving three/two months' notice in writing to the MSP(s) and the Final Beneficiary of the Action.

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<sup>10</sup> *Article to be deleted for ENPI-funded Twinning Contracts.*

<sup>11</sup> For IPA-funded Twinning Contracts, please adapt in line with any existing (already allowed) derogations based on Article 66(3) of the IPA IR.

- 7.2.3. By derogation from Articles 13.3 and 13.4 of Annex A2, the following procedure for settlement of disputes shall apply:  
The Parties shall endeavour to settle amicably any dispute or complaint relating to the interpretation, application or fulfilment of this Twinning Contract, including its existence, validity or termination. In default of amicable settlement, any Party 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 this Agreement.  
The language to be used in the arbitral proceedings shall be English, French or German. The appointing authority shall be the President of the Court of Justice of the European Union following a written request submitted by either Party. The Arbitrator's decision shall be binding on all Parties and there shall be no appeal.
- 7.2.4 By derogation to Article 14.3 of Annex A2, eligible costs may also be constituted by unit costs (fee per day worked in the Beneficiary Country and per diems) and flat-rate financing (twinning management costs and 6% of salary and non-wage labour costs for the RTA), as defined in section 3.5 of Annex 7 and in the Common Twinning Manual.
- 7.2.5 By derogation to Article 14.4 of Annex A2, the first paragraph of Article 14.4 shall not apply.
- 7.2.6 By derogation to Article 14.5 of Annex A2, the total amount of financing on the basis of simplified costs options as defined in Article 7.2.4 above may exceed EUR 60 000<sup>12</sup>.
- 7.2.7 Articles 14.6, 14.7 and 14.8 of Annex A2 shall not apply.
- 7.2.8 The last sentence of article 15.2 of Annex A2 (extension of the deadline for submission of the final report) shall not apply.
- 7.2.9 By derogation to Article 15.4 of Annex A2, the initial pre-financing payment shall be made within 30 days of the date of notification by the Contracting Authority of the contract signed by all parties.
- 7.2.10 The expenditure verification report of Article 15.7 of Annex A2 is only required for the final payment. The auditor is designated in accordance with the regulation prevailing for the MSP.<sup>13</sup>
- 7.2.11 By derogation to Article 15.7 of Annex A2, a detailed breakdown of expenditure shall be submitted in support of each request for further pre-financing payment. This detailed breakdown of expenditure shall consist in the financial section of the narrative reports produced in compliance with Articles 2 and 15 of Annex A2, provided that this financial section complies with the requirements for a detailed breakdown of expenditure that are defined in paragraphs 4, 5 and 6 of Article 15.7 of Annex A2.
- 7.2.12 By derogation to Article 15.9 of Annex A2, costs incurred in other currencies are converted in Euro at the rate published by the Directorate General of the European Commission for Budget, at InforEuro (<http://ec.europa.eu/budget/inforeuro/index.cfm>) for the month in which the expenditure is incurred.
- 7.2.13 A Privacy statement is publicly available on the twinning website at the following address:  
[http://ec.europa.eu/enlargement/pdf/financial\\_assistance/institution\\_building/privacy\\_statem](http://ec.europa.eu/enlargement/pdf/financial_assistance/institution_building/privacy_statem)

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<sup>12</sup> Article to be deleted if the financing decision does not authorise the use of simplified cost options for a total amount exceeding EUR 60 000.

<sup>13</sup> Article to be deleted if the value of the grant financing the Twinning Project is above EUR 5 million.

[ent\\_twinning\\_103994\\_en.pdf](#) . The information contained therein applies to this Twinning contract.

7.2.14 All Twinning partners undertake to facilitate the organisation and conduct of the Twinning review Missions referred to in Article 9 of Annex A1 and described in the Common Twinning Manual.

*Where the Commission is the Contracting Authority*

Done at [.....] in three originals in the [English/French/German]<sup>14</sup> language, one original being for the European Commission one original being for the [Lead]<sup>15</sup> Member State Partner and one original being for the Beneficiary Country Administration

*Where the Commission is not the Contracting Authority*

Done at [.....] in four originals in the English/French/German<sup>16</sup> language, one original being for the European Commission, one original being for the Contracting Authority, one original being for the [Lead]<sup>17</sup> Member State Partner and one original being for the Beneficiary Country Administration

For the [Lead]<sup>18</sup> Member State Partner

For the Contracting Authority

Name<sup>19</sup>:

Name<sup>20</sup>:

Title<sup>21</sup>:

Title<sup>22</sup>:

Signature:

Signature:

Date:

Date:

*Only under decentralised management with ex ante control*

Endorsed for financing by the European Union

Name<sup>23</sup>:

Title<sup>24</sup>:

Signature:

Date:

**Please ensure that the contact details of the Project Leaders (both of the MSPs and of the BC) are also mentioned, if appropriate, on a separate sheet.**

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<sup>14</sup> Delete as appropriate.

<sup>15</sup> In case of consortium of MSPs.

<sup>16</sup> Delete as appropriate.

<sup>17</sup> In case of consortium of MSPs.

<sup>18</sup> In case of consortium of MSPs.

<sup>19</sup> Name of the individual(s) authorised to sign.

<sup>20</sup> Name of the official(s) authorised to sign.

<sup>21</sup> Title of the individual(s) authorised to sign.

<sup>22</sup> Title of the official(s) authorised to sign.

<sup>23</sup> Name of the official(s) authorised to sign.

<sup>24</sup> Title of the official(s) authorised to sign.