

EUROPEAN UNION DELEGATION AGREEMENT FOR INDIRECT CENTRALISED METHOD OF IMPLEMENTATION

according to Article 54 paragraph 2(c) of the Council Regulation (EC, Euratom), of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities¹, as amended² and according to Article 38 of the Commission Regulation (EC, Euratom) No 2342/2002, of 23 December 2002³, laying down detailed rules for the implementation of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities, as amended⁴.

Agreement Number: ENPI/2014/352-319

The European Union, represented by the European Commission (the "Commission"),

of the one part,

and

Ministry of Foreign Affairs and International Cooperation with its General Directorate for Development and Cooperation, represented by the *Ambassador of the Embassy of Italy in Egypt*, located in 15, Abdel Rahman Fahmy, Garden City, Cairo (the "Delegatee Body")

of the other part,

(Individually a "Party" and collectively the "Parties"), have agreed as follows

SPECIAL CONDITIONS

ARTICLE I – PURPOSE

- 1.1 The purpose of this Delegation agreement (the "Agreement") is to grant a contribution by the European Union to the Delegatee body for the implementation of the "*EU Joint Rural Development Programme*" as described in Annex I (the "Action"), to define the tasks entrusted to the Delegatee body, to lay down the rules for their implementation and to define relations between the Delegatee body and the Commission.
- 1.2 The Delegatee body will be awarded the contribution on the terms and conditions set out in the Agreement, which consists of these special conditions (the "Special Conditions") and their Annexes.

¹ OJ L 248, 16.09.2002, p. 1

² For the last time by Regulation (EU, EURATOM) No 1081/2010 of the European Parliament and of the Council of 24 November 2010 amending Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities, as regards the European External Action Service. OJ L 311, 26.11.2010, p. 9

³ For the last time by Commission Regulation No 478/2007 of 23 April 2007. OJ L 357, 31.12.2007, p.1

⁴ OJ L 111 of 28.4.2007, p. 13



- 1.3 In the performance of its tasks, the Delegatee body shall apply its own procedures and systems except for grants for which the Commission's procedures shall be applied.
- 1.4 The Action *is not* co-financed by the Delegatee body and/or other donors. The Delegatee body will provide a parallel financing of EUR 11.000.000.

ARTICLE 2 – ENTRY INTO FORCE, IMPLEMENTATION PERIOD AND PERIOD OF EXECUTION

- 2.1 The Agreement shall enter into force on the date when the last of the two Parties signs.
- 2.2 The implementation period of the Agreement (the "Implementation Period") shall commence on:
- the day following that on which the last of the two Parties signs;
- 2.3 The implementation period of the Agreement as laid down in Annex I, is **58 months**.
- 2.4 The execution period of the Agreement shall end at the moment when final payment is paid by the Commission and in any case at the latest at the end date referred to in Article 12.5 of Annex II.
- 2.5 **The period for conclusion of individual and grant contracts implementing the Action under this Agreement referred to in Article 11.2 of Annex II shall not exceed three (3) years following the date of entering into force (date of signature by the last party) of this delegation agreement between the Commission and the Delegatee body.**

ARTICLE 3 – FINANCING THE ACTION

- 3.1 The total cost of the Action eligible for financing is estimated at **EUR 21,895,000**, as set out in Annex III.
- 3.2 The Commission undertakes to finance a maximum of **EUR 21,895,000**, equivalent to **100%** of the estimated total eligible costs of the Action specified in paragraph 1. The final amount will be established in accordance with Articles 14 and 17 of Annex II.
- 3.3 Pursuant to article 14.4 of Annex II, **7 %** of the final amount of direct eligible costs of the Action to be reimbursed by the Commission, as determined by Articles 14 and 17 of Annex II, may be claimed by the Delegatee body as indirect costs.

ARTICLE 4 – NARRATIVE AND FINANCIAL REPORTING AND PAYMENT ARRANGEMENTS

- 4.1 Implementation and Final reports shall be produced in support of payment requests pursuant to Article 2 of Annex II.
- 4.2 Payments shall be made in accordance with Article 15 of Annex II. The following option referred to in Article 15.1, is applicable:

Option 2

Several instalments, according to the following schedule:

Pre-financing	EUR	2,889,642
Forecast pre-financing (subject to the provisions of Annex II)	EUR	18,805,358
Forecast final payment (subject to the provisions of Annex II).	EUR	200,000



ARTICLE 4BIS – ACCESS TO THE CENTRAL EXCLUSION DATABASE

Access to the Central Exclusion Database referred to in Article 10 of Annex II, will be provided through the liaison point(s) whose names have been provided to the Accounting Officer of the Commission.

ARTICLE 5 – CONTACT ADDRESS

- 5.1 All communications to the Commission in connection with the Agreement, including reports referred to in Article 2 of Annex II, shall be in *English*. If necessary they will be accompanied by a translation or a summary in 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 Payment requests and attached reports, including requests for changes to bank account arrangements shall be sent to:

For the Commission

For the attention of
Delegation of the European Union to Egypt
Head of Finance, Contracts and Audit Section
Nile City Towers, North Tower, 2005c Corniche El Nil,
10th floor, Ramlet Boulaq, Cairo, Egypt

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

Delegation of the European Union to Egypt
Head of Operations Section
Nile City Towers, North Tower, 2005c Corniche El Nil,
10th floor, Ramlet Boulaq, Cairo, Egypt

For the Delegatee body:

The Director
Development Cooperation Office
Embassy of Italy
1079 Corniche El Nil, Garden City, Cairo, Egypt

- 5.4 All communications to the Commission concerning the Central Exclusion Database will be submitted by the Delegatee body liaison point Tiziana BIANCHI, Authority for the Supervision of Public Contracts for Works, Services and Supplies to:

European Commission
Directorate General Budget
Accounting Officer of the Commission
BRE2-13/505
B-1049 Brussels

- 5.5 Ordinary mail shall be deemed to have been received by the Commission on the date on which it is officially registered at the address referred to above. Where the Commission has provided models and/or fixed deadlines, these should be adhered to.



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 and Description of the Delegated Tasks
- Annex II: General Conditions applicable to European Union Delegation agreement for indirect centralised method of implementation
- Annex III: Budget for the Action
- Annex IV: Detailed provisions on the Central Exclusion Database (Article 10 Annex II)
- Annex V: Communication of information by implementing bodies or authorities for the Central Exclusion Database⁵
- Annex VI: Financial Identification Form
- Annex VII: Standard Request for Payment

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 (General Conditions) and those of the other Annexes, the provisions of Annex II shall take precedence.

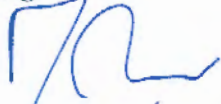
Done in Cairo in three originals in the English language, two for the Commission and one for the Delegatee body.

For the Delegatee body

Name: Maurizio MASSARI

Position: Ambassador
Embassy of Italy to Egypt

Signature



Date 10/12/2014



For the Commission

Name: James MORAN

Position: Head of Delegation
European Union Delegation to Egypt

Signature



Date 3 DEC 2014



⁵ Annex II of Commission Regulation (EC, Euratom) No. 1302/2008, of 17 December 2008, on the central exclusion database (OJ L 344/12, 20.12.2008).

EU Joint Rural Development Programme

ENPI/2014/352-319

ANNEX 1 “Description of the Action and Description of the Delegated Tasks”



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LIST OF ACRONYMS

AFD	Agence Française de Développement
CAPMAS	Central Agency for Public Mobilization and Statistics
DFID	Department for International Development
DPG	Donor Partner Group
ENPARD	European Neighbourhood Programme for Agriculture and Rural Development
ERW	Explosive Remnants of War
EU	European Union
FAO	Food and Agriculture Organization
GAP	Good Agricultural Practices
GDP	Gross Domestic Product
LAG	Local Action Group
MAECI-DGCS	Direzione Generale Cooperazione allo Sviluppo-Ministero degli Affari Esteri
MALR	Ministry of Agriculture and Land Reclamation
MoPIC	Ministry of Planning and International Co-operation
PMU	Programme Management Unit
PRAG	Practical Guide to Contract Procedures for European Union External Actions
ROM	Result Oriented Monitoring
SMEs	Small and Medium-Sized Enterprises
TVET	Technical and Vocational Education and Training
UNDP	United Nation Development Programme
UNIDO	United Nations Industrial Development Organization
USAID	United States Agency for International Development
UXO	Unexploded Ordinance





1. RATIONALE

1.1 Summary

The present Action is a rural development intervention under the ENPARD (European Neighbourhood Programme for Agriculture and Rural Development). The Action aims at strengthening the capacities of rural associations, both farmers and non-farmers, in terms of sustainable management of local resources and will explore new and innovative solutions for generating income by offering tailored support. As such, it will support the socio-economic development of the rural beneficiaries in the target areas, which are among the most vulnerable population of the country.

The overall objective is to improve the quality of life of the people living in the rural areas of three Governorates of Egypt (Matrouh, Minia and Fayoum), with the focus on the sustainable management of territorial resources.

The specific objectives are to:

- Increase sustainable agricultural production by managing water resources more effectively and adopting Good Agricultural Practices (GAP).
- Improve rural livelihoods by promoting income-generating activities (agricultural/non-agricultural) and making best use of local resources.

1.2 Country Context

The exceptional political circumstances which the country has experienced since 2011 have caused serious deterioration in its economic performance. The annual growth rate has declined from 7% a few years ago to 2.4%, and this is expected to have a considerable impact on unemployment, which is currently at 13% overall and 30% for young people (women are also particularly affected). The budget deficit is increasing and now stands at 11% of Gross Domestic Product (GDP). Exports and tourism revenues have also declined, and as a result foreign currency reserves have dropped. Foreign Direct Investment Flows have dropped from USD 13 billion two years ago to a new low of USD 1.1 billion.

Poverty has increased from 25.2% in 2011 to 26.3% in 2013¹. Poverty is prevalent mostly in rural areas, where more than 70% of the poor are concentrated. Upper Egypt, which accounts for about 25% of the total population, is particularly affected as it is in this area that half of the poorest people in the country are living. Several other human development indicators show the same gap between rural and urban areas: for instance, the illiteracy rate is twice as high in rural as in urban areas. Fayoum and Minia show the lowest Human Development Index of all Governorates, while Matrouh is ranked in the middle.

The Government of Egypt has been working on its 10-year (2012-2022) strategic framework for economic and social development, which is also called the 'National Income Doubling Plan'.

The long-term plan (up to 2022) has a main goal of achieving an average 7% GDP annual growth rate, doubling national income in ten years while promoting job creation and ensuring economic stability.

¹ Statistical data source: CAPMAS (Central Agency for Public Mobilisation Statistics), UNDP Human Development Report 2010, CIHEAM ENPARD reports.



1.3 Sector context

Over the last 30 years, the national agricultural policy of the country has primarily focused on land reclamation in new areas (land developed for agriculture since the 1960s), investments from the private sector, and investments in national mega projects to improve farm irrigation techniques.

In 2009, the Government of Egypt, with the support of the Food and Agricultural Organisation of the United Nations (FAO), devised a new strategy called 'Sustainable Agricultural Development Strategy towards 2030', which aims to modernise agriculture in Egypt in order to achieve food security and improve the living standards of the rural inhabitants by making efficient use of the available resources. The main objectives of this strategy include the sustainable use of natural agricultural resources, increasing the productivity of land and water units, raising the degree of food security, increasing the competitiveness of agricultural products, improving the living standards of the rural inhabitants and reducing poverty rates in rural areas.

The current sector strategy remains focused on agricultural projects and on centralised implementation. Although the Government of Egypt has cautiously begun to address rural development beyond agricultural technology, a specific and comprehensive rural development strategy has yet to be developed.

However, the new Government of Egypt has stressed the importance of expediting the steps that can boost economic and productive activities with the aim of easing the economic suffering of the most vulnerable citizens. Among its top priorities are i) making more land available for agriculture and ii) ensuring adequate food supplies at affordable price, which constitute the main objectives of this Programme.

Agriculture remains the main activity in rural areas of Egypt. It accounts for 13.4% of total GDP and for 18.3% of exports. It also employs more than 25% of the population and is the main source of income for about 55% (CAPMAS, 2012).

Poor management of solid and agricultural waste and the overuse of chemical inputs have made a big contribution to environmental degradation in rural areas. Improper waste disposal has also become a national problem in Egypt, and an issue for debate and conflict at local and national levels over recent decades.

For small landholders, income from agricultural activities is not sufficient to meet their needs. Alternative employment opportunities are lacking due to the limited development of small and medium enterprises (SMEs) in rural areas (limited access to finance and lack of technical/managerial skills). As a consequence there is a growing general need to diversify people's sources of income.

1.4 Lessons Learnt

Over recent decades, agriculture and rural development schemes in Egypt have largely been technology-based and supply-driven, using mainly a centralised decision-making approach. This has limited local ownership and governance, which in turn has failed to support capacity development or the empowerment of local authorities. Marketing concerns were not integrated, and producers were not encouraged to co-operate or to organise themselves to work together.

While the focus has now shifted from making resources available to making effective use of the available resources, the rural development debate has moved from an input/technological focus to a focus on people. It has brought in a number of new factors and players and has significantly

changed the nature and management of such Programmes. Lessons can be drawn from rural development policies in the EU and from EU projects in Egypt (e.g. (i) support for the agriculture network, (ii) the South Sinai Regional Development Programme, and initiatives developed by other donors).

Evidence therefore suggests that to be successful and sustainable, and to ensure ownership by the final beneficiaries, Programmes should be community-based, participatory, demand-driven, flexible and accountable.

1.5 Complementary Actions

The EU is currently implementing the 'Support for Rural Development' Programme (EUR 10 million) in Minya and Fayoum Governorates, which provides technical assistance and institutional capacity building for the Government of Egypt in order to develop a conditional incentive-based model by way of pilot activities in ten villages of these two Governorates.

Italy is strongly committed to the agricultural and rural development sectors through a number of important initiatives aiming at improving agricultural production and food security, as well as support to local communities both in the poorest rural Egyptian Governorates (total amount of budget used approximately EUR 60 million) and the Programme areas. Additionally, a joint Technical Committee has been created between the Ministry of Agriculture/Foreign Relation and the Italian Cooperation in Cairo through Ministerial Decree n. 1967, dated 2013 to ensure the overall coordination and supervision of all activities related to the agriculture and rural development sector.

1.6 Donor Coordination

Exchange of information, lessons learned and co-ordination will be ensured through: a) the Donor Partner Group (DPG), a sub-group on Natural Renewable Resources (water and agriculture), of which several EU Member States are members; b) the Agricultural and Rural Development Member State platform; c) the Agricultural Donor Group, organised by the Ministry of Agricultural and Land Reclamation.

2. DESCRIPTION OF THE PROGRAMME

The implementation strategy is focused on community-based development and enhancement of natural resources utilization. The Programme has been conceived as a response to problems at local level, and the activities have been designed to meet the needs of local communities. The Programme will strengthen the agricultural infrastructures and the capacities of existing active rural associations, co-operatives and unions of producers working in sectors of interest, in terms of the sustainable management of local resources, and will explore new and innovative solutions for generating income by offering tailored support. Technical assistance throughout the life of the Programme will target a critical mass of farmers, artisans, and vulnerable population to get them actively involved in securing their immediate livelihood needs, and in sustaining their long-term social, economic and human development.

2.1 Overall objective

The overall objective of the Programme is to improve the quality of life of the people living in the rural areas of Matrouh, Minia and Fayoum Governorates, with a focus on the sustainable management of territorial resources.





2.2 Specific Objective

There are two specific objectives of the Programme:

- Increase sustainable agricultural production by managing water resources more effectively and adopting Good Agricultural Practices (GAP);
- Improve rural livelihoods by promoting income-generating activities (agricultural/non-agricultural) and making best use of local resources.

2.3 Description of activities

A specific description of the principal activities related to the main sectors of intervention is provided below.

1. Increase water harvesting in Matrouh Governorate

The Programme area of Matrouh is a dry land agro-pastoral zone suffering from water scarcity, affecting the food production and livestock wealth. With the population increase in the area, demand for more water and food is also increasing. The only source of water in area is the seasonal rain (October – April), which is really limited. The need to collect and harvest the rain water is vital to guarantee food and livestock production as well as its utilization for domestic use. The efficient use of the seasonal rain water could be enhanced by developing the *wadi* and harvesting water through different means such as cisterns, reservoirs, and roman wells, according to the geological condition of the area of intervention, as well as the most cost-effective system.

a. Development of *Wadi*

The *wadi* is a basin formed by the seasonal rain water floods, its characteristics are based on the land orography (hydrologic evaluation of the potential basin). *Wadi* rehabilitation and management is one of the main activities. It is developed for agricultural use through forming levelled terraces along the run of the *wadi* which protects its sides by handmade barks (by using stone), while retention dykes and spillways at terraces downstream will be built for flood attenuation and avoids soil erosion.

On these terraces different crops and trees will be planted (mainly fig and olive), their distribution and size will depend on the slope, width, and depth of the soil profile.

The selection of each *wadi* will take into consideration not only the local orography, but also social and economic aspects to satisfy the needs of the local communities and avoid internal dispute. The rehabilitation works will be carried out with active participation of local population and families.

Each *wadi* is shared among communities living nearby, which should agree on the distribution of the terraces between the sub-communities.

As such, the Programme estimates to finance the development of new *wadi* and the rehabilitation of existing ones (about 50 km in total) in order to add new cultivated land for the benefit of the involved local communities.

b. Water harvesting

Water harvesting means all aspects related to the systematic harvesting of superficial rain water outflow as well as its storage in the ground for agriculture and domestic purposes. This could take place by construction and rehabilitation of cistern, reservoirs, and existing Roman wells.

Cistern is constructed to collect runoff rain water; it is built where a rocky layer is present on the ground surface and this layer forms the cistern roof. A hole is opened in this layer, while the soft soil under this layer is evacuated to form the cistern storage space.

The reservoir will be built in concrete to collect rain water, where no rocky layer is present on the ground surface.

The Roman wells are ancient reservoirs filled, by time, with sand and mud. They need maintenance to build back their storing capacity to harvest superficial flowing rain water (cleaning from sand and/or mud filling the well storage space, and works to divert rain water to the well).

2. Irrigation Improvement in Minia and Fayoum Governorates

The major issue facing Egyptian Agriculture is the shortage of water while limited water resources are not increasing. The Egyptian strategy for using this limited resource is based on rationalizing water use. Agriculture is the largest user of water resources and flood irrigation in old lands, using the major portion of the water resources. To tackle this problem it is necessary to increase efforts to improve the farm irrigation and drainage system in the old land. Minia and Fayoum are two Governorates occupying about 10% of the old land. Farm irrigation improvement is one of the main Programme activities to be implemented in both Governorates. Irrigation improvement will also minimize wasting and excessive utilization existing at the head of irrigation canals, coupled with shortage and irregularity of supply at the tail end of the canals.

Farm Irrigation and drainage improvement will be implemented through: rehabilitation of irrigation and drainage network in selected areas, application of proper and efficient irrigation system, in addition to the promotion and establishment of Water Users Associations to take over operation and management of irrigation network.

3. Adoption of Good Agricultural Practices (GAP)

Introduction of Good Agricultural Practices in the areas of intervention is an important prerequisite to achieve the objectives of this Programme. GAP is a sustainable method of agricultural practices which, when applied, will raise the quality and quantity of agricultural products, reflecting positively on consumers' health and also leading to the increase of farmers' income. Hence, in order to introduce and implement Good Agricultural Practices several training programs for farmers and institutional concerned bodies will be provided, including:

- Sustainable agricultural practices for producing main crops.
- Proper use of fertilizers, pesticides, and pest management practices.
- Post-harvest practices.
- Control of quality and food safety.

4. Generating Added value to main crops

The Programme will assist farmers and their communities in enhancing the value of the main crops produced by introducing sustainable technology of agricultural products processing to increase their added value and reduce the ratio between the volume transported and the distances to reach the main markets. In particular, in Matrouh Governorate the activities will focus on the two main crops of olive and fig. These two crops are highly appreciated by local consumers and tourists and have demonstrated a huge potential, especially if good agriculture practices and processing are introduced. Actually farmers' incomes from those crops are quite reduced because of their short shelf life and relative low sale prices as fresh fruits.

The final product (extra virgin olive oil and high quality fig jam) will be marketed at national and possibly at international level.

2.4 Expected results, activities, outputs and location

The main activities and expected results are described below by Governorate and by specific results (given their differing potential outcomes).



Matrouh Governorate

Result 1

Increase water harvesting to reduce the severe shortage of water supply for domestic use and animal consumption, as well as raise arable land for agricultural production.

Main Activities

- Selection of new and existing *wadi* to be rehabilitated.
- Development of new *wadi* and rehabilitation of existing wadi through adoption of maintenance works to increase arable land surface.
- Harvesting and storing rainfall water in cisterns, reservoirs and existing Roman wells.
- Procurement of inputs and agricultural equipment to support cultivation of agricultural lands.

Expected Output

- Quantity of stored water and cultivated area increased.
- New and existing *wadi* developed and rehabilitated (about 50 Km in total).
- Cisterns, Roman cisterns and water reservoirs (capacity 100-150 c.m.) constructed and rehabilitated (around 500 in total).
- Agricultural inputs and equipment for agricultural services supplied.

Result 2

Adoption of Good Agricultural Practices (GAP) to improve quality and quantity of main crops.

Main Activities

- Raise awareness of farmers towards the adoption of GAP.
- Support rural communities; organize farm field schools to train farmers on GAP for main crops, pest management, and promotion of organic agriculture.
- Establish demonstration fields to apply GAP practices, and supply small agricultural equipment.

Expected outputs

- Quality and quantity of main crops improved.
- Social and economic conditions of farmers improved.
- Agricultural farming services improved.

Result 3

Enhance rural communities of farmers and community based associations by strengthening their production and organizational capacity.

Main Activities

- Raise the capacity of the community associations' staff.
- Generate added value to the main crops (mainly olive and fig).

Expected output

- Beneficiaries provided with better services through their associations.
- Economic situation of the farmers improved.

Result 4

Support livestock production of rural communities.



Main activities

- Increase fodder availability and grazing areas.
- Enhance and valorise the Barki Sheep production.

Expected outputs

- Livestock production increased.
- Socio-economic situation of the farmers improved.

Minia and Fayoum Governorates

Result 1

Improve the efficiency of irrigation systems as well as the water management.

Main Activities

- Select one or more command areas.
- Select the most suitable improved irrigation systems.
- Improve the irrigation systems to the level of main canals.
- Improve the irrigation systems at field level.

Expected outputs

- Main canals developed (4000- 6000 feddans²).
- Farm irrigation systems improved (1500-2500 feddans).
- Water Users Associations enhanced.
- Irrigation efficiency improved.

Results 2

Adoption of Good Agricultural Practices (GAP) to improve quality and quantity of main crops.

Main Activities

- Raise awareness of farmers towards the adoption of GAP.
- Support rural communities; organize farm field schools to train farmers on GAP for main crops, pest management, and promotion of organic agriculture.
- Establish demonstration farms to apply GAP practices, and supply small agricultural equipment.

Expected outputs

- Quality and quantity of main crops improved.
- Social and economic conditions of farmers improved.
- Agricultural farming services improved.

Result 3

Reuse of agricultural wastes for agricultural production and generation of additional income.

Main Activities

- Raise awareness of farmers for the reuse of agricultural residues.
- Establish centres to produce compost from the agricultural residues.
- Supply machineries for compost production.
- Train farmers in compost production.

² 1 Feddan = 4.200 square metre = 0.42 hectares = 1.038 acres



Expected outputs

- Soil fertility and waste disposal management improved.
- Economic situation of farmers and creation of job opportunities enhanced.

Result 4

Enhance rural communities of farmers and community based associations by strengthening their production and organizational capacity.

Main Activities

- Raise the capacity of the community associations' staff.
- Introduce better marketing opportunities for the main agricultural production.

Expected outputs

- Beneficiaries provided with better services through their associations.
- Economic situation of the farmers improved.

Result 5

Increase capacities of local service providers.

Main Activities

- Identify and introduce new and innovative non-agricultural income generating opportunities.
- Train associations, providers, and communities to mobilize and use available credits to the favour of farmers and beneficiaries.

Expected outputs

- Socio-economic situation of the farmers and members of communities improved.

Additional expected results in Fayoum Governorate**Result 6**

Enhance eco-tourism sector.

Main Activities

- Identify and locate potential eco-tourism facilities.
- Build on the selected facilities, and create a trail system to connect all facilities to generate tourism tour.
- Capacity building of the staff of the Tourist Authorities.
- Establishment of a coordination system between the interested actors.
- Organization of promotional campaigns.

Expected outputs

- Eco-tourism Action plan created and implemented.
- Capacity of Tourist Authority enhanced.
- More tourists attracted to the area.

Result 7

Development of an archaeological site.

Main Activities

- Identify a new archaeological site.
- Valorisation of new archaeological site.



- Promotional campaign organized.

Expected output

- Archaeological site developed.
- Touristic offer of the area reinforced.
- More tourists attracted to the area.

Result 8

Establishment of functional Local Action Group (LAG).

Main Activities

- Assist the formulation of the LAG.
- Provide technical support and training to the LAG.

Expected outputs

- Coordination and synergy between the actors of the economic and social bodies supported.
- Marketing of local agricultural and non-agricultural products improved.

2.5 Description of beneficiaries and stakeholders involved

The main targeted direct beneficiaries will be the rural communities of farmers, including the community-based associations (water use associations, co-operatives, etc.). Particular attention will be paid to women' organisations, as well as to Bedouin' tribes, and their families. Additionally, small business associations of non-agricultural sectors (e.g. artisans) will be also targeted. The indirect beneficiaries will be the rest of the people living in the rural communities and their family, as well as tourists visiting the Programme implementation areas.

The main institutional stakeholders and "Beneficiaries" of the Programme are the Ministry of Agriculture and Land Reclamation (MALR), the Ministry of Water Resources and Irrigation and the Ministry of Local Development. Among them, the Ministry of Agriculture and Land Reclamation will have a leading role. The Ministry of International Co-operation (MoIC) will be the "National Coordinator".

The implementation of the Programme foresees as much as possible the involvement of different stakeholders both at Governmental and non-governmental level, including private and international organizations.

2.6 Selection of beneficiaries and location of implementation

The initial period of the Programme implementation will be dedicated to select and appoint the Programme Management Unit (PMU) staff, as well as to set-up the necessary logistics. This will be followed by the selection of the sites of intervention and targeted beneficiaries, which will be conducted in full coordination with the concerned institutional bodies, civil society, and other stakeholders both at central and regional level.

3. IMPLEMENTATION MODALITIES

3.1 Implementation modality

The Programme will be implemented through indirect centralized management by MAECI-DGCS.



The Ministry of Agriculture and Land Reclamation is the main Egyptian partner for this Programme and will facilitate and coordinate relation between the PMU and other stakeholders.

A Steering Committee (SC) will be created and have full authority and responsibility to:

- Overall coordination and guidance of the Programme.
- Approval of the Programme implementation plans and budgets proposed by the PMU.
- Monitor the performance of the Programme.
- Facilitate, when necessary, any problem or obstacle which could affect the Programme implementation.

The Steering Committee will be chaired by the Ministry of Planning and International Cooperation.

Members of the Steering Committee are:

- Representatives of the Ministry of Agriculture and Land Reclamation (MALR).
- Representatives of Ministry of Water Resources and Irrigation.
- Representatives of the Ministry of Local Development.
- Representatives of the EU Delegation to Egypt.
- Representatives of the Italian Embassy in Cairo/Development Cooperation Office.

Representatives of other involved Ministries will be also attending whenever deemed necessary without right to vote.

The SC is expected to meet twice a year or when required.

The technical and administrative management of the Programme will be assured through a central Programme Management Unit (PMU), which will be established in Cairo, and three Sub-Programme Management Units (SPMU) based in each Governorate of intervention. The PMU will be composed of three international experts (team leader, Programme officer and financial/procurement officer) and 4 national officers (visibility and communication, administrative/accountant, Programme assistant and secretary) with the support staff (drivers, cleaners, security, etc.). Each SPMU will be formed by three national staff (resident Programme manager, Programme assistant, administration manager), and support staff. The role of the three SPMUs is extremely important to guarantee the correct implementation and supervision of the operational activities of the Programme at local level.

The **PMU** will be responsible of:

- Ensuring the correct implementation of all operational activities of the Programme.
- Ensuring the coordination and full involvement of all concerned stakeholders, to harmonize the entire operational activities of the Programme.
- Providing technical assistance in strengthening the capacity of the beneficiaries, as well as local institutions involved in the Programme.
- Preparing and regularly updating an overall procurement plan.
- Preparing specification for procurement and tender documents.
- Selecting specialized bodies for service and working contracts.
- Carrying out the administration duties such as preparation of financial report.
- Managing financial resources such as disbursement and treasury.
- Contracting the required personnel to constitute the SPMUs and constantly supervise their work.
- Recruiting short-term experts when required.
- Preparing all monitoring and evaluation (M&E) reports of the Programme, as well as support and facilitate M&E missions from EU Delegation and MAECI-DCGS.



- Reporting to the Steering Committee.
- Ensuring visibility of all initiatives of the Programme.

The PMU will make sure that the operational activities are executed to maximize effectiveness, cost efficiency and timeliness of Programme outputs.

Each one of the three SPMU will be responsible of:

- Ensuring the correct implementation of all operational activities of the Programme, according to the operational plan guidelines.
- Assuring the coordination and full involvement of all concerned stakeholders, including the beneficiaries, to harmonize the entire operational activities of the Programme.
- Assisting and supervising the implementation of works entrusted to external contractors and/or experts through grant, service and working contracts.
- Monitoring the financial trend of all disbursements made to properly execute the operational activities of the Programme.
- Managing petty cash expenditures under the guidelines of the PMU.
- Carrying out other required administration duties.
- Preparing M&E reports.
- Assisting and supporting the PMU, EU delegation, MAECI-DCGS and short term experts during fieldwork missions.

The PMU and SPMUs will manage a team of professional and administrative staff to be hired according to the Programme needs and planned activities.

3.3 Financial implementation modalities

The Programme activities will be implemented through grants, services, supplies and works contracts. External contractors will provide services following the specification produced by the PMU.

In particular, the grants will be related to the GAP adoption to boost the quality and quantity of main crops available in the area of the Programme, to enhance and to strengthen rural community associations. Service and work contracts will be mainly used to improve water management, increase water harvesting and arable land, promote agricultural waste reuse and establish local Action groups (LAGs) in Fayoum Governorates, as well as to support the livestock production, especially in Matrouh Governorate. Supply of machineries and equipment will allow strengthening the local association of farmers and artisans, as well as national institutions such as the Desert Research Centre (DRC).

3.4 Duration of implementation period

The indicative operational implementation period of this Action, during which the activities will be carried out, is 58 months, subject to modifications to be agreed with the EU Delegation.

3.5 Procurement and grant award procedures

All grants contracts, will be awarded and implemented according to the procedures and standard documents of the European Union and will follow the rule described in the practical guide called, Practical Guide to Contract Procedures for European Union External Actions (PRAG).

The preparation and award of the services, works and supply contracts, will follow MAECI-DGCS procedures.



3.5 Sustainability of the Programme

The Programme has been formulated through a participatory approach, which aims at the highest inclusion and interaction among beneficiaries and implementing actors. Additionally, the full involvement of all local governmental and non-governmental institutions during the implementation phase will also ensure the sustainability of the action.

Training and capacity building activities will allow raising the knowledge and skills of the beneficiaries thus increasing the benefits for the local communities involved, leading to the improvement of their livelihood conditions.

4. MONITORING AND EVALUATION

4.1 Performance monitoring

Programme's key indicators are listed in the Logical Framework as an appendix to this document.

The baseline data will be collected during the start-up period of the Programme. This will allow targets to be set and a proper monitoring system to be established. An internal monitoring system will run according to MAECI-DCGS's guidelines.

Annual reports will be submitted by the MAECI-DCGS highlighting the progress of implementation, obstacles faced and the extent to which the Programme is achieving its objectives, in accordance with the Delegation Agreement.

The Programme may also be subject to the Commission's Result Oriented Monitoring (ROM) missions.

4.2 Evaluation and audit

The Programme will be subject to an annual external audit mission which will assess the eligibility of the funds disbursed.

The Commission will carry out external evaluations via independent consultants (possibly making use of the Commission's framework contracts or other suitable means of procurement). The following are envisaged:

- A mid-term evaluation mission.
- A final evaluation.
- An ex-post evaluation.

4.3 Reporting

Yearly progress reports will be prepared by the Programme Management Unit (PMU) for approval of the European Union. Also financial reports will accompany every pre-financing payment request, as specified in the Special and General Conditions of the Delegation Agreement. Progress reports may also be requested on an ad-hoc basis by EU.



5. COMMUNICATION AND VISIBILITY

5.1 Description of communication and visibility

A comprehensive communication and visibility strategy will be developed by the PMU, including the organization, opening and dissemination of events, and workshops. All communications and

visibility activities will be aligned with the “Communication and Visibility Manual for EU external Actions” and the MAECI-DCGS guidelines for communication and visibility. A detailed visibility plan will be developed within the first 6 months of Programme implementation.


Appendix

Appendix I Logical Framework

Appendix II Operational Timetable



Appendix I: LOGICAL FRAMEWORK


	Intervention logic	Objectively verifiable indicators of achievement	Sources and means of verification	Assumptions
Overall Objective	Improve the quality of life of the people living in the rural areas of Matrouh, Minia and Fayoum Governorates, with a focus on the sustainable management of territorial resources	Economic indicators: income-employment level + Social indicators: Human Development Index.	National and regional statistics - Human Development Report (UNDP) - Evaluation reports - Reports and studies from the Government and other institutions (NGOs, etc.) - Internal Reports - Internal monitoring	Conducive political, economic and social environment - Governorates and other institutional support
Specific Objectives	A) Increase sustainable agricultural production by managing water and natural resources more effectively and efficiently and adopting Good Agricultural Practices (GAPs).	Irrigation and drainage efficiency - Average productivity per feddan - average net returns per feddans - average cost of production.	Ministries of Agriculture and Irrigation surveyes - Rapid Rural Appraisals - Bulletins of the agricultural statistics office (MoALR) - Internal Reports - Internal monitoring	
	B) Improve rural livelihoods by promoting income-generating activities (agricultural/non-agricultural) and making best use of local resources.	N. of rural households increasing income and % in the target area of program intervention - N. Machinery and equipment supplied.	Reports and studies from the Government and other institutions (NGOs, etc.) - Internal Reports - Internal monitoring	
Expected Results	MATROUH			
	R.1) Increase water harvesting to reduce the severe shortage of water supply for domestic use and animal consumption, as well as rise arable land for agricultural production.	N. of water harvesting infrastructures (wadi and cisterns) - quantity of water harvested - % increased area of arable land.	Reports and studies from the Government and other institutions (NGOs, etc.) - Internal Reports - Internal monitoring	Funds and qualified contractors availability - Support of local and regional governmental institutions such as the Governorate and DRC
	R.2) Adoption of Good Agricultural Practices (GAP) to improve quality and quantity of main crops.	% of farmers adopting GAP - N. of farmers and istitutional staff trained- % of decreased quantity of fertilizers and pesticides used - % of main crop production increase - N. of workshops and awairness campaign - N. of demonstration field- N. of supplied equipment and inputs - % increase of farmer converting to organic farming.		

	Intervention logic	Objectively verifiable indicators of achievement	Sources and means of verification	Assumptions
	R.3) Enhance rural communities of farmers and community based associations by strengthening their production and organizational capacity.	N. of trainings and N. of beneficiaries trained - N. of supplied equipment - % of production processed - % of income increased.	Reports and studies from the Government and other institutions (NGOs, etc.) - Internal Reports - Internal monitoring	Support from local and regional stakeholders, including governmental and non governmental institution - Beneficiaries willingness to participate in the activities
	R.4) Support livestock production of rural communities.	% increase livestock - average weight increased - N. barki sheep products labelled - % grazing surface area increased.		
Expected Results	MINIA and FAYOUM			
	R.1) Improve the efficiency of irrigation systems as well as the water management.	Length of canals and drains constructed and rehabilitated - N. feddan covered - efficiency of water (% of water saved) - % of area improved for farm irrigation- N. WUAs supported and institutional staff trained.	Reports and studies from the Government and other institutions (NGOs, etc.) - Internal Reports - Internal monitoring	Funds and qualified contractors availability - Areas of intervention identified with the support and acceptance of the governmental water and irrigation institutions, including the beneficiaries (WUAs).
	R.2) Adoption of Good Agricultural Practices (GAP) to improve quality and quantity of main crops.	% of farmers adopting GAP - N. of farmers and institutional staff trained - % of decreased quantity of fertilizers and pesticides used - % of main crop production increase - N. of workshops and awareness campaigns - N. of demonstration fields - N. of supplied equipment and inputs - % increase of area adopting organic farming - % increase of farmer converting to organic farming.	Reports and studies from the Government and other institutions (NGOs, etc.) - Internal Reports - Internal monitoring - National monitoring program for pesticide residues (MoALR)	Support from local and regional stakeholders, including governmental and non governmental institution - Beneficiaries willingness and acceptance to participate in the activities
	R.3) Reuse of agricultural wastes for agricultural production and generation of additional income.	N. of farmers and institutional staff trained - N. awareness campaigns - N. pilot centers established - % and quantity of agricultural waste used for composting - N. of supplied equipment.	Reports and studies from the Government and other institutions (NGOs, etc.) - Internal Reports - Internal monitoring	Availability of agricultural waste residual and willingness, as well as acceptance of local beneficiaries to contribute to the activities



	Intervention logic	Objectively verifiable indicators of achievement	Sources and means of verification	Assumptions
MATROUH	A.2.1 Raise awareness of farmers towards the adoption of GAP.			
	A.2.2 Support rural communities; organize farm field schools to train farmers on GAP for main crops, pest management, and promotion of organic agriculture.			
	A.2.3 Establish demonstration fields to apply GAP practices, and supply small agricultural equipment.			
	A.3.1 Raise the capacity building of the community association's staff.			
	A.3.2 Generate added value to the main crops (mainly, olive and fig).			
	A.4.1 Increase fodder availability and grazing areas. production.			
MINIA and FAYOUM	A 1.1 Select one or more command areas (4000- 6000 feddans).			
	A 1.2 Select the most suitable improved irrigation systems.			
	A 1.3 Improve the irrigation systems to the level of main canals.			
	A 1.4 Improve the irrigation systems at field level (1500-2500 feddans).			
	A 2.1 Raise awareness of farmers towards the adoption of GAP.			
	schools to train farmers on GAP for main crops, pest management, and promotion of organic agriculture.			
	A 2.3 Establish demonstration fields to apply GAP practices, and supply small agricultural equipment.			
	A 3.1 Raise awareness of farmers for the reuse of agricultural residues.			



	Intervention logic	Objectively verifiable indicators of achievement	Sources and means of verification	Assumptions
	R.4) Enhance rural communities of farmers and community based associations by strengthening their production and organizational capacity.	N. of trainings organized - N. of beneficiaries trained and supported - N. of income generating activities introduced/improved - N. equipments supplied - % income increased.	Reports and studies from the Government and other institutions (NGOs, etc.) - Internal Reports - Internal monitoring	Support from local and regional stakeholders, including governmental and non governmental institution - Beneficiaries willingness and acceptance to participate in the activities
	R.5) Increase capacities of local service providers.	N. of trainings organized - N. of beneficiaries trained - N. of non-agricultural activities promoted		
	R.6) Enhance eco-tourism sector.	N. action plan created - N. of new tourists attracted	Reports from Fayoum tourist authorities and other institutions - Internal report and monitoring	Support from Fayoum Tourist Authorities and involvement of local key actors
	R.7) Development of an archeological site.	N. of site developed - N. of activities implemented - N. of visitors attracted	Reports from Fayoum tourist authorities and other institutions - Internal report and monitoring	Support from local and regional stakeholders, including governmental and non governmental institution - Beneficiaries willingness and acceptance to participate in the activities
	R.8) Establishment of functional Local Action Group (LAG).	N. of meetings organized- N. activities carried out		
Activities				
	A 1.1 Selection of new and existing wadi to be rehabilitated.			
	A 1.2 Development of new wadi and rehabilitation of existing wadi through adoption of maintenance works to increase arable land surface.			
	A 1.3 Harvesting and storing rainfall water in cisterns, reservoirs and existing Roman wells.			
	A 1.4 Procurement of inputs and agricultural equipment to support cultivation of agricultural lands.			

	Intervention logic	Objectively verifiable indicators of achievement	Sources and means of verification	Assumptions
	A 3.2 Establish centers to produce compost from the agricultural residues.			
	A 3.3 Supply machineries for compost production.			
	A 3.4 Train farmers in compost production.			
	A 4.1 Raise the capacity building of the community association staff.			
	A 4.2 Introduce better marketing opportunities for the main agricultural production.			
	A 5.1 Identify and introduce new and innovative non-agricultural income generating opportunities.			
	A 5.2 Train associations, providers, and communities to mobilize and use available credits to the favor of farmers and beneficiaries.			
FAYOUM only	A 6.1 Identify and locate potential eco-tourism facilities.			
	A 6.2 Build on the selected facilities, and create a trail system to connect all facilities to generate tourism tour.			
	A 6.3 Capacity building to the staff of the Tourist Authorities.			
	A 6.4 Establishment of a coordination system between the interested actors.			
	A 6.5 Organization of promotional campaigns.			
	A 7.1 Identify a new archeological site.			
	A 7.2 Valorization of new archeological site.			
	A 7.3 Promotional campaign organized.			



Appendix II: INDICATIVE OPERATIONAL TIMETABLE

Objectives and activities (the first year of the programme will be mainly used for the constitution of the PMU and SPMUs, as well as the preparation of all tender documents, including their publication and grant, in order to start the implementation phase of the various activities described in this timetable.		Y1	Y2	Y3	Y4	Y5
MATROUH						
Result A.1	Increased water harvesting to reduce the severe shortage of water supply for domestic use and animal consumption, as well as raise arable land for agricultural production					
Activity A.1.1	Selection of new and existing wadi to be constructed and rehabilitated	x				
Activity A.1.2	Development of new wadi and rehabilitation of existing wadi through adoption of maintenance works to increase arable land surface		x	x	x	x
Activity A.1.3	Harvesting and storing rainfall water in cisterns, reservoirs and existing Roman wells.		x	x	x	x
Activity A.1.4	Procurement of inputs and agricultural equipment to support cultivation of agricultural lands.		x	x	x	x
Result A.2	Adoption of GAP to improve quality and quantity of main crops					
Activity A.2.1	Raise awareness of farmers towards the adoption of GAP.		x	x	x	x
Activity A.2.2	Support rural communities; organize farm field schools to train farmers on GAP for main crops, pest management, and promotion of organic agriculture.		x	x	x	x
Activity A.2.3	Establish demonstration fields to apply GAP practices, and supply small agricultural equipment.		x	x	x	x
Result A.3	Enhance rural communities of farmers and community based associations by strengthening their production and organizational capacity					
Activity A.3.1	Raise the capacity building of the community association's staff.		x	x	x	x
Activity A.3.2	Generate added value to the main crops (mainly, olive and fig).		x	x	x	x
Result A.4	Support the livestock of rural Communities					
Activity A.4.1	Increase fodder availability and grazing areas.		x	x	x	x
Activity A.4.2	Enhance and valorise the Barki Sheep production.	x				
MINIA and FAYOUM						
Result A.1	Improve the efficiency of irrigation system as well as the water management					
Activity A.1.1	Select one or more command areas (4000-6000 feddans)	x	x	x		
Activity A.1.2	Select the most suitable improved irrigation systems.		x	x		
Activity A.1.3	Improve the irrigation systems to the level of main canals.		x	x	x	x
	Improve the irrigation systems at field level (1500-2500 feddans).		x	x	x	x
Result A.2	Adoption of GAP to improve quality and quantity of main crops					
Activity A.2.1	Raise awareness of farmers towards the adoption of GAP.		x	x	x	x
Activity A.2.2	Support rural communities; organize farm field schools to train farmers on GAP for main crops, pest management, and promotion of organic agriculture.		x	x	x	x
Activity A.2.3	Establish demonstration fields to apply GAP practices, and supply small agricultural equipment.		x	x	x	x
Result A.3	Reuse of agricultural waste for agricultural production and generation of additional income					
Activity A.3.1	Raise awareness of farmers for the reuse of agricultural residues.	x	x	x	x	
Activity A.3.2	Establish centers to produce compost from the agricultural residues.	x	x	x	x	
Activity A.3.3	Supply machineries for compost production.		x	x	x	
Activity A.3.4	Train farmers in compost production.		x	x	x	



Objectives and activities (the first year of the programme will be mainly used for the constitution of the PMU and SPMUs, as well as the preparation of all tender documents, including their publication and grant, in order to start the implementation phase of the various activities described in this timetable.		Y1	Y2	Y3	Y4	Y5
Result A.4	Enhance rural communities of farmers and community based associations by strengthening their production and organizational capacity					
Activity A.4.1	Raise the capacity building of the community association's staff.		x	x	x	x
Activity A.4.2	Generate added value to the main crops (mainly, olive and fig).		x	x	x	x
Result A.5	Increase capacity of local service provider					
Activity A.5.1	Identify and introduce new and innovative non-agricultural income generating opportunities.		x	x	x	x
Activity A.5.2	Train associations, providers, and communities to mobilize and use available credits to the favor of farmers and beneficiaries		x	x	x	x
FAYOUM						
Result A.6	Enhance eco-tourism sector					
Activity A.6.1	Identify and locate potential eco-tourism facilities.	x	x	x		
Activity A.6.2	Build on the selected facilities, and create a trail system to connect all facilities to generate tourism tour.		x	x	x	
Activity A.6.3	Capacity building to the staff of the Tourist Authorities.		x	x	x	x
Activity A.6.4	Establishment of a coordination system between the interested actors.		x	x	x	x
Activity A.6.5	Organization of promotional campaigns.		x	x	x	x
Result A.7	Development of an archaeological site					
Activity A.7.1	Identify a new archeological site.	x	x	x		
Activity A.7.2	Valorization of new archeological site.		x	x	x	x
Activity A.7.3	Promotional campaign organized.		x	x	x	x
Result A.8	Establishment of functional Local Action Group (LAG)					
Activity A.8.1	Assist the formulation of the LAG.	x	x	x		
Activity A.8.2	Provide technical support and training to the LAG.		x	x	x	x
Activity A.8.3	Promotional campaign organized.		x	x	x	x



ANNEX II TO THE EUROPEAN UNION DELEGATION AGREEMENT
GENERAL CONDITIONS TO THE EUROPEAN UNION DELEGATION
AGREEMENT FOR INDIRECT CENTRALISED METHOD OF
IMPLEMENTATION

GENERAL AND ADMINISTRATIVE PROVISIONS

ARTICLE 1 : GENERAL OBLIGATIONS

- 1.1 The Delegatee body is responsible for carrying out the tasks relating to the implementation of the Action described in Annex I of the Agreement which will specify indicators of achievement. The Delegatee body shall be responsible for the overall administration of all the activities required to implement the Action, among others, preparation, implementation and conclusion of grant and procurement contracts, and management of corresponding expenditures. The Delegatee body will participate in coordination meetings and other jointly organised common activities with the Commission.
- 1.2 In performing the tasks entrusted to it under the Agreement, the Delegatee body may not carry out tasks involving a large measure of discretion implying political choices and it may not set nor modify objectives, strategies and priority areas of the Action as described in Annex I. The Delegatee body may directly provide with its own staff, only ancillary technical assistance.
- 1.3 The Delegatee body shall perform the tasks assigned to it under the Agreement in accordance with the principle of sound financial management, in conformity with the principles of economy, efficiency and effectiveness, and shall carry out the necessary checks in accordance with the terms and arrangements laid down in the relevant rules.
- 1.4 The Delegatee body shall not sub-delegate any of its tasks related to the implementation of the Action nor assign any of its rights and obligations, including any right under Article 15, to a third party without the prior written agreement of the Commission. This third party can only be a public entity (national or international) or a private entity vested with a public service mission. In case where the Commission authorises the sub-delegation of a part of its tasks to a third party (the "Implementing partner"), the Delegatee body will have to:
- carry out, with regard to the Implementing partner, an ex-ante assessment equivalent to the one performed by the Commission on the Delegatee body (pillar assessment), ensuring that the Implementing partner will implement the action with procedures and systems that comply with international standards. This ex-ante assessment will not be necessary if the Implementing partner has already been positively assessed by the relevant services of the Commission to work in indirect centralised management or joint management.
 - keep the control over the delegated tasks in implementing the Action and ensure that the necessary ex-ante and ex-post controls are in place to guarantee the sound financial management of EU/EDF resources .

In any event, the Delegatee body shall remain entirely and directly responsible towards the Commission, for ensuring compliance with the provisions of the Agreement and the obligations arising out of it.

- 1.5 The Delegatee body shall notify the Commission without delay of any substantial change in the procedures or systems actually applied in the implementation of the Action, in particular those which may affect the conditions for eligibility provided for in the applicable legal instruments, or of any other circumstance liable to affect the implementation of the Agreement



or delay or jeopardise the performance of the delegated tasks. In particular, it shall update the information on audit, accounting, procurement and grant systems and effective and efficient internal control systems. The Commission reserves the right to adopt additional measures in response to the changes as referred above or to terminate the Agreement pursuant to the provisions of Article 12.2 hereafter.

- 1.6 The Delegatee body shall take appropriate measures to prevent irregularities, fraud, as referred to in Article 1 of the Convention on the protection of the European Communities' financial interests of 26 July 1995 drawn up by the Council Act of 26 July 1995 (OJ C 316, 27.11.1995, p.48), corruption, as referred to in Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union, drawn up the Council Act of 26 May 1997 (OJ C 195, 25.6.1997, p. 1), or any other illegal activity in the management of the Action. All suspected and actual cases of irregularity, fraud and corruption related to the Agreement as well as measures related thereto taken by the Delegatee body must be reported to the Commission without delay. The Delegatee body shall forward to the Commission without delay any information relating to suspected and actual cases of fraud or corruption or any other illegal activity.

Where appropriate, the Delegatee body shall terminate contracts or agreements with Implementing partners, grant beneficiaries, contractors, staff or agents involved in fraudulent behaviour or corrupt practices in connection with this Agreement or any other actions implemented by the Delegatee body and financed by the European Union, and take all reasonable measures to recover funds unduly paid or incorrectly used, including bringing legal proceedings.

- 1.7 The Delegatee body shall conduct regular checks to ensure that the Action has been implemented correctly. Where necessary, it shall take appropriate measures to resolve problems encountered, in proportion to their seriousness, including the suspension of the authorisation to conclude new procurement or grant contracts with third parties or suspension of further instalments of funds. If the situation requires so, it shall bring legal proceedings to recover funds wrongly paid or incorrectly used.
- 1.8 The Delegatee body is responsible towards the Commission for all unduly paid funds.
- 1.9 The Delegatee body shall ensure that the conditions imposed upon it under Articles 1, 3, 4, 5, 6, 7, 10, 14, 16 and 17 of this Agreement also apply to any third party involved in the implementation of the Action including Implementing partners. Art. 11.2 shall apply also to Implementing partners.

ARTICLE 2: OBLIGATIONS REGARDING INFORMATION AND REPORTING

- 2.1 The Delegatee body shall provide the Commission with full information on the implementation of the Action and on the carrying out of the delegated tasks. To that end, the Delegatee body shall provide before conclusion of the Agreement a work plan for the first period of implementation as specified in the Description of the Action and submit to the Commission implementation report(s) (the "Implementation Report") and a final report (the "Final Report") in accordance with the provisions below. These reports shall consist of a narrative part and a financial part. Reporting, narrative as well as financial, shall cover the whole of the Action, regardless of whether this Action is wholly financed or co-financed by the Commission.
- 2.2 Any additional reporting requirement will be set out in the Special Conditions.
- 2.3 The Commission may request additional information at any time, providing the reasons for that request. Such information shall be supplied within 30 days of the request.



2.4 Every Implementation Report shall provide a complete account of all aspects of implementation for the period covered. The report shall be laid out in such a way as to allow comparison of the objective(s), the means envisaged or employed (in particular all expenses actually incurred by the Delegatee body), the results expected and obtained and the budget details for the Action. The level of detail in any report should match that of the Description of the Action.

2.5 The Delegatee body has to submit an Implementation Report for every twelve-month period as from the commencement of the Implementation Period of the Agreement. The Delegatee body shall submit the Implementation Report within 60 days after the period covered by such report is over. If the Implementation Period does not exceed 12 months, the Delegatee body only submits the Final Report.

2.6 The Implementation Report shall at least include:

- (a) Summary and context of the Action;
- (b) Summary of how each activity was implemented and information on the measures taken to identify the European Union as source of financing, including information on expenditures actually committed and incurred per activity;
- (c) Difficulties encountered and measures taken to overcome problems;
- (d) Changes introduced in implementation;
- (e) Achievements/results by using the indicators included in this Agreement;
- (f) Information on the control and audit measures to which the Delegatee body itself has been subjected, as well as measures of control carried out on Implementing partner(s). In case where an inspection was carried out a summary inspection report indicating the number and results of on-the-spot checks audits already carried out;
- (g) Overall financial statement providing an account of the use of the funds transferred to the Delegatee body;

Work plan for the following period including objectives and indicators of achievement. If the report is sent after the end of the period covered by the preceding work plan, a new work plan, albeit provisional, is always required before such date;

- (h) When appropriate, a request for payment.

2.7 The Delegatee body shall submit to the Commission, as soon as possible and at the latest six months after the end of the Implementation Period of the Agreement, a Final Report summarising the implementation of the various activities covered (broken down by operation where the Action covers more than one operation) and giving an account of the use of the funds transferred to the Delegatee body. If the Implementation Period of the Agreement is less than 12 months, the Final Report shall contain, in addition to the information set out in paragraph 8 below, all the information mentioned in paragraph 6 above (excluding the information referred in indent (h) and (i)).

2.8 The Final Report shall at least include:

- (a) a full summary of the Action's income and contributions received and costs incurred., including the total amount actually paid by the Delegatee body or Implementing partner(s) to third parties, the total amount of the financial compensation for the administrative costs and the total of the real costs of the technical assistance provided by the Delegatee body to third parties thereby enabling to determine the total balance to be recovered by the Commission from the Delegatee body;



- (b) the control and audit measures to which the Delegatee body itself has been or will be subjected including Implementing partner(s), accompanied, if appropriate, by current information on measures taken to remedy any identified problems ;
- (c) a summary table setting out the final amount of each grant and/or procurement contract;
- (d) description of the results generated by each operation and their impact in relation to the objectives of the Action using the indicators included in the Agreement;
- (e) details of transfers of assets mentioned in Article 7.3 if relevant;
- (f) when appropriate, a request for payment.



2.9 The reports shall be submitted in Euro. When the Delegatee body's accounting requirements and national legislation impose the use of financial and budgetary statements denominated in another currency, for the purpose of reporting, conversion into Euro shall be made using the rate applied by the European Central Bank to its principal refinancing operations as published in InforEuro in force on the day the payment is executed

2.10 If the Delegatee body fails to supply a Final Report by the deadline set down in Article 2.7 and fails to furnish an acceptable written explanation of the reasons why it is unable to comply with this obligation, the Commission may refuse to pay any outstanding amount and recover any amounts unduly paid.

Furthermore, where the Delegatee body fails to present an Implementation Report and a request for payment by the end of the deadline set out in Article 2.5, the Delegatee body shall inform the Commission of the reasons why it is unable to do so, and shall provide a summary of the state of progress of the Action. If the Delegatee body fails to comply with this obligation, the Commission may terminate the Agreement in accordance with the letter (b) of Article 12.2, refuse to pay any outstanding amount and recover any amounts unduly paid.

2.11 In addition to the abovementioned reports, the Delegatee body shall ensure that progress and situation reports, publications, press releases and updates, relevant to the Agreement are communicated to the Commission as and when they are issued.

The Delegatee body and the Commission will further endeavour to promote close collaboration and exchange of information on the Action.

2.12 In any event, the Delegatee body shall inform the Commission without delay of any circumstances likely to hamper or delay the implementation of the Action.

ARTICLE 3: LIABILITY

3.1 The Delegatee body shall have sole responsibility for complying with any legal obligation incumbent on it under the terms of the Agreement.

3.2 The Commission may not under any circumstances or for any reason whatsoever be held liable for damage or injury sustained by the Delegatee body's staff or property while the Action is being carried out or as a consequence of the Action. The Commission may not therefore accept any claim for compensation or increases in payment in connection with such damage or injury.

3.3 The Delegatee body shall assume sole liability towards third parties, including liability for damage or injury of any kind sustained by them arising out of the implementation of the Action. The Delegatee body shall discharge the Commission of all liability associated with any claim or action brought as a result of an infringement by the Delegatee body or Delegatee

body's employees or individuals for whom those employees are responsible of rules or regulations, or as a result of violation of a third party's rights.

ARTICLE 4: CONFLICT OF INTERESTS

- 4.1 The Delegatee body undertakes to take all necessary precautions to avoid conflicts of interests and shall inform the Commission without delay of any situation constituting or likely to lead to any such conflict.
- 4.2 There is a conflict of interests where the impartial and objective exercise of the functions of any person under the Agreement is compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other shared interest with another party.

ARTICLE 5: CONFIDENTIALITY

Subject to Article 16, the Commission and the Delegatee body undertake to preserve the confidentiality of any document, information or other material directly related to the performance of the Agreement that is duly classified as confidential. The Commission shall have access to all those documents, information or other material upon request.

The Parties shall remain bound by this obligation for at least seven (7) years after the Implementation Period as referred to in Article 2 of the Special Conditions.

ARTICLE 6: VISIBILITY AND EX-POST PUBLICATION

- 6.1 Unless the Commission requests or agrees otherwise, the Delegatee body shall take all appropriate measures to publicise the fact that the Action has received funding from the European Union. Information given to the press, the beneficiaries of the Action, all related publicity material, official notices, reports and publications, shall acknowledge that the Action was carried out "*with funding by the European Union*" and shall display in an appropriate way the European logo (twelve yellow stars on a blue background). Such measures shall be carried out in accordance with the Communication and Visibility Manual for EU External Actions laid down and published by the Commission.
- 6.2 In cases where in the framework of the Action equipment or vehicles or major supplies have been purchased using funds transferred by the Commission, the appropriate acknowledgement on such vehicles, equipment or major supplies, including display of the European logo (twelve yellow stars on a blue background), shall be included.
- 6.3 The size and prominence of the acknowledgement and European Union logo shall be clearly visible in a manner that will not create any confusion regarding the identification of the Action as an activity of the Delegatee body, the ownership of the equipment and supplies by the Delegatee body.
- 6.4 All publications by the Delegatee body pertaining to the Action, in whatever form and whatever medium, including the internet, shall carry the following or a similar disclaimer: "*This document has been produced with the financial assistance of the European Union. The views expressed herein can in no way be taken to reflect the official opinion of the European Union.*".
- 6.5 Publicity pertaining to European Union contributions shall quote these contributions in Euro (€ or EUR), in parenthesis if necessary.
- 6.6 The Delegatee body accepts that the Commission publishes in any form and medium, including on its websites the name and address of the Delegatee body, the purpose of the contribution as well as the amount contributed and, if relevant, the percentage of co-financing.

Upon a duly substantiated request by the Delegatee body, the Commission may agree to forego such publicity if disclosure of the above information would risk threatening the Delegatee body's safety or harming its interests.

- 6.7 The Delegatee body shall conduct regular checks at least once a year in order to ensure whether the requirements related to visibility of the Action are duly respected.
- 6.8 With due respect to the applicable rules on confidentiality, security and protection of personal data, the Delegatee body shall publish on annual basis, including by electronic means such as its Internet site, the following information on each grant and procurement contract financed by the European Union: title of the contract/project, name, address and nationality of the contractor or grant beneficiary, and amount of the grant or procurement contract.
- 6.9 The Delegatee body ensures that the obligation to publish this information shall also be applied by its Implementing partner(s), pursuant to Article 1.5, with regard to their own grant and procurement contracts financed by the European Union. The Delegatee body shall provide to the Commission the address of the website where this information can be found and shall authorise the Commission to publish such address in the appropriate internet site of the Commission.
- 6.10 The Delegatee body accepts that the Commission can forward the information on grant(s) and procurement contracts awarded under the Agreement as well as the information on the Delegatee body itself to the European Union budgetary authority.

ARTICLE 7: OWNERSHIP OF RESULT

- 7.1 Ownership, title and industrial and intellectual property rights in the results of the Action and the reports and other documents relating to it shall vest in the Delegatee body, as the case may be together with third parties or as may otherwise be agreed by the Delegatee body.
- 7.2 Notwithstanding the provisions of the first paragraph and subject to Article 5, the Delegatee body shall grant, and shall act to ensure that the third party concerned (Implementing partner, grant beneficiary or contractor) grants the Commission the right to use free of charge and as it sees fit all results of the Action, whatever their form, provided it does not thereby breach existing industrial and intellectual property rights.
- 7.3 Unless stipulated otherwise in the Special Conditions, the equipment, vehicles and supplies provided within the Action carried out in the framework of the Agreement shall be transferred to local authorities or Implementing partner(s) (excluding commercial contractors) or to the final recipients of the Action at the latest when submitting the Final Report. The documentary proof of those transfers shall be presented with the Final Report in accordance with Article 2.

ARTICLE 8: EVALUATION

- 8.1 The representatives of the Commission shall be invited to participate in the main monitoring and in the evaluation missions relating to the performance of the Action. The results of such missions shall be reported to the Commission by the Delegatee body.
- 8.2 Article 8.1 is without prejudice to any evaluation mission which the Commission as a donor may wish to perform. Evaluation missions by representatives of the Commission should be planned and completed in a collaborative manner between the Delegatee body and the Commission's representatives, keeping in mind the commitment of the Parties to the effective and efficient operation of the Agreement. These missions are to be planned ahead and procedural matters are to be agreed upon by the Commission and the Delegatee body in advance. The Commission will make a draft of its report drafted during the evaluation mission available to the Delegatee body for comments prior to final issuance.



ARTICLE 9: AMENDMENT OF THE AGREEMENT

- 9.1 Any modification to the Agreement, including the annexes thereto, shall be set out in writing in an amendment.
- 9.2 Any request of modification of the Agreement, including the annexes thereto, or any change having an impact in the implementation of the Agreement, such as the extension of the Implementation Period of the Agreement or the suspension of the implementation of all or part of the Action as referred to in Article 11, shall be submitted by one Party to another in writing.
- 9.3 Unless otherwise provided for in the Agreement, where the request for an amendment is submitted by the Delegatee body, it shall submit that request to the Commission one month before the amendment is intended to enter into force, unless there are special circumstances duly substantiated by the Delegatee body and accepted by the Commission.
- 9.4 Where a modification to the Description of the Action and/or the Budget does not affect the basic purpose of the Action and the financial impact is limited to a transfer within a single budget heading, including cancellation or introduction of an item, or a transfer between budget headings involving a variation (as the case may be in cumulative terms) of 15 % or less of the amount originally entered (or as modified by a formal amendment) in relation to each concerned heading, the Delegatee body may amend the Budget and shall inform the Commission accordingly in writing. This method may not be used to amend headings for administrative costs.
- 9.5 Changes of address and changes of bank account may simply be notified in writing to the Commission. Where applicable, changes of bank account must be specified in the request for payment, attached as Annex VII, using the Commission's financial identification form attached as Annex VI.

ARTICLE 10: CONTRACTING AND CENTRAL EXCLUSION DATABASE

- 10.1 Candidates, tenderers or applicants shall be excluded from participation in procurement and grant award procedures if:
- a. They are bankrupt or being wound up, are having their affairs administered by the courts, have entered into arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
 - b. They have been convicted of an offence concerning their professional conduct by a judgment which has the force of *res judicata*;
 - c. They have been the subject of a judgment which has the force of *res judicata* for fraud, within the meaning of Article 1 of the Convention on the protection of the European Communities' financial interests; corruption, as defined in Article 3 of Council Act of 26 May 1997; involvement in a criminal organisation as defined in Article 2 of Council Joint Action 98/733/JHA; or any other illegal activity detrimental to the European Union's financial interests;
 - d. They are guilty of misrepresentation in supplying the information required as a condition of participation in the procedure or fail to supply this information;
 - e. They are subject to a conflict of interest.

The Delegatee body shall inform the



Commission when a candidate, tenderer or applicant is in one of the above mentioned situations of exclusion or when a contractor has been guilty of making false declarations, has made substantial errors or committed irregularities and fraud, or has been found in serious breach of its contractual obligations.

Without prejudice to the power of the Commission to exclude an entity from future procurement and grant contracts financed by the EU according to the Financial Regulation applicable to the general budget of the European Union and the corresponding provisions applicable to the European Development Fund (EDF), financial penalties mentioned in Article 103 of the Financial Regulation applicable to the general budget of the EU and Article 99 of the 10th EDF Financial Regulation may be imposed to contractors by the Delegatee body according to its national legislation following an adversarial procedure and ensuring the right of defence of the contractor.

- 10.2 At the latest before the procurement or grant award decision is taken, the Delegatee body shall verify, pursuant to one of the modalities reflected in Annex IV, that there is not a detection, for one of the grounds listed in paragraph 1 above, of the third party concerned (an applicant for a grant, candidate or tenderer, including partners) in the Central Exclusion Database set up by Commission Regulation (EC, Euratom) No. 1302/2008, of 17 December 2008, on the central exclusion database (OJ L 344/12, 20.12.2008) (the "Central Exclusion Database"). Should the Delegatee body fail to take this information into account when contracting with the concerned entity the related costs will not be considered eligible pursuant to Article 14. In case the Action is co-financed, the obligation set out in this paragraph shall be deemed to have been complied with, provided the amounts contributed by the other donors to the Action are sufficient to cover those amounts which are ineligible under European Union rules.
- 10.3 If so provided in Article 4bis of the Special Conditions, the Delegatee body shall have direct access to the Central Exclusion Database. Detailed provisions on the Central Exclusion Database are included in Annex IV.
- 10.4 The Delegatee body shall inform its liaison point (the "Liaison point") pursuant to the provisions included in Annex IV and V about any judgment rendered after 1 January 2009 and having the force of *res judicata* that comes to its knowledge - at any stage of contracting or grant awarding or implementation - for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the European Union's financial interests against any of the following entities: candidates, tenderers, grant applicants and their respective subcontractors; contractors, suppliers, service providers and their respective subcontractors; and grant beneficiaries and their contractors and those receiving financial support..
- 10.5 Where the Action is co-financed by the Delegatee body and/or other donors, the origin of the goods and the nationality of the organisations, companies and experts selected for carrying out activities in the Action shall be determined in accordance with the Delegatee body's relevant rules. In any event goods, organisations, companies and experts eligible under the applicable regulatory provisions of the European Union shall be eligible. Where the Action is exceptionally fully financed by the European Union, partners, contractors, experts and goods, shall originate in the European Union or in the country or countries eligible under the programme of which the Action is part. Any departure from the rules of origin and nationality set out above is subject to the specific provisions on exceptions of the applicable regulatory framework of the European Union.

ARTICLE 11: IMPLEMENTATION PERIOD OF THE AGREEMENT, SUSPENSION, FORCE MAJEURE

- 11.1 The Implementation Period of the Agreement shall be set out in Article 2 of the Special Conditions.



- 11.2 The individual procurement and grant contracts implementing the Action under the Agreement shall be concluded, as specified in Article 2.5 of the Special Conditions. This contracting deadline also applies to all the individual procurement and grant contracts signed by the Implementing partner(s). After this contracting deadline and up to submission of Final Report, only contracts concerning final audits, evaluation, closure activities and individual contracts concluded after early termination of an existing contract may be concluded.11.3 In exceptional and duly substantiated cases, a request may be made for the extension of the Implementation Period in accordance with Article 9.
- 11.4 The deadline for conclusion of individual procurement and grant contracts implementing the Action under the Agreement set out in Article 2.5 of the Special Conditions cannot be extended
- 11.5 The Delegatee body may suspend without delay implementation of all or part of the Action if circumstances so require, in particular in case of *force majeure*, provided that it informs the Commission immediately and providing all the necessary details and the foreseeable date of resumption. The Agreement may be terminated in accordance with Article 12.1. If the Agreement is not terminated, the Delegatee body shall endeavour to minimise the duration of the suspension and shall resume implementation of the Action once the conditions allow, and shall inform the Commission accordingly.
- 11.6 The Commission may request the Delegatee body to suspend implementation of all or part of the Action if circumstances so require, in particular in case of *force majeure*. The Agreement may be terminated in accordance with Article 12.1. If the Agreement is not terminated, the Delegatee body shall endeavour to minimise the duration of the suspension and shall resume implementation of the Action once the conditions allow, with the prior written approval of the Commission.
- 11.7 The Implementation Period of the Agreement is automatically extended by an amount of time equivalent to the duration of the suspension. This is without prejudice to any amendments to the Agreement which may be necessary to adapt the Action to the new implementing conditions or to Article 12.1.
- 11.8 *Force majeure* shall mean any unforeseeable exceptional situation or event beyond the Parties' control which prevents either of them from fulfilling any of their obligations under the Agreement, was not attributable to error or negligence on their part (or the part of their Implementing partners, contractors, agents or staff), and could not have been avoided by the exercise of due diligence. Defects in equipment or material or delays in making them available, labour disputes, strikes or financial problems cannot be invoked as *force majeure* by the defaulting party. Neither of the Parties shall be held liable for breach of its obligations under the Agreement if it is prevented from fulfilling them by *force majeure*. Without prejudice to paragraphs 5 and 6 above, the Party invoking *force majeure* shall notify the other without delay, stating the nature, likely duration and foreseeable effect, and take any measure to minimise possible damage.

ARTICLE 12: TERMINATION OF THE AGREEMENT

- 12.1 If, at any time, either Party believes that the purposes of the Agreement can no longer be effectively or appropriately carried out, it shall consult the other Party. Failing agreement on a solution, either Party may terminate the Agreement by serving two months' written notice. In this event, the Delegatee body shall be entitled to payment of the contribution only for the part of the Action carried out, and to reimbursement of commitments entered into by the Delegatee body before the written notice on termination was submitted to the other Party and which the Delegatee body cannot reasonably terminate on legal grounds. The part of the contribution relating to activities not yet performed or to the unperformed part of certain activities shall be recovered by the Commission, in accordance with Articles 17 and 18.



12.2 The Commission may also decide to terminate the Agreement in the following circumstances:

- (a) in the event any legal, technical or organisational change substantially affecting the conditions and obligations under Article 1;
- (b) if the Delegatee body fails to fulfil a substantial obligation incumbent on it under the terms of the Agreement, including its annexes and, after being given notice by letter to comply with those obligations, still fails to do so or to furnish a satisfactory explanation within 30 days of sending of the letter;
- (c) if the Delegatee body fails to comply with Articles 1.4, 1.6 or 4;
- (d) if the Delegatee body is declared bankrupt, is being wound up, or is subject to any other similar proceedings;
- (e) if the Delegatee body is guilty of grave professional misconduct proven by any justified means;
- (f) if the Delegatee body is guilty of misrepresentation or submits reports inconsistent with reality to obtain funding or to keep the funds made available to it without cause;
- (g) if the Delegatee body has intentionally or by negligence committed a substantial irregularity in performing the Agreement, or in the event of fraud, corruption or any other illegal activity from the Delegatee body to the detriment of the European Union's financial interests. A substantial irregularity consists of any infringement of a provision of an agreement or regulation resulting from an act or an omission from the Delegatee body which causes or might cause a loss to the funds transferred under the Agreement.



The Commission will enter into discussions with the Delegatee body and, failing to find a proper solution within one month, may terminate the Agreement, after giving seven days' notice, and without paying compensation of any kind to the Delegatee body. In that event the Commission may demand full or partial repayment of any amounts unduly paid, after allowing the Delegatee body to submit its observations.

12.3 Prior to or instead of terminating the Agreement as provided for in paragraph 2, the Commission may suspend payments or may challenge the eligibility of expenses as a precautionary measure, informing the Delegatee body immediately.

12.4 A procurement or grant contract which has not given rise to any payment within three years of its signature shall be automatically terminated and its funding shall be recovered by the Commission without delay, following the provisions of Article 18.

12.5 Unless this Agreement is earlier terminated pursuant to Article 12, the payment obligations of the European Union hereunder shall cease at the "end date", which shall occur 18 months after the end of the Implementation Period as defined in Article 2 of the Special Conditions.

The Commission notifies the Delegatee body of any postponement of the end date. The Commission shall postpone the end date, so as to be able to fulfil its payment obligations, in all cases where the Delegatee has filed the payment request in accordance with contractual provisions or, in case of dispute, until completion of the dispute settlement procedure provided for in Article 13.

ARTICLE 13: APPLICABLE LAW AND SETTLEMENT OF DISPUTES

13.1 This Agreement is governed by European Union law, complemented if necessary by the relevant provisions of the Belgian law.

- 13.2 The Parties shall endeavour to settle amicably any dispute or complaint relating to the interpretation, application or fulfilment of the Agreement, including its existence, validity or termination. In default of amicable settlement, any Party may refer the matter to the General Court of the European Union and, in the event of appeal, the Court of Justice of the European Union.

FINANCIAL PROVISIONS

ARTICLE 14: ELIGIBLE COSTS

14.1 To be considered eligible as direct costs under this Agreement, costs must be:

- a. be necessary for carrying out the Action, be provided for specifically in the Agreement and comply with the principles of sound financial management, in particular value for money and cost-effectiveness;
- b. have been actually incurred during the Implementation Period as defined in Article 2 of the Special Conditions, as regards the principal activities, whatever the time of actual disbursement by the Delegatee body, in particular:;
 - i. Costs relating to services and works properly provided shall relate to activities performed during the implementation period. Costs relating to supplies shall relate to delivery and installation of items during the implementation period. Consequently, cash transfers between the Delegatee body and its Implementing partner(s), signature of a contract, placing of an order, or entering into any commitment for future delivery of services, works or supplies undertaken before or after expiry of the implementation period do not meet this requirement.
 - ii. Except for multi-donor actions, costs incurred should be paid before the submission of the final reports. They may be paid afterwards, provided they are listed in the final report together with the estimated date of payment.
 - iii. An exception is made for costs relating to final reports, including expenditure verification, audit and final evaluation of the Action, which may be incurred after the implementation period of the Action.
 - iv. Procedures to award contracts, as referred to in Article 10, may have been initiated and contracts may be concluded by the Delegatee body and its Implementing partner(s) before the start of the implementation period of the Action.
- c. be recorded in the Delegatee body's or in its Implementing partners' accounts, be identifiable, backed by effective supporting evidence (originals, as the case may be in electronic form), and verifiable pursuant to the provisions of Article 16.3.

14.2 Subject to the above, and without prejudice to Article 10, the following direct costs may in particular be eligible:

- a. in case of grants: funding provided to grant beneficiaries on the basis of supporting evidence;
- b. in case of procurement contracts: costs incurred with contractors on the basis of supporting evidence;
- c. in case of ancillary technical assistance provided by the Delegatee body to third parties by its own means, as foreseen in the last line of Article 1.2 here above: cost of



staff assigned to the Action, corresponding to actual salaries plus social security charges and other remuneration-related costs; travel and subsistence costs for staff taking part in the Action, on the basis of supporting evidence;

- d. costs deriving directly from the requirements of this Agreement (dissemination of information, evaluation specific to the Action, specific reporting for the needs for the Commission, translation...) including financial service costs (in particular bank fees for transfers);
- e. taxes, duties and charges, including VAT, paid and that the Delegatee body cannot reclaim (or, where applicable, its partners), unless otherwise provided in the Special Conditions.

14.3 The following costs shall not be considered as eligible, whether or not presented as being related to the Action:

- f. Debts and debts service charges;
- g. Provisions for losses or potential future liabilities;
- h. Interest owed by the Delegatee body to any third party;
- i. Items already financed from other sources;
- j. Purchases of land or buildings;
- k. Currency exchange losses;



14.4 A fix percentage of direct eligible costs, not exceeding 7%, may be claimed as indirect costs by the Delegatee body to cover the administrative overheads incurred for the Action. This percentage will be set out in Article 3.3 of the Special Conditions

Subject to the above, for comparable action and actions where there is more than one donor the amount recovered shall not, in percentage terms, be higher or lower than for other comparable contributions.

Indirect costs are eligible provided that they do not include costs assigned to another heading of the budget of this Agreement. Except for ancillary technical assistance provided by the Delegatee body, administrative overheads of the Delegatee body and Implementing partner(s) shall be exclusively covered by the indirect cost percentage.

Indirect costs shall not be eligible where the Agreement concerns the financing of an Action where the Delegatee body is already receiving an operating grant from the European Union during the period in question.

ARTICLE 15: PAYMENTS

15.1 Payment procedures as set forth in Article 4 of the Special Conditions shall follow one of the options below:

Option 1: Where the Implementation Period does not exceed 12 months

The Commission will provide a pre-financing of 100% of the amount reflected in Article 3.2 of the Special Conditions within 30 days of receiving the Agreement signed by both Parties.

Option 2: Where the Implementation Period of the Agreement exceeds 12 months

The Commission will provide a pre-financing of 100% of the Commission's part of the forecast budget for the first 12 months of the Action within 30 days of receiving the Agreement signed by both Parties.

Each further instalment will constitute a pre-financing of 100% of the Commission's part of the forecast budget for the subsequent 12- month period (or of the remaining period if shorter) which is financed by it. Such instalment shall be paid by the Commission within 45 days of approving the Implementation Report and accompanied by a request for payment from the Delegatee body conforming to the model attached as Annex VII, provided that at least 70% of the immediately preceding payment (and 100% of all previous payments if any) has been subject to a formal legal commitment between the Delegatee body or its Implementing partner(s) and a third party as proven by the relevant report.

Final payment will exclusively relate to costs related to final audits, evaluation and closure activities incurred between the end of the Implementation Period and submission of Final Report. The Commission will pay the balance within 45 days of approving the Final Report.

- 15.2 Any report will be deemed approved by the Commission 45 days after its receipt, accompanied by a request for payment conforming to the model attached as Annex VII, if the Commission has not reacted within this period of time.

If the Commission does not intend to approve a report, as submitted, it shall revert to the Delegatee body with a request explaining the reason and specifying the additional information it requires within the first 45-day period. The deadline for approving the report shall be suspended pending the receipt of the requested information. If the Commission deems that a payment request cannot be met, it shall revert to the Delegatee body with a request explaining the reason and specifying the additional information it requires within the second 45-day period. The payment period shall be suspended pending the registration of a properly formulated payment request. Any payment request conforming to the model attached as Annex VII will be deemed approved by the Commission 45 days after the approval of the report by the Commission as set forth in the first paragraph.

Reports shall be presented in accordance with stipulations of Article 2.

Approval of the report shall not imply recognition of their regularity, authenticity, completeness and correctness of the declarations and information contained therein.

- 15.3 Payments by the Commission shall be deemed to be made on the date on which they are debited from its accounts. If the Delegate body is established in a State not being a member of the European Union, on expiry of the payment period specified in Article 15.1, the Delegatee body may, within two months of receiving late payment, demand interest at the rate applied by the European Central Bank to its principal refinancing operations, as published in the C series of the Official Journal of the European Union on the first day of the month in which payment was due, increased by three and a half percentage points

The interest shall be payable for the period elapsing from the day following expiry of the time limit for payment up to the day of payment. Any partial payment shall first cover the interest.

The interest shall not be treated as an income for the purposes of determining the final amount of European Union financing within the meaning of Article 17. The suspension of payment by the Commission may not be considered as late payment.



- 15.4 The Commission will make payments in Euro into the bank account referred to in the financial identification form in Annex VI. Where payment is to be made to a bank account which is already known to the Commission, the Delegatee body may provide a copy of the relevant financial identification form.
- 15.5 Where feasible, the funds paid by the Commission shall be maintained in Euro denominated bank accounts. They may be pooled together with contributions from other donors. They may be exchanged for other currencies in order to facilitate their disbursement.
- 15.6 If possible, the bank account into which payments are made, will bear interest or offer identifiable equivalent advantages.

Where the Delegatee body is established in a State member of the European Union, the Delegatee body's rules and procedures pertaining to bank interest or equivalent benefits shall apply, and an equal treatment among donors shall be ensured.

In all other cases, any interest or equivalent benefits earned by the Delegatee body accruing from funds received from the Commission shall be identified as such and reflected in the Implementation Report(s) and Final Report referred to in Article 2. In such cases,:

- (a) For pre-financing equal or below EUR 250 000 (or for crisis management, equal or below EUR 750 000 per agreement at the end of each financial year and for projects of a duration of more than 12 months), any interest or equivalent benefit earned on such pre-financing shall not be due to the Commission;
- (b) For pre-financing exceeding the amounts indicated above and below EUR 750 000 (except in case of crisis management), any interest or equivalent benefit earned on such pre-financing shall be assigned to the Action and deducted from the payment of the final amount due to the Delegatee body, unless the Commission requests the Delegatee body to reimburse the interest generated by pre-financing before the payment of the balance;
- (c) For pre-financing exceeding EUR 750 000 per agreement, the amount of earned interest or equivalent benefits shall be recovered by the Commission at the end of each financial year for each reporting period following the implementation of the Agreement.

ARTICLE 16: ACCOUNTS, TECHNICAL AND FINANCIAL CHECKS

- 16.1 The Delegatee body shall keep accurate and regular records and accounts of the implementation of the Action. Separate accounts or sub-accounts shall be kept for each Action and shall enable:
- (a) identification of funds transferred by the Commission and where applicable, related interests or equivalent benefits;
 - (b) details of all income and expenditure;
 - (c) identification and monitoring of operations with third parties;

The Commission accepts that the accounting regulations and rules of the Delegatee body shall apply.

- 16.2 The Commission accepts that the financial transactions and financial statements shall be subject to the internal and external auditing procedures laid down in the financial regulations, rules and directives of the Delegatee body. A copy of the audited financial statements shall be submitted to the Commission by the Delegatee body.



- 16.3 The Delegation body shall, for a minimum period of seven years from the date of approval of the Final Report and up to the date of the limitation period of any dispute action pursuant to the applicable law governing the Agreement and any procurement or grant contracts concluded under the Agreement:
- (a) Allow the Commission, OLAF and the Court of Auditors, or to any other representative authorised by the Commission to conduct documentary and on-the-spot checks on the use made of European Union funding under the Agreement (including procedures for the award of procurement and grant contracts) and to carry out a full audit, if necessary, on the basis of supporting accounting documents and any other documents relating to the financing of the Action;
 - (b) Keep at the disposal of the Commission, OLAF, the Court of Auditors, and any other qualified external body authorised by the Commission to conduct such checks on all original documents or, in exceptional and duly justified cases, on certified copies of original documents relating to the Agreement and on any procurement or grant contracts concluded under the Agreement.
- 16.4 The Delegation body also agrees that OLAF may carry out on-the-spot checks and verifications in accordance with the procedures laid down by European Union law for the protection of the financial interests of the European Union against fraud and other irregularities.
- 16.5 To that end, the Delegation body undertakes to grant officials of the Commission, OLAF and the Court of Auditors and their authorised agents access to sites and premises at which operations financed under the Agreement are carried out, including their computer systems, and to any documents and computerised data concerning the technical and financial management of those operations, and to take every appropriate measure to facilitate their work. Access by authorised agents of the Commission, OLAF and the Court of Auditors shall be granted on conditions of strict confidentiality with regard to third parties, without prejudice to public law obligations to which they are subject. Documents must be accessible and filed in a manner permitting easy inspection, the Delegation body being bound to inform the Commission, OLAF or the Court of Auditors of the exact location at which they are kept.
- 16.6 The Delegation body shall be notified of on-the-spot missions by agents appointed by the Commission, OLAF or the Court of Auditors.

ARTICLE 17: FINAL AMOUNT

- 17.1 The final amount of funds due to the Delegation body is determined with the Commission's approval of the Delegation body's Final Report. When the Commission approves the Final Report, it shall close the accounts and determine the final amount of funds due to the Delegation body and any outstanding balance to be recovered without prejudice to Article 16.
- 17.2 The final amount is the difference between the total amount of funds paid by the Commission to the Delegation body and the total eligible costs incurred by the Delegation body in accordance with Article 14.
- 17.3 The total final amount to be paid by the Commission to the Delegation body shall not exceed the maximum contribution laid down in Article 3.2 of the Special Conditions, even if the total eligible costs incurred exceed the estimated total Budget set out in Annex III.
- 17.4 If the total eligible costs at the end of the Action are less than the estimated total cost specified in Article 3.1 of the Special Conditions, the contribution of the European Union may be limited to the amount resulting from multiplying the total eligible costs by the percentage laid down in Article 3.2 of the Special Conditions.



Where the percentage(s) set out in Article 3.2 of the Special Conditions is likely to change in the course of implementation, the Delegatee body shall consult the Commission without delay so as to agree on appropriate measures, in accordance with Article 9.

- 17.5 The Delegatee body accepts that the contribution of the European Union shall be limited to the amount required to balance income and expenditure for the Action and that it may not in any circumstances result in a surplus for the Delegatee body.

In case of unexpended funds, and where the Delegatee body financial statements are not denominated in Euro, the Delegatee body shall specify in the Final Report the amount of the surplus balance in its holding currency together with the estimated amount in Euro and where the exchange rate applied by the the Delegatee body can be consulted. This amount shall be converted into Euro using the rate of exchange of the Delegatee body in force on the day when the Commission's internal recovery order is established, which amount is later reflected in the debit note sent to the Delegatee body. The resulting Euro equivalent shall then be refunded to the Commission. This provision shall not apply to the exchange rates used for reporting.

- 17.6 The Commission shall inform the Delegatee body of the approval of the Final Report, indicating, where appropriate, the amount it intends to recover. It shall give the Delegatee body 45 days to submit any observations it may have. If, at the end of this period, the Delegatee body has not submitted any observations regarding the above calculation and/or the basis of the amount to be recovered, the Commission shall issue a recovery order, later reflected in the debit note sent to the Delegatee body, which the Delegatee body shall undertake to carry out under the conditions laid down and by the deadline set out in Article 18.
- 17.7 Any amount paid in excess by the Commission to the Delegatee body shall be recovered pursuant to the provisions of Article 18.
- 17.8 In cases where the Action is suspended or not completed within the Implementation Period of the Agreement, the funds that remain unexpended after all liabilities incurred in this period have been satisfied, including interest earned where applicable, will be reimbursed to the Commission.
- 17.9 Where the Action is not carried out at all, or not carried out properly, in full or on time and without prejudice to its right to terminate the Agreement pursuant to Article 12.2, the Commission may, after allowing the Delegatee body to submit its observations and without prejudice to Article 13, reduce the contribution pro rata the actual implementation of the Action on the terms laid down in the Agreement.

ARTICLE 18: RECOVERY

- 18.1 Where recovery is justified, the Delegatee body shall repay in Euro to the Commission within 45 days of the issuing of a letter (debit note) by which the Commission reclaims from the Delegatee body, any amounts paid in excess of the final amount due.
- 18.2 Payments by the Delegatee body shall be deemed to be made on the date on which they are debited from its account. If the Delegatee body fails to repay by the due date, the sum due shall bear interest at the rate indicated in Article 15.3. The interest shall be payable for the period elapsing from the day following expiry of the time limit for payment up to the day of payment. Any partial payment shall first cover the interest.
- 18.3 Amounts to be repaid to the Commission may be offset against amounts of any kind due to the Delegatee body, after informing it accordingly. The Delegatee body's prior consent is not required. This shall not affect the Parties' option to agree on payment in instalments.
- 18.4 Bank charges incurred from the repayment of amounts due to the Commission shall be borne entirely by the Delegatee body.



ANNEX III TO THE EUROPEAN UNION DELEGATION AGREEMENT NUMBER

ENPI/2014/352-319

BUDGET FOR THE ACTION

Matrouh			
Expected Result (R) / Activities (A) according to Annex 1 document	Total Estimated Cost (EU)	Estimated Cost (EU) 1st year	
R1 Increase water harvesting infrastructures and available arable land			
A1 Harvesting and storing water through construction and rehabilitation of <i>wadi</i> , cisterns and reservoirs	2,610,000	750,000	
R2 - R3 Adoption of GAP to improve quality and quantity of main crops - Enhance rural communities of farmers and community based associations			
A2 - A3 Raising awareness of farmers towards the adoption of GAP through training, awareness campaigns and establishment of demonstration plot - Strengthening farmers communities and enhance their production by supplying agricultural equipment and machineries supported by training	1,140,000		
R4 Increase fodder availability as well as grazing areas			
A4 Supporting livestock production through valorization of Barki sheep production	400,000	150,000	
Sub Total (a)	4,150,000	900,000	
Minia and Fayoum			
Expected Result (R) / Activities (A) according to Annex 1 document	Total Estimated Cost (EU)	Estimated Cost (EU) 1st year	
R1 Improve the efficiency of irrigation systems and the water management			
A1 Rehabilitation of one or more command areas and improvement of irrigation/drainage systems	7,000,000	250,000	
R2 - R3 Adoption of GAP to improve quality and quantity of main crops - Reuse agricultural wastes for agricultural production and generate additional income			
A2 - A3 Raising awareness of farmers towards the adoption of GAP through training, awareness campaigns and establishment of demonstration plot - Establishing centers to produce compost from the agricultural residues, supported by training and supply of machinery for compost production	1,290,000	55,000	
R4 - R5 - R7 Enhance rural communities of farmers and community based associations by strengthening their production and organizational capacity - Increase capacities of local service providers - Establishment of functional Local Action Group (LAG)			
A4 - A5 - A7 Strengthening farmers communities - Train associations, providers, and communities to mobilize and use available credits to the favor of farmers and beneficiaries - Assist the formulation of the(LAG), and provide technical support and training	1,350,000		
R6 Enhance eco-tourism sector, including archeological site			
A6 Identify and locate potential eco-tourism facilities, build on the selected facilities, and create a trail system to connect all facilities to generate tourism tours	400,000	25,000	
Sub Total (b)	10,040,000	330,000	



	Total Estimated Cost (EU)	Estimated Cost (EU) 1st year
Management PMU		
International personnel	2,436,000	504,000
National personnel	2,141,300	366,600
Short term missions/consultancies and purchase of vehicles/office equipment	509,317	320,000
Office running expenses (rent, utilities, petrol, etc.)	886,000	150,000
Sub Total (c)	5,972,617	1,340,600
Visibility	300,000	130,000
Sub Total (d)	20,462,617	2,700,600
Administrative cost (7%)	1,432,383	189,042
Grand total	21,895,000	2,889,642



ANNEX IV TO THE EUROPEAN UNION DELEGATION AGREEMENT
FOR INDIRECT CENTRALISED METHOD OF IMPLEMENTATION
DETAILED PROVISIONS ON THE CENTRAL EXCLUSION DATABASE

(ARTICLE 10 ANNEXE II)



- (1) If the Delegatee body is given access to the Central Exclusion Database, it may designate authorised users among its staff members. The number of such authorised members shall be limited to persons for whom access to that database is indispensable for a proper exercise of their tasks. The Delegatee body shall keep an updated register of authorised users and give the Commission access to it upon request. The Delegatee body shall provide for adequate security measures to prevent the information from being read or copied by unauthorised persons. Authorised users may proceed to active online consultation of the Central Exclusion Database.
- (2) In the event, the Delegatee body is not given access to the Central Exclusion Database, it shall consult the Commission before the award of a grant or a contract so that the Commission verifies whether the third party concerned is subject to an exclusion warning.
- (3) The Liaison point shall communicate in writing the information referred to in Article 10.4 of Annex II to the accounting officer of the Commission using the template in Annex V, with an indication of the duration of the exclusion, decided on the basis of the judgement which is being notified. Copy of the definitive judgment and of the necessary documents establishing the legal existence of the entity concerned shall also be provided. The Delegatee body shall also certify that the information communicated was established and transmitted in accordance with the principles of protection of the privacy and fundamental rights and freedoms of individuals and as regards the exercise of the corresponding rights in the context of personal data processing.
- (4) The Delegatee body shall be responsible for the data communicated. It shall, without delay, inform the Liaison point whenever information transmitted needs to be rectified, updated or removed. The Liaison point shall communicate that information to the accounting officer using the same template in Annex V.
- (5) Where certificates or evidence obtained by the Delegatee body are not consistent with registered exclusion warnings, it shall transmit the information to the Liaison point, which will forward it to the Commission. Where the entity concerned is no longer in an exclusion situation the Delegatee body shall also demand the removal of the exclusion warning.
- (6) All communications will clearly indicate the Commission department responsible for the programme that is affected by the exclusion and must be sent by registered mail in a sealed envelope. Communication by e-mail or any other means will not be considered as a proper notification.
- (7) In the calls for tender and calls for proposals and in, the absence of calls, before awarding contracts or grants, the Delegatee body shall ensure that third parties are informed about the data concerning them that may be included in the Central Exclusion Database and about the entities to whom the data may be communicated. Where third parties are legal entities the Delegatee body shall also ensure that the persons who have powers of representation, decision-making or control over these legal entities are informed.

The Delegatee body is responsible for managing relations with the entity whose data are introduced into the Central Exclusion Database pursuant to paragraph 3. Relations with the entity concerned are governed by the Delegatee body's applicable legislation on data protection.

ANNEX V
Communication of information by implementing authorities or bodies



Liaison point

E-mail:

Fax:

Address:

NOTE TO MR/MRS

Accounting Officer of the Commission

Subject: Transmission of information by an implementing authority or body pursuant to Article 95 of the Financial Regulation

- Please find enclosed information on a third party which is in one of the situations referred to in Article 93(1) point (e) of the Financial Regulation and whose conduct has been detrimental to the Communities' financial interest.
- Please find enclosed information on a third party for which information was already submitted that needs to be amended. The present note replaces the information initially transmitted on [insert date and reference to initial note].
- The information transmitted on [insert date and reference to initial note] is withdrawn.

Date, signature

Enclosure: Transmission of information on a third party pursuant to Article 95(2) of the Financial Regulation



[Place, date]

Transmission of information on a third party pursuant to Article 95(2) of the Financial Regulation

Name and address of the implementing authority or body:

.....
.....

Directorate-General responsible of the Commission: (choose one of the following DG)

- Regional Policy Agriculture and Rural Development Maritime Affairs and Fisheries
- Employment, Social Affairs and Equal Opportunities Justice, Freedom and Security
- Education and Culture EuropeAid Enlargement External relations
- Other
- Not known.(please explain why no DG is directly competent)

.....
.....

I transmit information on a third party pursuant to Article 95(2) of the Financial Regulation¹

I withdraw information on a third party² transmitted on

1) Information on the entity that has been the subject of a judgment which has the force of *res judicata* for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Communities' financial interest (Article 93(1) point e of the Financial Regulation):

Name (and, where the person is a natural person, given name) of the entity:

.....

Legal form:

Name, given name of the person(s) with powers of representation:

.....

Address (if legal person, address of the headquarters): street/no./postcode/place/country

.....
.....

¹ In case of an amendment of information, all sections need to be filled in.

² In this case only section 1 needs to be filled in, no enclosure needs to be added.



2) Type of conviction:

fraud (as referred to in Article 1 of the Convention on the protection of the European Communities' financial interests drawn up by the Council Act of 26 July 1995 (OJ C 316, 27.11.1995, p. 48));

corruption (as referred to in Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union, drawn up by the Council Act of 26 May 1997 (OJ C 195, 25.6.1997, p. 1));

involvement in a criminal organisation (as defined in Article 2(1) of Joint Action 98/733/JHA of the Council (OJ L 351, 29.12.1998, p. 1));

money laundering (as defined in Article 1 of Council Directive 91/308/EEC (OJ L 166, 28.6.1991, p. 77)).

3) Denomination of the court that rendered the judgment which has the force of *res judicata*:

.....

4) Date of the judgment which has the force of *res judicata*: DD/MM/YYYY: .../.../...

.....

5) Duration of the period of exclusion from procurement procedures (where applicable):

Exclusion until DD/MM/YYYY: ... / ... /

I certify that the information communicated was established and transmitted in accordance with the principles set out in Directive 95/46/EC of the European Parliament and of the Council concerning the protection of personal data.

For [name of the implementing authority or body]

[Signature of the responsible person of the implementing authority or body from which the information originates.]

Enclosure: Copy of the judgment which has the force of *res judicata*



ANNEX VI

FINANCIAL IDENTIFICATION FORM



IDENTIFICAZIONE FINANZIARIA

DICHIARAZIONE SULLA PRIVACY http://ec.europa.eu/budget/finlib/contracts/annex6a/annex6a_privacy_statement.pdf

DENOMINAZIONE DEL CONTO BANCARIO

DENOMINAZIONE (1)	MINISTERO ECONOMIA E FINANZE FONDO ROTAZIONE ATTUAZIONE POLITICHE		
	COMUNITARIE		
INDIRIZZO	VIA XX SETTEMBRE, 97		
COMUNE/CITTA'	ROMA	CODICE POSTALE	00197
STATO	ITALIA		

(1) Il titolare del conto bancario è tenuto a fornire il numero del conto e il nome della banca.

CONTATTO	ROMANO SAVERIO		
TELEFONO	00390647614344	FAX	00390647817527
E-MAIL	saverio.romano@tesoro.it		

BANCA

NOME DELLA BANCA	TESORERIA CENTRALE DELLO STATO BANCA D'ITALIA		
INDIRIZZO (DELL'AGENZIA)	VIA DEI MILLE, 52		
COMUNE/CITTA'	ROMA	CODICE POSTALE	00185
STATO	ITALIA		
NUMERO DI CONTO			
IBAN (2)	IT07E0100003245350200023211		

(2) SWIFT/CORRENT ACCOUNT NUMBER/IBAN/ACCOUNT NUMBER/IBAN/ACCOUNT NUMBER/IBAN/ACCOUNT NUMBER

OSSERVAZIONI:

SWIFT/BIC:BITAITRENT



TITOLARE DELLA BANCA E FIRMA DEL RAPPRESENTANTE DELLA BANCA
(Sono entrambi obbligatori)

DATA E FIRMA DEL TITOLARE DEL CONTO
(Obbligatori)

(3) Il titolare del conto bancario è tenuto a fornire il numero del conto e il nome della banca.
 (4) Il titolare del conto bancario è tenuto a fornire il numero del conto e il nome della banca.
 (5) Il titolare del conto bancario è tenuto a fornire il numero del conto e il nome della banca.

ANNEX VII TO THE EUROPEAN UNION DELEGATION AGREEMENT
FOR INDIRECT CENTRALISED METHOD OF IMPLEMENTATION

Payment request N° <...>

Date of the request for payment <...>

For the attention of

<see Article 5.3 of the Special Conditions>

Reference number of the Agreement: <fill in the agreement number>

Name and address of the Delegatee body: <see Article 5.3 of the Special Conditions>.

Period covered by the request for payment: <see Article 2 of the General Condition, Annex II, the period has to correspond to the period covered by the report>

Dear Sir/Madam,

I hereby request payment of the further instalment of *specify the option chosen and delete the option that do not apply* [pre-financing] *or* [balance] under the Agreement mentioned above.

The amount requested is *specify the option chosen and delete the options that do not apply* [as indicated in Article 4.2 of the Special Conditions of the Agreement] *or* [the following: <indicate amount>].

In conformity with Article 2 of the General Conditions, Annex II, please find attached the following supporting document *specify the option chosen and delete the options that do not apply* [Implementation Report] *or* [Final Report].

The payment should be made to the following bank account: <Indicate the account number shown on the identification form annexed to the Agreement. In the event of change of bank account, please complete and attach a new identification form as per model>.

I hereby certify on honour that the information contained in this request for payment is full, reliable and true, that the costs incurred can be considered eligible in accordance with the Agreement and that this request for payment is substantiated by adequate supporting documents that can be checked.

Yours faithfully,

<signature>



N.B.: Pre-financing payments and final payments are subject to the approval of the corresponding report (see Article 15 of the General Conditions of Agreement, Annex II)