IV
(Notices)

NOTICES FROM EUROPEAN UNION INSTITUTIONS, BODIES, OFFICES AND AGENCIES

EUROPEAN PARLIAMENT

DECISION OF THE BUREAU OF THE EUROPEAN PARLIAMENT
of 1 July 2019
laying down the procedures for implementing Regulation (EU, Euratom) No 1141/2014 of the European Parliament and of the Council on the statute and funding of European political parties and European political foundations
(2019/C 249/02)

THE BUREAU OF THE EUROPEAN PARLIAMENT,

Having regard to the Treaty on European Union, and in particular Article 10(4) thereof,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 224 thereof,

Having regard to Regulation (EU, Euratom) No 1141/2014 of the European Parliament and of the Council of 22 October 2014 on the statute and funding of European political parties and European political foundations (\(^1\)), and in particular Article 25(1) thereof,


Having regard to the Commission Delegated Regulation (EU, Euratom) 2015/2401 of 2 October 2015 on the content and functioning of the Register of European political parties and foundations (\(^3\)),

Having regard to the European Parliament’s Rules of Procedure ('the Rules of Procedure’), and in particular Rules 25(11) and 235 thereof,

Whereas:

(1) There is a need to lay down the procedures for implementing Regulation (EU, Euratom) No 1141/2014.

(2) For reasons of sound financial management and transparency, each funding application shall be the subject of a decision of the Bureau, which shall be notified to the addressee and shall contain a statement of reasons in case the measure affects the addressee adversely.

HAS ADOPTED THIS DECISION:

Article 1

Subject matter

This Decision lays down the applicable procedures for implementing Regulation (EU, Euratom) No 1141/2014.

Unless stated otherwise, this Decision applies to both European political parties and to European political foundations.

\(^3\) OJ L 333, 19.12.2015, p. 50.
The Annexes to this Decision form an integral part of it.

Article 2
Definitions

For the purpose of this Decision:

(1) ‘applicant’ means the party or the foundation that files an application for funding pursuant to Article 18 of Regulation (EU, Euratom) No 1141/2014, following either a call for contributions or a call for proposals;

(2) ‘authorising officer by delegation’ means the staff member to whom the powers of the authorising officer have been delegated in accordance with Bureau Decision of 10 December 2018 (*) and the decision of the Secretary-General on the delegation of the authorising officer’s duties;

(3) ‘authority’ means ‘Authority for European Political Parties and European Political Foundations’ established by Article 6 of Regulation (EU, Euratom) No 1141/2014;

(4) ‘beneficiary’ means the party which has been awarded a contribution or the foundation which has been awarded a grant pursuant to Regulation (EU, Euratom) No 1141/2014;

(5) ‘final funding amount’ means either the final contribution amount (for parties) or the final grant amount (for foundations), established by the Bureau following its decision on the annual report;

(6) ‘foundation’ means ‘European political foundation’ as defined in Article 2, point (4), of Regulation (EU, Euratom) No 1141/2014;

(7) ‘funding’ means either a contribution within the meaning of Title XI of the Financial Regulation (for parties) or an operating grant within the meaning of Title VIII of the Financial Regulation (for foundations);

(8) ‘Funding Decision’ means either the decision on the award of a contribution (for parties) or a grant (for foundations), in accordance with the terms and conditions specified in the call;

(9) ‘funding agreement’ means the agreement between the Parliament and the beneficiary concerning either a contribution (for parties) or a grant (for foundations), in accordance with the terms and conditions specified in the call and with the terms of the Funding Decision;

(10) ‘funding procedure’ means the procedure that runs from the submission of applications until approval of the annual report and the adoption of the decision on the final funding amount;


Article 3
Calls

1. After approval by the Bureau, the authorising officer by delegation shall ensure the publication of a call for contributions, as regards parties, and a call for proposals, as regards foundations (‘calls’).

2. The calls shall specify the deadline, for parties and foundations, to submit their written funding applications to the European Parliament.

3. The calls shall include the following:
   (a) the objectives pursued;
   (b) the legal framework;
   (c) the timeline of the funding procedure;
   (d) the arrangements for Union financing;
   (e) the eligibility and exclusion criteria;
   (f) (in the case of foundations only) the selection criteria;

(*) Bureau Decision of 10 December 2018 on internal rules on the implementation of the European Parliament’s Budget.
(g) the award criteria, as specified in Article 19 of the Regulation (EU, Euratom) No 1141/2014,

(h) an application form and the structure of the estimated budget that the applicant is to provide with its application;

(i) if applicable, a list of any supporting documents required;

(j) the special and general terms and conditions for the awarding of contributions and grants, as approved by the Bureau;

(k) in respect of parties, the nature of the expenditure that may be reimbursed from the contribution, and, in respect of foundations, the categories of costs considered to be eligible for funding from the grant.

4. The call for contributions and the call for proposals shall specify that each applicant must expressly commit itself in writing to complying with the relevant terms and conditions as a condition for its application to be admissible.

Article 4

Funding application

1. In accordance with Article 18(1) of Regulation (EU, Euratom) No 1141/2014, an applicant wishing to receive funding from the general budget of the Union shall submit a written application to the President of the European Parliament.

2. The applicant may be invited by the authorising officer by delegation to submit, within a reasonable deadline, further supporting documents or clarifications as regards the application.

Article 5

Decision on the funding application

1. On the basis of a proposal from the Secretary-General, the Bureau shall decide, within three months after closure of the respective call, on the funding applications after verifying compliance with the criteria laid down in Articles 17 and 18 of Regulation (EU, Euratom) No 1141/2014 and referred to in Article 3(3) of this Decision, and shall determine the amount awarded to the applicant. The Bureau shall take account of any changes which have occurred in the situation of an applicant subsequent to the submission of the funding application. The applicants shall be informed by the President in writing of the Bureau’s decision and of the amount awarded to the applicant.

2. If the application is approved by the Bureau, a funding agreement shall be signed by the beneficiary and the European Parliament, represented by the authorising officer by delegation, in accordance with the model laid down in Annex 1a (for parties) or Annex 1b (for foundations).

3. Where an application is rejected or the amounts requested are not awarded in part or in full, the decision taken by the Bureau in accordance with paragraph (1) shall state the grounds for rejection. The information provided to the applicant concerning the rejection shall include the available means of administrative and/or judicial redress.

4. The funding amount shall be determined in accordance with Article 19 of Regulation (EU, Euratom) No 1141/2014 and is only provisional at this stage. The final funding amount shall be determined in accordance with the procedure laid down in Article 8 of this Decision.

5. If the amounts per applicant are significantly different from those which were expected at the moment of the publication of the calls referred to in Article 3 of this Decision, the Bureau may invite the President of the European Parliament to submit a proposal to the committee responsible for it to adapt the available appropriations.

Article 6

Payments

1. The funding shall be paid to beneficiaries in the form of pre-financing, as further specified in the Special Terms and Conditions laid down in Annex 1a (for parties) and Annex 1b (for foundations). Unless the Bureau decides otherwise in duly justified cases, the pre-financing is paid in one instalment of 100% of the maximum amount of the funding.

2. On a case-by-case basis and subject to a risk analysis, the Bureau may decide to require a beneficiary to lodge a pre-financing guarantee in accordance with the Financial Regulation.

3. The provisions regarding payments and their deadlines shall be specified in the funding agreement. No funding shall be paid to the beneficiaries before the signature of the funding agreement.
Article 7

External audit

1. The European Parliament shall receive directly from the independent external bodies or experts, mandated pursuant to Article 23(3) of Regulation (EU, Euratom) No 1141/2014, the external audit report specified in Article 23(1), point (b), of Regulation (EU, Euratom) No 1141/2014.

2. The scope of the external audit is specified in Article 23(1), point (b), of Regulation (EU, Euratom) No 1141/2014. The purpose of the external audit is further specified in the applicable provisions of Part B of the General Terms and Conditions laid down in Annex 1a (for parties) and Part B of the General Terms and Conditions laid down in Annex 1b (for foundations).

Article 8

Decision on the annual report and on the final funding amount

1. On the basis of a proposal from the Secretary-General, the Bureau shall approve or reject the annual report by 30 September of the year following the financial year concerned in the annual report.

2. The Bureau or the authorising officer by delegation may request the beneficiary to submit additional information for the purpose of verifying compliance with the relevant rules. The control of compliance shall be exercised in accordance with Articles 23 and 24 of Regulation (EU, Euratom) No 1141/2014.

3. If such additional information is requested by the Bureau or the authorising officer by delegation, the deadline for the decision on the annual report shall be extended until that additional information has been received and evaluated. The deadline may also be extended when additional information was requested by the Authority pursuant to Article 24(4) of Regulation (EU, Euratom) No 1141/2014.

4. As regards parties, the Bureau shall annually, on the basis of that annual report, determine the amount of reimbursable expenditure. In case of a carry-over of unspent funding to the following financial year, the final funding amount shall be established in accordance with Part B of the General Terms and Conditions laid down in Annex 1a.

5. As regards foundations, the final amount of the grant shall be determined on the basis of the annual report.

6. The final funding amount shall not exceed:

(a) the maximum amount of the funding laid down in the Funding Decision and in the funding agreement;

(b) 90 % of the annual reimbursable expenditure indicated in the budget of a European political party and 95 % of the eligible costs incurred by a European political foundation.

7. On the basis of the final funding amount determined in accordance with paragraphs 4 to 6, and the pre-financing payments previously made under the Funding Decision and the funding agreement, the authorising officer by delegation determines the amounts due to the beneficiary or to the European Parliament.

8. The final funding amount shall be determined without prejudice to the right of the European Parliament to undertake ex post controls in accordance with Part B of the General Terms and Conditions set out in Annex 1a (for parties) and in Part B of the General Terms and Conditions set out in Annex 1b (for foundations) and the possibility to adjust the final funding amount retroactively.

9. The decisions adopted under this Article shall be notified to the beneficiary as a uniform decision, in accordance with Rule 235(1) of the Rules of Procedure.

10. The applicable procedure for the approval of the annual report and the adoption of the decision on the final funding amount is further specified in Part B of the General Terms and Conditions laid down in Annex 1a (for parties) and in Part B of the General Terms and Conditions laid down in Annex 1b (for foundations).

Article 9

Suspension procedure

1. In accordance with the applicable rules of the Financial Regulation and with the applicable provisions of Part A of the General Terms and Conditions laid down in Annex 1a (for parties) and Part A of the General Terms and Conditions laid down in Annex 1b (for foundations), the Bureau may, upon proposal by the Secretary-General, to suspend the payment of the funding for a political party or foundation and to decide on the resumption of payment where the grounds for such suspension no longer apply. The authorising officer by delegation shall be competent to initiate such procedure and to take all necessary steps, in accordance with Part A of the General Terms and Conditions laid down in Annex 1a (for parties) and Part A of the General Terms and Conditions laid down in Annex 1b (for foundations), prior to such decision of the Bureau.
2. Article 235(1), third subparagraph, of the Rules of Procedure shall apply to decisions adopted by the Bureau under this Article.

**Article 10**

**Withdrawal of the Funding Decision**

1. In accordance with Regulation (EU, Euratom) No 1141/2014, and in particular Article 30 thereof, with the applicable rules of the Financial Regulation and with Part A of the General Terms and Conditions laid down in Annex 1a (for parties) and Part A of the General Terms and Conditions laid down in Annex 1b (for foundations), the Bureau may decide, upon proposal by the Secretary-General, to withdraw the Funding Decision. The authorising officer by delegation shall be competent to initiate such procedure and to take all necessary steps, in accordance with Part A of the General Terms and Conditions laid down in Annex 1a (for parties) and Part A of the General Terms and Conditions laid down in Annex 1b (for foundations), prior to such decision of the Bureau.

2. Article 235(1), third subparagraph, of the Rules of Procedure shall apply to decisions adopted by the Bureau under this Article.

3. The decision to withdraw the Funding Decision shall have retroactive effect ("ex tunc") from the date of adoption of the Funding Decision.

4. Following the adoption by the Bureau of the decision to withdraw the Funding Decision, the authorising officer by delegation shall without delay notify the beneficiary of the termination of the funding agreement with immediate effect. Any amount paid under the funding agreement shall be considered to be an undue payment and shall be recovered.

5. The authorising officer by delegation shall have the power to issue the necessary recovery orders.

**Article 11**

**Termination of the Funding Decision**

1. In accordance with Regulation (EU, Euratom) No 1141/2014, and in particular Articles 27 and 30 thereof, with the applicable rules of the Financial Regulation and with Part A of the General Terms and Conditions laid down in Annex 1a (for parties) and Part A of the General Terms and Conditions laid down in Annex 1b (for foundations), the Bureau may decide, upon proposal by the Secretary-General, to terminate the Funding Decision. The authorising officer by delegation shall be competent to initiate such procedure and to take all necessary steps, in accordance with Part A of the General Terms and Conditions laid down in Annex 1a (for parties) and Part A of the General Terms and Conditions laid down in Annex 1b (for foundations), prior to such decision of the Bureau.

2. Article 235(1), third subparagraph, of the Rules of Procedure shall apply to decisions adopted by the Bureau under this Article.

3. The decision to terminate the Funding Decision shall take effect ("ex nunc") on the day specified in the decision, or in the absence of such a date, on the day of its notification to the beneficiary.

4. Following the adoption by the Bureau of the decision to terminate the Funding Decision, the authorising officer by delegation shall without delay notify the beneficiary of the termination of the funding agreement with effect on the date referred to in paragraph 3. The costs actually incurred by the beneficiary from the day that the termination of the Funding Decision takes effect shall be considered to be non-reimbursable expenditure or ineligible costs, and the corresponding pre-financing shall be recovered.

5. The authorising officer by delegation shall have the power to issue the necessary recovery orders.

**Article 12**

**Control**

The funding agreement shall expressly provide for the rights of the European Parliament and other competent authorities to exercise their powers of control in respect of the beneficiary, as referred to in Articles 24 and 25 of Regulation (EU, Euratom) No 1141/2014.

**Article 13**

**Technical support**

In accordance with Article 26 of Regulation (EU, Euratom) No 1141/2014, beneficiaries may apply for technical support from the European Parliament. The procedure, conditions and costs are laid down in the Bureau decision of 14 March 2000 governing the use of Parliament’s premises by outside bodies.
Article 14

Right to be heard

In the cases in which, under the applicable funding agreement, including its Special and General Terms and Conditions, the beneficiary, or a natural person as referred to in Article 27a of Regulation (EU, Euratom) No 1141/2014, is entitled, prior to any decision adopted by Parliament, to submit observations, the beneficiary or the natural person concerned shall be given a period of 10 working days, unless the applicable rules provide otherwise, to submit written observations. This period may, upon a reasoned request by the beneficiary or the natural person concerned, be extended once by another 10 working days.

Article 15

Repeal and entry into force

1. The Decision of the Bureau of the European Parliament of 28 May 2018 (5) is repealed from the date of entry into force of this Decision. It shall, however, continue to apply as regards acts and commitments relating to the funding of European political parties and European political foundations for the financial year 2019.

2. This Decision shall enter into force on the day following its publication in the Official Journal of the European Union.

Article 16

Publication

This Decision shall be published in the Official Journal of the European Union and on the website of the European Parliament.

Annexes — model Funding Agreements:

Annex 1a — model Contribution Agreement — party

Annex 1b — model Grant Agreement — foundation

ANNEX 1a

[MODEL] CONTRIBUTION AGREEMENT — PARTY

NUMBER: ...[INSERT]...

The European Parliament, whose Secretariat is situated at Plateau du Kirchberg, L-2929 Luxembourg, hereinafter referred to as 'the European Parliament', represented, in respect of the signing of this agreement, by [name/forename/function], of the one part,

and

[full official name of the beneficiary]
[official legal form]
[legal registration No]
[full official address]
[VAT number], hereinafter referred to as 'the Beneficiary', represented, in respect of the signing of this agreement, by: …[representative entitled to enter into legal commitments]…

of the other part,

HAVE AGREED

the following Special Terms and Conditions, the General Terms and Conditions and the estimated budget in the Annex which shall form an integral part of this agreement.

The provisions of the Special Terms and Conditions shall take precedence over those of the other parts of this agreement. The provisions of the General Terms and Conditions shall take precedence over those of the Annex.

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1. SPECIAL TERMS AND CONDITIONS

ARTICLE I.1 – SUBJECT MATTER OF THE AGREEMENT

The European Parliament awards funding for the implementation of the statutory activities and objectives of the beneficiary in the financial year [insert], in accordance with the terms and conditions set out in the Special Terms and Conditions and the General Terms and Conditions ('terms and conditions'), as well as in accordance with the Annex to this agreement. This constitutes implementation of the Funding Decision adopted by the European Parliament on [insert date].

The beneficiary will use the funding for the purpose of implementing its statutory activities and objectives, acting on its own responsibility and in accordance with the terms and conditions and the Annex to this agreement.

ARTICLE I.2 – PERIOD OF ELIGIBILITY

The period of eligibility for Union funding shall run from [insert DD/MM/YY] to [insert DD/MM/YY].

ARTICLE I.3 – FORM OF FUNDING

The contributions awarded to the beneficiary pursuant to Title XI of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council (1) (‘Financial Regulation’) shall take the form of a reimbursement of a percentage of the reimbursable expenditure actually incurred.

ARTICLE I.4 – PROVISIONAL (MAXIMUM) FUNDING AMOUNT

The European Parliament shall contribute a maximum amount of EUR [insert amount], which shall not exceed 90 % of the total estimated reimbursable expenditure.

The estimated reimbursable expenditure of the beneficiary is set out in the Annex ('estimated budget'). The estimated budget shall be in balance and shall give a breakdown of all the beneficiary's costs and revenue for the period of eligibility. The reimbursable expenditure shall be separated from non-reimbursable expenditure, pursuant to Article II.19.

ARTICLE I.5 – PAYMENTS AND PAYMENT ARRANGEMENTS

The funding shall be paid in accordance with the following timetable and arrangements.

I.5.1 Pre-financing

Pre-financing payment of EUR [insert amount], representing 100% by default, otherwise insert the percentage decided by the European Parliament in the Funding Decision of the maximum amount established in Article I.4 of this agreement, shall be made to the beneficiary within 30 days following the date of entry into force of the agreement or, if applicable, from the date when the European Parliament receives the financial guarantee [of EUR … insert amount if applicable], whichever is the latest.

I.5.2 Payment of the balance or recovery of pre-financing unduly paid

The balance of funding shall be paid to the beneficiary or any pre-financing unduly paid shall be recovered within 30 days following the decision of the European Parliament on the annual report and the determination of the final funding amount as specified in Article II.25.

I.5.3 Currency

Payments shall be made by the European Parliament in euro. Any conversion of actual costs into euro shall be made at the daily rate published in the C series of the Official Journal of the European Union or, failing that, at the monthly accounting rate established by the European Parliament and published on its website, on the day when the payment order is issued by the European Parliament, save where the Special Terms and Conditions expressly provide otherwise.

Payments by the European Parliament shall be deemed to have been effected on the date on which they are debited to the European Parliament's account.

ARTICLE I.6 – BANK ACCOUNT

Payments shall be made into a bank account or sub-account held by the beneficiary in the bank established in a European Union Member State, denominated in euro, details of which are given below:

Name of the bank: […]
Address of the branch where the account is held: […]
Precise denomination of the account holder: […]
Full account number (including bank codes): […]
IBAN: […]
BIC/SWIFT: […]

ARTICLE I.7 – GENERAL ADMINISTRATIVE PROVISIONS

Any communication addressed to the European Parliament in connection with this agreement shall be in writing, shall bear the number of the agreement and shall be sent to the following address:

European Parliament
The President
c/o the Director-General of Finance
Office SCH 05B031
L-2929 Luxembourg

Ordinary mail shall be deemed to have been received by the European Parliament on the date on which it is formally registered by the European Parliament's Mail Service.

Any communication addressed to the beneficiary in connection with this agreement shall be in writing, shall bear the number of the agreement and shall be sent to the following address:

Mr/Mrs […]
[Title]
[Official name of the beneficiary body]
[Full official address]

Any change of address by the beneficiary shall be communicated to the European Parliament in writing without delay.

ARTICLE I.8 – ENTRY INTO FORCE OF THE AGREEMENT

The agreement shall enter into force on the date on which it is signed on behalf of the European Parliament.
II. GENERAL TERMS AND CONDITIONS

PART A: LEGAL AND ADMINISTRATIVE PROVISIONS

ARTICLE II.1 – DEFINITIONS

For the purpose of this agreement:

(1) ‘activity report’ means a written justification of the costs incurred during the period of eligibility. For example, an explanation of activities, administrative costs, etc. The activity report is part of the annual report;

(2) ‘annual report’ means a report to be submitted within six months following the end of the financial year in accordance with Article 23 of the Regulation (EU, Euratom) No 1141/2014 of the European Parliament and of the Council (2) and Article 229 of the Financial Regulation;

(3) ‘balance of funding’ means the difference between the pre-financing amount pursuant to Article I.5.1 and the final funding amount established pursuant to Article II.25.4;

(4) ‘clearing of pre-financing’ means a situation where the final funding amount is established by the authorising officer and the amount paid to the beneficiary is no longer the property of the Union;

(5) ‘conflict of interests’ means a situation where the impartial and objective implementation of the agreement by the beneficiary is compromised for reasons involving family, emotional life, national affinity, economic interest, or any other shared interest with any third party related to the subject matter of the agreement. Political affinity does not, in principle, constitute a reason for a conflict of interests in the case of agreements concluded between the political party and organisations sharing the same political values. Nevertheless, in the case of such an agreement, compliance with Article 22 of the Regulation (EU, Euratom) No 1141/2014 must be observed;

(6) ‘contributions in kind’ or ‘offering in kind’ both mean non-financial resources, made available free of charge by third parties to the beneficiary, pursuant to Article 2(7) and 2(8) of Regulation (EU, Euratom) No 1141/2014;

(7) ‘financial year N’ or ‘period of eligibility’ both mean the period of implementation of the activities for which the funding was awarded under the agreement, as specified in Article I.2;

(8) ‘force majeure’ means any unforeseeable, exceptional situation or event beyond the control of the beneficiary or the European Parliament that prevents either of them from fulfilling any of their obligations under the agreement, that is not attributable to error or negligence on their part or on the part of subcontractors, affiliated entities or third parties in receipt of financial support and which proves to be inevitable despite their exercising due diligence. The following cannot be invoked as force majeure: labour disputes, strikes, financial difficulties or any default of a service, defect in equipment or materials or delays in making them available, unless they stem directly from a relevant case of force majeure;

(9) ‘formally notify’ means to communicate in writing by mail or electronic mail with proof of delivery;

(10) ‘fraud’ means any intentional act or omission affecting the Union’s financial interests relating to the use or presentation of false, incorrect or incomplete statements or documents, or to the non-disclosure of information in violation of a specific obligation;

(11) ‘funding’ means ‘direct financial contributions’ within the meaning of Title XI of the Financial Regulation and Chapter IV of Regulation (EU, Euratom) No 1141/2014;

(12) ‘irregularity’ means any infringement of a provision of Union law resulting from an act or omission by the beneficiary, which has or would have the effect of prejudicing the Union’s budget;

(13) ‘own resources’ means external sources of funding other than Union funding. For example: donations, contributions from members (as defined in Article 2, points (7) and (8), of Regulation (EU, Euratom) No 1141/2014), etc.;

(14) ‘related person’ means any person who has the power to represent the beneficiary or to take decisions on its behalf;

(15) ‘substantial error’ means any infringement of a provision of the agreement resulting from an act or omission, which causes or might cause a loss to the budget of the European Union.

ARTICLE II.2 – GENERAL OBLIGATIONS OF THE BENEFICIARY

The beneficiary:

(a) shall bear sole responsibility for, and the burden of proving, compliance with any legal obligations incumbent on it;

(b) shall be required to make good any damage suffered by the European Parliament as a result of the implementation, including the incorrect implementation, of the agreement, except in cases of force majeure;

(c) shall bear sole liability towards third parties, including for damage of any kind suffered by them during the implementation of the agreement;

(d) shall inform the European Parliament immediately of any change in its legal, financial, technical, organisational or ownership situation and of any change in its name, address or legal representative;

(e) shall take all necessary measures to prevent any conflict of interests arising.

ARTICLE II.3 – OBLIGATIONS LINKED TO BANK ACCOUNT

The account or sub-account referred to in Article I.6 must make it possible to identify the amounts paid by the European Parliament and must be reserved exclusively for the receipt of amounts referred to in Article I.5 paid by the European Parliament.

If the amounts paid into this account as pre-financing yield interest or equivalent benefits under the law of the Member State on whose territory the account is opened, such interest or benefits shall be recovered by the European Parliament subject to the conditions laid down in Article II.26, in accordance with Article 228(5) of the Financial Regulation.

Under no circumstances shall the amounts paid by the European Parliament be used for speculative purposes.

The pre-financing shall remain the property of the Union until it is cleared against the final funding amount.

ARTICLE II.4 – LIABILITY FOR DAMAGES

The European Parliament may not be held liable for any damage caused or sustained by the beneficiary, including any damage caused to third parties during or as a consequence of the implementation of this agreement.

Except in cases of force majeure, the beneficiary or the related person shall compensate the European Parliament for any damage it sustains as a result of the implementation of the agreement or because the agreement was not implemented in full compliance with its provisions.

ARTICLE II.5 – CONFIDENTIALITY

Unless otherwise stipulated in this agreement, in Article 32 of Regulation (EU, Euratom) No 1141/2014 and in other applicable Union legal acts, the European Parliament and the beneficiary undertake to preserve the confidentiality of any document, information or other material directly related to the subject matter of this agreement.

ARTICLE II.6 – PROCESSING OF PERSONAL DATA

Any personal data collected in the context of this agreement shall be processed in accordance with Article 33 of Regulation (EU, Euratom) No 1141/2014. Any processing of personal data by the European Parliament shall comply with Regulation (EU) 2018/1725 of the European Parliament and of the Council (3).

Such data shall only be processed for the purpose of the implementation and monitoring of the agreement without prejudice to their possible transfer to the bodies responsible for carrying out verification and audit tasks in accordance with Union law.

Any processing of personal data by the beneficiary in connection with this agreement is subject to Regulation (EU) 2016/679 of the European Parliament and of the Council (4). Without prejudice to the other cases provided for in that Regulation, processing of personal data in connection with this agreement is authorised only if it is necessary for the implementation of this agreement.


ARTICLE II.7 – RECORD KEEPING

In accordance with Article 232 of the Financial Regulation, the beneficiary shall keep all records and supporting documents concerning the implementation of the agreement for five years following the last payment related to the contribution.

Records related to audits, appeals, litigation, the settlement of claims arising out of the use of the funding or to European Public Prosecutor’s Office (EPPO) or European Anti-Fraud Office (OLAF) investigations, if notified to the recipient, shall be retained until the end of such audits, appeals, litigation, settlement of claims or investigations.

ARTICLE II.8 – VISIBILITY OF UNION FUNDING

II.8.1 Information on Union funding

Unless the European Parliament requests or agrees otherwise, any communication or publication by the beneficiary that relates to the Union funding, including at a conference, seminar, or in any information or promotional materials (such as brochures, leaflets, posters, presentations, in electronic form, etc.), shall indicate that the programme has received financial support from the European Parliament.

II.8.2 Disclaimers excluding European Parliament responsibility

Any communication or publication by the beneficiary, in any form and any medium, shall indicate that sole liability rests with the author and that the European Parliament is not responsible for any use that may be made of the information contained therein.

II.8.3 Publication of information by the European Parliament


ARTICLE II.9 – AWARD OF CONTRACTS BY THE BENEFICIARY

II.9.1 Principles

In accordance with Article 222(2) of the Financial Regulation, funding may be used to reimburse expenditure relating to contracts concluded by the beneficiary, provided that there were no conflicts of interest when they were awarded.

For contracts with a value of more than EUR 60,000 per supplier and per good or service, the beneficiary shall collect at least three offers received in response to a written invitation to bid detailing the requirements for the procurement. The duration of the contracts concerned shall not exceed five years.

If there are fewer than three offers responding to the written invitation to bid, the beneficiary shall be required to prove that it was impossible to obtain more offers for the procurement in question.

II.9.2 Record keeping

The beneficiary shall keep a record of the evaluation of the offers and shall justify in writing its choice of the final supplier.

II.9.3 Control

The beneficiary shall ensure that the European Parliament, the Authority for European Political Parties and European Political Foundations, the European Court of Auditors and the European Anti-Fraud Office (OLAF) are able to exercise their powers of control under Chapter V of Regulation (EU, Euratom) No 1141/2014 and under Article 231 of the Financial Regulation. The beneficiary shall ensure that contracts concluded with third parties provide for the possibility that those powers of control may also be exercised in respect of those third parties.

II.9.4 Liability

The beneficiary shall bear sole liability in respect of the implementation of this agreement and compliance with the provisions of this agreement. The beneficiary shall undertake to make all the arrangements required to ensure that the contractor agrees to waive all rights against the European Parliament under the agreement.

ARTICLE II.10 – FINANCIAL SUPPORT TO ASSOCIATED ENTITIES

Financial support granted by the beneficiary to associated entities within the meaning of Article 222(3) of the Financial Regulation may, under the following conditions, constitute reimbursable expenditure:

(a) the financial support is granted by the beneficiary to the following associated entities: … [insert the names of potential beneficiaries as indicated in the application form];
(b) these entities are part of the administrative organisation of the beneficiary as set out in the statutes of the latter;

(c) the financial support for each entity does not exceed EUR 100 000;

(d) it is used by the associated entity for reimbursable expenditure;

(e) any lump sum paid to the associated entity does not exceed a quarter of the total financial support to that entity;

(f) the beneficiary guarantees a possible recovery of such financial support.

The beneficiary shall ensure that the European Parliament, the Authority for European Political Parties and European Political Foundations, the European Court of Auditors and the European Anti-Fraud Office (OLAF) are able to exercise their powers of control under Chapter V of Regulation (EU, Euratom) No 1141/2014.

ARTICLE II.11 – FORCE MAJEURE

If either the European Parliament or the beneficiary is faced with a situation of force majeure, it shall inform the other without delay, by registered letter with proof of delivery or equivalent, stating the nature, probable duration and likely effects of the situation in question.

The European Parliament and the beneficiary shall make every effort to minimise any damage which might be caused by a situation of force majeure.

Neither the European Parliament nor the beneficiary shall be held to be in breach of any of its obligations under the agreement if it has been prevented from fulfilling that obligation by force majeure.

ARTICLE II.12 – SUSPENSION OF PAYMENT OF FUNDING

II.12.1 Grounds for suspension

The European Parliament shall have the power to suspend the payment of funding, in accordance with the applicable rules under the Financial Regulation, in the following circumstances:

(i) when it suspects that the beneficiary has failed to comply with the obligations related to the use of contributions laid down in Article 228 of the Financial Regulation until such suspicion is verified; or

(ii) when the beneficiary has been subject to the financial sanctions provided for in Article 27(4) of Regulation (EU, Euratom) No 1141/2014 until the financial sanction is paid.

II.12.2 Procedure for suspension

Step 1 — Before suspending the payment, the European Parliament shall formally notify the beneficiary of its intention to suspend, stating its reasons for wishing to do so and inviting the beneficiary to submit observations within 30 calendar days after receiving that notification.

Step 2 — If after expiry of the period for submission of observations the European Parliament decides not to pursue the suspension procedure, it shall notify the beneficiary of that decision.

If, after expiry of the period for submission of observations, the European Parliament decides to pursue the suspension procedure, it shall formally notify the beneficiary by means of a reasoned decision on suspension informing it of:

(i) the indicative date of completion of the necessary verification in the case referred to in Article II.12.1, point (i); and

(ii) any legal remedies.

II.12.3 Effects of the suspension

The suspension of payment shall have the effect that the beneficiary is not entitled to receive any payments from the European Parliament until the verification referred to Article II.12.2, point (i), under Step 2, is complete or the ground for suspension ceases to apply. This is without prejudice to the right of the European Parliament to withdraw or to terminate the Funding Decision under Articles II.13 and II.14.

II.12.4 Resumption of payment

From the moment that the ground for the suspension of payment ceases to apply, all payments concerned shall be resumed and the European Parliament shall notify the beneficiary thereof.
ARTICLE II.13 – WITHDRAWAL OF THE FUNDING DECISION BY THE EUROPEAN PARLIAMENT

II.13.1  Grounds for withdrawal
The European Parliament shall have the power to withdraw the Funding Decision on the basis of a decision by the Authority to remove the beneficiary from the Register, except in the cases covered by Article 30(2) of Regulation (EU, Euratom) No 1141/2014.

II.13.2  Procedure for withdrawal
Step 1 — Before withdrawing the Funding Decision, the European Parliament shall formally notify the beneficiary of its intention to withdraw, stating its reasons for wishing to do so and inviting the beneficiary to submit observations within 30 calendar days after receiving that notification.

Step 2 — If, after expiry of the period for submission of observations, the European Parliament decides not to withdraw the Funding Decision, it shall notify the beneficiary of that decision.

If, after expiry of the period for submission of observations, the European Parliament decides to withdraw the Funding Decision, it shall formally notify the beneficiary by means of a reasoned decision on withdrawal.

Step 3 — Following the adoption of the decision to withdraw the Funding Decision, the European Parliament shall without delay notify the beneficiary of the termination of the contribution agreement.

II.13.3  Effects of withdrawal
The decision to withdraw the Funding Decision shall have retroactive effect from the date of the adoption of the Funding Decision.

The termination of the contribution agreement shall take effect immediately upon its notification to the beneficiary.

Any amount paid under the contribution agreement shall be considered to be an undue payment and shall be recovered under the applicable rules of the Financial Regulation.

ARTICLE II.14 – TERMINATION OF THE FUNDING DECISION

II.14.1  Termination at the request of the beneficiary
The beneficiary may request the termination of the Funding Decision.

The beneficiary shall formally notify the European Parliament on termination, stating:

(a) the reasons for termination; and

(b) the date on which the termination is to take effect, which shall not be earlier than the date on which the formal notification was sent.

The termination of the Funding Decision shall take effect on the day specified in the decision of termination or, if no day is specified therein, on the day of its notification to the beneficiary. Following the termination of the Funding Decision, the European Parliament shall without delay terminate the contribution agreement with effect on the same day.

II.14.2  Termination by the European Parliament
II.14.2.A  Grounds for termination
The European Parliament shall have the power to terminate the Funding Decision in any of the following circumstances:

(a) on the basis of a decision by the Authority for European Political Parties and European Political Foundations to remove the beneficiary from the Register, in the cases covered by Article 30(2) of Regulation (EU, Euratom) No 1141/2014;

(b) if the beneficiary no longer complies with Article 18(2) of Regulation (EU, Euratom) No 1141/2014;

(c) if the European Parliament establishes that the beneficiary has failed to comply with the obligations related to the use of contributions laid down in Article 228 of the Financial Regulation;

(d) if the beneficiary is declared bankrupt, is being wound up or is subject of any other similar proceedings.
II.14.2.B Procedure for termination

Step 1 — Before termination of the Funding Decision, the European Parliament shall formally notify the beneficiary of its intention to terminate, stating its reasons for wishing to do so and inviting the beneficiary to submit observations within 30 calendar days after receiving that notification.

Step 2 — If, after expiry of the period for submission of observations, the European Parliament decides not to terminate the Funding Decision, it shall formally notify the beneficiary of that decision.

If, after expiry of the period for submission of observations, the European Parliament decides to terminate the Funding Decision, it shall formally notify the beneficiary, by means of a reasoned decision on termination.

Step 3 — Following the adoption of the decision to terminate the Funding Decision, the European Parliament shall without delay notify the beneficiary of the termination of the contribution agreement.

II.14.3 Effects of termination

The termination of the Funding Decision shall take effect ‘ex nunc’ on the day specified in the decision of termination or, if no day is specified therein, on the day on which that decision is notified to the beneficiary. The termination of the contribution agreement shall take effect on the same day.

The costs actually incurred by the beneficiary from the day that the termination of the Funding Decision takes effect are to be qualified as non-reimbursable expenditure, and the corresponding pre-financing shall be recovered under the applicable rules of the Financial Regulation.

ARTICLE II.15 – ASSIGNMENT

The beneficiary may not assign any of its claims for payment against the European Parliament to any third party, except if approved in advance by the European Parliament on the basis of a reasoned, written request by the beneficiary.

If the European Parliament does not accept in writing the assignment or the terms of such acceptance are not complied with, the assignment shall have no legal effect.

Under no circumstances may an assignment release the beneficiary from its obligations towards the European Parliament.

ARTICLE II.16 – LATE PAYMENT INTEREST

If the European Parliament does not pay within the time limits for payment, the beneficiary shall be entitled to late-payment interest at the rate applied by the European Central Bank for its main refinancing operations in euros (the reference rate), plus three and a half points. The reference rate is the rate in force on the first day of the month in which the time limit for payment expires, as published in the C series of the Official Journal of the European Union.

If the European Parliament suspends the payments as provided for in Article II.12, these actions may not be considered to be cases of late payment.

Late-payment interest covers the period running from the day following the due date for payment, up to and including the date of actual payment.

As an exception to the first subparagraph, if the calculated interest is lower than or equal to EUR 200, the European Parliament shall only be required to pay it to the beneficiary if the beneficiary requests it within two months of receiving late payment.

ARTICLE II.17 – APPLICABLE LAW

This agreement is governed by the applicable Union law, and in particular by Regulation (EU, Euratom) No 1141/2014 and the applicable rules of the Financial Regulation which fully apply. They are complemented, where necessary, by the national law of the Member State in which the beneficiary has its seat.

ARTICLE II.18 – RIGHT TO BE HEARD

In the cases in which, under this agreement, the beneficiary or a natural person referred to in Article 27a of Regulation (EU, Euratom) No 1141/2014 is entitled to submit observations, the beneficiary or the natural person concerned shall be given a period of 10 working days, save where expressly provided otherwise, to submit written observations. This period may, upon reasoned request by the beneficiary or the natural person concerned, be extended once by another 10 working days.
PART B: FINANCIAL PROVISIONS

ARTICLE II.19 — REIMBURSABLE EXPENDITURE

II.19.1 Conditions

In order to be considered to be eligible for reimbursement from Union funding, and in accordance with Article 228 of the Financial Regulation, costs must meet the following criteria:

(a) be directly related to the subject matter of the agreement and provided for in the estimated budget annexed to the agreement;

(b) be necessary for the implementation of the agreement;

(c) be reasonable and justified, and comply with the principle of sound financial management, in particular regarding economy and efficiency;

(d) be generated during the period of eligibility as defined in Article I.2, with the exception of costs relating to annual reports and certificates on the financial statements and underlying accounts;

(e) be actually incurred by the beneficiary;

(f) be identifiable and verifiable, and recorded in the beneficiary's accounts, in accordance with the accounting standards applicable to it;

(g) comply with the requirements of applicable tax and social security laws;

(h) comply with Article II.9.1, first paragraph, and, as a general rule, with Article II.9.1, second paragraph.

The beneficiary's accounting and internal audit procedures must make it possible to carry out a direct reconciliation of the costs and revenue declared in the annual report with the financial statements and the corresponding supporting documents.

II.19.2 Examples for reimbursable expenditure

In particular, and provided that they meet the criteria laid down in Article II.19.1, the following operating costs shall be regarded as reimbursable without prejudice to Article 228 of the Financial Regulation:

(a) administrative costs and costs linked to technical assistance, meetings, research, cross-border events, studies, information and publications;

(b) personnel costs, comprising actual salaries, social security contributions and other statutory costs included in remuneration, provided that they do not exceed the average rates under the beneficiary's usual policy on remuneration;

(c) travel and subsistence expenses for staff, provided that they are consistent with the beneficiary's usual practices regarding travel costs;

(d) the depreciation costs of equipment or other assets (new or second-hand) as recorded in the beneficiary's accounting statements, provided that the asset

   (i) is written off in accordance with the international accounting standards and the beneficiary's usual accounting practices; and

   (ii) has been purchased in accordance with Article II.9.1, first paragraph, and, as a general rule, with Article II.9.1, second paragraph, if the purchase occurred within the period of eligibility;

(e) costs of consumables and supplies and other contracts, provided that they are

   (i) purchased in accordance with Article II.9.1, first paragraph, and, as a general rule, with Article II.9.1, second paragraph; and

   (ii) directly assigned to the subject matter of the agreement;

(f) costs arising directly from requirements imposed by the agreement, including, if appropriate, the costs of financial services (in particular the cost of financial guarantees) provided that the corresponding services are purchased in accordance with Article II.9.1, first paragraph, and, as a general rule, with Article II.9.1, second paragraph.
ARTICLE II.20 – NON-REIMBURSABLE EXPENDITURE

Without prejudice to Article II.19.1 of this agreement and to Article 228 of the Financial Regulation, the following costs shall not be considered reimbursable:

(a) return on capital and dividends paid by the beneficiary;
(b) debt and debt service charges;
(c) provisions for losses or debts;
(d) interest owed;
(e) doubtful debts;
(f) exchange losses;
(g) costs of transfers from the European Parliament charged by the bank of the beneficiary;
(h) costs declared by the beneficiary under another action receiving a grant financed from the Union budget;
(i) contributions in kind;
(j) excessive or reckless expenditure;
(k) deductible VAT;
(l) prohibited funding of certain third parties pursuant to Article 22 of Regulation (EU, Euratom) No 1141/2014 and Article 222(3) of the Financial Regulation.

ARTICLE II.21 – CONTRIBUTIONS IN KIND

The European Parliament shall allow the beneficiary to receive contributions in kind during the implementation of the agreement, provided that the value of such contributions does not exceed:

(a) the costs actually borne and duly supported by accounting documents of the third parties who made these contributions to the beneficiary free of charge but bear the corresponding costs;
(b) in the absence of such documents, the costs that correspond to those generally accepted on the market in question;
(c) their value as accepted in the estimated budget;
(d) 50 % of own resources accepted in the estimated budget.

Contributions in kind:

(a) shall be presented separately in the estimated budget, in order to reflect the total resources;
(b) shall comply with Article 20 of Regulation (EU, Euratom) No 1141/2014, as well as the national tax and social security rules;
(c) shall only be accepted on a provisional basis, subject to a certification by the external auditor and to acceptance in the decision over the final funding amount;
(d) shall not be in the form of immovable property.

ARTICLE II.22 – BUDGET TRANSFERS

The beneficiary shall be allowed to adjust the estimated budget set out in the Annex, by transfers between the different budget categories. This adjustment shall not require an amendment of the agreement. Such transfers shall be justified in the annual report.

ARTICLE II.23 – REPORTING OBLIGATIONS

II.23.1 Annual report

Preferably by 15 May, and at the latest by 30 June, following the end of financial year N, the beneficiary shall submit an annual report, composed as follows:

(a) annual financial statements and accompanying notes, covering beneficiary's revenue and costs, assets and liabilities at the beginning and at the end of the financial year, in accordance with the law applicable in the Member State of the beneficiary's seat;
(b) annual financial statements on the basis of the international accounting standards defined in Article 2 of Regulation (EC) No 1606/2002 of the European Parliament and of the Council (5);

c) the list of donors and contributors and their corresponding donations or contributions reported in accordance with Article 20 of Regulation (EU, Euratom) No 1141/2014;

d) activity report;

e) financial statement based on the structure of estimated budget;

f) detail of accounts as regards revenue, costs, assets and liabilities;

g) reconciliation of financial statement referred to in point (e) with detail of accounts referred to in point (f);

h) list of suppliers which in the given financial year charged the beneficiary over EUR 10 000, specifying the name, and address of the supplier as well as the scope of the goods or services provided.

The information included in the annual report must be sufficient to establish the final funding amount.

II.23.2 External audit report

The European Parliament shall receive directly from the independent external bodies or experts, mandated pursuant to Article 23(3) of Regulation (EU, Euratom) No 1141/2014, the external audit report specified in Article 23(1) of Regulation (EU, Euratom) No 1141/2014.

The purpose of the external audit shall be to certify the reliability of the financial statements and the legality and regularity of their expenditure, and in particular that:

(a) the financial statements were prepared in accordance with the national law applicable to the beneficiary, are free of material misstatement and show a true and fair view of the financial position and the operating results;

(b) the financial statements were prepared in accordance with the international accounting standards defined in Article 2 of Regulation (EC) No 1606/2002;

c) the costs declared were actually incurred;

d) the statement of revenue is exhaustive;

(e) the financial documents submitted by the beneficiary to Parliament are consistent with the financial provisions of the agreement;

(f) the obligations arising from Regulation (EU, Euratom) No 1141/2014, in particular from Article 20 thereof, have been met;

(g) the obligations arising from the agreement, in particular from Article II.9 and Article II.19 thereof, have been met;

(h) the contributions in kind have actually been provided to the beneficiary and have been valued in compliance with the applicable rules;

(i) any unused part of Union funding was carried-over to the next financial year;

(j) the unused part of Union funding was used in accordance with Article 228(2) of the Financial Regulation;

(k) any surplus of own resources was transferred to the reserve.

ARTICLE II.24 — DECISION ON ANNUAL REPORT

By 30 September of the year following financial year N, the European Parliament shall approve or reject the annual report, as specified in Article II.23.1.

If the European Parliament does not respond in writing within a period of six months after the reception of the annual report, the annual report shall be deemed to have been approved.

The approval of the annual report is without prejudice to the establishment of the final funding amount under Article II.25 by means of which the European Parliament takes a final decision on the eligibility of the costs.

The European Parliament may request additional information from the beneficiary in order to be in a position to take a decision on the annual report. In the event of such request, the deadline for the decision on the annual report shall be extended until the requested information has been received and evaluated by the European Parliament. The deadline may also be extended when additional information has been requested by the Authority for European parties and European political foundations pursuant to Article 24(4) of Regulation (EU, Euratom) No 1141/2014.

If the annual report is flawed by substantial deficiencies, the European Parliament may reject it without requesting additional information from the beneficiary and may request that the beneficiary submit a new report within a period of 15 working days.

Requests for additional information or a new report shall be notified to the beneficiary in writing.

If the annual report that was initially submitted is rejected and a new report is requested, the approval procedure set out in this Article shall apply to the new report.

**ARTICLE II.25 – DECISION ON THE FINAL FUNDING AMOUNT**

**II.25.1 Impact of the annual report**

The decision of the European Parliament establishing the final funding amount shall be based on the annual report approved in accordance with Article II.24. In the event of a definitive rejection of the annual report by the European Parliament or failure of the beneficiary to submit any annual report within the applicable deadlines, no reimbursable costs may be established by the decision on the final funding amount.

**II.25.2 Threshold**

The final funding amount shall be limited to the amount laid down in Article I.4. It shall neither exceed 90% of the reimbursable expenditure indicated in the estimated budget nor 90% of the reimbursable expenditure that were actually incurred.

**II.25.3 Carry-over of unspent funding**

Any part of the contribution not spent within financial year N for which it was awarded, shall be carried over to financial year N+1 and spent on any reimbursable expenditure incurred by 31 December of year N+1. Remaining amounts of the previous year’s contributions shall not be used to finance the part of the expenditure which European political parties must cover from their own resources.

The beneficiary shall first use the part of the contribution that has not been used within the financial year for which it was awarded and only then any contribution awarded after that year.

**II.25.4 Decision on final funding amount**

The European Parliament controls annually whether expenditure complies with the provisions of Regulation (EU, Euratom) No 1141/2014, the Financial Regulation and the agreement. Each year it shall take a decision on the final funding amount, which shall be duly notified to the beneficiary.

If the amount of the funding defined in Article I.4 was entirely spent during financial year N, the final funding amount shall be established after the closing of that financial year, in year N+1.

In the event of a carry-over of unspent funding to financial year N+1 in accordance with Article II.25.3, the final funding amount of year N shall be established as follows:

**Step 1:** In year N+1 the European Parliament shall decide on the reimbursable costs of financial year N and the first part of the final funding amount of year N, corresponding to those costs. In addition, the European Parliament shall establish the amount of unspent funding awarded for financial year N that is to be carried over to the financial year N+1;

**Step 2:** In year N+2, the European Parliament shall decide on the reimbursable costs of financial year N+1, determining which of them will be covered by the unspent funding carried over to the financial year N+1 (second part of the final funding amount).

The final funding amount of year N shall be the sum of amounts established in steps 1 and 2.

At the moment of establishing the final funding amount, the clearing of pre-financing shall take place. In case of a carry-over, a partial clearing of pre-financing takes place at the moment of each of the aforementioned steps.

**II.25.5 Recovery of unspent funding**

Any remaining part of the contribution awarded for year N that is not spent until the end of the year N+1 shall be recovered in accordance with Chapter 6 of Title IV of the Financial Regulation.
II.25.6 **Balance of funding**

If the pre-financing paid exceeds the final funding amount, the European Parliament shall recover the pre-financing unduly paid.

If the final funding amount exceeds the pre-financing paid, the European Parliament shall pay the balance.

II.25.7 **Surplus of own resources**

(a) **Building of special reserve**

The beneficiary may build a special reserve from the surplus of own resources.

The surplus of own resources to be transferred to the special reserve account shall be the amount of own resources that exceed the sum of own resources necessary to cover 10% of reimbursable costs actually incurred in financial year N. The beneficiary must have previously covered the non-reimbursable costs of financial year N by using its own resources only.

The reserve shall only be used for the purpose of the co-financing of reimbursable costs and non-reimbursable costs which must be covered from own resources during the implementation of any future agreements.

(b) **Profit**

Profit is defined as a surplus of income over expenditure.

Income includes funding from the Union budget and own resources of the beneficiary.

Contributions by third parties to joint events shall not be considered to be part of the own resources of the beneficiary. Moreover, the beneficiary shall neither directly nor indirectly receive other funding from the Union budget. In particular, donations from the budgets of political groups in the European Parliament shall be prohibited.

The surplus allocated to the special reserve will not be taken into account for the calculation of the profit.

(c) **Recovery**

The funding may not produce a profit for the beneficiary. The European Parliament shall be entitled to recover the percentage of the profit corresponding to the Union contribution to the reimbursable costs.

**ARTICLE II.26 – INTEREST ON PRE-FINANCING**

The Beneficiary shall notify the European Parliament of the amount of interest or equivalent benefits yielded by the pre-financing that it has received from the European Parliament.

The European Parliament shall deduct the interest yielded by pre-financing when calculating the final funding amount. The interest shall not be included in the own resources.

**ARTICLE II.27 – RECOVERY**

If amounts have been unduly paid to the beneficiary or if a recovery procedure is justified under the terms and conditions of the agreement, Regulation (EU, Euratom) No 1141/2014 or the Financial Regulation, the beneficiary, or the natural person referred to in Article 30(2) of Regulation (EU, Euratom) No 1141/2014, shall repay the amounts concerned to the European Parliament, in accordance with the terms and conditions and by the deadline laid down by the European Parliament.

II.27.1 **Late payment interest**

If the beneficiary fails to make the repayment by the deadline laid down by the European Parliament, the European Parliament shall charge on the sums due late-payment interest at the rate laid down in Article II.16. The late-payment interest shall cover the period between the expiry of the deadline laid down for repayment and the date on which the European Parliament receives full repayment of the sums due, inclusive.

Any partial repayment shall first be entered against charges and late-payment interest and only then against the principal.

II.27.2 **Offsetting**

If no repayment has been made by the deadline laid down, the sums due to the European Parliament may be recovered by offsetting them against any sums owed to the beneficiary on any other account in accordance with Article 101 of the Financial Regulation. In exceptional circumstances, justified by the need to safeguard the financial interests of the Union, the European Parliament may recover by offsetting before the due date of the payment. The beneficiary's prior consent shall not be required.
II.27.3  **Bank charges**

Bank charges occasioned by the recovery of the sums owed to the European Parliament shall be borne solely by the beneficiary.

**ARTICLE II.28 – FINANCIAL GUARANTEE**

If the European Parliament requests a financial guarantee in accordance with Article 227 of the Financial Regulation, the following conditions must be fulfilled:

(a) the financial guarantee must be provided by a bank or an approved financial institution or, if requested by the beneficiary and accepted by the European Parliament, by a third party;

(b) the guarantor must stand as first-call guarantor and not require the European Parliament to first have recourse against the principal debtor (i.e. the beneficiary concerned); and

(c) the financial guarantee must explicitly remain in force until the pre-financing is cleared against interim payments or payment of the balance by the European Parliament; if payment of the balance takes the form of a recovery, the financial guarantee must remain in force until the debt is considered to be fully cleared; and the European Parliament must release the guarantee within the following month.

**ARTICLE II.29 – CONTROL**

II.29.1  **General provisions**

Within the scope of their competence and in accordance with Chapter V of Regulation (EU, Euratom) No 1141/2014 and of Article 231(1) of the Financial Regulation, the European Parliament and the Authority for European Political Parties and European Political Foundations may at any moment exercise their respective powers of control in order to verify whether the beneficiary is in full compliance with the obligations laid down in the agreement, in Regulation (EU, Euratom) No 1141/2014 and the Financial Regulation.

The beneficiary shall duly cooperate with the competent authorities and shall provide them with all necessary assistance for the conduct of their control.

The European Parliament and the Authority for European Political Parties and European Political Foundations may delegate the task of control to external bodies duly authorised to act on their behalf (‘the authorised bodies’).

II.29.2  **Duty to keep documents**

The beneficiary shall, as specified in Article II.7, keep stored on any appropriate medium, all original documents, and in particular accounting and tax records, including digitalised originals when they are authorised by their respective national law and under the conditions laid down therein.

II.29.3  **Obligation to provide documents and/or information**

The beneficiary shall provide any document and/or information, including information in electronic format, which is requested by the European Parliament, the Authority for European Political Parties and European Political Foundations or the authorised body (‘the competent authority’).

Any documents or information provided by the beneficiary shall be processed in accordance with Article II.6.

II.29.4  **On-the-spot visits**

The competent authority may conduct on-the-spot-visits in the premises of the beneficiary. To this end, it may request in writing that the beneficiary make appropriate arrangements for such visit within an appropriate deadline to be fixed by the competent authority.

During an on-the-spot visit, the beneficiary shall allow the competent authority to have access to the sites and premises where the operation is being or was carried out, as well as to all the necessary information, including information in electronic format.

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

II.29.5  **Contradictory audit procedure**

On the basis of the findings made during the control procedure, the European Parliament shall draw up a provisional audit report which shall be sent to the beneficiary. The beneficiary may submit observations within 30 calendar days from the date of receipt of the provisional audit report.
On the basis of the findings in the provisional audit report and possible observations of the beneficiary, the European Parliament shall lay down its final audit findings in a final audit report. The final audit report shall be sent to the beneficiary within 60 calendar days after expiry of the time limit fixed for the submission of observations to the provisional audit report.

II.29.6 Effects of audit findings

Without prejudice to the Parliament’s right to take the measures under Article II.12 to Article II.14, the final audit findings shall be duly taken into consideration by the European Parliament in the context of the establishment of the final funding amount.

Cases of possible fraud or severe violation of the applicable rules revealed by the final audit findings shall be notified to the competent national or Union authorities for further action.

The European Parliament may retroactively adjust the decision on the final funding amount on the basis of the final audit findings.

II.29.7 Rights of control of OLAF

The European Anti-Fraud Office (OLAF) shall exercise its rights of control vis-a-vis the beneficiary in accordance with the applicable rules, and in particular with Council Regulation (Euratom, EC) No 2185/96 (6), Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council (7), Article 231(1) of the Financial Regulation and Articles 24(4) and 25(7) of Regulation (EU, Euratom) No 1141/2014.

The beneficiary shall duly cooperate with OLAF and shall provide OLAF with all necessary assistance in its conduct of the control.

The European Parliament may at any time retroactively adjust the decision on the final funding amount on the basis of findings received from the European Anti-Fraud Office (OLAF) in accordance with Article 25(7) of Regulation (EU, Euratom) No 1141/2014. Before the European Parliament decides to retroactively adjust the decision on the final funding amount, the beneficiary shall be duly informed about the relevant findings and of Parliament’s intention to adjust the decision on the final funding amount, and shall have the opportunity to submit its observations.

II.29.8 Rights of control of the European Court of Auditors

The European Court of Auditors shall exercise its right of control in accordance with the applicable rules, and notably with Article 231(1) of the Financial Regulation and Article 25(6) of Regulation (EU, Euratom) No 1141/2014. Articles II.29.3 and II.29.4 apply.

The beneficiary shall duly cooperate with the Court of Auditors and shall provide that Court with all necessary assistance in its conduct of the control.

II.29.9 Failure to comply with the obligations under Article II.29.1 to 4

If the beneficiary does not comply with the obligations laid down in Article II.29.1 to 4, the European Parliament may consider to be non-reimbursable any cost that has been insufficiently substantiated by the beneficiary.

SIGNATURES

For the Beneficiary

[name/forename/function]

[signature]

Done at [place], [date]

For the European Parliament

[name/forename]

[signature]

Done at [place], [date]

In duplicate in English.

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Annex

ESTIMATED BUDGET

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D.1. European Parliament funding used to cover 90% of reimbursable expenditure in year N
D.2 Member contributions
D.3 Donations
D.4 Other own resources
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D: TOTAL REVENUE
E. profit/loss (D-C)
F. Allocation of own resources to the reserve account
G. Profit/loss for verifying compliance with the no-profit rule (E-F)
H. Interest from pre-financing
I. European Parliament funding carried over to year N+1
n/a
Note: indicative structure only. The binding structure of the estimated budget shall be published annually with the call for contributions.
ANNEX 1b

[MODEL] GRANT AGREEMENT – FOUNDATION

NUMBER: …[INSERT]…

The European Parliament, whose Secretariat is situated at Plateau du Kirchberg, L-2929 Luxembourg, hereinafter referred to as ‘the European Parliament’, represented, in respect of the signing of this agreement, by [name/forename/function],

of the one part,

and

[full official name of the beneficiary]
[official legal form]
[legal registration No]
[full official address]
[VAT number],
hereinafter referred to as ‘the Beneficiary’, represented, in respect of the signing of this agreement, by: …[representative entitled to enter into legal commitments]…. of the other part,

HAVE AGREED

the following Special Terms and Conditions, General Terms and Conditions and Annexes:

Annex 1 — Estimated budget
Annex 2 — Work programme

which shall form an integral part of this agreement.

The provisions of the Special Terms and Conditions shall take precedence over those of the other parts of this agreement. The provisions of the General Terms and Conditions shall take precedence over those of the other Annexes.

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I. SPECIAL TERMS AND CONDITIONS

ARTICLE I.1 – SUBJECT MATTER OF THE AGREEMENT

The European Parliament awards funding for the implementation of the statutory activities and objectives of the beneficiary in the financial year [insert], in accordance with the terms and conditions set out in the Special Terms and Conditions and the General Terms and Conditions (‘terms and conditions’), as well as in accordance with the Annexes to this agreement.

The beneficiary will use the funding for the purpose of implementing its statutory activities and objectives, acting on its own responsibility and in accordance with the terms and conditions and the Annexes to this agreement. This constitutes implementation of the Funding Decision adopted by the European Parliament on [insert date].

ARTICLE I.2 – PERIOD OF ELIGIBILITY

The period of eligibility for Union funding shall run from [insert DD/MM/YY] to [insert DD/MM/YY].

ARTICLE I.3 – FORM OF FUNDING

The grant awarded to the beneficiary pursuant to Title VIII of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council (1) (‘Financial Regulation’) shall take the form of a reimbursement of a percentage of the eligible costs actually incurred.

ARTICLE I.4 – PROVISIONAL (MAXIMUM) FUNDING AMOUNT

The European Parliament shall contribute a maximum amount of EUR [insert amount], which shall not exceed 95 % of the total estimated eligible costs.

The estimated eligible costs of the beneficiary are set out in Annex 1 (‘estimated budget’). The estimated budget shall be in balance and shall give a breakdown of all the beneficiary's costs and revenue for the period of eligibility. The eligible costs shall be separated from ineligible costs, pursuant to Article II.19.

ARTICLE I.5 – PAYMENTS AND PAYMENT ARRANGEMENTS

The funding shall be paid in accordance with the following timetable and arrangements.

I.5.1 Pre-financing

Pre-financing payment of EUR [insert amount], representing [100 % by default, otherwise insert the percentage decided by the European Parliament in the Funding Decision] of the maximum amount established in Article I.4 of this agreement, shall be made to the beneficiary within 30 days following the date of entry into force of the agreement or, if applicable, from the date when the European Parliament receives the financial guarantee of EUR [... insert amount if applicable], whichever is the latest.

I.5.2 Payment of the balance or recovery of pre-financing unduly paid

The balance of funding shall be paid to the beneficiary or any pre-financing unduly paid shall be recovered within 30 days following the decision of the European Parliament on the annual report and the determination of the final funding amount as specified in Article II.23 and Article II.25.

I.5.3 Currency

Payments shall be made by the European Parliament in euro. Any conversion of actual costs into euro shall be made at the daily rate published in the C series of the Official Journal of the European Union or, failing that, at the monthly accounting rate established by the European Parliament and published on its website, on the day when the payment order is issued by the European Parliament, save where the Special Terms and Conditions expressly provided otherwise.

Payments by the European Parliament shall be deemed to have been effected on the date on which they are debited to the European Parliament’s account.

ARTICLE I.6 – BANK ACCOUNT

Payments shall be made into a bank account or sub-account held by the beneficiary in the bank established in a European Union Member State, denominated in euro, details of which are given below:

Name of the bank: [...]
Address of the branch where the account is held: [...]
Precise denomination of the account holder: [...]
Full account number (including bank codes): [...]
IBAN: [...]
BIC/SWIFT: [...]

ARTICLE I.7 – GENERAL ADMINISTRATIVE PROVISIONS

Any communication addressed to the European Parliament in connection with this agreement shall be in writing, shall bear the number of this agreement and shall be sent to the following address:

European Parliament
The President
c/o the Director-General of Finance
Office SCH 05B031
L-2929 Luxembourg

Ordinary mail shall be deemed to have been received by the European Parliament on the date on which it is formally registered by the European Parliament’s Mail Service.

Any communication addressed to the beneficiary in connection with this agreement shall be in writing, shall bear the number of the agreement and shall be sent to the following address:

Mr/Mrs [...] [Title] [Official name of the beneficiary body] [Full official address]

Any change of address by the beneficiary shall be communicated to the European Parliament in writing without delay.

ARTICLE I.8 – ENTRY INTO FORCE OF THE AGREEMENT

The agreement shall enter into force on the date on which it is signed on behalf of the European Parliament.
II. GENERAL TERMS AND CONDITIONS

PART A: LEGAL AND ADMINISTRATIVE PROVISIONS

ARTICLE II.1 – DEFINITIONS

For the purpose of this agreement:

(1) ‘activity report’ means a written justification of the costs incurred during the period of eligibility. For example, an explanation of activities, administrative costs, etc. The activity report is part of the annual report;

(2) ‘annual report’ means a report to be submitted within six months following the end of the financial year in accordance with Article 23 of Regulation (EU, Euratom) No 1141/2014 of the European Parliament and of the Council;

(3) ‘balance of funding’ means the difference between the pre-financing amount pursuant to Article I.5.1 and the final funding amount established pursuant to Article II.25.4;

(4) ‘clearing of pre-financing’ means a situation where the final funding amount is established by the authorising officer and the amount paid to the beneficiary is no longer the property of the Union;

(5) ‘conflict of interests’ means a situation where the impartial and objective implementation of the agreement by the beneficiary is compromised for reasons involving family, emotional life, national affinity, economic interest, or any other shared interest with any third party related to the subject matter of the agreement; Political affinity does not, in principle, constitute a reason for a conflict of interests in the case of agreements concluded between the political party and organisations sharing the same political values. Nevertheless, in the case of such an agreement, compliance with Article 22 of Regulation (EU, Euratom) No 1141/2014 must be observed;

(6) ‘contributions in kind’ or ‘offering in kind’ both mean non-financial resources, made available free of charge by third parties to the beneficiary, pursuant to Article 2(7) and 2(8) of Regulation (EU, Euratom) No 1141/2014;

(7) ‘financial year N’ or ‘period of eligibility’ both mean the period of implementation of the activities for which the funding was awarded under this agreement, as specified in Article I.2;

(8) ‘force majeure’ means any unforeseeable, exceptional situation or event beyond the control of the beneficiary or the European Parliament that prevents either of them from fulfilling any of their obligations under this agreement, that is not attributable to error or negligence on their part or on the part of subcontractors, affiliated entities or third parties in receipt of financial support and that proves to be inevitable despite their exercising due diligence. The following cannot be invoked as force majeure: labour disputes, strikes, financial difficulties or any default of a service, defect in equipment or materials or delays in making them available, unless they stem directly from a relevant case of force majeure;

(9) ‘formally notify’ means to communicate in writing by mail or electronic mail with proof of delivery;

(10) ‘fraud’ means any intentional act or omission affecting the Union’s financial interests relating to the use or presentation of false, incorrect or incomplete statements or documents, or to the non-disclosure of information in violation of a specific obligation;

(11) ‘funding’ means ‘grants’ within the meaning of Title VIII of the Financial Regulation and Chapter IV of Regulation (EU, Euratom) No 1141/2014;

(12) ‘irregularity’ means any infringement of a provision of Union law resulting from an act or omission by the beneficiary, which has or would have the effect of prejudicing the Union’s budget;

(13) ‘own resources’ means external sources of funding other than Union funding. For example: donations, contributions from members (as defined in Article 2, points (7) and (8), of Regulation (EU, Euratom) No 1141/2014), etc.;

(14) ‘related person’ means any person who has the power to represent the beneficiary or to take decisions on its behalf;

(15) ‘substantial error’ means any infringement of a provision of the agreement resulting from an act or omission, which causes or might cause a loss to the budget of the European Union.

ARTICLE II.2 – GENERAL OBLIGATIONS OF THE BENEFICIARY

The beneficiary:

(a) shall bear sole responsibility for, and the burden of proving, compliance with any legal obligations incumbent on it;

(b) shall be required to make good any damage suffered by the European Parliament as a result of the implementation, including the incorrect implementation, of this agreement, except in cases of force majeure;

(c) shall bear sole liability towards third parties, including for damage of any kind suffered by them during the implementation of this agreement;

(d) shall inform the European Parliament immediately of any change in its legal, financial, technical, organisational or ownership situation and of any change in its name, address or legal representative;

(e) shall take all necessary measures to prevent any conflict of interests arising.

ARTICLE II.3 – OBLIGATIONS LINKED TO BANK ACCOUNT

The account or sub-account referred to in Article I.6 must make it possible to identify the amounts paid by the European Parliament and the interest yielded or equivalent benefits.

If the amounts paid into this account yield interest or equivalent benefits under the law of the Member State on whose territory the account is opened, such interest or benefits may be kept by the beneficiary, in accordance with Article 8(4) of the Financial Regulation.

Under no circumstances shall the amounts paid by the European Parliament be used for speculative purposes.

The pre-financing shall remain the property of the Union until it is cleared against the final funding amount.

ARTICLE II.4 – LIABILITY FOR DAMAGES

The European Parliament may not be held liable for any damage caused or sustained by the beneficiary, including any damage caused to third parties during or as a consequence of the implementation of this agreement.

Except in cases of force majeure, the beneficiary or the related person shall compensate the European Parliament for any damage it sustains as a result of the implementation of this agreement or because the agreement was not implemented in full compliance with its provisions.

ARTICLE II.5 – CONFIDENTIALITY

Unless otherwise stipulated in this agreement, in Article 32 of Regulation (EU, Euratom) No 1141/2014 and in other applicable Union legal acts, the European Parliament and the beneficiary undertake to preserve the confidentiality of any document, information or other material directly related to the subject matter of this agreement.

ARTICLE II.6 – PROCESSING OF PERSONAL DATA


Such data shall only be processed for the purpose of the implementation and monitoring of the agreement without prejudice to their possible transfer to the bodies responsible for carrying out verification and audit tasks in accordance with Union law.

Any processing of personal data by the beneficiary in connection with this agreement is subject to Regulation (EU) 2016/679 of the European Parliament and of the Council (4). Without prejudice to the other cases provided for in that Regulation, processing of personal data in connection with this agreement is authorised only if it is necessary for the implementation of this agreement.


ARTICLE II.7 – RECORD KEEPING

In accordance with Article 132 of the Financial Regulation, the beneficiary shall keep any records, supporting documents, statistical records and other records concerning the implementation of the agreement for five years following the payment of the balance or recovery of the pre-financing unduly paid.

Records related to audits, appeals, litigation, the settlement of claims arising out of the use of the funding or to European Public Prosecutor's Office (EPPO) or European Anti-Fraud Office (OLAF) investigations, if notified to the recipient, shall be retained until the end of such audits, appeals, litigation, settlement of claims or investigations.

ARTICLE II.8 – VISIBILITY OF UNION FUNDING

II.8.1 Information on Union funding

Unless the European Parliament requests or agrees otherwise, any communication or publication by the beneficiary that relates to the Union funding, including at a conference, seminar, or in any information or promotional materials (such as brochures, leaflets, posters, presentations, in electronic form, etc.), shall indicate that the programme has received financial support from the European Parliament.

II.8.2 Disclaimers excluding European Parliament responsibility

Any communication or publication by the beneficiary, in any form and any medium, shall indicate that sole liability rests with the author and that the European Parliament is not responsible for any use that may be made of the information contained therein.

II.8.3 Publication of information by the European Parliament


ARTICLE II.9 – AWARD OF CONTRACTS BY THE BENEFICIARY

II.9.1 Principles

If the beneficiary concludes procurement contracts in order to implement the agreement, the beneficiary shall be required to seek competitive tenders and to award the contract to the tenderer offering best value for money or, as appropriate, to the tender offering the lowest price. The beneficiary shall avoid any conflict of interests.

For contracts with a value of more than EUR 60 000 per supplier and per good or service, the beneficiary shall collect at least three offers received in response to a written invitation to bid detailing the requirements for the procurement. The duration of the contracts concerned shall not exceed five years.

If there are fewer than three offers responding to the written invitation to bid, the beneficiary shall be required to prove that it was impossible to obtain more offers for the procurement in question.

II.9.2 Record keeping

The beneficiary shall keep a record of the evaluation of the offers and shall justify in writing its choice of the final supplier.

II.9.3 Control

The beneficiary shall ensure that the European Parliament, the Authority for European political parties and European political foundations, the European Court of Auditors and the European Anti-Fraud Office (OLAF) are able to exercise their powers of control under Chapter V of Regulation (EU, Euratom) No 1141/2014. The beneficiary shall ensure that contracts concluded with third parties provide for the possibility that those powers of control may also be exercised in respect of those third parties.

II.9.4 Liability

The beneficiary shall bear sole liability in respect of the implementation of the agreement and compliance with the provisions of the agreement. The beneficiary shall undertake to make all the arrangements required to ensure that the contractor agrees to waive all rights against the European Parliament under the agreement.
ARTICLE II.10 – FINANCIAL SUPPORT TO THIRD PARTIES

Financial support granted by the beneficiary to third parties within the meaning of Article 204 of the Financial Regulation may, under the following conditions, constitute eligible costs:

(a) the financial support is granted by the beneficiary to the following third parties: … [insert the names of potential beneficiaries as indicated in the application form];

(b) the financial support per third party does not exceed EUR 60 000;

(c) it is used by the third party for eligible costs;

(d) the beneficiary guarantees a possible recovery of such financial support.

A national or European political party and a national or European political foundation shall not be considered to be a third party for the purposes of this Article.

The beneficiary shall ensure that the European Parliament, the Authority for European political parties and European political foundations, the European Court of Auditors and the European Anti-Fraud Office (OLAF) are able to exercise their powers of control under Chapter V of Regulation (EU, Euratom) No 1141/2014 and under Article 129 of the Financial Regulation.

ARTICLE II.11 – FORCE MAJEURE

If either the European Parliament or the beneficiary is faced with a situation of force majeure, it shall inform the other without delay, by registered letter with proof of delivery or equivalent, stating the nature, probable duration and likely effects of the situation in question.

The European Parliament and the beneficiary shall make every effort to minimise any damage which might be caused by a situation of force majeure.

Neither the European Parliament nor the beneficiary shall be held to be in breach of any of its obligations under the agreement if it has been prevented from fulfilling that obligation by force majeure.

ARTICLE II.12 – SUSPENSION OF PAYMENT OF FUNDING

II.12.1 Grounds for suspension

Without prejudice to Article 202(2) of the Financial Regulation, the European Parliament shall have the right to suspend the payment of the funding:

(i) if the European Parliament suspects that substantial errors, irregularities, fraud or breach of obligations have been committed by the beneficiary in the award procedure or while implementing the agreement and needs to verify whether they have actually occurred; or

(ii) if the beneficiary has been subject to the financial sanctions provided for in Article 27(4) of Regulation (EU, Euratom) No 1141/2014 until the financial sanction is paid.

II.12.2 Procedure for suspension

Step 1 — Before suspending the payment, the European Parliament shall formally notify the beneficiary of its intention to suspend, stating its reasons for wishing to do so and inviting the beneficiary to submit observations within 30 calendar days after receiving that notification.

Step 2 — If, after expiry of the period for submission of observations, the European Parliament decides not to pursue the suspension procedure, it shall notify the beneficiary of that decision.

If, after expiry of the period for submission of observations, the European Parliament decides to pursue the suspension procedure, it shall formally notify the beneficiary, by means of a reasoned decision on suspension, informing it of:

(i) the indicative date of completion of the necessary verification in the case referred to in Article II.12.1, point (i); and

(ii) any legal remedies.

II.12.3 Effects of the suspension

The suspension of payment shall have the effect that the beneficiary is not entitled to receive any payments from the European Parliament until the verification referred to in Article II.12.2, point (i), under Step 2, is complete or the ground for suspension ceases to apply. This is without prejudice to the right of the European Parliament to withdraw or to terminate the Funding Decision under Articles II.13 and II.14.
II.12.4 Resumption of payment

From the moment when the ground for the suspension of payment ceases to apply, all payments concerned shall be resumed and the European Parliament shall notify the beneficiary thereof.

ARTICLE II.13 – WITHDRAWAL OF THE FUNDING DECISION BY THE EUROPEAN PARLIAMENT

II.13.1 Grounds for withdrawal

The European Parliament shall have the power to withdraw the Funding Decision on the basis of a decision by the Authority to remove the beneficiary from the Register, except in the cases covered by Article 30(2) of Regulation (EU, Euratom) No 1141/2014.

II.13.2 Procedure for withdrawal

Step 1 — Before withdrawing the Funding Decision, the European Parliament shall formally notify the beneficiary of its intention to withdraw, stating its reasons for wishing to do so and inviting the beneficiary to submit observations within 30 calendar days after receiving that notification.

Step 2 — If, after expiry of the period for submission of observations, the European Parliament decides not to withdraw the Funding Decision, it shall notify the beneficiary of that decision.

If, after expiry of the period for submission of observations, the European Parliament decides to withdraw the Funding Decision, it shall formally notify the beneficiary by means of a reasoned decision on withdrawal.

Step 3 — Following the adoption of the decision to withdraw the Funding Decision, the European Parliament shall without delay notify the beneficiary of the termination of the grant agreement.

II.13.3 Effects of withdrawal

The decision to withdraw the Funding Decision shall have retroactive effect from the date of the adoption of the Funding Decision.

The termination of the grant agreement shall take effect immediately upon its notification to the beneficiary.

Any amount paid under the grant agreement shall be considered to be an undue payment and shall be recovered under the applicable rules of the Financial Regulation.

ARTICLE II.14 – TERMINATION OF THE FUNDING DECISION

II.14.1 Termination at the request of the beneficiary

The beneficiary may request the termination of the Funding Decision.

The beneficiary shall formally notify the European Parliament on termination, stating:

(a) the reasons for termination; and

(b) the date on which the termination is to take effect, which shall not be earlier than the date on which the formal notification was sent.

The termination of the Funding Decision shall take effect on the day specified in the decision of termination or, if no day is specified therein, on the day of its notification to the beneficiary. Following the termination of the Funding Decision, the European Parliament shall without delay terminate the grant agreement with effect on the same day.

II.14.2 Termination by the European Parliament

II.14.2.A Grounds for termination

The European Parliament shall have the power to terminate the Funding Decision in any of the following circumstances:

(a) on the basis of a decision by the Authority for European political parties and European political foundations to remove the beneficiary from the Register, in the cases covered by Article 30(2) of Regulation (EU, Euratom) No 1141/2014;

(b) if the beneficiary no longer complies with Article 18(2) of Regulation (EU, Euratom) No 1141/2014;

(c) in the cases referred to in Article 131 and 202 of the Financial Regulation;
(d) the beneficiary or any related person or person that has assumed unlimited liability for the debts of the beneficiary falls under any of the situations provided for in Article 136(1), points (a) or (b), of the Financial Regulation;

(e) the beneficiary or any related person finds itself in any of the situations provided for in Article 136(1), points (c) to (h), or comes within the scope of Article 136(2) of the Financial Regulation;

(f) if the beneficiary forfeits its status as beneficiary pursuant to Article 10(6) of Regulation (EU, Euratom) No 1141/2014.

II.14.2.B Procedure for termination

Step 1 — Before termination of the Funding Decision, the European Parliament shall formally notify the beneficiary of its intention to terminate, stating its reasons for wishing to do so and inviting the beneficiary to submit observations within 30 calendar days after receiving that notification.

Step 2 — If, after expiry of the period for submission of observations, the European Parliament decides not to terminate the Funding Decision, it shall notify the beneficiary of that decision.

If, after expiry of the period for submission of observations, the European Parliament decides to terminate the Funding Decision, it shall formally notify the beneficiary, by means of a reasoned decision on termination.

Step 3 — Following the adoption of the decision to terminate the Funding Decision, the European Parliament shall without delay notify the beneficiary of the termination of the grant agreement.

II.14.3 Effects of termination

The termination of the Funding Decision shall take effect ‘ex nunc’ on the day specified in the decision of termination or, if no day is specified therein, on the day on which that decision is notified to the beneficiary. The termination of the grant agreement shall take effect on the same day.

The costs actually incurred by the beneficiary from the day that the termination of the Funding Decision takes effect are to be qualified as ineligible costs, and the corresponding pre-financing shall be recovered under the applicable rules of the Financial Regulation.

ARTICLE II.15 – ASSIGNMENT

The beneficiary may not assign any of its claims for payment against the European Parliament to any third party, except if approved in advance by the European Parliament on the basis of a reasoned, written request by the beneficiary.

If the European Parliament does not accept in writing the assignment or the terms of such acceptance are not complied with, the assignment shall have no legal effect.

Under no circumstances may an assignment release the beneficiary from its obligations towards the European Parliament.

ARTICLE II.16 – LATE PAYMENT INTEREST

If the European Parliament does not pay within the time limits for payment, the beneficiary shall be entitled to late-payment interest at the rate applied by the European Central Bank for its main refinancing operations in euros ('the reference rate'), plus three and a half points. The reference rate is the rate in force on the first day of the month in which the time limit for payment expires, as published in the C series of the Official Journal of the European Union.

If the European Parliament suspends the payments as provided for in Article II.12, these actions may not be considered to be cases of late payment.

Late-payment interest covers the period running from the day following the due date for payment, up to and including the date of actual payment.

As an exception to the first subparagraph, if the calculated interest is lower than or equal to EUR 200, the European Parliament shall only be required to pay it to the beneficiary if the beneficiary requests it within two months of receiving late payment.

ARTICLE II.17 – APPLICABLE LAW

This agreement is governed by the applicable Union law, and in particular by Regulation (EU, Euratom) No 1141/2014 and the applicable rules of the Financial Regulation which fully apply. They are complemented, where necessary, by the national law of the Member State in which the beneficiary has its seat.
ARTICLE II.18 – RIGHT TO BE HEARD

In the cases in which, under this agreement, the beneficiary or a natural person referred to in Article 27a of Regulation (EU, Euratom) No 1141/2014 is entitled to submit its observations, the beneficiary or the natural person concerned shall be given a period of 10 working days, save where expressly provided otherwise, to submit written observations. This period may, upon reasoned request by the beneficiary or the natural person concerned, be extended once by another 10 working days.

ARTICLE II.19 – ELIGIBLE COSTS

II.19.1 Conditions

In order to be considered to be eligible for Union funding, and in accordance with Article 186 of the Financial Regulation, costs must meet the following criteria:

(a) be directly related to the subject-matter of the agreement and provided for in the estimated budget annexed to the agreement;

(b) be necessary for the implementation of the agreement;

(c) be reasonable and justified, and comply with the principle of sound financial management, in particular regarding economy and efficiency;

(d) be generated during the period of eligibility as defined in Article I.2, with the exception of costs relating to annual reports and certificates on the financial statements and underlying accounts;

(e) be actually incurred by the beneficiary;

(f) be identifiable and verifiable, and recorded in the beneficiary's accounts, in accordance with the accounting standards applicable to it;

(g) comply with the requirements of applicable tax and social security laws;

(h) comply with Article II.9.1, first paragraph, and, as a general rule, with Article II.9.1, second paragraph.

The beneficiary's accounting and internal audit procedures must make it possible to carry out a direct reconciliation of the costs and revenue declared in the annual report with the financial statements and the corresponding supporting documents.

II.19.2 Examples for eligible costs

In particular, and provided that they meet the criteria laid down in paragraph 1 of this Article, the following operating costs shall, without prejudice to Article 186 of the Financial Regulation, be regarded as eligible:

(a) administrative costs and costs linked to technical assistance, meetings, research, cross-border events, studies, information and publications;

(b) personnel costs, comprising actual salaries, social security contributions and other statutory costs included in remuneration, provided that they do not exceed the average rates under the beneficiary's usual policy on remuneration;

(c) travel and subsistence expenses for staff, provided that they are consistent with the beneficiary's usual practices regarding travel costs;

(d) the depreciation costs of equipment or other assets (new or second-hand) as recorded in the beneficiary's accounting statements, provided that the asset

   (i) is written off in accordance with the international accounting standards and the beneficiary's usual accounting practices; and

   (ii) has been purchased in accordance with Article II.9.1, first paragraph, and, as a general rule, Article II.9.1, second paragraph, if the purchase occurred within the period of eligibility;

(e) costs of consumables and supplies and other contracts, provided that they:

   (i) are purchased in accordance with Article II.9.1, first paragraph, and, as a general rule, Article II.9.1, second paragraph; and

   (ii) are directly assigned to the subject matter of the agreement;
(f) costs arising directly from requirements imposed by the agreement, including, if appropriate, the costs of financial services (in particular the cost of financial guarantees), provided that the corresponding services are purchased in accordance with Article II.9.1, first paragraph, and, as a general rule, with Article II.9.1, second paragraph.

ARTICLE II.20 – INELIGIBLE COSTS
Without prejudice to Article II.19.1 of this agreement and to Article 186 of the Financial Regulation, the following costs shall not be considered to be eligible:

(a) return on capital and dividends paid by the beneficiary;
(b) debt and debt service charges;
(c) provisions for losses or debts;
(d) interest owed;
(e) doubtful debts;
(f) exchange losses;
(g) costs of transfers from the European Parliament charged by the bank of the beneficiary;
(h) costs declared by the beneficiary under another action receiving a grant financed from the Union budget;
(i) contributions in kind;
(j) excessive or reckless expenditure;
(k) deductible VAT;
(l) prohibited funding of certain third parties pursuant to Article 22 of Regulation (EU, Euratom) No 1141/2014.

ARTICLE II.21 – CONTRIBUTIONS IN KIND
The European Parliament shall allow the beneficiary to receive contributions in kind during the implementation of the agreement, provided that the value of such contributions does not exceed:

(a) the costs actually borne and duly supported by accounting documents of the third parties who made these contributions to the beneficiary free of charge but bear the corresponding costs;
(b) in the absence of such documents, the costs that correspond to those generally accepted on the market in question;
(c) their value as accepted in the estimated budget;
(d) 50 % of own resources accepted in the estimated budget.

Contributions in kind:
(a) shall be presented separately in the estimated budget, in order to reflect the total resources;
(b) shall comply with Article 20 of Regulation (EU, Euratom) No 1141/2014, as well as the national tax and social security rules;
(c) shall only be accepted on a provisional basis, subject to a certification by the external auditor and to acceptance in the decision over the final funding amount;
(d) shall not be in the form of immovable property.

ARTICLE II.22 – BUDGET TRANSFERS
The beneficiary shall be allowed to adjust the estimated budget set out in Annex 1, by transfers between the different budget categories. This adjustment shall not require an amendment of the agreement. Such transfers shall be justified in the annual report.
ARTICLE II.23 – REPORTING OBLIGATIONS

II.23.1 Annual report
Preferably by 15 May, and at the latest by 30 June, following the end of financial year N, the beneficiary shall submit an annual report, including the following:

(a) annual financial statements and accompanying notes, covering beneficiary’s revenue and costs, assets and liabilities at the beginning and at the end of the financial year, in accordance with the law applicable in the Member State of the beneficiary’s seat;

(b) annual financial statements on the basis of the international accounting standards defined in Article 2 of Regulation (EC) No 1606/2002 of the European Parliament and of the Council (1);

(c) the list of donors and contributors and their corresponding donations or contributions reported in accordance with Article 20 of Regulation (EU, Euratom) No 1141/2014;

(d) activity report;

(e) financial statement based on the structure of estimated budget;

(f) detail of accounts as regards revenue, costs, assets and liabilities;

(g) reconciliation of financial statement referred to in point (e) with detail of accounts referred to in point (f);

(h) list of suppliers which in the given financial year charged the beneficiary over EUR 10 000, specifying the name, and address of the supplier as well as the scope of the goods or services provided.

In case of a carry-over specified in Article II.25.3, the annual report must include the documents referred to in points (d), (e), (f) and (g) covering the first quarter of the year following the financial year concerned.

The information included in the annual report must be sufficient to establish the final funding amount.

II.23.2 External audit report
The European Parliament shall receive directly from the independent external bodies or experts, mandated pursuant to Article 23(3) of Regulation (EU, Euratom) No 1141/2014, the external audit report specified in Article 23(1) of Regulation (EU, Euratom) No 1141/2014.

The purpose of the external audit shall be to certify the reliability of the financial statements and the legality and regularity of their expenditure, and in particular that:

(a) the financial statements were prepared in accordance with the national law applicable to the beneficiary, are free of material misstatement and show a true and fair view of the financial position and the operating results;

(b) the financial statements were prepared in accordance with the international accounting standards defined in Article 2 of Regulation (EC) No 1606/2002;

(c) the costs declared were actually incurred;

(d) the statement of revenue is exhaustive;

(e) the financial documents submitted by the beneficiary to Parliament are consistent with the financial provisions of the agreement;

(f) the obligations arising from Regulation (EU, Euratom) No 1141/2014, in particular from Article 20 thereof have been met;

(g) the obligations arising from this agreement, in particular from Article II.9 and Article II.19 thereof, have been met;

(h) the contributions in kind have actually been provided to the beneficiary and have been valued in compliance with the applicable rules;

(i) any surplus of Union funding was carried over to the next financial year and has been used in the first quarter of the financial year, pursuant to Article 222(7) of the Financial Regulation;

(j) any surplus of own resources was transferred to the reserve.

ARTICLE II.24 – DECISION ON ANNUAL REPORT

By 30 September of the year following financial year N, the European Parliament shall approve or reject the annual report, as specified in Article II.23.1.

If the European Parliament does not respond in writing within a period of six months after the reception of the annual report, the annual report shall be deemed to have been approved.

The approval of the annual report is without prejudice to the establishment of the final funding amount under Article II.25 by means of which the European Parliament takes a final decision on the eligibility of the costs.

The European Parliament may request additional information from the beneficiary in order to be in a position to take a decision on the annual report. In the event of such request, the deadline for the decision on the annual report shall be extended until the requested information has been received and evaluated by the European Parliament. The deadline may also be extended when additional information has been requested by the Authority for European political parties and European political foundations pursuant to Article 24(4) of Regulation (EU, Euratom) No 1141/2014.

If the annual report is flawed by substantial deficiencies, the European Parliament may reject it without requesting additional information from the beneficiary and may request that the beneficiary submit a new report within a period of 15 working days.

Requests for additional information or a new report shall be notified to the beneficiary in writing.

If the annual report that was initially submitted is rejected and a new report is requested, the approval procedure set out in this Article shall apply to the new report.

ARTICLE II.25 – DECISION ON THE FINAL FUNDING AMOUNT

II.25.1 Impact of the annual report

The decision of the European Parliament establishing the final funding amount shall be based on the annual report approved in accordance with Article II.24. In the event of a definitive rejection of the annual report by the European Parliament or failure of the beneficiary to submit any annual report within the applicable deadlines, no reimbursable costs may be established by the decision on the final funding amount.

II.25.2 Threshold

The final funding amount shall be limited to the amount laid down in Article I.4 and shall not exceed 95% of the eligible costs that were actually incurred.

II.25.3 Carry-over of surplus

If, at the end of financial year N, the beneficiary realises a surplus of income over expenditure, part of that surplus may be carried over to financing year N+1, in accordance with Article 222(7) of the Financial Regulation.

(a) Definition of surplus

The surplus of financial year N is the difference between the total eligible costs and the sum of:

(i) the provisional (maximum) funding amount, pursuant to Article I.4;

(ii) the beneficiary's own resources earmarked to cover eligible costs, the beneficiary having previously covered ineligible costs using own resources only; and

(iii) any surplus carried over from financial year N-1.

The surplus that may be carried over to financial year N+1 shall not exceed 25% of the total income referred to in points (i) and (ii) above.

(b) Accounting of provision for eligible costs

The amount actually carried over shall be entered in the balance sheet for financial year N as a 'provision to cover eligible costs of the first quarter of year N+1'. This provision shall constitute an eligible cost of financial year N.

Moreover, an interim settlement of accounts as of 31 March of year N+1 at the latest shall determine the eligible costs actually incurred as at that date. The provision shall not exceed those costs.

In year N+1, the provision shall be dissolved and shall generate revenue which is used to cover eligible costs in the first quarter of the financial year N+1.
II.25.4 Decision on final funding amount

The European Parliament controls annually whether expenditure complies with the provisions of Regulation (EU, Euratom) No 1141/2014, the Financial Regulation and the agreement. Each year it shall take a decision on the final funding amount, which shall be duly notified to the beneficiary.

The final funding amount of financial year N shall be established in year N+1.

When the final funding amount is established, the clearing of pre-financing shall take place.

II.25.5 Balance of funding

If the pre-financing paid exceeds the final funding amount, the European Parliament shall recover the pre-financing unduly paid.

If the final funding amount exceeds the pre-financing paid, the European Parliament shall pay the balance.

II.25.6 Profit

(a) Definition

Profit is defined in Article 192(2) of the Financial Regulation.

(b) Reserve building

In accordance with Article 192(2) of the Financial Regulation, the beneficiary may build reserves from the surplus of own resources, which are defined in Article II.1.

The surplus to be transferred to the reserve account shall be, if applicable, the amount of own resources that exceed the sum of own resources necessary to cover 5% of eligible costs actually incurred in financial year N and 5% of the costs included in the provision to be carried over to financial year N+1. The beneficiary must have previously covered ineligible costs by using its own resources only.

The surplus allocated to the reserve shall not be taken into account for the calculation of the profit.

The reserve shall only be used to cover operational costs of the beneficiary.

(c) Recovery

The funding may not result in a profit for the beneficiary. The European Parliament shall be entitled to recover the percentage of the profit corresponding to the Union contribution to the eligible costs, in accordance with Article 192(4) of the Financial Regulation.

ARTICLE II.26 – RECOVERY

If amounts have been unduly paid to the beneficiary or if a recovery procedure is justified under the terms and conditions of the agreement, Regulation (EU, Euratom) No 1141/2014 or the Financial Regulation, the beneficiary, or the natural person referred to in Article 30(2) of Regulation (EU, Euratom) No 1141/2014 shall repay the amounts concerned to the European Parliament, in accordance with the terms and conditions and by the deadline laid down by the European Parliament.

II.26.1 Late payment interest

If the beneficiary fails to make the repayment by the deadline laid down by the European Parliament, the European Parliament shall charge on the sums due late-payment interest at the rate laid down in Article II.16. The late-payment interest shall cover the period between the expiry of the deadline laid down for repayment and the date on which the European Parliament receives full repayment of the sums due, inclusive.

Any partial repayment shall first be entered against charges and late-payment interest and only then against the principal.

II.26.2Offsetting

If no repayment has been made by the deadline laid down, the sums due to the European Parliament may be recovered by offsetting them against any sums owed to the beneficiary on any other account in accordance with Article 101 of the Financial Regulation. In exceptional circumstances, justified by the need to safeguard the financial interests of the Union, the European Parliament may recover by offsetting before the due date of the payment. The beneficiary's prior consent shall not be required.

II.26.3 Bank charges

Bank charges occasioned by the recovery of the sums owed to the European Parliament shall be borne solely by the beneficiary.
ARTICLE II.27 – FINANCIAL GUARANTEE

If the European Parliament requests a financial guarantee in accordance with Article 153 of the Financial Regulation, the following conditions must be fulfilled:

(a) the financial guarantee must be provided by a bank or an approved financial institution or, if requested by the beneficiary and accepted by the European Parliament, by a third party;

(b) the guarantor must stand as first-call guarantor and not require the European Parliament to first have recourse against the principal debtor (i.e. the beneficiary concerned); and

(c) the financial guarantee must explicitly remain in force until the pre-financing is cleared against interim payments or payment of the balance by the European Parliament; if payment of the balance takes the form of a recovery, the financial guarantee must remain in force until the debt is considered fully cleared; and the European Parliament must release the guarantee within the following month.

ARTICLE II.28 – CONTROL

II.28.1 General provisions

Within the scope of their competence and in accordance with Chapter V of Regulation (EU, Euratom) No 1141/2014, the European Parliament and the Authority for European political parties and European political foundations may at any moment exercise their respective powers of control in order to verify whether the beneficiary is in full compliance with the obligations laid down in the agreement, in Regulation (EU, Euratom) No 1141/2014 and the Financial Regulation.

The beneficiary shall duly cooperate with the competent authorities and shall provide them with all necessary assistance for the conduct of their control.

The European Parliament and the Authority for European political parties and European political foundations may delegate the task of control to external bodies duly authorised to act on their behalf (the authorised bodies).

II.28.2 Duty to keep documents

The beneficiary shall, as specified in Article II.7, keep stored on any appropriate medium, all original documents, and in particular accounting and tax records, including digitalised originals when they are authorised by their respective national law and under the conditions laid down therein.

II.28.3 Obligation to provide documents and/or information

The beneficiary shall provide any document and/or information, including information in electronic format, which is requested by the European Parliament, the Authority for European political parties and European political foundations or the authorised body (the competent authority).

Any documents or information provided by the beneficiary shall be processed in accordance with Article II.6.

II.28.4 On-the-spot visits

The competent authority may conduct on-the-spot-visits in the premises of the beneficiary. To this end, it may request in writing that the beneficiary make appropriate arrangements for such visit within an appropriate deadline to be fixed by the competent authority.

During an on-the-spot visit, the beneficiary shall allow the competent authority to have access to the sites and premises where the operation is being or was carried out, as well as to all the necessary information, including information in electronic format.

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

II.28.5 Contradictory audit procedure

On the basis of the findings made during the control procedure, the European Parliament shall draw up a provisional audit report which shall be sent to the beneficiary. The beneficiary may submit observations within 30 calendar days from the date of receipt of the provisional audit report.

On the basis of the findings in the provisional audit report and possible observations of the beneficiary, the European Parliament shall lay down its final audit findings in a final audit report. The final audit report shall be sent to the beneficiary within 60 calendar days after expiry of the time limit fixed for the submission of observations to the provisional audit report.
II.28.6 **Effects of audit findings**

Without prejudice to the Parliament's right to take the measures under Article II.12 to Article II.14, the final audit findings shall be duly taken into consideration by the European Parliament in the context of the establishment of the final funding amount.

Cases of possible fraud or severe violation of the applicable rules revealed by the final audit findings shall be notified to the competent national or Union authorities for further action.

The European Parliament may retroactively adjust the decision on the final funding amount on the basis of the final audit findings.

II.28.7 **Rights of control of OLAF**

The European Anti-Fraud Office (OLAF) shall exercise its rights of control vis-à-vis the beneficiary in accordance with the applicable rules, and in particular with Council Regulation (Euratom, EC) No 2185/96 (6), Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council (7) and Articles 24(4) and 25(7) of Regulation (EU, Euratom) No 1141/2014.

The beneficiary shall duly cooperate with OLAF and shall provide OLAF with all necessary assistance in its conduct of the control.

The European Parliament may at any time retroactively adjust the decision on the final funding amount on the basis of findings received from the European Anti-Fraud Office (OLAF) in accordance with Article 25(7) of Regulation (EU, Euratom) No 1141/2014. Before the European Parliament decides to retroactively adjust the decision on the final funding amount, the beneficiary shall be duly informed about the relevant findings and of Parliament’s intention to adjust the decision on the final funding amount, and shall have the opportunity to submit its observations.

II.28.8 **Rights of control of the European Court of Auditors**

The European Court of Auditors shall exercise its right of control in accordance with the applicable rules, and notably with Article 129 of the Financial Regulation and Article 25(6) of Regulation (EU, Euratom) No 1141/2014. Articles II.28.3 and II.28.4 apply.

The beneficiary shall duly cooperate with the Court of Auditors and shall provide that Court with all necessary assistance in its conduct of the control.

II.28.9 **Failure to comply with the obligations under Article II.28.1 to 4**

If the beneficiary does not comply with the obligations laid down in Article II.28.1 to 4, the European Parliament may consider to be ineligible any cost that has been insufficiently substantiated by the beneficiary.

**SIGNATURES**

For the Beneficiary

[name/forename/function]

[signature]

Done at [place], [date]

In duplicate in English.


Annex 1

ESTIMATED BUDGET

<table>
<thead>
<tr>
<th>Costs</th>
<th>Eligible costs</th>
<th>Budget</th>
<th>Actual</th>
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<tr>
<td>1. Salaries</td>
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<td>2. Contributions</td>
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<td>3. Professional training</td>
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<td>4. Staff missions expenses</td>
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<td>5. Other personnel costs</td>
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<td><strong>A.2: Infrastructure and operating costs</strong></td>
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<td>1. Rent, charges and maintenance costs</td>
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<td>3. Depreciation of movable and immovable property</td>
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<td>4. Stationery and office supplies</td>
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<td>6. Printing, translation and reproduction costs</td>
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<td>7. Other infrastructure costs</td>
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<td><strong>A.3: Administrative costs</strong></td>
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<td>1. Documentation costs (newspapers, press agencies, databases)</td>
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<td>2. Costs of studies and research</td>
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<td>3. Legal costs</td>
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<td>4. Accounting and audit costs</td>
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<td>5. Miscellaneous administrative costs</td>
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<td>6. Support to third parties</td>
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<td><strong>A.4: Meetings and representation costs</strong></td>
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<td>1. Costs of meetings</td>
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<td>2. Participation in seminars and conferences</td>
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<td>3. Representation costs</td>
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<td><strong>A.5: Information and publication costs</strong></td>
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<td>1. Publication costs</td>
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<td>2. Creation and operation of internet sites</td>
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<td>3. Publicity costs</td>
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<td>4. Communications equipment (gadgets)</td>
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<td>5. Seminar and exhibitions</td>
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<td>6. Other information-related costs</td>
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<td><strong>A.6: Allocation to ‘Provision to cover eligible costs of the first quarter of year N+1’</strong></td>
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<tr>
<td><strong>A. TOTAL ELIGIBLE COSTS</strong></td>
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| Ineligible costs | | | |
| 1. Allocations to other provisions | | | |
| 2. Financial charges | | | |
| 3. Exchange losses | | | |
| 4. Doubtful claims on third parties | | | |
| 5. Others (to be specified) | | | |
| 6. Contributions in kind | | | |
| **B. TOTAL INELIGIBLE COSTS** | | | |

| C. TOTAL COSTS | | | |

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Budget</th>
<th>Actual</th>
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</thead>
<tbody>
<tr>
<td><strong>D.1 Dissolution of ‘Provision to cover eligible costs of the first quarter of year N’</strong></td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td><strong>D.2 European Parliament funding awarded for year N</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>D.3 Member contributions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. from member organisations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. from individual members</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>D.4 Donations</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>D.5 Other own resources</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(to be specified)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>D. TOTAL REVENUE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>E. profit/loss (D-C)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>F. Allocation of own resources to the reserve account</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>G. Profit/loss for verifying compliance with the no-profit rule (E-F)</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Note: indicative structure only. The binding structure of the estimated budget shall be published annually with the call for proposals.
Annex 2

WORK PROGRAMME

[to be inserted per funding application]