

EUROPEAN UNION
GRANT AGREEMENT FOR PILLAR ASSESSED ORGANISATIONS
(PA GRANT AGREEMENT)

CN IPA/2018/404-200
(the "Agreement")

The European Union, represented by the European Commission, (the 'Contracting Authority') of the one part, and

The European Border and Coast Guard Agency (Frontex)
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Specialised EU Agency
Plac Europejski 6
00-844 Warsaw, Poland

hereinafter the 'Organisation'

and the co-beneficiary:

- International Organization for Migration (IOM), represented through the IOM Regional Office for the European Economic Area (EEA), the EU and NATO, 40 rue Montoyer, 1000 Brussels, Belgium;

and the co-beneficiary:

- United Nations High Commissioner for Refugees, represented by its Regional Representation in Brussels, Avenue Louise 283, B-1050 Brussels, BC, Belgium.

of the other part, (individually a 'Party' and collectively the 'Parties') have agreed as follows:

SPECIAL CONDITIONS

Article 1 — Purpose

- 1.1 The purpose of this Agreement is the award of a financial contribution by the Contracting Authority to finance the implementation of the action entitled: "*Regional support to protection-sensitive migration management systems in the Western Balkans and Turkey - PHASE II – Contract 1*" (the 'Action') described in Annex I.
- 1.2 In the performance of the activities, the Organisation applies its own internal control and accounting systems as well as the rules and procedures for an independent external audit which have been positively assessed in the ex-ante pillars assessment, as well as any other Regulations and Rules, to the extent that these are not in conflict with the provisions of this Agreement. In case the pillar assessment raised some reservations the Organisation shall comply with the ad hoc measures stated in Article 7.
- 1.3 This Action is an EU External Action. The Action is financed under the Instrument for Pre-Accession (IPA II).
- 1.4 This Agreement is further subject to the provisions of the Financial and Administrative Framework Agreement (FAFA) signed between the European Union and the United Nations on 29 April 2003, as amended by Addendum No. 1 signed on 26 February 2014 as these relate to the involvement of the co-beneficiaries United Nations High Commissioner for Refugees (UNHCR) and International Organization for Migration (IOM) in actions administered by the Organisation and funded or co-funded by the Contracting Authority.

Article 2 — Implementation of the Action

- 2.1 This Agreement shall enter into force on the date when the last of the two Parties designated as signatories signs.
- 2.2 Implementation of the Action shall begin the 1st July 2019.
- 2.3 The Implementation Period of the Agreement is 24 months.

Article 3 — Financing the Action

- 3.1 The total eligible costs of the Action are estimated at EUR ("Currency of the Agreement") 3 400 000 as set out in Annex III.
- 3.2 The Contracting Authority undertakes to finance a maximum amount of EUR 3 400 000. This contribution is further limited to 100% of the total eligible cost of the Action.
- 3.3 The final amount of the Contracting Authority's contribution shall be determined in accordance with Articles 18, 19, 20 and 23 of Annex II and Article 3 of Annex II b.
- 3.4 Pursuant to Article 18 of Annex II, eligible indirect costs shall be declared on the basis of a flat rate of 7%¹ of the final amount of direct eligible costs incurred by the co-beneficiaries to be reimbursed by the Contracting Authority. The final amount of direct eligible costs of the Action is established in accordance with Article 18.
- 3.5 A reserve for contingencies and/or possible fluctuations in exchange rates not exceeding 5 % of the eligible expenditure may be included in Annex III, to allow for adjustments necessary in the light of unforeseeable changes of circumstances on the ground. It can be used only with the prior written authorisation of the Contracting Authority, upon a duly justified request from the Organisation.

Article 4 — Reporting and payment arrangements

- 4.1 Payments shall be made in accordance with Article 19 of Annex II.

The agreed pre-financing rate is 100%.

Initial pre-financing instalment: EUR 2 128 735.65

Further pre-financing instalment(s): EUR 1 271 264.35 (subject to the provisions of Annex II)

For EU External Actions and CFSP, the further pre-financing instalments should be indicated as one global amount and not broken down per payment. The actual instalments will be based on the updated forecast for the next reporting period. Where the Implementation Period is 12 months or less or where the EU contribution is EUR 100.000 or less, further pre-financing instalments should not be included.

Article 5 — Communication language and contacts

- 5.1 All communications to the Contracting Authority in connection with the Agreement, including reports referred to in Article 3 of Annex II, shall be in English. If requested by the Contracting Authority they shall be accompanied by a translation or a summary in English or French where the language of the Agreement is not English or French.
- 5.2 Any communication relating to the Agreement shall be in writing, shall state the number and/or title of the Action, and shall use the following addresses below.
- 5.3 Any communication relating to the Agreement, including payment requests and attached reports, and requests for changes to bank account arrangements shall be sent to:

For the Contracting Authority

European Commission

Directorate-General for European Neighborhood Policy and Enlargement Negotiations (DG NEAR)

For the attention of **Text removed - Justification 1**

Head of Unit R5 - Contracts and Finance IPA

Rue de la Loi 15 06/46

B-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 European Neighborhood Policy and Enlargement Negotiations (DG NEAR)

For the attention of **Text removed - Justification 1**

Head of Unit D5-Western Balkans Regional Cooperation and Programmes

Rue de la Loi 15 03/90

B-1049 Brussels

Belgium.

For the Organisation

European Border and Coast Guard Agency (Frontex)

¹ Administrative costs are eligible only in relation to the portion of incurred costs by the co-beneficiaries IOM and UNHCR

For the attention of **Text removed -** Director of International and European Cooperation Division ad
interim **Justification 1**
Plac Europejski 6
00-844 Warsaw
Poland

- 5.4. Ordinary mail shall be deemed to have been received on the date on which it is officially registered at the address referred to above.
- 5.5 The contact point within the Organisation which shall have the appropriate powers to cooperate directly with the European Anti-Fraud Office (OLAF) in order to facilitate the latter's operational activities shall be:

European Border and Coast Guard Agency (Frontex)
For the attention of **Text removed -** Head of Inspection and Control Office
Plac Europejski 6 **Justification 1**
00-844 Warsaw, Poland

Article 6 — Annexes

- 6.1 The following documents are annexed to these Special Conditions and form an integral part of the Agreement:
- Annex I: Description of the Action (including the Logical Framework of the Project and – where applicable - the Concept Note)
 - Annex II: General Conditions for PA Grant or Delegation Agreements (Part II on Delegation Agreements does not apply) and Annex II.b
 - Annex III: Budget for the Action
 - Annex IV: Financial identification form
 - Annex V: Standard request for payment
 - Annex VI: Communication and Visibility Plan
- 6.2 In the event of a conflict between the present Special Conditions and any annex thereto, the provisions of the Special Conditions shall take precedence. In the event of a conflict between the provisions of Annex II including Annex II.b and those of the other annexes, those of Annex II and Annex II.b shall take precedence.

Article 7 — Other specific conditions applying to the Action

- 7.1 The following shall supplement the General Conditions:

For costs of a project office:

7.1.1 Where the implementation of the Action requires the setting up or the use of one or more project offices, the co-beneficiary may declare as eligible direct costs the capitalised and operating costs of the structure if all the following conditions are fulfilled:

- a) They comply with the cost eligibility criteria referred to in Article 18.1 of the General Conditions;
- b) They fall within one of the following categories:
 - i) costs of staff, including administration and management staff, directly assigned to the operations of the project office. The tasks listed in the Description of the Action (Annex I), undertaken by staff assigned to the project office will be directly attributable to the implementation of the Action.
 - ii) travel and subsistence costs for staff and other persons directly assigned to the operations of the project office;
 - iii) depreciation costs, rental costs or lease of equipment and assets composing the project office.
 - iv) costs of maintenance and repair contracts specifically awarded for the operations of the project office;
 - v) costs of consumables and supplies specifically purchased for the operations of the project office;
 - vi) costs of IT and telecommunication services specifically purchased for the operations of the project office;
 - vii) costs of energy and water specifically supplied for the operations of the project office;
 - viii) costs of facility management contracts including security fees and insurance costs specifically awarded for the operations of the project office;
- c) The co-beneficiary declares the eligible direct costs of the project office as actual costs or for staff costs on the basis of unit costs determined by the co-beneficiary according to its usual accounting practice;

- d) The co-beneficiary declares as eligible only the portion of the capitalised and operating costs of project office which corresponds to the duration of the Action and
- i) the rate of actual use of project office for the purposes of the Action; or
 - ii) the rate of use of a project office for the purposes of the Action, determined by the co-beneficiary on the basis of a simplified allocation method, provided that the allocation method is compliant with the Organisation' usual accounting and management practices, applied in a consistent manner regardless of the source of funding, and based on an objective, fair and reliable allocation key.

If the Organisation implements the Action together with Co-Beneficiaries:

7.1.2 For the purpose of this Agreement, the following legal entities are considered Co-Beneficiaries:

- International Organization for Migration (IOM), International Organization with its Headquarters at 17, Route des Morillons, Geneva 19, 1211, Switzerland – International/intergovernmental organization
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- United Nations High Commissioner for Refugees (UNHCR), represented by its Regional Representation in Brussels, Avenue Louise 283, B-1050 Brussels, BC, Belgium – International organization
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7.1.3. Article 24 of Annex II shall be supplemented as follows: The UN shall not provide funds to third parties, whether entities, individuals or group of individuals, included in the Consolidated United Nations Security Council Sanctions List (the "UN Sanctions List") at the time such third parties are selected.

The UN shall cooperate with the Commission in assessing if the third parties, whether entities, individuals or group of individuals, selected by the UN to be recipients of funds in connection with the implementation of the respective contribution agreement, fall under the scope of EU restrictive measures. In the event that such recipients would fall under the scope of EU restrictive measures, the UN shall promptly inform the Commission.

In such event, the UN and the Commission shall promptly consult each other with a view to jointly determining remedial measures in accordance with their respective applicable legal framework. Such measures may include, but shall not be limited to, the reallocation of the remaining EU Contribution under this Agreement, net of any costs incurred by the UN for undertaking any procurement or award procedure ("the Corresponding Amount").

Where such remedial measures are not feasible, the Corresponding Amount shall not be charged to the action or, in the case of multi-donor action, to the amount corresponding to the Commission's contribution to the action.

This is without prejudice to the suspension or termination of the respective contribution agreement, together with the recovery of any unspent funds contributed by the Commission to the UN, after consultation by the Parties.

This provision is without prejudice to the exceptions contained in the EU restrictive measures.

Done in Brussels in three originals in the English language, two for the Contracting Authority and one for the Organisation.

For the Organisation and on behalf of the Co-Beneficiaries

For the Contracting Authority

Fabrice Leggeri
Executive Director,
Frontex

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Wester Balkans regional
programmes and
Cooperation, D5

Directorate General for
Neighbourhood and
Enlargement Negotiation

European Commission

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Date

20/12/2018

Date