

# EUROPEAN UNION DELEGATION AGREEMENT

2016/372-856  
(the "Agreement")

The European Union, represented by the European Union Office in Kosovo<sup>1</sup>, with its address at Kosova Street no. 1, P.O. Box 331, 10000 Pristina, Kosovo, (the 'Contracting Authority') of the one part, and

United Nations Development Programme (UNDP)  
International Organisation,  
UNITED NATIONS PLAZA 1, NEW YORK,  
NY 10017 United States  
hereinafter the 'Organisation'

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

## SPECIAL CONDITIONS

### Article 1 - Purpose

- 1.1 This Agreement defines the activities entrusted to the Organisation for the implementation of the Action "Confidence Building through Cultural Protection" as described in Annex I (the "Action") consisting in Budget Implementation Tasks and may also include other tasks clearly identified. This Agreement lays down the rules for implementation, for the payment of the EU contribution, and defines the relations between the Organisation and the Contracting Authority.
- 1.2 This Agreement consists of these special conditions (the "Special Conditions") and their annexes.
- 1.3 a) In the performance of the activities, the Organisation applies its own internal control and accounting systems as well as the rules and procedures for an independent external audit which have been positively assessed in the ex-ante pillars assessment. In case the pillar assessment raised some reservations the Organisation shall comply with the ad hoc measures stated in Article 7.
- b) The Organisation shall apply its own rules for grant award procedure, as assessed in the ex-ante pillars assessment and its own procurement procedures, as assessed in the ex-ante pillars assessment.
- c) The Organisation shall perform the activities to be implemented under the Agreement in accordance with the principles of Sound Financial Management, transparency and non-discrimination, applying its positively assessed Regulations and Rules.
- d) The Organisation is free to use any Regulations and Rules which have not been subject to the ex-ante pillar assessment to the extent that these Regulations and Rules are not in conflict with the provisions of this Agreement.
- 1.4 The Action is not a Multi-Donor Action.
- 1.5 This Agreement is subject to the provisions of the Financial and Administrative Framework Agreement (FAFA) signed between the United Nations and the European Union on 29 April 2003 and amended on 28 February 2014.
- 1.6 The Action is an EU External Action.

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<sup>1</sup> This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence

- 1.7 Under this Agreement the Organisation may not delegate activities. The General Conditions on Sub-delegation shall not apply.

## **Article 2 - Entry into Force, Execution Period, Implementation Period and Contracting Deadline**

### Entry Into Force

- 2.1 The Agreement shall enter into force on the date when the last of the two Parties signs.

### Execution Period

- 2.2 The Execution Period of this Agreement shall start at the entry into force of this Agreement as provided for in Article 2.1. The end of the execution period shall be the End Date referred to in Article 13.5 of Annex II.

### Implementation Period

- 2.3 The Implementation Period of the Agreement (the "Implementation Period") shall commence on: **the day after the last Party signs.**
- 2.4 The Implementation Period of the Agreement as laid down in Annex I is **12 months.** Upon adequate justification either Party may request the extension of the Implementation Period in accordance with Article 11 of Annex II.

### Contracting Deadline

- 2.5. Individual Procurement and Grant contracts implementing this Agreement shall be signed by the Organisation no later than 12 months from the date of entry into force of this Agreement.

## **Article 3 - Financing the Action**

- 3.1 The total cost of the Action is estimated at EUR 1,560,000.00. The Contracting Authority undertakes to provide EU contribution up to a maximum of EUR 1,560,000.00. The final amount will be established in accordance with Articles 15 to 18 of Annex II.
- 3.2 **Remuneration**  
The remuneration of the Organisation (or the Sub-delegates) by the Contracting Authority for the implementation of the activities entrusted under this Agreement shall be 7% of the final amount of accepted expenditure of the Action.
- 3.3 Interest generated on pre-financing shall not be due.
- 3.4 A reserve for contingencies and/or possible fluctuations in exchange rates not exceeding 1.002 % of the acceptable expenditure may be included in Annex III, to allow for adjustments necessary in the light of unforeseeable changes of circumstances on the ground. It can be used only with the prior written authorisation of the Contracting Authority, upon a duly justified request from the Organisation.

## **Article 4 - Narrative and Financial Reporting and Payment Arrangement**

- 4.1 Payments shall be made in accordance with Article 19 of Annex II. The following amounts are applicable, all subject to the provisions of Annex II:

First pre-financing instalment	EUR 1,404,000.00
Forecast balance	EUR 156,000.00

## **Article 5 – Communication language and contacts**

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

- 5.3 Any communication relating to the Agreement, including payment requests and attached reports, and requests for changes to bank account arrangements shall be sent to:

For the Contracting Authority

For the attention of Contract, Finance and Audit Section,  
Attn: Ms. Tuula HAUTALA-NIEMI  
European Union Office in Kosovo  
with its address at 1, Kosovo Street, Pristina 10000  
P.O. Box 331, Kosovo  
Tel: +381 38 5131 507  
Email: DELEGATION-KOSOVO-FINCON@eeas.europa.eu

Copies of the documents referred to above, and correspondence of any other nature, shall be sent to:  
For the attention of Mr. Luc Faber, Cooperation Section,  
European Union Office in Kosovo  
with its address at 1, Kosovo Street, Pristina 10000  
P.O. Box 331, Kosovo  
Tel: +381 38 5131 227  
Email: [Luc.Faber@eeas.europa.eu](mailto:Luc.Faber@eeas.europa.eu)

For the Organisation:

UNDP  
for the attention of Mr. Andrew Russel, Resident Representative,  
Zagrebi St. 39, 10000 Prishtina, Kosovo.

- 5.4 Ordinary mail shall be deemed to have been received on the date on which it is officially registered at the address referred to above.
- 5.5 The contact point within the Organisation which shall have the appropriate powers to cooperate directly with the European Anti-Fraud Office (OLAF) in order to facilitate the latter's operational activities shall be: Office of Audit and Investigations, Head of Investigations Section, United Nations Development Programme, One United Nations Plaza, 4<sup>th</sup> floor New York New York, NY 10017 USA.
- 5.6 All communications to the Contracting Authority concerning the Central Exclusion Database shall be submitted by the Organisation to:  
To the Contracting Authority at the address stated in Article 5.3.

**Article 6 - Annexes**

- 6.1 The following documents are annexed to these Special Conditions and form an integral part of the Agreement:
- Annex I: Description of the Action (including the Logical Framework of the Project)
  - Annex II: General Conditions applicable to Delegation Agreements or PA Grant Agreements (Part III on PA Grant Agreements does not apply)
  - Annex III: Budget for the Action
  - Annex IV: Financial Identification Form
  - Annex V: Standard Request for Payment
  - Annex VI: Communication and Visibility Plan
  - Annex VII: Management Declaration template
- 6.2 In the event of a conflict between the present Special Conditions and any Annex thereto, the provisions of the Special Conditions shall take precedence. In the event of a conflict between the provisions of Annex II (General Conditions) and those of the other Annexes, the provisions of Annex II shall take precedence.

**Article 7 – Additional specific conditions applying to the Action:**

7.1. The following shall supplement the General Conditions:

7.1.1. Article 18 of the General Conditions shall be supplemented by the following:

Where the implementation of the Action requires the setting up or the use of local infrastructure in the partner country (field office), the Organisation may declare as acceptable expenditure the capitalised and operating costs of local infrastructure if all the following conditions are fulfilled:

- a) They comply with the acceptability criteria referred to in Article 18.1 of the General Conditions;
- b) They fall within one of the following categories:
  - i) costs of staff, including administrative and support staff, directly assigned to the operations of local infrastructure;
  - ii) travel and subsistence costs for staff and other persons directly assigned to the operations of local infrastructure;
  - iii) depreciation costs, rental costs or lease of equipment and assets composing local infrastructure;
  - iv) costs of maintenance and repair contracts specifically awarded for the operations of local infrastructure;
  - v) costs of consumables and supplies specifically purchased for the operations of local infrastructure;
  - vi) costs of IT and telecommunication services specifically purchased for the operations of local infrastructure;
  - vii) costs of energy and water specifically supplied for the operations of local infrastructure;
  - viii) costs of facility management contracts including security fees and insurance costs specifically awarded for the operations of local infrastructure;
- c) The Organisation declares as acceptable expenditure only the portion of the capitalised and operating costs of local infrastructure which corresponds to the duration of the Action and
  - i) the rate of actual use of local infrastructure for the purposes of the Action; or
  - ii) the rate of use of local infrastructure for the purposes of the Action, determined by the Organisation on the basis of a simplified allocation method, provided that the allocation method is:
    - compliant with the Organisation's usual accounting and management practices and applied in a consistent manner regardless of the source of funding, and
    - based on an objective, fair and reliable allocation key.

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

**For the Organisation**

Name *Andrew Russell*

Position *UNDP Resident Representative*

Signature *[Handwritten Signature]*

Date *17-2-2016*

**For the Contracting Authority**

Name **Samuel ŽBOGAR**  
**EUSR, Prishtina Office**

Position

Signature *[Handwritten Signature]*

Date *10.2.2016*



## **ANNEX I**

### **Description of the Action (including the Logical Framework of the Project)**

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# 1. THE ACTION<sup>1</sup>

## 1.1 Description of the Action

### 1.1.1 Context

Despite the elapse of time since the armed conflict of the 1990's and encouraging recent progress in the normalisation of relations between the governing authorities in Kosovo and Serbia, inter-community distrust persists at high levels in Kosovo. High-level political progress is not gaining full traction at community level; the dissociation between politics and population contributes to political instability in Kosovo. Additionally, a certain level of distrust between communities and local institutions persists, especially in the field of Rule of Law and Law Enforcement. Inter-community tensions are commonly manifested in attacks on the religious and cultural heritage of other communities. The EU Progress report for Kosovo 2014 stated that, for non-majority communities, the security situation remained stable. However, the majority of ethnically-motivated incidents in 2013 to 2014 targeted Kosovo Serbs. Theft and damage to properties were reported as the most frequent types of incidents, while those directly involving persons decreased<sup>2</sup>. It is vitally important to generate confidence at community level, to break the cycle of cultural intolerance, to engage communities directly in the repair and protection of cultural heritage that belongs to all communities in Kosovo. New progress at the political level, and the presence of the EU Rule of Law mission in Kosovo, EULEX, presents a window of opportunity to address this issue and build sustainable inter-community confidence at the municipality level.

There is an overdue need to foster a shared sense of ownership of cultural heritage in Kosovo. Municipal level capacity to manage cultural heritage must be developed from a low starting point. Community representatives must be engaged directly in the renovation and protection of their own living space, particularly when these communities host sites of religious and cultural significance for other communities. In reciprocating respect for the sites of other communities, inter-community confidence will be promoted. Communities will be supported in practical co-operation on issues of shared interest, and through this the "habit" of inter-community co-operation will be consolidated, diffusing tensions and building confidence. The operational capacity of the new Kosovo Police (KP) Unit for the Security of Buildings and Cultural Heritage (BCH) will be developed by UNDP to promote BCH as an elite formation, and ensure its capability to secure the physical protection of the selected sites. BCH-municipality-community co-ordination mechanisms will be established to support the "community mobilisation" approach, to ensure the sustainability of the intervention.

Sites of religious and cultural significance have been subject to persistent degradation since the 1999 end of armed hostilities in Kosovo, including incidences of vandalism, theft, illegal construction and wilful destruction. Inter-community tensions too often result in acts of orchestrated physical damage directed against the cultural sites of other communities. A large number of monasteries, churches and mosques were damaged or destroyed during and immediately after the 1998/99 conflict, and again in the ethnic disturbances of March 2004. Most recently graveyards were attacked in a wave of rioting in January 2013. Previous remediation efforts have not been sustainable. The breakthrough of the EU facilitated political dialogue between Belgrade and Prishtine/Pristina, and the increased engagement of Kosovo minority communities in Kosovo politics, presents an opportunity to intervene to promote inter-community confidence and co-operation. It is increasingly evident that political progress between governments is not matched by reconciliation between communities at grass-roots level. The success of the high-level dialogue presents a window of opportunity to address this discrepancy, to directly support the sustainability of political-level agreements. In addition, establishment of the BCH unit by the KP is a positive indicator of commitment to improve trust between communities.

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<sup>1</sup> The evaluation committee will refer to information provided in the Concept Note as regards objectives and the relevance of the action.

<sup>2</sup> EU Progress Report 2014

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There remains a pressing need to engage the communities directly, to promote tolerance and respect for Kosovo's diverse cultural heritage. In 2013 primary operational responsibility for the physical protection of important religious and cultural sites was transferred from NATO KFOR to the newly created BCH unit within KP. The new unit does not yet have the capacity to assume its full responsibilities, and remains in need of training, equipment and political support in order to fully discharge its obligations for the physical protection of cultural sites. Many non-religious cultural sites remain neglected. Preservation of all Kosovo's heritage should impart to the local population the responsibility of caring for legacy of all who went before them. There is also certain level of distrust between communities and local institutions (especially in the field of Rule of Law and law enforcement). This distrust is directly affecting the operational effectiveness of the KP Special Unit for Cultural and Religious Heritage Protection. Through community dialogue, outreach campaigns and better coordination between the KP unit and the communities and dialogue, the trust level will increase. The Kosovo Police adopted the Community Policing Strategy 2012-2016 with the objective to increase co-operation between residents and police. The strategy promotes partnership between the public and the police by encouraging their joint responsibility for community security issues. It gives a crucial role to the community safety forums in identifying, communicating and addressing the needs of communities, and in making sure that these needs reflect in the police priorities.

### **Human Rights Framework for Cultural Protection in Kosovo**

The right to cultural heritage is an internationally recognized right in different human rights instruments and in the practice of human rights monitoring bodies, including the right to take part in cultural life and the right of members of minority groups to enjoy their own culture. The right of everyone to take part in cultural life, as provided by the Universal Declaration of Human Rights and the International Covenant on Economic, Social and Cultural Rights (ICESCR), imposes on institutions the obligations to respect, protect and fulfil the enjoyment of the right.<sup>3</sup> Numerous international human rights and fundamental freedoms are guaranteed directly under Kosovo law. In order to respect and protect the rights to take part in cultural life and to enjoy one's own culture, institutions must preserve tangible cultural heritage with a view to maintaining its authenticity and integrity, protect intangible cultural heritage to ensure its viability and continuity, and guarantee the rights of all individuals and communities to access and benefit from their cultural heritage.<sup>4</sup> This also requires effective participation of individuals and communities in decision-making processes relating to their cultural heritage. The further establishment of the BCH unit within the KP, as well as the increased communication between citizens, municipal authorities and the KP will ensure involvement of all in the protection of cultural heritage.

### **Legal Framework for Cultural Protection in Kosovo**

"The Kosovo legal framework provides for the preservation, protection, public access, communication, and provision of necessary resources to facilitate the enjoyment of cultural heritage by current and future generations, and provides especially for the promotion and protection of the cultural heritage of all Kosovo communities. Kosovo institutions have the responsibility to preserve and protect the cultural and religious heritage of all communities, and shall ensure effective protection of the entirety of sites and monuments of cultural and religious significance to communities."<sup>5</sup>

There are specific laws in regards to the protection of cultural and religious heritage in Kosovo. The Law on Special Protective Zones, the Law on Cultural Heritage and its seven corresponding sublegal

<sup>3</sup> See Article 27. Universal Declaration of Human Rights (UDHR), United Nations General Assembly Resolution 217 A (III), 10 December 1948. See also Article 15, International Covenant on Economic, Social and Cultural Rights (ICESCR), United Nations General Assembly Resolution 2200A (XXI), 16 December 1966, entered into force 3 January 1976. See also Article 27, International Covenant for Civil and Political Rights (ICCPR), United Nations General Assembly Resolution 2200A (XXI), 16 December 1966, entered into force 23 March 1976.

<sup>4</sup> OSCE Kosovo report on Cultural Protection, pg. 9

<sup>5</sup> OSCE Kosovo Report on Cultural Protection, pg. 9



acts issued by the Ministry of Culture, Youth and Sports (MCYS) provide specific modalities for the implementation of religious and cultural protection.<sup>6</sup>

In October 2013, a working group was established and has since completed the first draft of an action plan on the prevention of illicit trafficking and illegal excavation of movable cultural heritage.<sup>7</sup> However, no strategy has yet been drafted for the effective protection of immovable cultural and religious heritage of all communities. While the Law on Cultural Heritage is generally in line with international standards, the law does not make it clear what agency is responsible for what task (the term “competent institution” is used throughout rather than naming a specific agency), which creates certain problems, such as the responsibility of inspections of sites.<sup>8</sup> Amendments to the Law on Cultural Heritage were drafted during 2012 and 2013, aimed to address some of the shortcomings in the existing law, which hamper the effective protection and promotion of cultural heritage sites.<sup>9</sup> Other laws relevant to the protection of cultural and religious heritage include the Law on Local Self Government, the Law on the Protection and Promotion of the Rights of Communities and their Members in Kosovo, the Law on Construction.<sup>10</sup>

### **Institutional Framework:**

The Department of Cultural Heritage within the MCYS is responsible for the management of cultural heritage in Kosovo. It manages the Kosovo Institute for the Protection of Monuments (KIPM) and six regional centres for cultural heritage (RCCHs) in Prishtinë/Priština, Prizren, Pejë/Peć, Gjakovë/Dakovica, Mitrovicë/Mitrovica and Gjiļan/Gnjilane, which carry out the responsibility for protection and preservation of tangible cultural heritage.<sup>11</sup> They have overall responsibility for the protection and restoration of historic buildings and for permitted development within historic areas, although this responsibility has not always been appropriately discharged in the past – with many historic buildings falling into disrepair and many unauthorized developments occurring within historic areas in Kosovo.<sup>12</sup>

Additionally in each municipality a director for culture (including cultural heritage), reports to the regional institutes for the protection of monuments, as well as at the central level to the MCYS.<sup>13</sup> In 2013, a special police unit was created to support the protection and monitoring of cultural heritage, which at this point is not yet fully functional.

The Department on Spatial Planning and the Institute on Spatial Planning of the Ministry of Environment and Spatial Planning (MESP) are engaged in protecting Special Protective Zones (SPZs) and ensuring that spatial plans for areas within the SPZs are in conformity with laws regulating SPZs.<sup>14</sup>

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<sup>6</sup> Law No. 03/L-039 on Special Protective Zones, 15 June 2008. 22. Law No. 02/L-88 on Cultural Heritage, 6 November 2006 (Law on Cultural Heritage). MCYS Regulation No. 01-2008 on Procedures for Excavations Investigation, MCYS Regulation No. 02-2008 on Public access on Cultural Heritage in Private Ownership, MCYS Regulation No. 03-2008 on Conservation and Restoration Activities of Cultural Heritage, MCYS Regulation No. 04-2008 on Authorizations and Competences of Cultural Heritage Inspection, MCYS Regulation No. 05-2008 on Registration, Documentation, Assessment and Selection of Cultural Heritage for Protection, MCYS Regulation No. 06-2008 on Security Measures for Movable Heritage, MCYS Regulation No. 07-2008 on Licensing Procedures for Movable Heritage Traders.

<sup>7</sup> OSCE Kosovo Report on Cultural Protection, pg. 10

<sup>8</sup> OSCE Kosovo report on Cultural Protection, pg. 10

<sup>9</sup> OSCE Kosovo report on Cultural Protection, pg.10

<sup>10</sup> See Article 22, Law No. 03/L-040 on Local Self Government, 15 June 2008. 33. See Articles 2, 5 and 7, Law No. 03/L-047 on the Protection and Promotion of the Rights of Communities and their Members in Kosovo, 15 June 2008. 34. See Law No. 04/L-174 on Spatial Planning, 7 September 2013. This Law repeals Law No. 2003/14 on Spatial Planning, 10 September 2003 and Law No. 03/L-106 Amending Law on Spatial Planning No. 2003/14, 17 November 2008. However the latter Laws are still relevant for this report as they represented the applicable law for many of the examples outlined in the Report. See Articles 5, 21 and 25, Law No. 04/L-110 on Construction, 19 June 2012.

<sup>11</sup> OSCE Kosovo Report on Cultural Protection, pg. 11.

<sup>12</sup> Kosovo Report on Cultural Protection, pg. 11.

<sup>13</sup> OSCE Kosovo Report on Cultural Heritage, pg 11.

<sup>14</sup> Ibid. pg. 11

The Implementation and Monitoring Council (IMC) is a special body which first became operational in June 2010 to monitor and facilitate the implementation of the Law on Special Protective Zones.<sup>15</sup> Due to a lack of communication, clarity on its decision-making authority and lack of participation the efficiency of the IMC was hampered.<sup>16</sup> Based on new Administrative Instruction, the IMC currently has five members: one representative each from MESP, MCYS, the European Union, the OSCE and the Serbian Orthodox Church.<sup>17</sup> Other actors engaged in cultural heritage protection include the Kosovo Police, the Association of Kosovo Municipalities, municipalities and civil society.

Yet despite this cross-sectorial nature of cultural heritage protection, the co-operation between local and central level institutions, as well as between municipalities and ministries can be improved. The project has envisaged various coordination meetings, communication tools, capacity building for the actors involved in cultural protection, and best practice and awareness raising events to better coordinate all of the actors involved. Through the further establishment and capacity building of the KP BCH unit monitoring and protection will be improved.

### 1.1.1.2 Project rationale

Kosovo has a rich and diverse cultural and religious heritage, which is threatened by a lack of institutional support through preservation, protection and promotion. The damaging of sites, disregard for urban development and limited awareness of cultural and religious heritage protection puts this heritage at threat.

This intervention seeks to reinforce moderate and progressive elements among all communities in Kosovo, to reinforce tolerance and mutual respect through direct action, and to develop the institutional capacity of domestic Rule of Law services to ensure sustainability of gains. The EU Rule of Law Mission in Kosovo, EULEX, provides advisory support to the BCH Unit through the Monitoring Mentoring and Advisory activities of EULEX strengthening Division. The EULEX mandate runs until June 2016, which gives a chronological urgency to the proposed intervention to develop BCH operational capacities.

The proposed activity builds upon a continuity of engagement in the preservation of religious and cultural heritage (RCH) in Kosovo, including (until 2013) the provision of a Special Facilitator for RCH by the European Union, and support by both the EU and UNDP to the operation of the Implementation and Monitoring Council (IMC). The project will employ successful methodologies used in the precedent of EU-UNDP co-operation for cultural protection in the divided community of Cyprus. Political progress deriving from the EU facilitated first agreement of principles governing the normalization of relations (2013) greatly raises the prospects for successful implementation. As a responsive intervention, specifically targeted to support the rapid political progress being made, the intervention falls outside the scope of assistance delivered through the IPA supported stabilisation and association agenda.

#### National Stakeholders:

##### Kosovo Police Unit for the Security of Buildings and Cultural Heritage (BCH)

The main stakeholders within this intervention is the Kosovo Police (KP) Unit for the Security of Buildings and Cultural Heritage (BCH). This newly created unit was established in March 2013. In accordance with the agreement reached on the matter in the European Union-facilitated dialogue, a specialized unit for the protection of cultural heritage and religious sites was established in the Kosovo police. The unit has four sub-units covering Prishtinë/Pristina, Prizren, Pejë/Peć and Mitrovica. The multi-ethnic police unit will replace the Kosovo Police Division of Public Security, which has provided static protection for 29 cultural heritage sites across Kosovo since 2009.

##### Municipalities

<sup>15</sup> See Article 4, Law on Special Protective Zones, note 21, supra

<sup>16</sup> OSCE Kosovo Report on Cultural Heritage, pg 12

<sup>17</sup> OSCE Kosovo Report on Cultural Heritage, pg. 12

While only four municipalities will be supported for the duration of the project, a number of municipalities are identified as potential beneficiaries due to their multi-ethnicity and richness of cultural heritage:

1. Kamenicë/Kamenica (the municipality has identified several possible sites for protection, such as churches, graveyards and teqes);
2. Hani i Elezit/Elez Han (in 2013 underwent an exercise of promoting cultural values and identifying cultural heritage in the municipality)
3. Prizren (because of the Historic Centre of Prizren and Hoca e Madhe/Velika Hoca)
4. Rahovec (because of the graveyard within the Zocishte monastery estate)
5. Mitrovica (South and North; because of the cemeteries)
6. Lipjan (because of Church of Presentation of the Virgin);
7. Zvecan (because of the Sokolica monastery and the Boletini kulla).

The final selection of municipalities and sites will be determined during the inception phase of the project which will include consultations with communities, municipal authorities and central level institutions. The site selection will be made by ensuring a majority and minority community is included in the selection of the rehabilitation works. This approach will ensure that communities feel equally treated and with same level of priority.

The following five criteria will be used during the final selection:

- The municipality selected must be multi-ethnic;
- The municipality selected must have at least two sites of different religions;
- Some municipal plans/concepts of RCH protection/rehabilitation should exist as evidence of municipal support to the project;
- There must be some pre-existing interest of the different local religious communities for the project (proxy indicators for pre-existing interest could include the percentage of the local population attending initial events);
- There is clearly identified added value to the protection/rehabilitation action

### Communities

The communities (mainly Albanian and Serb) involved in the intervention will be the direct beneficiaries. The EUOK will provide political oversight/guidance in the selection of the sites for rehabilitation, repair, and beautification within targeted communities. Communities will benefit not only from renovation, repair and beautification of cultural sites, but more importantly, from improved inter-community trust and increased trust in institutions.

The concept of the project is based on engagement of communities directly in targeted municipalities on the rehabilitation and repair activities (the community mobilization method) in the remediation of the cultural sites of the “other” community. Key communities involved in project implementation will be Albanian and Serb communities in targeted municipalities.

### **Other stakeholders**

In addition to Kosovo Police and targeted municipalities, Ministry of Culture, Youth and Sports; Ministry of Environment and Spatial Planning; the Ministry of Trade and Industry, the Ministry of Local Government Administration and the also have a certain relevance concerning the protection of cultural heritage. The Implementing and Monitoring Council (IMC) also plays a role in the protection of cultural heritage and as such should be informed of project activities. Other stakeholders are international organisations such as OSCE, Kosovo Council for Cultural Heritage, Council of Europe, and Cultural Heritage without Borders.

## 2 SCOPE OF THE ACTION:

**Overall Objective:** To contribute to improved inter-community tolerance and respect for the cultural identity and heritage of “the other”.

This objective will be achieved through pursuit of the following specific objectives:

- To improve inter-community trust at municipality level as well as trust between communities and municipal authorities
- To increase engagement of the communities in the protection of religious and cultural heritage
- To improve the capacity of law-enforcement bodies to protect sites of religious and cultural significance

**The three main expected outputs** corresponding to the three specific objectives outlined above are detailed below with their related activities:

### Outputs and activities:

**Expected Output 1:** Capacity for promotion and monitoring of religious cultural heritage is improved in four target municipalities; municipality-citizen-KP co-ordination mechanisms established and consolidated; inter-municipality co-operative mechanisms established and consolidated; trust increased among the stakeholders at municipal level.

Activity 1.1 Design and drafting of media campaigns.

Confidence building at community level is an absolute requirement for direct engagement and involvement of the selected communities. UNDP, supported primarily by UNMIK will build upon existing partnerships at municipal level to develop targeted communication and public relations activities to build acceptance for cultural protection at grassroots level. In particular, the targeted municipal authorities will be supported in the design and drafting of media campaigns and face to face consultations and information sharing activities in the community. UNDP, supported by EULEX experts, will engage with municipal authorities and Kosovo police to develop the Rule of Law component of the overall outreach campaign, including school and youth groups. It will be assured that all awareness building/raising actions affect equally the targeted communities. Through the increased communication and partnerships, and media campaigns, cultural protection at grass roots level will increase.

Specifically, expertise will be provided for the design and development of targeted communication and public relations activities based on face to face consultations with the communities and municipalities. EULEX will support UNDP with the development of the Rule of Law component of the overall outreach campaign. The outreach campaign will focus on youth and through school programs. There will be consultation meetings with each targeted municipality to identify the best coordination mechanisms and ensure full participation of municipalities, citizens and KP, as well as to improve information sharing activities in the community. Two workshops will be held to present the public outreach activities to the two communities (Albanian and Serb) for each of the four selected municipalities as a way to build trust between communities. These public relations activities through face-to-face consultations will ensure that the works completed in outcome be sustainable and accepted by the communities. The communication and coordination mechanisms will increase inter-community communication, and since it will be assured that all activities will affect selected communities equally will ensure trust is improved.

Activity 1.2 KP outreach programme with community leaders and groups, including educational component.

UNDP, with technical assistance from EULEX, will support KP to engage community leaders and groups in the self-policing of the neighbourhoods, consult with them and subsequently develop and roll out a public safety and community policing programme in which the remediation works will be undertaken. The model for this is the highly successful "Broken Windows" approach, championed by mayor Giuliani of New York City by promoting community level pride in the living space communities become mobilized to protect that living space. A KP community policing approach will be in line with this best practice.

More specifically, this activity includes training and educational activities for the community leaders and groups, facilitated by the KP, with technical advice from EULEX. UNDP, with support of EULEX, will facilitate five advisory and educational sessions for the communities selected for the intervention. UNDP will organise two workshops, covering four selected municipalities, on improving inter-community trust. Also, UNDP, through school visits, will engage youth in the self-policing of the neighbourhoods. Through specific outreach activities, such as advocacy, awareness raising on cultural heritage protection and facilitation of dialogue between communities, the public safety and community programme promoted and further improved. With the support of EULEX and UNMIK, UNDP will develop, print and distribute the educational materials to various communities to further knowledge of the works done and allow other communities to get involved..

It is a necessity that the communities are involved in the selection of sites, as well as the creation of the community policing approach from the beginning of the intervention. Since coordination and communication will already be improved within the various communities selected through coordination mechanisms and meetings, a further workshop on increasing inter-community trust will take place to ensure that the trust created will be sustained and issues can be solved locally. The involvement of the communities in the public safety and community programme will be strengthened to ensure that it meets the needs of the various communities. Members of all selected communities should feel more trust and safety not only within their communities but also within the communities of the other. This will be further strengthened through Outcome 2, when the community involvement in RCH protection is strengthened.

**Expected Output 2:** At least four urban regeneration projects implemented for at least four selected sites of religious and cultural significance, including the public areas in the immediate vicinity of those sites; mobilisation of each community for the remediation of the sites of the "other" community.

**Activity 2.1** Inter-municipality "best practices" awareness raising events, development of plan for peer-exchange knowledge transfer among municipal authorities.

Through increased communication and coordination mechanisms, municipalities will gather to share their best practices with the communities and other municipalities. These events will not only act as awareness raising initiatives for the project, but provide visibility opportunities to the EU. UNDP, with support of UNMIK, will facilitate awareness raising initiatives. This will build upon existing partnerships at municipal level to develop targeted communication and public relations activities to build positive acceptance for cultural protection at grassroots level. Through increased coordination amongst the municipalities a peer exchange knowledge transfer system will be created based on the identified needs. It will be ensured that awareness raising activities affect all communities equally.

There will be two coordination and planning meetings held to gather information and plan for the workshop to develop awareness raising initiatives. Through a needs assessment and development of a peer-exchange knowledge transfer system by a local consultant coordination among municipalities will be increased. The consultant will speak to selected communities, religious and cultural leaders, and members of the municipalities through face to face meetings. The consultant will then present the findings and report in the first planned workshop while the second workshop will be held to develop and discuss the awareness raising activities. Awareness raising activities on best practice can include past examples of inter-community and inter-ethnic tolerance such as the Serbian Orthodox Monastery of the Virgin's Maphorion at Boletin (known as Sokolica) located in the predominantly Albanian inhabited area in the outskirts of Zvečan/Zvecan and best practice of coexistence in the area. At the conclusion of the project, EULEX will research, prepare and publish a report on Best Practices for Cultural Heritage Protection in Kosovo. This will allow the findings and results to be shared with other municipalities, as well as communities which face similar issues. European Best Practice

materials will be shared with the BCH unit and trainings will be conducted to ensure full compliance with European standards.

**Activity 2.2 Selected renovation/rehabilitation works for prioritized sites and adjacent areas..**

The final selection of sites will be done in consultation with EUOK who have the competency and mandate to advice on political priorities for the selection of target municipalities and sites. The Ministry of Culture, Youth, and Sports and the relevant municipal authorities will be engaged in the selection process. In each case, twinned pairs of sites will be selected, one being a Serbian site located within an Albanian majority community, the other being an Albanian site located within a Kosovo non-majority community. In each case, the works will address not only the target site itself but will include renovations/rehabilitation of the immediate surrounding area in order to demonstrate the tangible benefit of cultural protection and to the living environment of the hosting community. UNDP will administer and manage the works. EULEX will advise on public safety aspects. Once discussed and agreed with EUOK, EULEX and UNMIK, in order to promote post intervention sustainability, the project will engage with the Municipal Community Safety Councils (MCSC) and Local Public Safety committees, Directorate of urban/spatial planning and Directorate of Culture for confirmation and prioritisation of sites. This will be done at the beginning of the inception phase and will continue through Joint management forum as the platform for regular meetings/communication and ensuring sustainability and ownership of the process. This will also ensure a simpler approach and access to all relevant bodies. . The proposed working group would, as mentioned earlier, serve as the main partner to BCH unit and sub-units to address encourage peaceful co-existence and respect for cultural diversity.

This approach promotes impact, in engaging communities directly (the community mobilization method) in the remediation of the cultural sites of the "other" community. This will ensure that one community does not feel the "other" is being prioritized as site selection will be based on ensuring a majority and minority community is included in the selection of the rehabilitation works. Communities will benefit not only from renovation, repair and beautification of cultural sites but also from improved inter-community trust as well as certain level of distrust between communities and local institutions (especially in the field of Rule of Law and Law Enforcement).

The works will address not only the target site itself but will include renovations/rehabilitation of the immediate surrounding area in order to demonstrate the tangible benefit of cultural protection and to the living environment of the hosting community. We envisage two types of works: 1. Cleaning and beautification; and 2. Rehabilitation and construction. Request for proposals/tenders will be advertised as per UNDP Rules and Regulations for each of the types of work.

The beautification and renovation of RCH, especially done equally in the communities selected will strengthen the trust and understanding between communities. This will be furthered through Outcome 3, by increasing the capacity of law enforcement bodies, RCH sites will be better protected and the community and municipal authorities will have more equal access to the KP unit.

**Expected Output 3: Improved operational capacity of KP and of municipal authorities in the protection of religious and cultural heritage (RCH)**

**Activity 3.1 Capacity development, including both training and advisory/material support, for municipal BCH Unit within the KP.**

EULEX will support the new BCH unit within the KP in an advisory capacity to develop and roll out a public safety and community policing programme. This programme will be developed for the specific communities in which the remediation works will be undertaken.

A workshop facilitator will be hired by UNDP to support the development of the public safety and community policing programme, as well as facilitate the workshop. European Best Practice materials will be shared with the BCH unit and trainings will be conducted to ensure full compliance with European standards.

**Activity 3.2 Facilitated establishment of standing mechanisms for Municipality-community - KP coordination and inter-municipality co-operation (joint management forum for Cultural Protection)**

Through the Joint management forum for cultural protection, monthly coordination mechanism will be established to ensure continued coordination between KP, religious and community leaders as well as the municipalities. The administrative management of this coordination mechanism will be managed by UNDP through a creation of a secretariat that will ensure communication and coordination amongst all members. This activity will bring the KP, religious and community leaders together in monthly coordination meetings. UNDP will ensure facilitation of these meetings through communication, transportation and facilitation. A monthly bulletin following the meetings will be sent to all partners (affiliated entities), municipalities and as well as the EU office to communicate outcomes.

Activity 3.3 Needs assessment and prioritization for development of operational capacity of BCH; competitive tendering for material requirements.

Under the advice of EULEX and provision of expertise by UNDP, a needs assessment will be conducted for the development of operational activities for BCH. This needs assessment will identify best trainings and workshops required to increase the capacity of the BCH unit. During the assessment phase, UNDP will liaise with the existing Police Academy to ascertain the extent to which the necessary experience and knowledge already exists. It will also identify material needs of the BCH unit. UNDP will be in charge for administration of this assessment and will ensure a competitive procurement of goods based on UNDP rules and regulations.

Activity 3.4 Facilitated study visits to EU Member states and Candidate country policing formations, including hands-on exposure to event management and protection of sensitive sites.

UNDP will organize, with the advice of EULEX and UNMIK, study visits for members of the KP BCH unit and municipal leaders. The study visits are planned for the United Kingdom (two in total, return trips). The study visits will contribute to strengthening of knowledge of participants on protection of sensitive sites. At least 7 people will participate and benefit from this exercise - 4 will be from the KP BCH unit, 2 from EULEX and 1 UNDP Staff. The agenda of the study visits will be determined in consultation with EULEX, UNMIK and the EUOK and local stakeholders. In Northern Ireland, the focus of the study visit will be cultural diversity in police decision making. The plan is to visit Northern Ireland during the planning stages of the parades, and once more in July during the parades. Combined within the first visit will also be a visit to the UK mainland with a focus on best practice in community policing and community impact assessments. The lessons learned conference is designed to evaluate the overall impact to structures and processes at all levels of the RoL system in Kosovo relevant to Religious and Cultural Protection. In addition, the lessons learned conference may be able to identify strengths of the approach used by Kosovo authorities and local government to add to the milieu of norms and best practices in the field of expertise. The overall purpose is to develop a publication for academic and expert consumption that encompasses the successes and challenges of the integrated Kosovo approach that helps to strengthen the universe of ideas on best practices in this regard.

Activity 3.5 Joint KP-municipality prioritization exercises to develop and implement local plans for physical security and community outreach.

UNDP will provide support to KP and municipality through advisory services, with support of EULEX, to develop and implement local plans for physical security and community outreach. The plan, created through a three way approach of EULEX advisory and KP-municipal involvement, will ensure that appropriate priorities are identified based on community needs and KP skills, and that the local plans are achievable and sustainable.

In consultation with EULEX, international expertise will be engaged to assist the KP BCH unit in developing and implementing plans for physical security. It will be assured that these community safety plans will affect equally the various communities selected. There will be training exercises to help with the implementation of the security plans as well as a workshop with communities to help better understand the security implementation plan. There will also be various community outreach exercises to ensure that all members of the community are aware of the work the KP does and how they can benefit from the unit. Specifically outreach activities are to increase awareness and reach members of the community that may not be aware of the unit. These activities could include KP BCH unit handing out flyers in communities along with the phone number to the hotline that will be created.

The outreach activities may also include site visits where the KP BCH unit invites members of the community to the RCH selected sites. The KP BCH unit can also hold an open house where members of the community can visit the unit and ask questions/communicate with the KP.

Through increased capacities of the KP BCH unit, RCH sites will be better monitored and protected. Since all communities will have equal access to the BCH unit through increased coordination and communication the capacities of the unit can be maximised and used. The community safety plan developed will also increase the trust between the communities and the KP, as well as municipal authorities. This should ensure that the trust between various communities can be established and guarded and that communities will have a sense of pride of their various RCH sites, now that the sites and surrounding areas have been renovated/beautified.

### 3. METHODOLOGY

#### 3.1 Methodological Elements

The project methodology has four main elements:

1) Tackling rule of law and inter-ethnic community distrust issues created by the conflict: this intervention seeks to reinforce the moderate and progressive elements among all faith communities in Kosovo, to reinforce tolerance and mutual respect through direct action, and to develop the institutional capacity of domestic Rule of Law services to ensure sustainability of gains. Capacity-building development of the KP BCH Unit through community engagement in the local security, increasing members of the public's ability to assert, protect and exercise their rights, and penalisation of violations when they occur, will positively contribute to decrease in deterring inter-ethnic distrust and destruction of "others" cultural property and strengthening of rule of law.

2) Building upon past and current programming and UNDP's network: To build upon – or scale up - past and current UNDP achievements in Kosovo and utilise the methodologies developed, such as community-based development, civil society partnerships, and confidence-building, including lessons-learned, to maximum effect. The principles of national ownership and domestic capacity will be followed throughout. For example: the 'Support to Northern Municipalities' Project has promoted systemic reform, including the sustainability of CSOs, by building up CSO networks and capacity-development 'hubs' for democracy and human rights at the local level. UNDP's first major initiative in the sector "Local Development for Community Stabilization – Area Based Development Programme", (2008-2013) delivered targeted assistance to economic development and entrepreneurship, civil society development and local government services in Mitrovicë/a North, Mitrovicë/a South and Zvečan/Zveçan. By focusing on local development, UNDP contributed to the improvement of wellbeing, peace and stability in this region and the promotion of a relationship of mutual trust between UNDP, local government and the local population in the three target areas. This project builds upon a continuity of engagement in the preservation of religious and cultural heritage (RCH) in Kosovo, including (until 2013) the provision of a Special Facilitator for RCH by the European Union, and support by both the EU and UNDP to the operation of the Implementation and Monitoring Council (IMC). The Implementing and Monitoring Council (IMC), as a cooperation and coordination mechanism between the Serb Orthodox Church and Kosovo institutions (co-chaired by the Minister of Environment and Spatial Planning and the EUOK) will be informed of the initiative as regards to the information-sharing and coordination of renovation work whenever applicable

UNDP has also facilitated other cultural protection and rehabilitation projects within the region and has is able to use Best Practice and lessons learned to build upon this current action. "The Cypress Tree Project, An Initiative to Rehabilitate Cemeteries" is a bi-communal project providing the opportunity to Greek Cypriots and Turkish Cypriots to rehabilitate cemeteries, which have been inaccessible to them over the years. The project was supported by the Bi-communal Development Programme (BDP), funded by the United States Agency for International Development (USAID) and the United Nations Development Programme (UNDP), and implemented by the United Nations Office for Project Services (UNOPS).

Since 2001 the European Union funded UNDP Partnership for the Future Programme (UNDP-PFF) has been supporting the on-going peace-building process in Cyprus through different levels of



interventions, including the promotion and restoration of cultural heritage. It implemented confidence-building measures with both the Greek Cypriot and Turkish Cypriot communities, aiming at the reunification and economic and social development of the island.

3) Linking local/regional experience into the national process: To facilitate the flow of information and practical experience gained at the local and regional levels, especially through pilot activities and best practice, to national-level stakeholders – such as MIA and Kosovo Police and the Ministry of Culture, Youth and Sports – so as to feed into and inform further reforms at the national level, many of which are supported by international partners.

4) Measurement and monitoring: Establishment of clear baseline data, disaggregated to the extent possible to identify specific needs of target groups, will be given priority in the initial phase of the Action. Continuous monitoring of the Action's implementation in the selected areas will be ensured through regular stakeholder/beneficiary coordination meetings, and monitoring of justice and security service delivery.

As noted above, UNDP, with support by the EUOK, EULEX and UNMIK can facilitate development from the grassroots up, building on community-based development, increased trust in Kosovo police, and public outreach to decrease inter-community distrust. This intervention seeks to reinforce the moderate and progressive elements among all faith communities in Kosovo, to reinforce tolerance and mutual respect through direct action, and to develop the institutional capacity of domestic Rule of Law services to ensure sustainability of gains. By working at the local level to develop responses to the broader consequences and causes of the inter community distrust UNDP will identify solutions that are grounded, field-tested, and of potential Kosovo-wide application, as well as provide a two-way link between local communities, KP, municipalities and relevant institutions.

The Programme will operate in municipalities and religious and cultural sites as identified by the EUOK in Kosovo. The EUOK has the competency and mandate to provide advice on political priorities for the selection of target municipalities and sites. In each case, twinned pairs of sites will be selected, one being a Serbian site located within an Albanian majority community, the other being an Albanian site located within a Kosovo non-majority community.

Other cross-cutting issues – in particular, ethnic and linguistic minority rights, as well as gender and other vulnerable persons – will be specifically analysed and then mainstreamed into all planning and activity implementation.

### 3.2 Monitoring and Evaluation

The project will be monitored and evaluated through the following activities.

Project Start: A Project Inception Workshop will be held within the first month of project start involving all relevant stakeholders. The workshop will address a number of key issues including:

- Assist all stakeholders to fully understand and take ownership of the project. Detail the roles, responsibilities, support services and complementary responsibilities;

- Discuss the roles, functions and responsibilities within the project's decision making-structures, including reporting and communication lines;

- Select the municipalities' and cultural sites where the repair, renovation and beautification will take place;

- Provide a detailed overview of reporting, monitoring and evaluation (M&E); and

- Plan and schedule the Project Board meetings.

An Inception Workshop Report is a key reference document that will be prepared and shared with the participants and the donor.

Annually: Annual Project Reports are prepared and presented to report on the progress made towards project objective/s and outcomes – each with indicators, baseline data and end-of project targets, project outputs delivered per outcome, lessons learned and risk and adaptive management.

Within the annual cycle;

An Issue Log shall be activated in Atlas (the project management software used by UNDP) and regularly updated by the Project Manager to facilitate tracking and resolution of potential problems or requests for change;

Based on the initial risk analysis submitted, a Risk Log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation. Changes to the project intervention logic are subject to approval by the Donor;

A Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events. The Project Monitoring Plan shall be activated in regular intervals.

Periodic monitoring through site visits: UNDP Programme staff in charge with quality assurance will conduct visits to project sites based on the agreed schedule in the project's Annual Work Plan to assess at first hand project progress. This input will take in to consideration advantages and challenges experienced through their implementation period and capture lessons to use for the remaining of the project period. Other members of the Project Board may also join these visits.

Final Report: At the latest, within six months after completion of the action, the final report will be submitted to the donor. The final report at project completion will evaluate the project, commenting on whether objectives and expected results have been met or not, outputs produced as planned and provide other findings, lessons or recommendations to assess its success and make recommendations on whether the initiative should be repeated incorporating lessons learned.

End of Project Evaluation: An independent Final Evaluation will take place three months prior to the final Project Board meeting and will be undertaken in accordance with UNDP guidance. The final evaluation will focus on the delivery of the project's results as initially planned. The final evaluation will look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental benefits/goals.

### 3.3 Role of Stakeholders

The project implementation will be led by UNDP in close partnership with EULEX and UNMIK. The EUOK will provide political and technical advice, and in consequence of mandate will ensure synergies with previous and existing EU assistance. UNDP will provide project management and administrative services, and in consequence of established competencies and positioning will facilitate interaction with and engagement by municipal and community stakeholders. EULEX will advise UNDP in this process during implementation phase through the activities of the Strengthening Division. UNMIK will provide support through institutional knowledge of legislative aspects and in consequence of established competencies and positioning will help liaison with central governing institutions and municipalities.

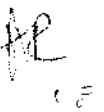
The main stakeholder within this intervention is the Kosovo Police (KP) Unit for the Security of Buildings and Cultural Heritage (BCH). This newly created unit was established in March 2013. In accordance with the agreement reached on the matter in the European Union-facilitated dialogue, a specialized unit for the protection of cultural heritage and religious sites was established in the Kosovo police. The unit has four sub-units covering Pristina, Prizren, Pejë/Peć and Mitrovica. The multi-ethnic police unit will replace the Kosovo Police Division of Public Security, which has provided static protection for 29 cultural heritage sites across Kosovo since 2009.

The communities involved in the intervention will be the direct beneficiaries.

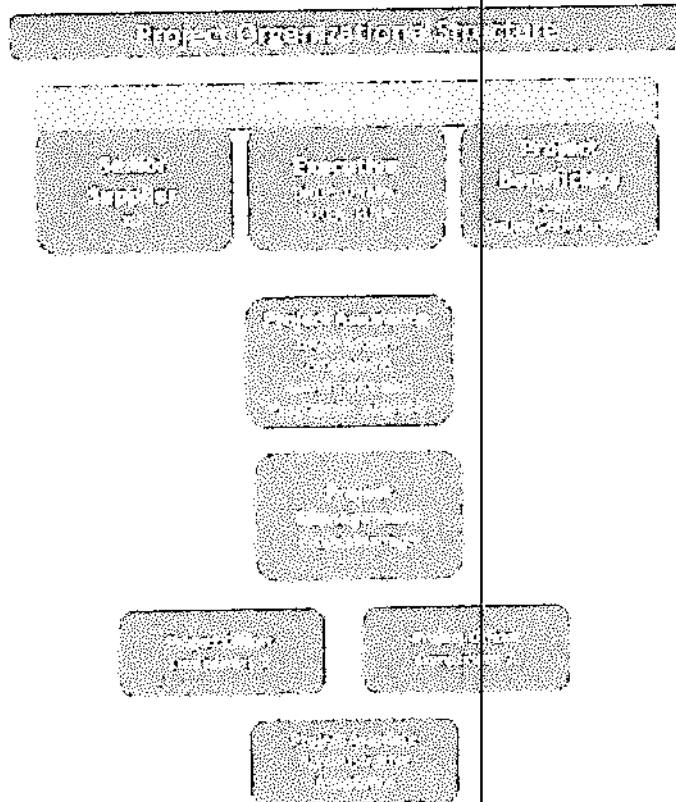
The role of the EUOK is primarily to agree on the objectives of the actions, to approve the actions and to accept them. Some monitoring may also be carried out. The EUOK will also provide political guidance in the final selection of the sites for rehabilitation, repair, and beautification within certain communities.

### **3.4 Organizational Structure:**

The action will be executed directly by UNDP applying UNDP's rules and procedures for project management and a result-based management approach. UNDP uses International Public Sector Accounting Standards (IPSAS) standards for management of finances and follows internationally recognized procurement standards.



## Project organizational Structure



The management of the project will be carried out by UNDP within the overall framework of the UNDP Country Programme Action Plan 2012-2016 via the Direct Implementation Modality (DIM). UNDP shall be responsible for the overall management and administration of the project, primarily with regard to the responsibility for the achievement of the outputs and the stated outcome. Similarly, UNDP will be accountable to the project Board for the use of project resources. UNDP will delegate managerial duties for the day-to-day running of the Project to the Project Manager, selected by UNDP through a competitive and transparent selection process. UNDP will seek the “no-objection” of the EUOK with respect to the selected candidate prior to proceeding with recruitment.

In addition to the project Board, the Project Assurance and Project Manager will partake in work of a joint coordination group between EULEX, UNMIK, EUOK and UNDP thereby ensuring programmatic monitoring. The Project team will monitor progress towards the programme’s objectives and report accordingly.

The project will receive overall guidance and strategic direction from the Project Board (PB). The Board is the group responsible for making consensus-based management decisions for the project when guidance is required by the Project Manager, including recommendation for approval of project revisions. Project reviews by this group are made at designated decision points during the running of a project, or as necessary when raised by the Project Manager. This group is consulted by the Project Manager for decisions when tolerances (i.e. constraints normally in terms of time and budget) have been exceeded. The Project Board will consist of representatives of national stakeholders, UNDP Kosovo, EULEX, UNMIK, and EUOK and will be chaired by UNDP. Other stakeholders will have an opportunity to partake in Board meetings as agreed between Board members.

The Board contains three roles:

Executive (role represented by UNDP);

Senior Supplier (role represented by the EU) that provides guidance regarding the technical feasibility of the project, and use of programme resources<sup>18</sup>;

Beneficiary (represented by national stakeholders)

The Project Board will hold meetings on every two months. The Board will monitor programme progress, decide on strategic decisions to ensure continued coherence between implementation and goals and objectives, decide on annual work plans and budgets, revise annual plans and budgets, as well as requests for funds presented by UNDP. Amendments to the budget, including use of contingencies, will be subject to the approval of the Project Board, without prejudice to the final approval by EUOK.

**Project Assurance:** The Project Assurance is provided by UNDP programme team and will support the Project Board by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed. UNDP Programme Coordinator hold the Project Assurance role. The Programme Coordinator will be supported by a UNDP Programme Officer.

**Project implementation:** The Project Manager has the authority to run the project on a day-to-day basis on behalf of the Project Board within the constraints laid down by the Project Board. The Project Manager is responsible for day-to-day management and decision-making for the project. The Project Manager's prime responsibility is to ensure that the project produces the results specified in the project document, to the required standard of quality and within the specified constraints of time and cost. The Project Manager will report directly to the UNDP Programme Officer.

The technical assistance team will consist of the following staff:

- **Project Manager** (responsible for managing the capacity development of and ties with state institutions/partners at the national and local levels, providing guidance and expert inputs into all components, achieving the overall project outputs and day-to-day management of the project);
- **Project Officer** (responsible for Component 1 and 3)
- **Project Officer** (responsible for Component 2)

The project team shall have the capacity to motivate people and to build relationships with colleagues, partners, beneficiaries, government authorities, donor organizations and other stakeholders.

Organizational, HR, procurement, IT and other related issues will be provided in support of the successful delivery of the actions through a Project Finance and Administrative Associate working specifically for the project.

### 3.5 Necessary Means

UNDP will be responsible for the management and implementation of the project. All materials or services required will be subject to UNDP rules and regulations for procurement. The majority of activities include workshops, trainings and capacity building events. This may include venues, training materials, lunches, transportation costs, hiring of experts, translation and interpretation, production of promotional and educational material, etc. UNDP will contribute by providing a vehicle for project purposes for a period of two months until a project car will be bought with project resources.

A vehicle will be acquired and used by the project team for project purposes so that the project team can freely move between the selected sites and municipalities. This will cut transportation costs overall, as much interaction between the project team, municipalities, selected sites and the affiliated partners will be a requirement throughout the project. At the end of the project, the project vehicle will be donated to the local beneficiaries (KP BCH).

An Office will be rented out and equipped with 4 computers, 1 printer, shelves, desks and other office equipment. For training and other such activities municipality venues will be used whenever possible,

<sup>18</sup> In the context of this specific project, the role of the EUOK is primarily to agree on the objectives of the actions, to approve the actions and to accept them. Some monitoring may also be carried out.

otherwise venues will be rented out from the businesses operating in the municipality. At the end of the project the project equipment will be donated to local beneficiaries.

### 3.6 Attitude of local stakeholders

Local stakeholders welcome the project in general. During the design of the action, a round of consultations was organized to consult with stakeholders on the most pressing needs in the area and identify jointly tailor-made interventions to best address the needs identified.

### 3.7 Visibility

All planned activities will provide maximum visibility to the EU. The action envisages a number of visibility activities aimed at building up strong awareness among various relevant audiences about the objectives, activities and accomplishment of the project, the role of partner organizations and the donor and the impact of this cooperation.

The target audiences are identified in keeping with the main objectives of the project that identify these groups as potential beneficiaries that should be targeted by the project. The following groups are listed in the order of their importance with respect to the objectives set by the Strategy. Appropriate channels of communication are outlined accordingly.

Target Audience ranked by importance	Preferred/ Appropriate channels of communication
Representatives of key central agencies- Kosovo Police	Conferences and other public events, face-to-face meetings, newsletter, email alerts, website, promotion literature (leaflets, factsheets)
Local experts, municipal authorities, local agencies, private sector representatives (local and national)	Workshops, seminars, trainings, website (UNDP, Municipality), newsletter, promotional literature
Local population- communities	Local meetings, workshops, leaflets, awareness raising activities
Mass media	Press releases, email alerts, Newsletter, website, press-conferences
General Public	Media channels, awareness raising initiatives public signage at rehabilitated sites
Donors and international organizations	Website, Newsletter, email alerts, Best Practices report

Given the diversity of the target audience using a media mix is absolutely essential in delivering the message. Hence, delivery of the main message will be carried out in three different forms:

- Direct communications (workshops, trainings, etc.) with primary and key stakeholders including local and national authorities and local population in keeping with the main focal areas of the project;
- Publicity/public information outreach including press, media conference upon major initiatives/milestones of the project, press releases, media interviews, photo opportunities, newspaper and other features- especially of the beautification and rehabilitation of selected sites;
- Web-based communications through the web sites of UNDP and municipalities

All visibility outputs, including online content, are to be shared with the EUOK prior to publication.

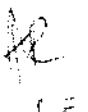
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Website: The communication is provided by the website <http://www.ks.undp.org> - The web pages will contain information on the work of the project. The responsibility for updating and developing the information for the web pages is borne by the project manager.

Information materials: Leaflets on the project components, focusing on increasing public awareness will be printed and distributed among the stakeholders during public events.

Press releases - on the activities within the project will be composed in order to preview, initiate and celebrate milestone achievements. PRs are sent to the EU Office prior to the announced event. PRs will be published on the website and distributed through the relevant email lists. Other partners may complement the distribution using their own channels.

Newsletter (Fast Facts): Newsletters will be published upon special occasions to mark significant developments within the project. The template and release schedule still needs to be agreed.



Duration and indicative action plan for implementing the action (max 4 pages)

Activity	Year 1												
	Half-year 1						Half-year 2						
	M-1	2	3	4	5	6	7	8	9	10	11	12	
<b>A0 Start-up and Inception</b>													
A0.1 Signature of contract and official start of action implementation													UNDP, EU Office
A0.2 Establishment of the Project Board (Focal Points nominated)													UNDP
A0.3 Staff Recruitment													UNDP
A0.4 Procure necessary office equipment, rent office													UNDP
A0.5 Project Inception Workshop													UNDP
A0.6 Official Launch-event (public event)													UNDP
A0.7 Development of ToRs for immediate activities (construction company)													UNDP
<b>A1 - Component 1</b>													
<b>Result 1:</b> Capacity for promotion and monitoring of religious cultural heritage is improved in four target municipalities; municipality-citizen-KP co-ordination mechanisms established and consolidated; inter-municipality co-operative mechanisms established and consolidated; trust increased among the stakeholders at municipal level.													
<b>A1.1 Design and drafting of media campaigns</b>													
A1.1.1 Local consultants to design media campaign													UNDP
A1.1.2 Workshops to improve trust between municipalities and authorities													UNDP, EULEX
A1.1.3 Printed materials													UNDP
A1.1.4 Consultation meetings													UNDP, EULEX, UNMIK
A1.1.5 Outreach activities within communities													UNDP, EULEX
<b>A1.2 KP outreach programme with community leaders and groups, including educational component</b>													
A1.2.1 KP advisory and educational sessions with community													UNDP, EULEX
A1.2.2 Workshops for improving inter-community trust													UNDP, EULEX
A1.2.3 Educational activities													UNDP, EULEX
A1.2.4 Incident reporting Hotline													UNDP







## 4. SUSTAINABILITY OF THE ACTION (MAX 3 PAGES)

### 4.1 Sustainability and exit strategy

Since 1999, UNDP has been providing a strong support to Rule of Law and civilian security sector in Kosovo. As a active partner to Kosovo institutions, UNDP engaged in the strengthening of the local judiciary as well as prosecutorial functions, assisted the Bar Association as well as the development of mediation services.

The political support in Kosovo is sufficient to ensure success in implementation of activities outlined for the intervention and to reach the envisaged results, outcomes and targets. During the design of the action, a round of consultations was organized to consult with stakeholders on the most pressing needs in the area and identify jointly tailor-made interventions to best address the needs identified. This will ensure institutional sustainability at the Kosovo police BCH unit will be further developed to continue its work without assistance. Based on the final project report, any further needs identified could be follow-up in a further assistance if required.

In general, the provision of assistance will be guided by the principle of national ownership. The activities will be implemented under full leadership of concerned institutions in Kosovo with the direct support of UNDP experts and partner stakeholders. As stakeholder engagement is key to success of the project, institutional change will be locally driven and owned, with UNDP and relevant partners providing support and guidance. Development of strategic planning capability, in partnership with key stakeholders, will support the ability of the beneficiaries to ensure that the identified activities are in line with Kosovo's strategic priorities. The project will promote communication between local and central level institutions in the area of cultural heritage. The institutional change is to a large extent driven by the EU approximation process and aspiration for the EU membership and is, as such, embedded in Kosovo's strategic framework, which should ensure sustainability of actions and established processes in the long run.

The proposed project features complementary and mutually co-ordinated strands of engagement:

On the one hand, all communities must be engaged directly to implement the repair of damaged and neglected cultural sites, and to advocate for the reciprocal respect and protection for the diversity of traditions that collectively form the Kosovo identity;

In parallel, the operational capacity of the BCH must be further developed and strengthened, to allow the unit to assume its full responsibilities for cultural protection.

Specifically, this first strand of assistance promotes impact in engaging communities directly (the community mobilization method) in the remediation of the cultural sites of the "other" community. In implementing such reciprocal assistance, mutual respect and trust is promoted and reinforced. The second strand of assistance addresses sustainability, demonstrating the wider international community attention to this issue, and promoting sustainability through institutional capacity development within the area of Rule of Law.

The project will ensure close working with BCH unit on functioning of the hotline. It will highlight the benefits of it to the institutions and the communities. It will closely monitor the frequency of its use and the results of it, and will present them in project steering committee meetings. The KP/BCH will be influenced and advised by the project to promote the use of the hotline through media among the public. This will ensure its continuation and application and the minimal cost required to be run by the KP.

#### Financial Sustainability

The action will develop the BCH unit of the Kosovo Police and rehabilitate and renovate certain cultural sites in Kosovo. Based on the Best Practice Report of this project, other communities will be invited to join the efforts of working within their communities to engage the communities directly in

working with the “other”. By implementing such reciprocal assistance and promotion of respect for cultural sites, mutual respect and trust is reinforced. The operational capacity of the BCH will be further developed and strengthened, to allow the unit to assume its full responsibilities for cultural protection at the end of the project.

#### Institutional Sustainability

The action supports the BCH unit of the Kosovo police. Increasing the operational capacity of this unit will allow the unit to assume full responsibility of cultural protection, not only in the selected sites but also throughout Kosovo.

#### Policy Level Sustainability

This bottom up community and KP approach is a novelty that introduces enormous opportunities for the local stakeholders (communities) to work together in addressing challenges and maximizing opportunities to implement cost effective interventions. This approach has proven to be very successful throughout Europe and in Kosovo. It is the bottom-up approach that promotes cooperation among stakeholders to address challenges, specifically that of cultural protection and heritage.

#### Environmental Sustainability

The action is based on the principle of promoting beautification, rehabilitation and renovation of selected cultural sites. Environmental protection will be at the forefront of all rehabilitation works done. All relevant stakeholders (central and local) will be consulted and engaged to ensure that rehabilitation is environmentally friendly and in line with Kosovo policy.



## 5. OFFLINE RISK LOG

(see Deliverable Description for the Risk Log regarding its purpose and use)



Project Title: Confidence Building through Cultural Protection		Award ID:		Date: 12 August, 2015					
#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Mngt response	Owner	Submitted, updated by	Last Update	Status
1	Relations between Albanian and Serbian communities are at a stalemate.	12.08.2015	Social	Partners become unwilling to cooperate, process stalls, project activities can't be implemented as planned. P=1; I=4	Project staff will remain alert to changes in the political environment and will use the project's flexible nature to adapt activities to partners' needs and sensitivities.	UNDP Programme Analyst			
2	Change in central Kosovo institutions leads to new election/appointment in government institutions.	12.08.2015	Organizational	Leadership in selected municipalities may change. Capacity building would have to be restarted. Political commitment to project activities may decrease. P=3; I=4	Active lobbying efforts with new central Kosovo institutions. Working at technical level will also lessen the risk of adverse effect in case of change of political leadership	UNDP Programme Analyst			
3	Adverse public opinion/negative media coverage on project activities.	12.08.2015	Political	Public and key stakeholders make negative connotations about project activities. P=3; I=3	The project will make pro-active efforts in outreach and public awareness to avert this risk, and will monitor media coverage about the process to intervene in case of adverse portrayal.	UNDP Programme Analyst			

4	Ineffective coordination between institutions, organizations and authorities.	12.08.2015	Organizational	Lack of functioning coordination mechanisms between institutions, organizations and authorities may put obstacles to project implementation. P=3; I=3	One of the key activities of the program will be to support the coordination of all relevant actors (notably Member States and other donors as necessary) through monthly coordination meetings. Advocacy and awareness campaigns will also contribute to coordination	UNDP Programme Analyst		
5	Continuation and sustainability of capacity building activities after project completion.	12.08.2015	Environmental	Once the project funding has come to an end, training activities for KP and community coordination efforts may come to an end. P=2, I=2	The project will provide full capacity building activities for beneficiaries during the initial stage, and will create low/no cost mechanisms to ensure continuation. Advocacy for the process with, and engagement of, the MLA and MYCS will be part of sustainability approach	UNDP Programme Analyst		
6	KP and communities are not sufficiently committed to contribute to project objectives.	12.08.2015	Organizational	Project activities cannot be implemented in the expected format and might need to be adjusted accordingly. P=3, I=4	Strict selection of focal points/Advocates from the KP/BCH Unit, and communities, which will drive the project activities, cooperation and communication	UNDP Programme Analyst		

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7	Poor leadership and/or lack of capacities of Kosovo Police.	12.08.2015	Strategic Organizational	The BCH Unit of the KP is not properly trained and cannot perform their functions. Lack of interest towards the BCH unit. P=2, I=3	Collective advocacy of all actors, including specialised training for BCH Unit to ensure sufficient capacities	UNDP Programme Analyst		
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## 6. LOGICAL FRAMEWORK

### Logframe matrix of the project

improve sources and means of verification like 'direct empirical observation by project implementation team' The logframe matrix will evolve during the lifetime of the project: new lines will be added for listing the activities as well as new columns for intermediary targets (milestones) when it is relevant and for reporting purpose (see "current value") on the achievement of results as measured by indicators.

Intervention logic	Indicators	Baseline (incl. reference year)	Current value Reference date	Targets (incl. reference year)	Sources and means of verification	Assumptions
To contribute to improved inter-community tolerance and respect for the cultural identity and heritage of "the other", by better understanding that cultural and sites are the heritage of all people in Kosovo	Reduced incidence of attacks on sites of cultural significance.	87 incidents in 2013 <sup>19</sup>		Decrease in incidents for 20% by October 2016	Kosovo Police incident reports; EULEX incident log existing mechanism); UNMIK OCSF and SitCen reports (existing mechanism). Project monitoring reports and regular progress reports;	Assumptions: incidents are reported in timely manner and correctly/accurately logged. Risks: restricted access to information; reliance on accurate consolidation of multiple-reports to preclude omission/double e-recording

Overall objective: Impact

<sup>19</sup> <http://www.osce.org/kosovo/117276?download=true>

	<p>O1: To improve inter-community trust at municipality level as well as trust between communities and municipal authorities</p> <p>O2: To increase engagement of the communities in the protection of religious and cultural heritage</p>	<p>O1: Number of inter-ethnic activities</p> <p>O2: Number of community-led RCH protection activities.</p>	<p>No assessment of inter-community joint project activities 2015</p> <p>Not available</p>		<p>Inter-ethnic activities in at least 4 municipalities by Oct 2016</p> <p>At least 8 community led RCH protection activities successfully implemented by Oct 2016</p>	<p>Project monitoring reports and regular progress reports;</p> <p>Municipal reports on community related topics, e.g. Municipal</p> <p>Community and Safety Council.</p>	<p>Assumptions: willingness of communities to directly engage with each other.</p> <p>Risks: inter-community relations are strongly influenced by political level developments, both within</p> <p>Kosovo and in Prishtina-Belgrade dialogue; inter-community relations in Kosovo are influenced by regional developments.</p>
<p><b>Specific objective(s):</b></p>	<p>O3: To improve the capacity of law-enforcement bodies to protect sites of religious and cultural significance</p>	<p>O3: EULEX assessment of operational capability.</p>	<p>No assessment in place</p>		<p>KP BCH unit is fully equipped with materials by Dec 2016 KP BCH is fully skilled by Dec 2016</p>		
<p><b>Outputs</b></p>	<p>Output 1 Capacity for promotion and monitoring of religious cultural heritage is improved in four target municipalities; municipality-citizen-KP co-ordination mechanisms established and consolidated; inter-municipality co-operative mechanisms established and consolidated; trust</p>	<p>Output 1, Indicator Assessment of the start-up and subsequent function of (a) municipality-citizen-KP co-ordination structures, and (b) inter-municipality co-</p>	<p>No baseline.</p>		<p>1 assessment for at least 4 municipalities completed in Feb 2016</p>	<p>Project monitoring reports and regular progress reports</p> <p>Assessment by UNMIK and/or UNDP municipal advisers.</p>	<p>Assumptions: it will be essential to promote sustainable community interest to secure the long-term security of RCH sites.</p> <p>Risks: past observation of</p>

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	<p>increased among the stakeholders at municipal level.</p> <p>Output 2: At least four urban regeneration projects implemented for at least four selected sites of religious and cultural significance, including the public areas in the immediate vicinity of those sites; mobilisation of each community for the remediation of the sites of the "other" community.</p>	<p>operative mechanisms.</p> <p>Output 2, Indicator Municipal approval for and political support of the selected public works activities.</p>	<p>No baseline</p>		<p>Public works successfully completed in at least 8 sites by Oct 2016</p> <p>At least 50 community members are engaged in public works</p>	<p>Reports from municipal committees, i.e. Municipal Community and Safety Council</p> <p>Assessment by EULEX MMA deployments.</p> <p>Direct comparison of project-specific pre-assistance and post-assistance</p>	<p>the willingness to harness ethnic and/or religious intolerance to further short-term political objectives.</p>
	<p>Output 3: Improved operational capacity of KP and of municipal authorities in the protection of religious and cultural heritage (RCH)</p>	<p>Output 3 Indicators:</p> <p>1. BCH capacity needs assessment completed</p> <p>2. BCH provides physical security at renovated sites, and public security at sites and their immediate surroundings.</p>	<p>No capacity needs report available</p> <p>BCH lacks understanding of international best practice for cultural heritage protection</p>		<p>BCH unit consolidated as elite formation by Oct 2016</p> <p>At least 20 BCH officers receive specialised training by June 2016</p> <p>BCH possesses all materials required to perform its functions by Dec 2015</p>	<p>assessments of operational capacity of BCH by EULEX</p> <p>Strengthening Division.</p> <p>Kosovo Police reports</p>	

<p><b>Output 1:</b> <b>Activity 1.1. Design and drafting of media campaigns</b></p> <p><b>Sub-activities:</b> 1.1.1. Local consultants to design media campaign 1.1.2. Workshops to improve trust between municipalities and authorities 1.1.3. Printed materials 1.1.4. Consultation meetings 1.1.5. Outreach activities within communities</p> <p><b>Activity 1.2 KP outreach programme with community leaders and groups, including educational component</b></p> <p><b>Sub-activities:</b> 1.2.1. KP advisory and educational sessions with community 1.2.2. Workshops for improving inter-community trust 1.2.3. Educational activities 1.2.4. Incident reporting Hotline 1.2.5. Outreach activities with communities 1.2.6. Develop, print and distribute the educational materials to communities</p>	<p><b>Means:</b> UNDP will be responsible for the management and implementation if the project. All materials or services required will be subject to UNDP rules and regulations for procurement. The majority of activities include: public works, workshops, trainings and capacity building events. This may include venues, training materials, transportation costs, hiring of technical expertise experts, translation and interpretation, production of promotional and educational material. The project will have an Board represented of Executive (role represented by UNDP), Senior Supplier (role represented by the EU) that provides guidance regarding the technical feasibility of the project and use of programme resources and Beneficiary (represented by national stakeholders) The project will be managed by: 1 Project Manager (responsible for managing the capacity development of and ties with state institutions/partners at the national and local levels, providing guidance and expert inputs into all components, achieving the overall project outputs and day-to-day management of the project); 1 Project Officer (responsible for Component 1 and 3) 1 Project Officer (responsible for Component 2)</p>	<p><b>Assumptions:</b> communities, target municipalities and Kosovo Police directorate will be willing to accept external assistance on this issue, communities, target municipalities and Kosovo Police will be willing to co-operate with each other on this issue; it will be of paramount importance to have acceptance of all cultures and faiths for the project itself, and the mission mandates of all relevant stakeholders; the audit feature of the assistance relationship will be accepted by institutional partners to preclude non-sustainable procurement and knowledge transfer activities.</p>
<p><b>Activities</b></p> <p><b>Output 2:</b> <b>Activity: 2.2 Inter-municipality "best practices" awareness raising events, development of plan for peer-exchange knowledge transfer among municipal authorities</b></p> <p><b>Sub-activities:</b> 2.2.1 Needs assessment consultant 2.2.2 Workshops to present findings of report and best practices 2.2.3 Meetings for planning and development 2.2.4 Awareness raising activities 2.2.5 Best Practices report prepared and published by UNDP with EULEX support 2.2.6 Selected</p>	<p><b>Costs</b> <i>What are the action costs? How are they classified? (Breakdown in the Budget for the Action)</i> The total budget for the action is 1,560,000 euro. The detailed budget in annex B</p>	<p>Risks: project success will to large extent be dependent on continued engagement by both parties in the ongoing normalization of relations process; there may be pressure to apply political perspective applied to risk assessments, needs assessment and prioritization for institutional capacity building; ability to generate and sustain sufficient interest at the institutional level to maintain financial commitment to the project</p>

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	<p>renovation/rehabilitation works for prioritized sites and adjacent areas</p> <p>2.2.7 Contracts/cleaning, repair, public safety, improvement, and beautification.</p> <p>2.2.8 Consultation meeting</p> <p><b>Output 3:</b></p> <p><b>Activity 3.1: Capacity development, including both training and advisory/material support, for BCH within the KP</b></p> <p>Sub-activities:</p> <p>3.1.1 Educational activities and advisory support for KP BCH Unit to protect the RCH sites</p> <p>3.1.2 Advisory workshop</p> <p>3.1.3 Trainer for municipal RCH training</p> <p>3.1.4 Material support</p> <p><b>Activity 3.2: Facilitated establishment of standing mechanisms for Municipality-community-KP co-ordination and inter-municipality co-operation (joint management forum for Cultural Protection)</b></p> <p>3.2.1 Consultations/Coordination meetings</p> <p><b>Activity 3.3: Needs assessment and prioritization for development of operational capacity of BCH; competitive tendering for material requirements.</b></p> <p>Sub-activities:</p> <p>3.3.1 Local consultant for needs assessment and procurement support</p> <p>3.3.2 Meeting for reporting of findings and material requirements for BCH unit</p> <p>3.3.3 Materials required by BCH unit based on needs assessment</p> <p><b>Activity 3.4: Facilitated study visits to EU Member states and Candidate country policing formations, including hands-on exposure to event management and protection of</b></p>		objectives.

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<p>sensitive sites. Sub-activities: 3.4.1 Organization of study visits (United Kingdom) 3.4.2 Conference to share lessons learned 3.4.3 Consultant for workshop facilitation Activity 3.5 Joint KP-municipality prioritization exercises to develop and implement local plans for physical security and community outreach. Sub-activity: 3.5.1 Conduct the exercise on implementation of local plans 3.5.2 Community-outreach exercises 3.5.3 International Consultant for security plan development 3.5.4 Workshop on implementation of plans</p>		
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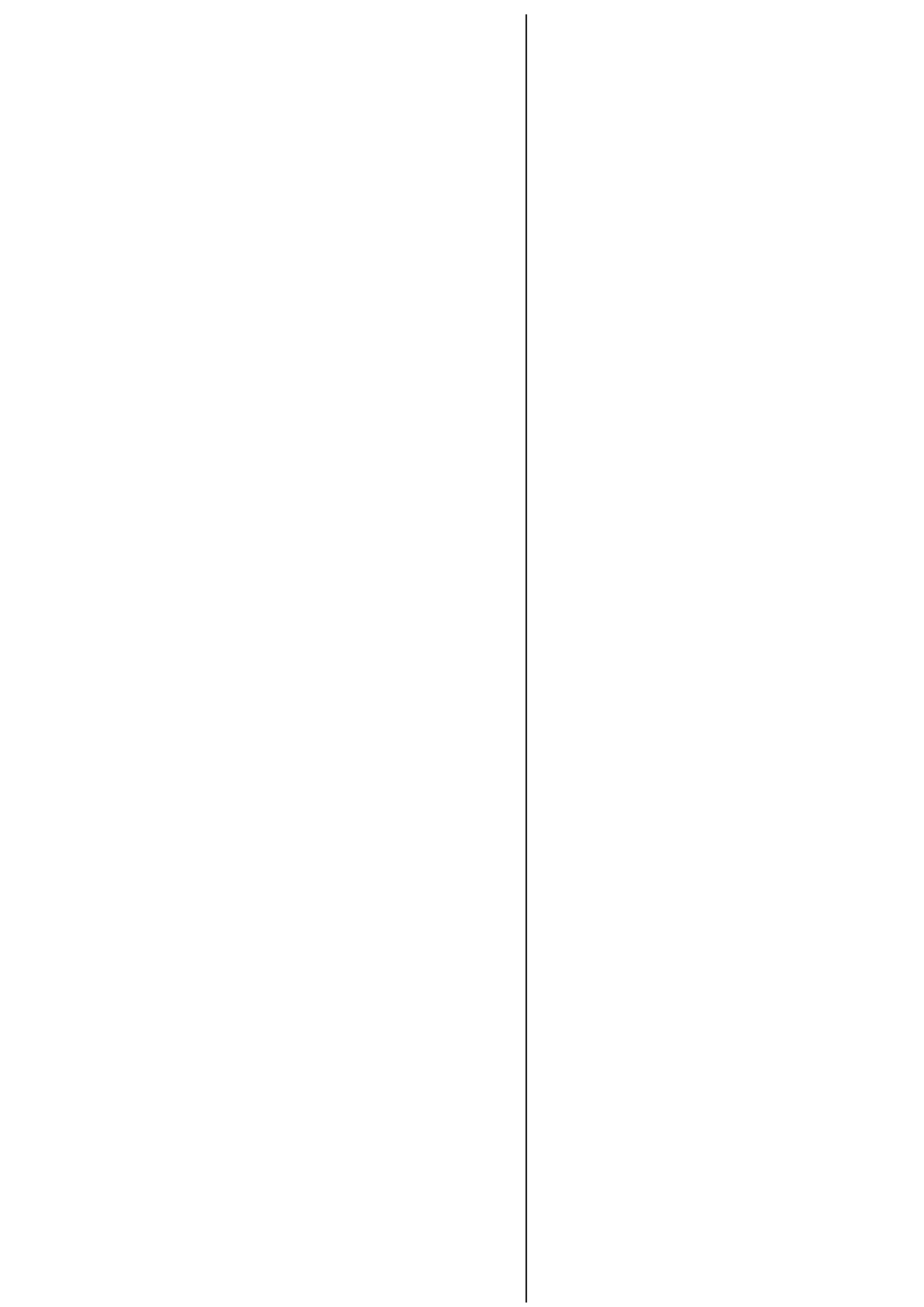
The Coordinator may unilaterally amend the outputs, all the indicators and the related targets, baselines and sources of verification as well as the activities described in this logical framework in accordance with Article 9.4 of the General Conditions.

**Definitions:**

- “Impact” means the primary and secondary, long term effects produced by the Action.
- “Outcome” means the likely or achieved short-term and medium-term effects of an Action’s outputs.
- “Output” means the products, capital goods and services which result from an Action’s activities.
- “Indicator” is the quantitative and/or qualitative factor or variable that provides a simple and reliable means to measure the achievement of the Results of an Action.
- “Baseline” means the starting point or current value of the indicators.
- “Target” (or results Goal) means the quantitatively or qualitatively measurable level of expected output, outcome or impact of an Action.
- A “logical framework matrix” (or “logframe matrix”) is a matrix in which results, assumptions, indicators, targets, baselines, and sources of verification related to an action are presented.

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**ANNEX II**

**General Conditions applicable to  
Delegation Agreements or PA Grant Agreements  
(Part III on PA Grant Agreements does not apply)**



## ANNEX II - General Conditions for PA Grant or Delegation Agreements

### PART I: Common provisions applicable to PA Grant and Delegation Agreements

#### Article 1: Definitions

Action:	the cooperation programme or project partly or wholly financed by the EU, which may be carried out by the Organisation as described in Annex I.
Affiliated Entity:	an entity having a structural link with the Organisation or a Co-Beneficiary, in particular a legal or capital link, and implementing part of the Action under a PA Grant Agreement.
Budget Implementation Tasks:	under a Delegation Agreement, tasks consisting of carrying out procurement and grant award procedures, and awarding, signing and executing the resulting Procurement Contracts and Grant contracts, notably accepting deliverables, carrying out payments and recovering the funds unduly paid, where two conditions are met: i) works, services, supplies and other benefits are directly provided to the partner country or to any other relevant beneficiary population of the Action; and ii) a margin of discretionary power (not involving policy choices) is delegated to implement the Action.
Central Exclusion Database:	database of all legal and natural persons excluded from EU funding set up by the European Commission under Regulation (EC, Euratom) No. 1302/2008, of 17 December 2008, on the central exclusion database (OJ L 344/12, 20.12.2008).
Co-Beneficiary:	an entity implementing part of the Action and being a party to the relevant PA Grant Agreement together with the Organisation. The Organisation normally signs the relevant PA Grant also on behalf of the Co-Beneficiaries.
Contractor:	a natural or legal person with whom a Procurement Contract has been signed.
Days:	All references to "days" are to calendar days.
EU External Action:	Action financed under EDF, DCI, ENI, IPA II, INSC, IcSP, PI, EIDHR and their predecessors.
Final Beneficiary:	a natural or legal person ultimately benefitting from the Action.
Force Majeure:	any unforeseeable exceptional situation or event beyond the Parties' control which prevents either of them from fulfilling any of its obligations under the Agreement, which may not be attributed to error or negligence on either part (or the part of the Grant Beneficiaries, Affiliated Entities, Sub-delegatees, Contractors, agents or staff), and which could not have been avoided by the exercise of due diligence. Defects in equipment or material or delays in making them available cannot be invoked as force majeure, unless they stem directly from a relevant case of force majeure. Labour disputes, strikes or financial problems of the Organisation cannot be invoked as force majeure by the defaulting Party.
Grant:	a direct financial contribution by way of donation under a Delegation Agreement given by the Organisation to finance third parties activities.
Grant Beneficiary:	a natural or legal person to whom a Grant has been awarded under a Delegation Agreement. Grant Beneficiaries can sub-grant and procure for the implementation of their activities. Third parties receiving a financial contribution from the Organisation or a Co-Beneficiary or an Affiliated Entity under a PA Grant Agreement are not considered Grant Beneficiaries for the purpose of this Agreement.
Impact:	primary and secondary, long term effects produced by the Action.
Indicator:	the quantitative and/or qualitative factor or variable that provides a simple and reliable means to measure the achievement of the Results of an Action.
Internal Control System:	a process applicable at all levels of management designed to provide reasonable assurance of achieving the following objectives: a) effectiveness, efficiency and economy of operations; b) reliability of reporting;

	<p>c) safeguarding of assets and information;</p> <p>d) prevention, detection, correction and follow-up of fraud and irregularities;</p> <p>e) adequate management of the risks relating to the legality and regularity of the financial operations, taking into account the multiannual character of programmes as well as the nature of the payments concerned</p>
Outcome:	the likely or achieved short-term and medium-term effects of an Action's outputs;
Output:	the products, capital goods and services which result from an Action's activities.
Procurement Contract:	A contract signed between the Organisation, a Sub-delegatee, a Co-Beneficiary or an Affiliated Entity and a Contractor under which the Contractor provides services, supplies or works.
Result:	the output, outcome or impact of an Action.
Regulations and Rules:	regulations, rules, organisational directives, instructions and other parts of the regulatory framework of the Organisation.
Sound Financial Management:	principle overarching the implementation of this Agreement, namely economy, effectiveness and efficiency. The principle of economy requires that resources used in the pursuit of the implementation of the Action shall be made available in due time, in appropriate quantity and quality and at the best price. The principle of effectiveness concerns the attainment of the specific objectives and the achievement of the intended results. The principle of efficiency concerns the best relationship between resources employed and results achieved.
Sub-delegatee:	a third party entrusted with Budget Implementation Tasks by the Organisation. Sub-delegation is only authorised for EU External Actions. If the Delegation Agreement does not concern an EU External Action, the provisions related to Sub-delegatees shall not apply.

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## Article 2: General obligations

### Implementation of the Action

- 2.1 The Organisation is responsible for the implementation of the Action described in Annex I of the Agreement, regardless whether the activities are carried out by the Organisation itself, a Sub-delegatee, an Affiliated Entity, a Contractor or a Grant Beneficiary. Annex I shall specify the Indicators to measure achievements. Both Parties will endeavour to strengthen their mutual contacts with a view to foster the exchange of information throughout the implementation of the Action. To this end, the Organisation and the Contracting Authority shall participate in coordination meetings and other jointly organised common activities, and the Organisation shall invite the European Commission to join any donor committee which may be set up in relation to the Action.
- 2.2 When implementing the Action, the Organisation shall not unilaterally modify the main purpose of the Action as described in Annex I, such as its objectives, strategies and priority areas as well as any other essential element specified in the Special Conditions of this Agreement.

### Responsibility

- 2.3 The Organisation shall be responsible for the performance of the obligations under this Agreement with a due professional degree of care and diligence, which means that it has followed its Regulations and Rules with the same level of duty and care which it applies in managing its own funds.
- 2.4 Under Delegation Agreements, the Organisation shall have full financial responsibility towards the Contracting Authority for all funds including those unduly paid to or incorrectly used by Sub-delegatees, Contractors or Grant Beneficiaries. The Organisation shall take measures to prevent, detect and correct irregularities and fraud when implementing the Action. To this end, the Organisation shall carry out, in accordance with the principle of proportionality and its positively assessed Regulations and Rules, ex-ante and/or ex-post controls including, where appropriate, on-the-spot checks on representative and/or risk-based samples of transactions, to ensure that the Action financed by the EU is effectively carried out and implemented correctly. Where funds have been unduly paid to or incorrectly used by Sub-delegatees, Contractors or Grant Beneficiaries the Organisation shall take all applicable measures in accordance with its own Regulations and Rules to recover those funds including by bringing legal proceedings where necessary and relevant.
- 2.5 Under Delegation Agreements, the European Commission may waive the recovery of all or part of the amounts that could not be recovered from Sub-delegatees, Contractors or Grant Beneficiaries, provided that the following cumulative conditions are fulfilled:
- a) the Organisation has correctly followed its own Regulations and Rules and the non-recovery is not the result of error or negligence on the part of the Organisation;
  - b) the Organisation exercised in the recovery of the EU funds the same level of diligence which it applies in recovering its own funds and has demonstrated that it has exhausted all applicable measures at its disposal in accordance with its own Regulations and Rules to recover the funds including bringing legal proceedings where necessary and relevant against Sub-delegatees, Contractors and Grant Beneficiaries; and
  - c) the Organisation endeavours to assign the its claim against the debtor to the European Commission following the request of the European Commission.

### Other obligations

- 2.6 The Organisation undertakes to ensure that the obligations stated in this Agreement under Articles 2.8, 5-Conflict of interest, 7.1- Data protection, 8-Communication and Visibility, 16-Accounts and archiving and Article 17-Access and financial checks apply, where applicable, to all Contractors and Grant Beneficiaries.
- 2.7 The Organisation shall notify the Contracting Authority and the Commission without delay of any substantial change in the rules, procedures and systems applied in the implementation of the Action. This obligation concerns in particular (i) substantial changes affecting the pillar assessment undergone by the Organisation, (ii) those which may affect the conditions for eligibility provided for in the applicable legal instruments of the EU, or (iii) any other circumstances likely to adversely affect the

implementation and management of the Action or delay or jeopardise the performance of the activities. The Parties shall use their best efforts to resolve amicably any issues resulting from such changes. The Contracting Authority reserves the right to adopt or require additional measures in response to said changes. In the event an agreement on such measures or other solutions cannot be reached between the Parties, either Party may terminate the Agreement according to Article 13.3.

- 2.8 The Organisation shall promote the respect of human rights and respect applicable environmental legislation including multilateral environmental agreements, as well as internationally agreed core labour standards.
- 2.9 Where the European Commission is not the Contracting Authority, it shall not be a party to this Agreement, which shall only confer on it rights and obligations where explicitly stated. This is without prejudice to the European Commission's role in promoting a consistent interpretation of the terms of this Agreement.

### Article 3: Obligations regarding information and reporting

#### General issues

- 3.1 The Organisation shall provide the Contracting Authority with full information on the implementation of the Action. To that end, the Organisation shall include in Annex I a work plan at least for the first year of the Implementation Period as defined in Article 2.3 of the Special Conditions (or the whole Implementation Period where it is less than one year). The Organisation shall submit to the Contracting Authority progress report(s) and a final report in accordance with the provisions below. These reports shall consist of a narrative part and a financial part.
- 3.2 Every report, whether progress or final, shall provide a complete account of all relevant aspects of the implementation of the Action for the period covered. The report shall describe the implementation of the Action according to the activities envisaged in Annex I, difficulties encountered and measures taken to overcome problems, eventual changes introduced, as well as the degree of achievement of its Results (Impact, Outcomes or Outputs) as measured by corresponding Indicators. The report shall be laid out in such a way as to allow monitoring of the objective(s), the means envisaged and employed. The final report, narrative and financial, will cover the entire period of Action implementation. The level of detail in any report shall match that of Annexes I and III.
- 3.3 In case of Multi-Donor Actions under Delegation Agreements, and where the project or programme of the Organisation lasts longer than the Implementation Period of this Agreement, the Contracting Authority may request – in addition to the final reports to be submitted under Article 3.8 - the final reports of the project or programme once available. This is without prejudice to the close of the Execution Period of this Agreement following Article 13.5.
- 3.4 Any alternative or additional reporting requirement shall be set out in the Special Conditions.
- 3.5 The Contracting Authority may request additional information at any time, providing the reasons for that request. Subject to the Organisation's Regulations and Rules, such information shall be supplied within 30 days of receipt of the request. The Organisation may submit a reasoned request to extend the 30 days deadline.

#### Content of the reports

- 3.6 The progress report(s) shall directly relate to this Agreement and shall at least include:
- summary and context of the Action;
  - actual Results: an updated table based on a logical framework matrix including reporting of Results achieved by the Action (Impact, Outcomes or Outputs) as measured by their corresponding indicators; agreed baselines and targets, and relevant data sources;
  - activities carried out during the reporting period (i.e. directly related to the Action and described in this Agreement);
  - information on the implementation of the Visibility and Communication Plan (Annex VI) and any additional measures taken to identify the EU as source of financing;
  - information on the implementation costs incurred as well as the legal commitments entered into by the Organisation during the reporting period.
  - a summary of controls carried out, if any under PA Grant Agreements, and available final audit reports in line with the Organisation's policy on disclosure of such controls and audit reports. Where

- errors and weaknesses in systems were identified, analysis of their nature and extent as well as information on corrective measures taken or planned shall also be provided;
- g) under Delegation Agreements, control measures carried out on Sub-delegatees, if any. In case weaknesses are detected, information on their nature and extent as well as corrective measures adopted;
- h) where applicable, a request for payment;
- i) work plan for the following period.

3.7 The final report shall include:

Covering the entire period of implementation:

- a) all the information requested in Article 3.6 a) to h).
- b) a summary of the Action's receipts, payments received and of the acceptable expenditure or eligible costs incurred;
- c) where applicable, an overview of any funds unduly paid or incorrectly used which the Organisation could or could not recover itself;
- d) under a Delegation Agreement, the exact link to the webpage where, according to Article 22.1, information on Grant Beneficiaries and Contractors is available;
- e) for EU External Actions, if relevant, details of transfers of equipment, vehicles and remaining major supplies mentioned in Article 9;
- f) in the case of Multi-Donor Actions, a mention that the Organisation assures that costs that are not eligible for the Contracting Authority are covered by other donors contributions

3.8 The Organisation shall submit a report for every reporting period as specified in the Special Conditions as from the commencement of the Implementation Period, unless otherwise specified in the Special Conditions<sup>1</sup>. Reporting, narrative as well as financial, shall cover the whole Action, regardless of whether this Action is entirely or partly financed by EU funds. Progress reports shall be submitted within 60 days after the period covered by such report. For EU External Actions, the final report shall be submitted at the latest six months after the end of the Implementation Period. For non-EU External Actions, the final report shall be submitted at the latest three months after the end of the Implementation Period.

#### **Management declaration and audit or control opinion under Delegation Agreements**

Under Delegation Agreements, the following Articles 3.9 to 3.13 apply:

- 3.9 If the Action is an EU External Action, every annual or final report shall be accompanied by a management declaration in accordance with the template in Annex VII. Where the duration of the Implementation Period is shorter than 18 months the management declaration shall only be provided with the final report. If the Action is not an EU External Action and its Implementation Period is longer than 18 months, the management declaration shall be provided by 15 February of the year following the first year of implementation, and thereafter every year.
- 3.10 In case the Organisation is not an international organisation, it shall provide the Contracting Authority, within one month from submitting each management declaration (i.e. 15 March for non-EU External Actions) with an opinion by an independent audit body in accordance with Article 3.12.
- 3.11 In case the Organisation is an international organisation, which does not have a framework agreement with the European Commission, the Organisation shall provide the Contracting Authority, within six months from submitting each report, with an opinion by an independent audit body in accordance with Article 3.12 or an equivalent opinion by a control body of the Organisation.
- 3.12 The opinion referred to in Articles 3.10 and 3.11 shall be drawn up in accordance with internationally accepted audit standards, establishing whether the accounts give a true and fair view, whether the control systems in place function properly, and whether the underlying transactions are managed in accordance with the provisions of this Agreement. The opinion shall also state whether the audit work puts in doubt the assertions made in the management declaration mentioned above.

<sup>1</sup> For EU External Actions, by default, the reporting period is every 12 months as from the commencement of the Implementation Period

- 3.13 In case the Organisation has an arrangement to that effect with the European Commission, the Organisation may provide annually the management declaration and/or audit or control opinion, which are made available to the European Commission headquarters separately from the reports provided under this Agreement. In the case of international organisations, the audit or control opinion refers to the annual audited financial statements of the Organisation in its entirety.

#### **Currency for reporting**

- 3.14 Unless otherwise agreed in the Special Conditions, the reports shall be submitted in the accounting currency of the Organisation for the Action.

- 3.15 The Organisation shall convert legal commitments, the Action's receipts and costs incurred in currencies other than the accounting currency for the Action according to its usual accounting practices.

#### **Failure to comply with reporting obligations**

- 3.16 If the Organisation is unable to present a progress or final report and the accompanying documents by the end of the deadline set out in Article 3.8, the Organisation shall inform the Contracting Authority in writing of the reasons, and shall provide a summary of the state of progress of the Action and, where applicable, a provisional work plan for the next period. If the Organisation fails to comply with this obligation for two (2) months, following the deadline set out in Article 3.8, the Contracting Authority may terminate the Agreement in accordance with Article 13, refuse to pay any outstanding amount and recover any amount unduly paid.

#### **Article 4: Liability towards third parties**

- 4.1 The European Commission shall not under any circumstances or for any reason whatsoever be held liable for damage or injury sustained by the staff or property of the Organisation while the Action is being carried out or as a consequence of the Action. The European Commission shall not therefore accept any claim for compensation or increase in payment in connection with such damage or injury.
- 4.2 The European Commission shall not under any circumstances or for any reason whatsoever be held liable towards third parties, including liability for damage or injury of any kind sustained by them in respect of or arising out of the implementation of the Action.
- 4.3 The Organisation shall discharge the European Commission of all liability associated with any claim or action brought as a result of an infringement of the Organisation's Regulations and Rules committed by the Organisation or Organisation's employees or individuals for whom those employees are responsible, or as a result of a violation of a third party's rights in the context of the implementation of the Action.

#### **Article 5: Conflict of interests**

- 5.1 The Organisation shall refrain, in accordance with its Regulations and Rules, from any action which may give rise to a conflict of interests.
- 5.2 There is a conflict of interests where the impartial and objective exercise of the functions of any person implementing the Agreement is compromised.

#### **Article 6: Confidentiality**

- 6.1 The Contracting Authority and the Organisation shall both preserve the confidentiality of any document, information or other material directly related to the implementation of the Action that is communicated as confidential. The confidential nature of a document shall not prevent it from being communicated to a third party on a confidential basis when the rules binding upon the Parties, or the European Commission when it is not the Contracting Authority, so require.
- In no case can disclosure put into jeopardy the Parties' privileges and immunities or the safety and security of the Parties' staff or the Final Beneficiaries of the Action.
- 6.2 The Parties shall obtain each other's prior written consent before publicly disclosing such confidential information unless:
- a) the communicating Party agrees to release the other Party from the earlier confidentiality obligations;
  - b) the confidential information becomes public through other means than in breach of the confidentiality obligation by the Party bound by that obligation;



c) the disclosure of confidential information is required by law or by Regulations and Rules established in accordance with the basic constitutive document of any of the Parties.

6.3 The Parties shall remain bound by confidentiality for five years after the End Date of the Agreement (see Article 13.5) or longer as specified by the communicating Party at the time of communication.

6.4 Where the European Commission is not the Contracting Authority it shall still have access to all documents communicated to the Contracting Authority and shall maintain the same level of confidentiality.

#### Article 7: Data Protection

7.1 The Organisation shall ensure appropriate protection of personal data. Personal data means any information relating to an identified or identifiable natural person. Any operation involving the processing of personal data, such as collection, recording, organisation, storage, adaptation or alteration, retrieval, consultation, use, disclosure, erasure or destruction, shall be based on the Regulations and Rules of the Organisation and shall only be done as far as necessary for the performance of the mandate of the Organisation.

7.2 In particular, the Organisation shall take, in accordance with its Regulations and Rules, appropriate technical and organisational security measures concerning the risks inherent in any such operation and the nature of the information relating to the natural person concerned, in order to:

- a) prevent any unauthorised person from gaining access to computer systems performing such operations, and especially unauthorised reading, copying, alteration or removal of storage media, this includes unauthorised data input as well as any unauthorised disclosure, alteration or erasure of stored information;
- b) ensure that authorised users of an IT system performing such operations can access only the information to which their access right refers;
- c) design its organisational structure in such a way that it meets the above requirements.

#### Article 8: Communication and visibility

8.1 The Organisation shall implement the Communication and Visibility Plan detailed in Annex VI.

8.2 Unless the European Commission requests or agrees otherwise, the Organisation shall take all appropriate measures to publicise the fact that the Action has received funding from the EU. Information given to the press and to the Final Beneficiaries, as well as all related publicity material, official notices, reports and publications shall acknowledge that the Action was carried out "with funding by the European Union" and shall display the EU logo (twelve yellow stars on a blue background) in an appropriate way. Publications by the Organisation pertaining to the Action, in whatever form and whatever medium, including the internet, shall carry the following disclaimer: "This document was produced with the financial assistance of the European Union. The views expressed herein can in no way be taken to reflect the official opinion of the European Union." In the case of EU External Actions such measures shall be carried out in accordance with the Communication and Visibility Manual<sup>2</sup> published by the European Commission or with any other guidelines agreed between the European Commission and the Organisation.

8.3 If during the implementation of the Action, equipment, vehicles or major supplies are purchased using EU funds, the Organisation shall display appropriate acknowledgement on such vehicles, equipment or major supplies, including the display of the EU logo (twelve yellow stars on a blue background). Where such display could jeopardise the Organisation's privileges and immunities or the safety of the Organisation's staff or of the Final Beneficiaries, the Organisation shall propose appropriate alternative arrangements. The acknowledgement and the EU logo shall be of such a size and prominence as to be clearly visible in a manner that shall not create any confusion regarding the identification of the Action as an activity of the Organisation, the ownership of the equipment, vehicles or major supplies by the Organisation.

8.4 In the case of EU External Actions, if in application of Article 9.6, the equipment, vehicles or remaining major supplies purchased using EU funds have not been transferred to the local authorities, local Sub-delegatees, local Co-Beneficiaries, local Grant Beneficiaries or Final Beneficiaries when submitting the

<sup>2</sup> Communication and Visibility Manual for EU External Actions

[https://ec.europa.eu/europeaid/funding/communication-and-visibility-manual-eu-external-actions\\_en](https://ec.europa.eu/europeaid/funding/communication-and-visibility-manual-eu-external-actions_en)

- final report, the visibility requirements as regards this equipment, vehicles or major supplies (in particular display of the EU logo) shall continue to apply between submission of the final report and the end of the Action, if the latter is longer. Where the Organisation retains ownership in accordance with Article 9.7, the visibility requirements shall continue to apply as long as the relevant equipment, vehicles or remaining major supplies are used by the Organisation.
- 8.5 Publicity pertaining to the EU contribution shall quote the EU contribution in Euro (€ or EUR). In case of international organisations, the publications and reports of the Organisation prepared in accordance with its rules and procedures are excluded from this provision.
- 8.6 Unless otherwise provided in the Special Conditions if disclosure risks threatening the Organisation's safety or harming its interests, the European Commission publishes in any form and medium, including on its internet sites, the name and address of the Organisation, the purpose and amount of the EU contribution.
- 8.7 The Organisation shall ensure that reports, publications, press releases and updates relevant to the Action are communicated to the addresses stated in the Special Conditions, as and when they are issued.
- 8.8 The Parties will consult immediately and strive to remedy any detected shortcoming in implementing the visibility requirements set out in this Article. This is without prejudice to measures the Contracting Authority may take in case of substantial breach of an obligation.

## Article 9: Ownership, right to use results and transfer of equipment

### Ownership

- 9.1 To the extent legally possible, ownership, title and industrial and intellectual property rights of the results of the Action including the reports and other documents relating to it shall vest in the Organisation, as the case may be together with third parties or as otherwise agreed with the Contracting Authority.

### Right to use

- 9.2 Notwithstanding the provisions of the first paragraph and subject to Article 6, the Organisation shall grant, and shall act to ensure that the third party concerned (Sub-delegatee, Grant Beneficiary, recipient of financial support or Contractor) grants the Contracting Authority (and the European Commission where it is not the Contracting Authority) the right to use free of charge those results referred to in Article 9.1 which are subject to industrial or intellectual property rights.
- 9.3 Where the results mentioned in Article 9.2 include pre-existing rights and the Organisation cannot warrant the Contracting Authority (and the European Commission where it is not the Contracting Authority) the right to use such results, the Organisation shall accordingly inform in writing the Contracting Authority (and the European Commission where it is not the Contracting Authority).

### Transfer (EU External Actions only)

- 9.4 In the field of EU External Actions, the equipment, vehicles and remaining major supplies purchased with the EU contribution in the framework of the Action shall be transferred to local authorities, local Sub-delegatees, local Co-Beneficiaries, local Grant Beneficiaries or to the Final Beneficiaries, at the latest when submitting the final report.
- 9.5 The documentary proof of those transfers shall not be presented with the final reports, but shall be kept for verification for the duration and along with the documents mentioned in Article 16.3.
- 9.6 By way of derogation from Article 9.4, the equipment, vehicles and remaining major supplies purchased with the EU contribution in the framework of Actions which continue after the end of the Implementation Period may be transferred at the end of the Action. The Organisation shall use the equipment, vehicles and remaining major supplies to the benefit of the Final Beneficiaries. The Organisation shall inform the Contracting Authority on the end use of the equipment, vehicles and remaining major supplies in the final report.
- 9.7 In the event that there are no local authorities, local Sub-delegatees, local Co-Beneficiaries, local Grant Beneficiaries or Final Beneficiaries to whom the equipment, vehicles and remaining major supplies could be transferred, the Organisation may transfer them to another Action funded by the EU or, exceptionally, retain ownership of the equipment, vehicles and remaining major supplies at the end of the Action. In such cases, it shall submit a justified written request with an inventory listing the items

concerned and a proposal concerning their use in due time and at the latest with the submission of the final report. In no event may the end use jeopardize the sustainability of the Action.

#### **Article 10: Evaluation and monitoring of the Action**

- 10.1 The Organisation shall invite representatives of the Contracting Authority and the European Commission to participate at their own costs in the main monitoring and evaluation missions relating to the performance of the Action. The Organisation shall report the results of such missions to the European Commission.
- 10.2 Article 10.1 is without prejudice to any evaluation or monitoring mission which the European Commission as a donor, or the Contracting Authority at their own costs, may wish to perform. Evaluation and monitoring missions by representatives of the European Commission or Contracting Authority shall be planned ahead and planned and completed in a collaborative manner between the staff of the Organisation and the European Commission's (Contracting Authority's) representatives, keeping in mind the commitment of the Parties to the effective and efficient operation of the Agreement. The European Commission (or the Contracting Authority) and the Organisation shall agree on procedural matters in advance. The European Commission (or the Contracting Authority) shall make the draft report of the evaluation or monitoring mission available to the Organisation for comments prior to final issuance. The European Commission (or the Contracting Authority) shall send the final report to the Organisation once issued.

#### **Article 11: Amendment to the Agreement**

- 11.1 Any amendment to this Agreement, including its annexes, shall be set out in writing in a rider signed by both Parties. This Agreement can only be amended during the Execution Period as set forth under Article 2 of the Special Conditions.
- 11.2 The requesting Party shall submit in writing to the other Party any request for amendment to this Agreement, including its annexes.
- 11.3 The requesting Party shall request any amendment 30 days before the amendment is intended to enter into force and no later than 30 days before the end of the Execution Period, unless there are special circumstances duly substantiated by it and accepted by the other Party. The other Party shall notify its decision regarding the amendment proposed in due time and in any case no later than 30 days after the date when the amendment request was received.
- 11.4 By derogation from Articles 11.1, 11.2 and 11.3, where an amendment to Annex I and/or Annex III does not affect the basic purpose of the Action, and the financial impact is limited to a transfer within a single budget heading, including cancellation or introduction of an item, or a transfer between budget headings involving a variation (as the case may be in cumulative terms) of 25 % or less of the amount originally entered (or as amended by a written rider) in relation to each concerned heading the Organisation may unilaterally amend Annex I and/or Annex III and shall inform the Contracting Authority accordingly in writing, at the latest in the next report. The Indicators described in Annex I may be changed by the Organisation in agreement with the European Commission, without the need for a formal rider to the Agreement if the change does not affect the basic purpose of the Action.
- 11.5 The method described in Article 11.4 shall not be used to amend the contingency reserve, nor the rate for indirect costs or the amounts or rates of simplified cost options defined in the PA Grant Agreement. Under a PA Grant Agreement, amendments shall not have the purpose or the effect of making such changes to the Agreement as would call into question the award decision or, where applicable, be contrary to the equal treatment of applicants.
- 11.6 Changes of address and of bank account shall be notified in writing to the Contracting Authority. Where applicable, changes of bank account must be specified in the request for payment, using the financial identification form attached as Annex IV.

#### **Article 12: Suspension**

##### **Suspension of the time limit for payment**

- 12.1 The Contracting Authority may suspend the time limit for payment following a single payment request by notifying the Organisation that either:
- a) the amount is not due; or
  - b) the appropriate supporting documents have not been provided and therefore the Contracting Authority needs to request clarifications, modifications or additional information to the narrative or

- financial reports. Such clarifications or additional information may notably be requested by the Contracting Authority if it has doubt about compliance by the Organisation with its obligations in the implementation of the Action; or
- c) credible information has come to the notice of the Contracting Authority that puts in doubt the eligibility of the reported costs or the acceptability of the reported expenditure; or
  - d) under a Delegation Agreement, credible information has come to the notice of the Contracting Authority that indicates a significant deficiency in the functioning of the Internal Control System of the Organisation or of the Sub-delegatees or that the expenditure reported by the Organisation is linked to a serious irregularity and has not been corrected. In this case, the Contracting Authority may suspend the payment deadline if it is necessary to prevent significant damage to the EU's financial interests.

12.2 In the situations listed in Article 12.1 the Contracting Authority shall notify to the Organisation as soon as possible and in any case within 30 days from the date on which the payment request was received the reasons for the suspension, specifying, where applicable, the additional information required. Suspension shall take effect on the date when the Contracting Authority sends the notification stating the reasons for the suspension. The remaining payment period shall start to run again from the date on which the requested information or revised documents are received or the necessary further checks are carried out. If the requested information or documents are not provided within the deadline fixed or are incomplete, payment may be made on the basis of the partial information available.

#### Suspension of payments and of the Agreement by the Contracting Authority

- 12.3 The Contracting Authority may suspend payments, fully or partly, if:
- a) the Contracting Authority, on the basis of credible information it received, has serious concerns and needs to verify whether substantial errors, irregularities, fraud or breach of substantial obligations have been committed by the Organisation or the Sub-delegatees in the procedure of their selection, on their pillar assessment or in the implementation of the Action;
  - b) the Contracting Authority has proof that substantial errors, irregularities, fraud or breach of substantial obligations have been committed by the Organisation or the Sub-delegatees in the procedure of their selection, on their pillar assessment or in the implementation of the Action;
  - c) under a Delegation Agreement, the Contracting Authority has proof that systemic errors have occurred which call into question the reliability of the Organisation or the Sub-delegatee's Internal Control System or the legality and regularity of the underlying transactions;
  - d) the Contracting Authority has proof that the Organisation or Sub-delegatees have committed systemic or recurrent errors, irregularities, fraud or breach of obligations under other agreements funded by EU funds provided that those errors, irregularities, fraud or breach of obligations have a material impact on this Agreement;
- 12.4 In the situations listed in Article 12.3, the Contracting Authority shall immediately notify the Organisation about its intention to suspend payments and the reasons therefor. The Organisation shall provide its observations within 30 days. If no observations have been submitted or if the Contracting Authority, after examining the observations received, decides to pursue the suspension, the Contracting Authority will formally notify the suspension of payments specifying the reasons therefor and the conditions for resuming the payments. The suspension shall take effect on the date when the Contracting Authority sends the notification and it will be lifted once the conditions for resuming payments are met. During the suspension of payments, no payment request can be submitted by the Organisation. The suspension of payments does not suspend the eligibility of costs, however, the Organisation, in consultation with the Contracting Authority, may decide to suspend the implementation of all or part of the Action in duly justified cases of cash flow shortage.
- 12.5 In the situations listed in Article 13.1, the Contracting Authority may suspend payments as a precautionary measure informing the Organisation immediately in writing. The procedure described in Article 13.2 shall then apply.
- 12.6 The Contracting Authority may suspend all or part of the implementation of this Agreement in the situations listed in Article 12.3 b), c) and d). Before suspension, the Contracting Authority shall formally notify the Organisation of its intention to suspend, inviting the Organisation to make observations within 10 days from the receipt of the notification. If the Organisation does not submit observations, or if, after examination of the observations submitted by the Organisation, the Contracting Authority decides to pursue the suspension, the Contracting Authority may suspend all or part of the implementation of this Agreement serving 7 days' prior notice. In case of suspension of part of the

implementation of the Agreement, upon request of the Organisation, the Parties shall enter into discussions in order to find the arrangements necessary to continue the part of the implementation which is not suspended. Any expenditure or costs incurred by the Organisation during the suspension and related to the part of the Agreement suspended shall not be reimbursed or covered by the Contracting Authority. Following suspension of the implementation of the Agreement, the Contracting Authority may terminate the Agreement in accordance with Article 13.2, recover amounts unduly paid and/or, in agreement with the Organisation, resume implementation of the Agreement. In the latter case the Parties will amend the Agreement where necessary.

- 12.7 The Contracting Authority may also notify to the Organisation the suspension of the implementation of the Agreement if exceptional circumstances so require, in particular:
- a) when a relevant EU Decision identifying a violation of human rights has been adopted<sup>1</sup>;
  - b) in cases such as crisis entailing a change of EU policy.
- 12.8 In the situations listed in Article 12.7, following a written notification by the Contracting Authority, and following consultations the Parties shall resume the implementation of the Agreement once the conditions allow. During the suspension period the Organisation shall be entitled to the reimbursement of the minimum costs, including new legal commitments, necessary for a possible resumption of the implementation of the Agreement. The Parties shall agree on such costs, including the reimbursement of legal commitments entered into for implementing the Agreement before the notification of the suspension was received which the Organisation cannot reasonably suspend, reallocate or terminate on legal grounds. This is without prejudice to any amendments to the Agreement which may be necessary to adapt the Action to the new implementing conditions, including, if possible, the extension of the Implementation Period and, for Delegation Agreements, the contracting deadline, or to the termination of the Agreement in accordance with Article 13.3.

#### **Suspension of the Action by the Organisation, Force Majeure**

- 12.9 The Organisation may decide to suspend the implementation of all or part of the Action if exceptional or unforeseen circumstances beyond the control of the Organisation make such implementation impossible or excessively difficult, such as in cases of Force Majeure. The Organisation shall inform the Contracting Authority immediately and provide all the necessary details, including the measures taken to minimise any possible damage, and the foreseeable effect and date of resumption.
- 12.10 Neither of the Parties shall be held liable for breach of its obligations under the Agreement if it is prevented from fulfilling them by Force Majeure or exceptional circumstances as set forth under Article 12.9, provided it takes any measure to minimise any possible damage.
- 12.11 The Parties shall minimise the duration of the suspension and the Organisation shall, resume implementation once the conditions allow, in consultation with the Contracting Authority. During the suspension period the Organisation shall be entitled to the reimbursement of the minimum costs, including new legal commitments, necessary for a possible resumption of the implementation of the Action. The Parties shall agree on such costs, including the reimbursement of legal commitments entered into for implementing the Action before the notification of the suspension was received by the Contracting Authority which the Organisation cannot reasonably suspend, reallocate or terminate on legal grounds. The Implementation Period is automatically extended by an amount of time equivalent to the duration of the suspension. In case of suspension by Force Majeure or if the Action is a Multi-Donor Action, the contracting deadline under Delegation Agreements is automatically extended by an amount of time equivalent to the duration of the suspension.
- 12.12 The previous paragraph is without prejudice to any amendments to the Agreement which may be necessary to adapt the Action to the new implementing conditions or to the termination of the Agreement in accordance with Article 13.3.

#### **Article 13: Termination and end date of the Agreement**

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<sup>1</sup> For instance, (i) a decision pursuant to Article 215 of the Treaty on the Functioning of the European Union or Article 96 of the ACP-EC Partnership Agreement signed in Cotonou on 23 June 2000, as revised on 25 June 2005 and 23 June 2010; or (ii) a European Commission decision suspending cooperation as a precautionary measure.

- 13.1 Without prejudice to any other provision of these General Conditions or penalties foreseen in the EU Financial Regulation where applicable, and with due regard to the principle of proportionality, the Contracting Authority may terminate the Agreement if the Organisation or Sub-delegatees:
- a) fail to fulfil a substantial obligation incumbent on them under the terms of the Agreement;
  - b) are guilty of misrepresentation or submit false or incomplete statements to obtain the EU contribution or provide reports that do not reflect reality to obtain or keep the EU contribution without cause;
  - c) are bankrupt or being wound up, or are subject to any other similar proceedings;
  - d) are guilty of grave professional misconduct proven by any justified means;
  - e) have committed fraud, corruption or any other illegal activity to the detriment of the EU's financial interests on the basis of proof in the possession of the Contracting Authority;
  - f) fail to comply with the reporting obligations in accordance with Article 3.16;
  - g) have committed any of the failings described in Article 12.3 on the basis of proof in the possession of the Contracting Authority.

13.2 Before terminating the Agreement in accordance with Article 13.1, the Contracting Authority shall formally notify the Organisation of its intention to terminate, inviting the Organisation to make observations (including proposals for remedial measures) within 30 days from the receipt of the notification. If the Organisation does not submit observations, or if, after examination of the observations submitted by the Organisation, the Contracting Authority decides to pursue the termination, the Contracting Authority may terminate the Agreement serving 7 days' prior notice. During that period the Organisation may refer the matter to the responsible director in the European Commission. In such case the termination will take effect if and when confirmed by the director. In that event, the Contracting Authority may demand full repayment of any amounts paid in excess of the final amount determined in accordance with Article 20 or 27 after allowing the Organisation to submit its observations. Neither Party shall be entitled to claim indemnity by the other Party on account of the termination of this Agreement.

13.3 If, at any time, either Party believes that the purpose of the Agreement can no longer be effectively or appropriately carried out, it shall consult the other Party. Failing agreement on a solution, either Party may terminate the Agreement by serving 60 days written notice. In this case, the Final Amount shall cover:

- i) payment only for the part of the Action carried out up to the date of termination;
- ii) in the situations described in Articles 12.7, 12.9 and 30.4 to the unavoidable residual expenditures incurred during the notice period; and,
- iii) in the situations described in Articles 12.7 and 12.9 under a Delegation Agreement reimbursement of legal commitments it entered into for implementing the Action before the written notice on termination was received by the other Party and which the Organisation cannot reasonably terminate on legal grounds.

The Contracting Authority shall recover the remaining part in accordance with Article 15.

13.4 In the event of termination, a final report and a request for payment of the balance have to be submitted according to Articles 3.7, 3.8 and 19 or 26. The Contracting Authority shall not reimburse or cover any expenditure or costs which are not included or justified in a report approved by it.

#### End date

13.5 The Agreement shall end by the "End Date", which is the moment of the payment of the balance by the Contracting Authority in accordance with Article 19 or 26 or when the Organisation repays any amounts paid in excess of the final amount due pursuant to Article 20 or 27. If any of the Parties invokes a dispute settlement procedure in accordance with Article 14, the End Date is postponed until the completion of such procedure.

#### Article 14: Applicable law and settlement of disputes

14.1 The Parties shall endeavour to amicably settle any dispute or complaint relating to the interpretation, application or fulfilment of the Agreement, including its existence, validity or termination.

14.2 Where the Organisation is not an international organisation and the European Commission is the Contracting Authority, this Agreement is governed by EU law, complemented if necessary by the relevant provisions of Belgian law. Under a Delegation Agreement, in default of amicable settlement

and unless otherwise agreed by the Parties, any Party may refer the matter to the General Court of the EU and, in the event of appeal, the Court of Justice of the EU. Under a PA Grant Agreement, in default of amicable settlement and unless otherwise agreed by the Parties, any Party may refer the matter to the Brussels courts.

- 14.3 Where the Organisation is not an international organisation and the European Commission is not the Contracting Authority, the Agreement shall be governed by the law of the country of the Contracting Authority and the courts of the country of the Contracting Authority shall have exclusive jurisdiction, unless otherwise agreed by the Parties. The dispute may, by common agreement of the Parties, be submitted for conciliation to the European Commission. If no settlement is reached within 120 days of the opening of the conciliation procedure, each Party may notify the other that it considers the procedure to have failed and may submit the dispute to the courts of the country of the Contracting Authority.
- 14.4 Where the Organisation is an international organisation:
- a) nothing in the Agreement shall be interpreted as a waiver of any privileges or immunities accorded to any Party by its constituent documents, privileges and immunities agreements or international law;
  - b) in the absence of amicable settlement in accordance with Article 14.1 above, any dispute, controversy or claim arising out of or relating to the interpretation, application or performance of this Agreement, including its existence, validity or termination, shall be settled by final and binding arbitration in accordance with the Permanent Court of Arbitration Optional Rules for Arbitration Involving International Organizations and States, as in effect on the date of this Agreement. The appointing authority shall be the Secretary General of the Permanent Court of Arbitration. The arbitrator's decision shall be binding on all Parties and there shall be no appeal.

#### Article 15: Recovery

- 15.1 Where an amount is to be recovered under the terms of the Agreement, the Organisation shall repay to the Contracting Authority the amount due.
- 15.2 Before recovery, the Contracting Authority shall formally notify the Organisation of its intention to recover any undue amount, specifying the amount and the reasons for recovery and inviting the Organisation to make any observations within 30 days from the date of receipt of the notification. If, after examination of the observations submitted by the Organisation or if the Organisation does not submit any observations, the Contracting Authority decides to pursue the recovery procedure, it may confirm recovery by formally notifying the Organisation. If there is a disagreement between the Organisation and the Contracting Authority on the amount to be repaid, the Organisation may refer the matter to the responsible director in the European Commission within 30 days. After the deadline or the director's decision, as the case may be, the Contracting Authority may issue a debit note specifying the terms and the date for payment.
- 15.3 If the Organisation does not make the payment by the date specified in the debit note, the Contracting Authority shall recover the amount due:
- a) by offsetting it against any amounts owed to the Organisation by the EU;
  - b) by taking legal action in accordance with Article 14;
  - c) in exceptional circumstances, justified by the necessity to safeguard the financial interests of the EU, the Contracting Authority may, when it has justified grounds to believe that the amount due would be lost, recover by offsetting before the deadline specified in the debit note without the Organisation's prior consent.
- 15.4 If the Organisation fails to repay by the due date, the amount due shall be increased by late payment interest calculated at the rate indicated in Article 19.5(a). The interest shall be payable for the period elapsing from the day after the expiration of the time limit for payment up to and including the date when the Contracting Authority actually receives payment in full of the outstanding amount. Any partial payment shall first cover the interest.
- 15.5 Bank charges incurred from the repayment of amounts due to the Contracting Authority shall be borne entirely by the Organisation.
- 15.6 Where the European Commission is not the Contracting Authority, it may, if necessary, proceed itself to the recovery.

- 15.7 Where the Contracting Authority is the European Commission, it may waive the recovery in accordance with the principle of Sound Financial Management and proportionality or it shall cancel the amount in the event of a mistake.

## Article 16: Accounts and archiving

### Accounting

- 16.1 The Organisation shall keep accurate and regular records and accounts of the implementation of the Action. The accounting Regulations and Rules of the Organisation shall apply, provided that these Regulations and Rules conform to internationally accepted standards. Financial transactions and financial statements shall be subject to the internal and external auditing procedures laid down in the Regulations and Rules of the Organisation.
- 16.2 Under a Delegation Agreement, if interest on pre-financing is due the accounting methods of the Organisation shall make it possible to identify the payments of EU funds and the interest or other benefits yielded by those funds.

### Archiving

- 16.3 For a period of five years from the End Date defined in Article 13.5 or up to the date of the limitation period of any claim pursuant to the applicable law governing the Agreement and any Procurement Contracts or Grants concluded under the Agreement if the latter last longer, the Organisation shall keep and make available according to Article 17 all relevant financial information in its original form (electronic as the case may be<sup>4</sup>) or, in exceptional and duly justified cases, certified copies of original documents related to the Agreement and to any Procurement Contracts, Grant agreements and financial support to third parties concluded under this Agreement.

## Article 17: Access and financial checks

- 17.1 The Organisation shall allow the European Commission and the European Court of Auditors, or any other authorised representatives to conduct desk reviews and on-the-spot checks on the use made of the EU contribution (including procedures for the award of Procurement Contracts and Grants) on the basis of supporting accounting documents and any other documents related to the financing of the Action.
- 17.2 The Organisation agrees that OLAF may carry out investigations, including on-the-spot checks, in accordance with the provisions laid down by EU law for the protection of the financial interests of the EU against fraud, corruption and any other illegal activity and, where applicable, any administrative cooperation arrangements concluded between OLAF and the Organisation's anti-fraud bodies.
- 17.3 To that end, the Organisation undertakes to provide officials of the European Commission, OLAF and the European Court of Auditors and their authorised agents, upon request, information and access to any documents and computerised data concerning the technical and financial management of operations financed under the Agreement, as well as grant them access to sites and premises at which such operations are carried out. The Organisation shall take all necessary measures to facilitate these checks in accordance with its Regulations and Rules. The documents and computerised data may include information which the Organisation considers confidential in accordance with its own established Regulations and Rules or as governed by contractual agreement. Such information once provided to the European Commission, OLAF, the European Court of Auditors, or any other authorised representatives, shall be treated in accordance with EU confidentiality rules and legislation and Article 6. Documents must be accessible and filed in a manner permitting checks, the Organisation being bound to inform the European Commission, OLAF or the European Court of Auditors of the exact location at which they are kept. Where appropriate, the Parties may agree to send copies of such documents for a desk review.
- 17.4 In case of the European Commission or their authorised agents, if the Organisation is an international organisation, verifications shall cover on-the-spot checks and desk-reviews and follow any verification provisions agreed with the European Commission. If the Organisation is not an international organisation an investigation or audit may be performed.

<sup>4</sup> Electronic documents can be accepted where the documentation was first received or created (e.g. an order form or confirmation) by the Organisation in electronic form; or the Organisation uses an electronic archiving system which meets reliable standards.



17.5 The European Commission shall inform the Organisation of the planned on-the-spot missions by agents appointed by the European Commission in due time in order to ensure adequate procedural matters are agreed upon in advance.

## Part II: Additional Provisions applicable only to Delegation Agreements

### Article 18: Acceptable expenditure under Delegation Agreements

18.1 The Contracting Authority shall accept expenditure which meets all the following criteria:

- a) it is necessary for carrying out the Action, directly attributable to it and arising as a direct consequence of its implementation.

For that purpose, it falls within one of the following categories as described in accordance with Annex I:

- (i) costs of funding by the Organisation in the form of:

1. Procurement Contracts to be awarded for the benefit of the partner country or of the relevant beneficiary population of the Action in accordance with Annex I, including:

- Contracts for works, equipment (new or used) and assets, provided that ownership is transferred at the end of the Action when required in Article 9;
- Contracts for consumables and supplies, provided that, for EU External Action, ownership of remaining major supplies is transferred at the end of the Action in accordance with Article 9;
- Contracts for services.

The acceptable costs of Procurement Contracts may include duties, taxes and charges, including VAT, if they are not recoverable by the Organisation, and unless otherwise provided for in the Special Conditions;

2. Grants to be paid to Grant Beneficiaries in accordance with Annex I;

- (ii) where the Action includes other tasks than Budget Implementation Tasks clearly identified in Annex I, which are directly implemented by the Organisation:

i. costs of procurement contracts and grants referred to in point (i), and required for the implementation of tasks other than Budget Implementation Tasks;

ii. costs of staff (working under an employment contract or equivalent appointing act) directly assigned to the tasks other than the Budget Implementation Tasks, as identified in Annex I. These shall correspond to gross salaries including social security charges and other remuneration-related costs provided that they are in line with the usual remuneration practices of the Organisation, and excluding any other cost such as indirect costs, provisions or reserves and bonuses; The costs of natural persons seconded by a third party to the Organisation against payment or working under a contract with the Organisation other than an employment contract may be assimilated to such costs of staff, if the following conditions are fulfilled:

1. the natural person works under the instructions of the Organisation and, unless otherwise agreed with the Organisation, in the premises of the Organisation;
2. the result of the work belongs to the Organisation; and
3. the costs are not significantly different from the costs of staff performing similar tasks under an employment contract with the Organisation;

The Organisation shall retain evidence regarding the time worked by the staff on the tasks other than the Budget Implementation Tasks, be that through a time-recording system, a reliable method of apportionment or through an employment contract stipulating the precise assignment to those other tasks;

iii. travel and subsistence costs for staff and other persons directly assigned to the tasks other than the budget implementation tasks, as identified in Annex I, provided that they are in line with the usual practices of the Organisation on travel;

- b) it is actually incurred by the Organisation, i.e. it represents real expenditure definitely and genuinely borne by the Organisation. Amounts that shall be recovered by the Organisation in accordance with Article 2.4 shall not be considered as expenditure actually incurred;

- c) it is reasonable, justified and complies with the principle of Sound Financial Management in accordance with the Organisation's rules and procedures;

- d) it is incurred during the Implementation Period:

- i) Grants to Grant Beneficiaries are acceptable if the activities supported by the Grants are implemented during the Implementation Period;
- ii) Costs of services, works and supplies are acceptable if the services, works and supplies are delivered during the Implementation Period;

- e) it is identifiable and verifiable pursuant to Article 16, in particular it is:

- i) recorded in the accounting records of the Organisation and determined according to the usual accounting practices of the Organisation;
- ii) backed by effective supporting evidence (originals, as the case may be in electronic form);
- f) it is indicated under one of the categories of costs in the estimated budget in Annex III, distinguishing between the estimated costs of Budget Implementation Tasks and the estimated costs of other tasks, if any;
- g) it complies with the applicable tax and social legislation taking into account the respective Organisation's privileges and immunities.

18.2 The Organisation may declare its acceptable costs of staff referred to in Article 18(1)(a)(ii)(ii) as actual costs or on the basis of unit costs (hourly or daily or half-daily rates) determined by the Organisation according to its usual cost accounting practices, if the following conditions are complied with:

- a) the cost accounting practices used are applied in a consistent manner, based on objective criteria, regardless of the source of funding;
- b) the unit cost is calculated using the actual staff costs as defined in Article 18(1)(a)(ii)(ii) and as recorded in the Organisation's accounts, excluding any ineligible cost, such as provisions or reserves, or costs included in other cost categories, such as indirect costs. The actual staff costs may be adjusted by the Organisation on the basis of budgeted or estimated elements. Those elements must be relevant for calculating the costs of staff, reasonable and correspond to objective and verifiable information; and
- c) the unit cost (the hourly, daily or half-daily rate) is calculated using the number of annual productive units (respectively productive hours, days or half-days).

For the number of annual productive units, the Organisation may choose one of the following:

- (i) 1720 hours or 215 days or 430 half-days for persons working full time (or corresponding pro-rata for persons not working full time);
- (ii) the total number of hours or days or half-days worked by the person in the year for the Organisation, defined as the annual workable hours or days or half-days of the person (according to the employment contract, applicable labour agreement or national law) plus overtime worked minus absences (such as sick leave and special leave);
- (iii) the standard number of annual hours or days or half-days generally applied by the Organisation for its staff in accordance with its usual cost accounting practices. This number must be at least 90% of the standard annual workable hours or days or half-days.

For the purposes of points (ii) and (iii), the annual workable hours or days or half-days mean the period during which the staff must be working, at the Organisation's disposal and carrying out his/her activity or duties under the employment contract, applicable collective labour agreement or national working time legislation;

- d) the number of actual units (hours or days or half-days) declared by the Organisation is necessary for the implementation of the Action and is identifiable and verifiable.

18.3. The Organisation shall keep adequate records and documentation to prove that the cost accounting practices used comply with the conditions set out in Article 18.2.

When the Commission approves the Organisation's cost accounting practices, costs of staff declared by the Organisation in application of those practices shall not be verified or challenged ex-post, provided that the practices actually used comply with those approved by the Commission and that the Organisation did not conceal any information for the purpose of their approval.

#### Remuneration under Delegation Agreements

18.4 The remuneration of the Organisation and the Sub-delegatees, by the Contracting Authority for the implementation of the Action shall be the percentage of the final amount of accepted expenditure of the Action to be reimbursed by the Contracting Authority, as specified in Article 3.2 of the Special Conditions. The remuneration shall not exceed 7% of the final amount of accepted expenditure of the Action to be reimbursed by the Contracting Authority.

18.5 Subject to the above, for comparable Actions and for Multi-Donor Actions the amount claimed as remuneration shall not, in percentage terms, be higher than for other comparable contributions.

18.6 The conditions stated in Article 18.1 do not apply to the remuneration of the Organisation or the Sub-delegatees. The remuneration does not need to be supported by accounting documents.

#### Inacceptable expenditure

18.7 The following expenditure is not acceptable in addition to any other expenditure not fulfilling the conditions set out in Article 18.1:

- a) return on capital;
- b) debts and debt service charges;
- c) provisions for losses, debts or potential future liabilities;
- d) banking charges for the transfers from the Contracting Authority;
- e) deductible value added tax;
- f) costs of purchase of land or buildings, except where justified and necessary for the implementation of the Action and according to the conditions specified in the Special Conditions; For EU External Actions, the ownership shall be transferred in accordance with Article 9, at the latest at the end of the Action;
- g) costs incurred during the suspension of the implementation of the Agreement except the minimum costs agreed on in accordance with Article 12.8 and 12.1;
- h) contributions in kind. The cost of staff assigned to the Action and actually incurred by the Organisation is not a contribution in kind and may be declared as acceptable expenditure if it complies with the conditions set out in Article 18.1;
- i) any cost incurred by the Organisation for the management of EU funds in excess of the percentage of the remuneration agreed in Article 3.2 of the Special Conditions.

#### Article 19: Payments

19.1 Payment procedures shall be as follows:

- a) the Contracting Authority shall provide a first pre-financing instalment as set out in Article 4 of the Special Conditions within 30 days of receiving this Agreement signed by both Parties;
- b) for each further pre-financing instalment the Organisation shall submit a payment request and a progress report in accordance with Article 4 of the Special Conditions, excluding not authorised contingencies, provided that at least 70% of the immediately preceding instalment (and 100% of previous instalments if any) has been subject to a legal commitment between the Organisation or the Sub-delegatees and a third party as proven by the relevant report;
- c) in line with the deadlines set out in Article 3.8, the Organisation shall submit a payment request for the balance together with the final report. The amount of the balance shall be determined following approval of the request for payment of the balance and of the final report;
- d) the Contracting Authority shall pay the further pre-financing instalments and the balance within 90 days of receiving a payment request accompanied by a progress or final report, unless the payment or the time limit for payment was suspended according to Article 12.1 to 12.5.

19.2 Payment requests shall be accompanied by narrative and financial reports presented in accordance with Article 3. Requests for pre-financing payments shall be drafted in Euro. Unless otherwise agreed in the Special Conditions, the payment request for the balance shall be submitted in the accounting currency of the Organisation for the Action. Except for the first pre-financing instalment, the payments shall be made upon approval of the payment request accompanied by a progress or final report. The final amount shall be established in line with Article 20. If the balance is negative, the payment of the balance takes the form of recovery.

19.3 Approval of the payment requests and of the accompanying reports shall not imply recognition of the regularity or of the authenticity, completeness and correctness of the declarations and information contained therein.

19.4 The Contracting Authority shall make payments in Euro into the bank account referred to in the financial identification form in Annex IV.

If the currency of the payment request for the balance is not the Euro, the Contracting Authority shall convert into Euro the amount of the balance reported at the daily rate published in the Official Journal of the European Union applicable on the day when the payment order, or if the balance is negative (surplus of amounts already paid over the EU final contribution) the recovery order, is issued by the Contracting Authority. Where no daily Euro exchange rate is published in the Official Journal of the European Union for the currency in question, the monthly or daily accounting rate established by the Contracting Authority and published on its website shall be used.

## Late payment interest

- 19.5 In case of late payment of the amounts stated in Article 4 of the Special Conditions the following conditions apply:
- a) on expiry of the time limits for payments specified in Article 19.1, if the Organisation is not an EU Member State, it shall receive interest on late payment based on the rate applied by the European Central Bank for its main refinancing operations in Euros (Reference Rate), increased by three and a half percentage points. The reference rate shall be 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 EU;
  - b) the suspension of the time limit for payment or of payments by the Contracting Authority in accordance with Article 12 shall not be considered as late payment;
  - c) interest on late payment shall cover the period running from the day following the due date for payment, up to and including the date of actual payment as established in Article 19.1. Any partial payment shall first cover the interest;
  - d) by way of exception to point (c), when the interest calculated in accordance with this provision is lower than or equal to EUR 200, the Contracting Authority shall pay such interest to the Organisation only upon request from the Organisation submitted within two months of it receiving late payment;
  - e) by way of exception to point (c), when the Contracting Authority is not the European Commission, and the European Commission does not make the payments, the Organisation shall be entitled to late payment interest upon its request submitted within two months of it receiving late payment;
  - f) the interest shall not be treated as an income for the purpose of determining the final amount of the EU contribution within the meaning of Article 20.

## Article 20: Final amount of the EU contribution

- 20.1 The Contracting Authority shall determine the final amount of the EU contribution when approving the Organisation's final report. The Contracting Authority shall then determine the balance:
- a) to be paid to the Organisation in accordance with Article 19 where the final amount of the EU contribution is higher than the total amounts already paid to the Organisation; or
  - b) to be recovered from the Organisation in accordance with Article 15 where the final amount of the EU contribution is lower than the total amounts already paid to the Organisation.
- 20.2 The final amount shall be the lower of the following two amounts:
- a) the sum of the acceptable expenditure approved by the Contracting Authority and of the remuneration, after any reduction in accordance with article 20.3;
  - b) the maximum EU contribution referred to in Article 3.1 of the Special Conditions.
- 20.3 Where the Action is not implemented, is not implemented in line with the Agreement, is implemented partially or late, or if the Organisation has substantially breached an obligation under the Agreement, such as the obligations on access stated in Article 17, the Contracting Authority may, after allowing the Organisation to submit its observations, reduce the EU contribution in proportion to the seriousness of the above mentioned situations. If there is a disagreement between the Organisation and the Contracting Authority on the reduction, the Organisation may refer the matter to the responsible director in the European Commission.

## Article 21: Sub-delegation (Only applicable to EU External Actions)

- 21.1 The Organisation may delegate activities to one or more Sub-delegatees, as described in Annex I. When the Sub-delegatees are not stated in Article 1.7 of the Special Conditions, the Organisation shall ask prior written approval of the Contracting Authority once they are identified.
- 21.2 The Sub-delegatee may not further sub-delegate the activities delegated to it by the Organisation. The costs incurred by the Sub-delegatees are eligible under the same conditions as those of the Organisation.
- 21.3 Sub-delegation of activities is only possible where the following conditions are met:
- a) the Sub-delegatee is a third country or the body that it has designated, an international organisation or one of its agencies, a public law body or a body governed by private law with a public service mission to the extent that in the view of the Organisation it provides adequate financial guarantees.

- In the case of EU Member States bodies and international organisations, Sub-delegation is also possible to non-profit organisations possessing, in the view of the Organisation, the appropriate operational and financial capacity;
- b) the Sub-delegatee has been positively assessed ex-ante by the European Commission to work in indirect management, or it has been positively assessed ex-ante by the Organisation which carried out a pillar assessment equivalent to the one performed on the Organisation, in line with its Regulations and Rules. Where approved in the pillar assessment performed on the Organisation, the Organisation may sub-delegate imposing rules, ex-ante approvals, ex-post checks or a combination of remedial measures on the Sub-delegatee which provide guarantees equivalent to those applied by the Organisation;
  - c) the Organisation ensures that the necessary ex-post controls are in place in order to guarantee the Sound Financial Management of the EU contribution;
  - d) the Organisation entrusts to the Sub-delegatee a part of the Action described in Annex I provided that this part includes Budget Implementation Tasks.
- 21.4 The Organisation undertakes to ensure that Sub-delegatees carry out the activities entrusted to them for the implementation of the Action and that the provisions laid down in Articles: 2.2, 2.3, 2.6 to 2.8- General obligations, 4-Liability, 5-Conflict of interest, 6-Confidentiality, 7-Data protection, 8-Communication and Visibility, 9-Ownership, right to use and transfer of results and equipment, 10-Evaluation and monitoring of the Action, 16-Accounts and archiving, 17-Access and financial checks, 22-Ex-post publication of Contractors and Grant Beneficiaries, and 23-Contracting and Central Exclusion Database apply mutatis mutandis to Sub-delegatees.
- 21.5 Unless otherwise specified in the Special Conditions, where the Organisation and a Sub-delegatee have both concluded framework agreements with the European Commission only the framework agreement of the Organisation shall apply for the purpose of this Agreement. Notwithstanding the foregoing, where a Sub-delegatee has agreed on arrangements for verifications as part of a framework agreement such arrangements shall continue to apply.

## Article 22: Ex-post publication of information on Contractors and Grant Beneficiaries

- 22.1 The Organisation shall publish, on an annual basis, on its internet site, the following information on Procurement Contracts exceeding EUR 15.000 and all Grants financed by the EU: title of the contract/project, nature and purpose of the contract/project, name and locality of the Contractor or Grant Beneficiary and amount of the contract/project. The term "locality" shall mean the address for legal persons and the Region on NUTS<sup>5</sup> 2 level, or equivalent, for natural persons. This information shall not be published for scholarships paid to natural persons and other direct support paid to natural persons in most need. This information shall be published with due observance of the requirements of confidentiality security and in particular the protection of personal data.
- 22.2 The Organisation shall provide to the European Commission the address of the internet site where this information can be found and shall authorise the publication of such address on the European Commission's internet site.
- 22.3 If the Action is a Multi-Donor Action in the field of the EU External Actions, the publication of information on Contractors and Grant Beneficiaries shall follow the rules of the Organisation.

## Article 23: Contracting and Central Exclusion Database

### Contracting

- 23.1 The Procurement Contracts and Grant contracts implementing the EU contribution shall be signed by the contracting deadline set out in Article 2.5 of the Special Conditions. After the contracting deadline up to submission of the final report, only contracts following early termination of an existing contract, riders to existing contracts and contracts concerning final audits and evaluation may be signed.
- 23.2 Procedures to award contracts, as referred to in Article 23.1, may have been initiated and contracts may be signed by the Organisation before the start of the Implementation Period.
- 23.3 Unless otherwise provided for in the Special Conditions, the origin of the goods and the nationality of the organisations, companies and experts selected for carrying out activities in the Action shall be

<sup>5</sup> Nomenclature of Territorial Units for Statistics, available at: <http://ec.europa.eu/eurostat/ramon>.

determined in accordance with the Organisation's relevant rules. However, and in any event, goods, organisations, companies and experts eligible under the applicable regulatory provisions of the European Union shall be eligible.

- 23.4 The Organisation shall adopt reasonable measures, in accordance with its own Regulations and Rules, to ensure that potential candidates or tenderers and applicants shall be excluded from the participation in a procurement or grant award procedure and from the award of a Procurement Contract or Grant financed by EU funds, if the Organisation becomes aware that these persons:
- are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
  - or persons having powers of representation, decision making or control over them have been convicted of an offence concerning their professional conduct by a judgement of a competent authority which has the force of res judicata;
  - or persons having powers of representation, decision making or control over them have been the subject of a judgement which has the force of res judicata for fraud, corruption, involvement in a criminal organisation, money laundering or any other illegal activity detrimental to the EU's financial interests;
  - are guilty of misrepresentation in supplying the information required as a condition of participation in the procedure or if they fail to supply this information;
  - are subject to a conflict of interest.

#### Central Exclusion Database

- 23.5 The Organisation shall inform the European Commission if, in relation to the implementation of the Action, it has found that a third party is in one of the situations referred to in Article 23.4 (c). The information shall be transmitted using the ad-hoc template<sup>6</sup>, which shall be sent to the European Commission with an indication of the duration of the exclusion, if any, decided on the basis of the judgement which is being notified. If available to the Organisation, a copy of the definitive judgement and where available and applicable of the necessary documents establishing the legal existence of the entity concerned shall also be provided. The European Commission shall introduce this information in the Central Exclusion Database. The Organisation shall inform the European Commission when it becomes aware that transmitted needs to be rectified, updated or removed. The Organisation shall ensure that the entity concerned is informed that its data was transmitted to the European Commission and may be included in the Central Exclusion Database. These requirements cease upon end of the Implementation Period.
- 23.6 Without prejudice to the power of the European Commission to exclude an entity from future procurement contracts and grants financed by the EU, the Organisation may impose financial penalties on Contractors and Grant Beneficiaries according to its own Regulations and Rules ensuring, where applicable, the right of defence of the Contractor or Grant Beneficiary.
- 23.7 The Organisation may take into account, as appropriate and on its own responsibility the information contained in the Central Exclusion Database, when awarding contracts. Access to the information can be provided through the liaison point(s) or via consultation to the European Commission as referred in Article 5.6 of the Special Conditions<sup>7</sup> when the Organisation applies the adequate data protection measures as provided in the Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data (OJ L 8, 12.1.2001, p. 1).
- 23.8 In the event of failure to comply with Articles 23.1 to 23.4, the Contracting Authority may declare the related costs ineligible for funding by the EU.

<sup>6</sup> Annex C8f at DEVCO Companion published at: <http://ec.europa.eu/europeaid/companion>

<sup>7</sup> The Organisation shall be allowed to have direct access to the Central exclusion database through a liaison point when the Organisation certifies to the Contracting Authority service responsible that it applies the adequate data protection measures as provided in the Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data (OJ L 8, 12.1.2001, p. 1).

## PART III: Additional provisions applicable only to PA Grants

### Article 24: Affiliated Entities

- 24.1 Where the Special Conditions contain a provision on any Affiliated Entity, costs incurred by such entity will be eligible under the same conditions as those applicable to the Organisation, provided that it satisfies the same conditions under Article 25-Eligible Costs as apply to the Organisation, and that the Organisation ensures that the Contracting Authority and the European Commission where it is not the Contracting Authority, OLAF, the European Court of Auditors and any authorised representatives may exercise their rights under Article 17 also towards the Affiliated Entity.
- 24.2 The Organisation shall ensure that Articles 2-General obligations, 4-Liability towards third parties, 5-Conflict of interest, 6-Confidentiality, 7-Data protection, 8-Communication and visibility, 9-Ownership, right to use results and transfer of equipment, 10 – Evaluation and monitoring of the Action, 16-Accounts and archiving, 28-No profit and 29-Contracting and financial support to third parties, are also applicable to the Affiliated Entity.

### Article 25: Eligible costs under PA Grant Agreements

- 25.1 The eligible direct costs of the Action are costs which meet all the following criteria:
- a) they are necessary for the implementation of the Action, directly linked to its implementation, and arising as a direct consequence of its implementation;
  - b) they fall within one of the following categories:
    - (i) costs of staff (working under an employment contract or equivalent appointing act) directly assigned to the Action; These shall correspond to gross salaries including social security charges and other remuneration-related costs provided that they are in line with the usual remuneration practices of the Organisation, and excluding any other cost such as indirect costs, provisions or reserves and bonuses; The costs of natural persons seconded by a third party to the Organisation against payment or working under a contract with the Organisation other than an employment contract may be assimilated to such costs of staff, if the following conditions are fulfilled:
      - i. the natural person works under the instructions of the Organisation and, unless otherwise agreed with the Organisation, in the premises of the Organisation;
      - ii. the result of the work belongs to the Organisation; and
      - iii. the costs are not significantly different from the costs of staff performing similar tasks under an employment contract with the Organisation;
    - (ii) travel and subsistence costs for staff and other persons directly assigned to the Action, provided that they are in line with the usual practices of the Organisation on travel;
    - (iii) depreciation costs, rental costs or leasing costs for equipment (new or used) and assets in proportion to the duration of Action and the rate of actual use for the Action, provided that the equipment or asset has been purchased by the Organisation in accordance with Article 29.1 and is written off in accordance with the usual accounting practices of the Organisation;  
For EU External Actions, the full purchase costs of equipment (new or used) and assets may be eligible, provided that they are specifically purchased by the Organisation for the purposes of the Action in accordance with Article 29.1 and that ownership is transferred at the end of the Action in accordance with Article 9;
    - (iv) costs of consumables and supplies specifically purchased for the purposes of the Action, provided that they are purchased by the Organisation in accordance with Article 29.1 and, for EU External Actions, that ownership of remaining major supplies is transferred at the end of the Action in accordance with Article 9;
    - (v) costs entailed by service contracts specifically awarded by the Organisation for the purposes of the Action, provided that they are purchased by the Organisation in accordance with Article 29.1;
    - (vi) costs of services necessary to meet specific requirements of the Contracting Authority (translation and reproduction of reports, evaluation specific to the Action and, where exceptionally required, audits), provided that the corresponding services are purchased by the Organisation in accordance with Article 29.1;
    - (vii) costs of financial support to third parties, provided that the conditions referred to in Articles 29.3, 29.5 and 29.6 are respected;



- (viii) duties, taxes and charges, including VAT, paid as part of the direct costs referred to above and not recoverable by the Organisation, unless otherwise provided in the Special Conditions;
  - c) they are actually incurred by the Organisation, i.e. they represent real expenditure definitely and genuinely borne by the Organisation. They are reasonable, justified and comply with the principle of Sound Financial Management;
  - d) they are incurred during the Implementation Period:
    - i) Costs of financial support to third parties are eligible if the supported activities are implemented during the Implementation Period;
    - ii) Costs of services, works and supplies are eligible if the services, works and supplies are delivered during the Implementation Period;
- An exception is made for costs relating to final reports, which may be incurred after the Implementation Period;
- e) they are identifiable and verifiable pursuant to Article 17, in particular they are:
    - i) recorded in the accounting records of the Organisation and determined according to the usual accounting practices of the Organisation;
    - ii) backed by effective supporting evidence (originals, as the case may be in electronic form);
  - f) they are indicated under one of the categories of costs in the estimated budget in Annex III;
  - g) they comply with the applicable tax and social legislation taking into account the Organisation's privileges and immunities.

#### Simplified cost options

25.2 In accordance with the detailed provisions in Annex III, eligible costs may also be constituted by any or a combination of unit costs, lump sums and flat-rate financing.

The methods used by the Organisation to determine unit costs, lump sums or flat-rates shall be clearly described and substantiated in Annex III and shall ensure compliance with the no profit rule (see Article 28) and shall avoid double funding of costs. The information used can be based on the Organisation's historical and/or actual accounting and cost accounting data or on external information where available and appropriate.

Costs declared under simplified cost options shall satisfy the eligibility criteria set out in Article 25.1. They do not need to be backed by accounting or supporting documents, save those necessary to demonstrate the fulfillment of the conditions for reimbursement established in Annex I and III. These costs may not include ineligible costs as referred to in Article 25.7 or costs already declared under another cost item or heading of the budget of this Agreement. The amounts or rates of unit costs, lump sums or flat-rates set out in Annex III may not be amended unilaterally and may not be challenged by ex-post verifications.

The total amount of financing that may be awarded on the basis of simplified cost options may not exceed EUR 60.000, unless otherwise provided for in the Special Conditions.

If a verification reveals that the methods used by the Organisation to determine unit costs, lump sums or flat-rates are not compliant with the conditions established in this Agreement and, therefore an undue payment has been made, the Contracting Authority shall be entitled to recover proportionately up to the amount of the unit costs, lump sums or flat-rate financing.

- 25.3 The Organisation may declare its eligible costs of staff referred to in Article 25.1 (b)(i) as actual costs or, in addition to the simplified cost options referred to in Article 25.2, on the basis of unit costs (hourly or daily or half-daily rates) determined by the Organisation according to its usual cost accounting practices, if the following conditions are complied with:
- a) the cost accounting practices used are applied in a consistent manner, based on objective criteria, regardless of the source of funding;
  - b) the unit cost is calculated using the actual staff costs as defined in Article 25.1 (b)(i) and as recorded in the Organisation's accounts, excluding any ineligible cost, such as provisions or reserves, or costs included in other cost categories, such as indirect costs. The actual staff costs may be adjusted by the Organisation on the basis of budgeted or estimated elements. Those elements must be relevant for calculating the costs of staff, reasonable and correspond to objective and verifiable information; and

- c) the unit cost (the hourly, daily or half-daily rate) is calculated using the number of annual productive units (respectively productive hours, days or half-days).  
For the number of annual productive units, the Organisation may choose one of the following:
- (i) 1720 hours or 215 days or 430 half-days for persons working full time (or corresponding pro-rata for persons not working full time);
  - (ii) the total number of hours or days or half-days worked by the person in the year for the Organisation, defined as the annual workable hours or days or half-days of the person (according to the employment contract, applicable labour agreement or national law) plus overtime worked minus absences (such as sick leave and special leave);
  - (iii) the standard number of annual hours or days or half-days generally applied by the Organisation for its staff in accordance with its usual cost accounting practices. This number must be at least 90% of the standard annual workable hours or days or half-days.
- For the purposes of points (ii) and (iii), the annual workable hours or days or half-days mean the period during which the staff must be working, at the Organisation's disposal and carrying out his/her activity or duties under the employment contract, applicable collective labour agreement or national working time legislation;
- d) the number of actual units (hours or days or half-days) declared by the Organisation is necessary for the implementation of the Action and is identifiable and verifiable.

25.4. The Organisation shall keep adequate records and documentation to prove that the cost accounting practices used comply with the conditions set out in Article 25.3.  
When the Commission approves the Organisation's cost accounting practices, costs of staff declared by the Organisation in application of those practices shall not be verified or challenged ex-post, provided that the practices actually used comply with those approved by the Commission and that the Organisation did not conceal any information for the purpose of their approval.

#### Indirect costs under PA Grant Agreements

- 25.5 The indirect costs for the Action are those eligible costs which cannot be identified as specific costs directly linked to the implementation of the Action and cannot be booked to it directly. However, they are incurred by the Organisation in connection with the eligible direct costs for the Action. They may not include ineligible costs as referred to in Article 25.7 or costs already declared under another cost item or heading of the estimated budget.
- 25.6 Eligible indirect costs shall be declared on the basis of the flat-rate laid down in Article 3.3 of the Special Conditions, which shall not exceed 7% of the total eligible direct costs. Flat-rate financing in respect of indirect costs does not need to be supported by accounting documents. This amount shall not be taken into account with regard to the maximum amount of simplified cost options.

#### Ineligible costs

- 25.7 The following costs are ineligible in addition to any other costs not fulfilling the conditions set out in Article 25:
- a) return on capital;
  - b) debts and debt service charges;
  - c) provisions for losses, debts or potential future liabilities;
  - d) banking charges for the transfers from the Contracting Authority;
  - e) deductible value added tax;
  - f) costs of purchase of land or buildings, except where justified and necessary for the implementation of the Action and according to the conditions specified in the Special Conditions; For EU External Actions, the ownership shall be transferred in accordance with Article 9, at the latest at the end of the Action;
  - g) costs incurred during the suspension of the implementation of the Agreement, except the minimum costs agreed on in accordance with Article 12.8 and 12.11;
  - h) costs declared by the Organisation under another agreement financed by the European Union budget (including through the European Development Fund);
  - i) contributions in kind. The cost of staff assigned to the Action and actually incurred by the Organisation is not a contribution in kind and may be declared as eligible cost if it complies with the conditions set out in Article 25.1;

- j) credits to third parties, unless otherwise specified in the Special Conditions;
- k) salary costs of the personnel of national administrations, unless otherwise specified in the Special Conditions and only to the extent that they relate to the cost of activities which the relevant public authority would not carry out if the Action were not undertaken;
- l) any indirect costs in excess of the percentage agreed in Article 3.3 of the Special Conditions.

## Article 26: Payments

26.1 Payment procedures shall be as follows:

- a) the Contracting Authority shall provide a first pre-financing instalment as set out in Article 4.1 of the Special Conditions within 30 days of receiving this Agreement signed by both Parties;
- b) the Organisation may submit a request for further pre-financing instalment for the following reporting period in accordance with Article 4 of the Special Conditions.

For EU External Actions, the following additional provisions shall apply:

- i) the reporting period is intended as a twelve-month period unless otherwise provided for in the Special Conditions. When the remaining period to the end of the Action is up to 18 months, the reporting period shall cover it entirely;
- ii) within 60 days following the end of the reporting period, the Organisation shall present an interim report or, if unable to do so, it shall inform the Contracting Authority of the reasons and provide a summary of progress of the Action;
- iii) if at the end of the reporting period the part of the expenditure actually incurred which is financed by the Contracting Authority is less than 70 % of the previous payments, the further pre-financing payment shall be reduced by the amount corresponding to the difference between the 70 % of the previous pre-financing payments and the part of the expenditure actually incurred which is financed by the Contracting Authority;
- iv) the Organisation may submit a request for further pre-financing payment before the end of the reporting period, when the part of the expenditure actually incurred which is financed by the Contracting Authority is more than 70 % of the previous payments. In this case, the following reporting period starts anew from the end date of the period covered by this payment request;
- v) the total sum of pre-financing payments may not exceed 95 % of the amount referred to in Article 3.2 of the Special Conditions, excluding not authorised contingencies;

For Actions other than EU External Actions, the additional following provision shall apply:

- vi) if, at the end of the reporting period, the financial report shows that less than 70 % of the previous pre-financing payment have been used to cover costs of the Action, the further pre-financing payment shall be reduced by the amount corresponding to the difference between the 70 % of the previous pre-financing payment and the part actually used;
- c) at the end of the Implementation Period, the Organisation shall submit a payment request for the balance together with the final report. The amount of the balance shall be determined following approval of the request for payment of the balance and of the final report;
- d) the Contracting Authority shall pay the further pre-financing instalments and the balance within 90 days of receiving a payment request accompanied by a progress or final report, unless the payment or the time limit for payment was suspended according to Article 12.1 to 12.5.

26.2 Payment requests shall be accompanied by narrative and financial reports presented in accordance with Article 3. Requests for pre-financing payments shall be drafted in Euro. Unless otherwise agreed in the Special Conditions, the payment request for the balance shall be submitted in the accounting currency of the Organisation for the Action. Except for the first pre-financing instalment, the payments shall be made upon approval of the payment request accompanied by a progress or final report. The final amount shall be established in line with Article 27. If the balance is negative, the payment of the balance takes the form of recovery.

26.3 Approval of the requests for payment and of the accompanying reports shall not imply recognition of the regularity or of the authenticity, completeness and correctness of the declarations and information contained therein.

26.4 The Contracting Authority shall make payments in Euro into the bank account referred to in the financial identification form in Annex IV.

If the currency of the payment request for the balance is not the Euro, the Contracting Authority shall convert into Euro the amount of balance at the daily rate published in the Official Journal of the European Union applicable on the day when the payment order, or if the balance is negative (surplus of amounts already paid over the final EU contribution) the recovery order, is recorded by the Contracting Authority. Where no daily Euro exchange rate is published in the Official Journal of the European Union for the currency in question, the monthly or daily accounting rate established by the Contracting Authority and published on its website shall be used.

### Late payment interest

26.5 In case of late payment of the amounts stated in Article 4 of the Special Conditions the following conditions apply:

- a) on expiry of the time limits for payments specified in Article 26.1, if the Organisation is not an EU Member State, it shall receive interest on late payment based on the rate applied by the European Central Bank for its main refinancing operations in Euros (Reference Rate), increased by three and a half percentage points. The reference rate shall be 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 EU;
- b) the suspension of the time limit for payment or of payments by the Contracting Authority in accordance with Article 12 shall not be considered as late payment;
- c) interest on late payment shall cover the period running from the day following the due date for payment, up to and including the date of actual payment as established in Article 26.1. Any partial payment shall first cover the interest;
- d) by way of exception to point (c), when the interest calculated in accordance with this provision is lower than or equal to EUR 200, the Contracting Authority shall pay such interest to the Organisation only upon request from the Organisation submitted within two months of it receiving late payment;
- e) by way of exception to point (c), when the Contracting Authority is not the European Commission, and the European Commission does not make the payments, the Organisation shall be entitled to late payment interest upon its request submitted within two months of it receiving late payment;
- f) the interest shall not be treated as an income for the purpose of determining the final amount of the EU contribution within the meaning of Article 27.

### Article 27: Final amount of the EU contribution

27.1 The Contracting Authority shall determine the final amount of the EU contribution when approving the Organisation's final report. The Contracting Authority shall then determine the balance:

- a) to be paid to the Organisation in accordance with Article 26 where the final amount of the EU contribution is higher than the total amounts already paid to the Organisation; or
- b) to be recovered from the Organisation in accordance with Article 15 where the final amount of the EU contribution is lower than the total amounts already paid to the Organisation.

27.2 Without prejudice to Article 28 the final amount shall be the lower of the following amounts:

- a) the amount obtained by applying the percentage laid down in Article 3.2 of the Special Conditions to the eligible costs of the Action approved by the Contracting Authority;
- b) the maximum ceiling in Article 3.2 of the Special Conditions in terms of the absolute value.
- c) the amount obtained after reduction of the EU contribution in accordance with article 27.3.

27.3 Where the Action is not implemented, is not implemented in line with the Agreement, is implemented partially or late, or if the Organisation has breached a substantial obligation under the Agreement, such as the obligations on access stated in Article 17, the Contracting Authority may, after allowing the Organisation to submit its observations (including proposal for remedial measures), reduce the EU contribution in proportion to the seriousness of the above mentioned situations. If there is a disagreement between the Organisation and the Contracting Authority on the reduction, the Organisation may refer the matter to the responsible director in the European Commission.

### Article 28: No Profit

28.1 The EU contribution may not produce a profit in the framework of the Action, unless specified otherwise in Article 7 of the Special Conditions. Profit is defined as a surplus of the receipts over the eligible costs approved by the Contracting Authority when the request for payment of the balance is made.

28.2 The receipts to be taken into account are the consolidated receipts on the date on which the payment request for the balance is made by the Organisation that fall within one of the two following categories:

- a) income generated by the Action, unless otherwise specified in the Special Conditions;

b) financial contributions specifically assigned by the donors to the financing of the same eligible costs financed by the Agreement and declared by the Organisation as actual costs under the Agreement. Any financial contribution that may be used by the Organisation to cover costs other than those eligible under this Agreement or that are not due to the donor where unused at the end of the Action are not to be considered as a receipt to be taken into account for the purpose of verifying whether the EU contribution produces a profit in the framework of the Action.

28.3 Where the final amount of the EU contribution determined in accordance with the Agreement would result in a profit, it shall be reduced by the percentage of the profit corresponding to the final EU contribution to the eligible costs actually incurred approved by the Contracting Authority.

28.4 The provisions in Articles 28.1 to 28.3 shall not apply to:

- a) Actions the objective of which is the reinforcement of the financial capacity of the Organisation or a Co-Beneficiary, if specified in Article 7 of the Special Conditions;
- b) Actions which generate an income to ensure their continuity beyond the end of this Agreement, if specified in Article 7 of the Special Conditions;
- c) EU contributions of EUR 60.000 or less.

## Article 29: Contracting and financial support to third parties

### Implementation contracts

29.1 Where the implementation of the Action requires the procurement of goods, works or services, the Organisation shall award the Procurement Contracts to the tender offering best value for money or, as appropriate, to the tender offering the lowest price. In doing so, it shall avoid any conflict of interests. For that purpose the Organisation may apply its procurement rules and procedures if these rules and procedures have been positively assessed by the European Commission.

29.2 In the field of EU External Actions:

- a) Where the Organisation or another donor provides co-financing to the Action<sup>8</sup>, the origin of the goods and the nationality of the organisations, companies and experts selected for carrying out activities in the Action shall be determined in accordance with the Organisation's relevant rules. However, and in any event, goods, organisations, companies and experts eligible under the applicable regulatory provisions of the European Union shall be eligible. Procedures to award Procurement Contracts may have been initiated and Procurement Contracts may be concluded by the Organisation before the start of the Implementation Period of the Action.
- b) The Contracting Authority may impose in the Special Conditions additional rules for the award procedures of Procurement Contracts above EUR 60.000 if the Organisation's procurement rules and procedures have not been positively assessed by the European Commission.
- c) Should the Organisation fail to comply with the conditions set out in points a) and b), the Contracting Authority may reduce its contribution to the Organisation in accordance with Article 27.3.

### Financial support to third parties

29.3 In order to support the achievement of the objectives of the Action, and in particular where the implementation of the Action requires financial support to be given to third parties, the Organisation may award financial support if so provided by the Special Conditions. The Organisation shall ensure that the Contracting Authority and the European Commission where it is not the Contracting Authority, OLAF, the European Court of Auditors and any authorised representatives may exercise their rights under Article 17 also towards the third parties awarded financial support.

29.4 To the extent relevant, the Organisation shall ensure that the conditions applicable to the Organisation under Articles 5-Conflict of interest, 8-Communication and visibility and 16-Accounts and archiving are also applicable to third parties awarded financial support.

29.5 The maximum amount of financial support shall be specified in Annex I and be limited to EUR 60.000 per each third party, except where one of the main purposes of the Action is to redistribute the EU

<sup>8</sup> The requirement of co-financing is deemed to be complied with where the total accepted costs are higher than the total eligible costs.

contribution.

- 29.6 The description of the Action in Annex I shall also define the types of entities eligible for financial support and include a fixed list with the types of activity which may be eligible for financial support. The criteria for the selection of the third party recipients of this financial support, including the criteria for determining its exact amount, shall also be specified.
- 29.7 The Contracting Authority shall consider the costs of financial support as ineligible if the financial support is not given by the Organisation in accordance with the conditions referred to in Articles 29.3, 29.5 and 29.6. The Contracting Authority may reduce its contribution to the Organisation if the third party recipient of financial support has substantially breached one of the obligations listed in Article 29.4, or if the third party recipient has not used the funds for the purpose foreseen in its agreement with the Organisation, if any.
- 29.8 In the field of EU External Actions, the Organisation shall provide in its report to the Contracting Authority information on the award and implementation of any financial support given. The report shall demonstrate compliance with the requirements defined in accordance with Article 29.5 and 29.6 1<sup>st</sup> sentence and describe the results achieved.

### Article 30: Multi-beneficiary agreements

- 30.1 Where the Organisation implements the Action together with Co-Beneficiaries, these General Conditions apply to Co-Beneficiaries mutatis mutandis, subject to the provisions of this Article 30.
- 30.2 The Organisation shall:
- a) monitor that the Action is implemented in accordance with this Agreement and ensure coordination with all Co-Beneficiaries in the implementation of the Action;
  - b) be the intermediary for all communications between the Co-Beneficiaries and the Contracting Authority;
  - c) be responsible for supplying all documents and information to the Contracting Authority which may be required under this Agreement, in particular in relation to the narrative reports and the requests for payment. Where information from the Co-Beneficiaries is required, the Organisation shall be responsible for obtaining, verifying and consolidating this information before passing it on to the Contracting Authority. Any information given, as well as any request made by the Organisation to the Contracting Authority, shall be deemed to have been given in agreement with all Co-Beneficiaries;
  - d) inform the Contracting Authority of any event likely to affect or delay the implementation of the Action;
  - e) inform the Contracting Authority of any change in the legal, financial, technical, organisational or ownership situation of any of the Co-Beneficiaries, as well as, of any change in the name, address or legal representative of any of the Co-Beneficiaries;
  - f) be responsible in the event of audits, checks, monitoring or evaluations, as described in Articles 10 and 17 for providing all the necessary documents, without prejudice to Article 30.8;
  - g) have full financial responsibility for ensuring that the Action is implemented in accordance with this Agreement. This includes the implementation done by the Co-Beneficiaries. By exception, where a Co-Beneficiary's pillars have been positively assessed by the European Commission and the Organisation can demonstrate that amounts to be recovered under this Agreement only relate to activities that have or should have been implemented by the Co-Beneficiary in accordance with Annex I, the Contracting Authority shall recover these amounts from that Co-Beneficiary.;
  - h) establish the payment requests in accordance with the Agreement;
  - i) be the sole recipient, on behalf of all of the Co-Beneficiaries, of the payments of the Contracting Authority. The Organisation shall ensure that the appropriate payments are then made to the Co-Beneficiaries without unjustified delay;
  - j) not delegate any, or part of, these tasks to the Co-Beneficiaries or other entities;
  - k) where relevant, repay funds to the Contracting Authority in line with Article 15.
- 30.3 The Organisation and the Co-Beneficiaries shall:

- a) carry out the Action jointly taking all necessary and reasonable measures to ensure that the Action is carried out in accordance with the description of the Action in Annex I and the terms and conditions of this Agreement;
  - b) be responsible for complying with any obligation incumbent on them jointly or individually;
  - c) ensure that the Organisation has or obtains the data needed to draw up the reports, financial statements and other information or documents required by this Agreement and the annexes thereto, as well as, without prejudice to Article 30.8, any information needed in the event of audits, checks, monitoring or evaluations, as described in Articles 10 and 17;
  - d) ensure that all information to be provided and requests made to the Contracting Authority are sent via the Organisation;
  - e) agree upon appropriate internal arrangements for the internal coordination and representation of the Co-Beneficiaries vis-a-vis the Contracting Authority for any matter concerning this Agreement, consistent with the provisions of this Agreement and in compliance with the applicable legislation(s).
- 30.4 In duly justified cases, the participation of a Co-Beneficiary in this Agreement may be terminated by the Organisation. To this purpose, the Organisation shall communicate to the Contracting Authority the reasons for the termination of its participation and the date on which the termination shall take effect, as well as a proposal on the reallocation of the tasks of the Co-Beneficiary whose participation is terminated, or on its possible replacement. The proposal shall be sent in good time before the termination is due to take effect. If the Contracting Authority agrees, the Agreement shall be amended accordingly in conformity with Article 11. If the Contracting Authority does not agree, either Party may terminate the Agreement in accordance with Article 13.3.
- 30.5 In duly justified cases, the Contracting Authority may suspend the participation of a Co-Beneficiary in the Agreement for the reasons referred to in Article 12.6 or terminate the participation of a Co-Beneficiary in the Agreement for the reasons referred to in Article 13.1.
- 30.6 In the case of termination of the participation of a Co-Beneficiary in accordance with Article 30.5, the request for payment for the Co-Beneficiary concerned shall be included in the next payment request following termination communicated by the Organisation.
- 30.7 The ceiling of EUR 60.000 for simplified cost options set forth under Article 25.2 applies to the Organisation and each Co-Beneficiary individually. Indirect costs shall not be eligible under the Agreement for a Co-Beneficiary who already receives an operating grant financed from the European Union budget during the period in question. Where the budget of the Action includes a breakdown per Co-Beneficiary and the Organisation, the Organisation and the Co-Beneficiaries are allowed to adjust the budget by transfers between themselves without an amendment to the Agreement.
- 30.8 Unless otherwise specified in the Special Conditions, where the Organisation and a Co-Beneficiary have both concluded framework agreements with the European Commission only the framework agreement of the Organisation shall apply for the purpose of this Agreement. Notwithstanding the foregoing, where a Co-Beneficiary has agreed on arrangements for verifications as part of a framework agreement such arrangements shall continue to apply.

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**ANNEX III**  
**Budget for the Action**

2016/372-856

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Budget for the Action<sup>1</sup>

Costs	All Years				Year 1 <sup>2</sup>			
	Unit <sup>13</sup>	# of units	Unit value (in EUR)	Total Cost (in EUR) <sup>3</sup>	Unit	# of units	Unit value (in EUR)	Total Cost (in EUR)
<b>Human Resources</b>								
1 Salaries (gross salaries including social security charges and other related costs, local staff) <sup>2</sup>								
1.1.1 Technical								
1.1.1.1 Project Manager	Per month	12	9,800	117,600	Per month	12	9,800	117,600
1.1.1.2 Project Officer	Per month	12	1,800	21,600	Per month	12	1,800	21,600
1.1.2 Project Officer	Per month	12	1,800	21,600	Per month	12	1,800	21,600
1.1.2 Administrative/ support staff			0	0				
1.1.2.1 Administrative Assistant	Per month	12	1,000	12,000	Per month	12	1,000	12,000
2 Salaries (gross salaries including social security charges and other related costs, expat/int. staff)				0				
3 Per diems for missions/travel <sup>5</sup>				0				
1.3.1 Abroad (staff assigned to the Action)	Per diem	4	220	880	Per diem	4	220	880
1.3.2 Local (staff assigned to the Action)	Per diem	20	90	1,800	Per diem	20	90	1,800
1.3.3 Seminar/conference participants	Per diem	6	300	1,800	Per diem	6	300	1,800
<b>ibtotal Human Resources</b>				<b>177,280</b>				<b>177,280</b>
<b>Travel<sup>6</sup></b>								
1 International travel	Per trip	2	700	1,400	Per trip	2	700	1,400
2 Local transportation	Per month	12	40	480	Per month	12	40	480
<b>ibtotal Travel</b>				<b>1,880</b>				<b>1,880</b>
<b>Equipment and supplies<sup>7</sup></b>								
1 Purchase of vehicles	Per vehicle	1	18,000	18,000	Per vehicle	1	18,000	18,000
2 Furniture, computer equipment			0	0				
2.1 Computers	Per unit	4	700	2,800	Per unit	4	700	2,800
2.2 All in one (printer, scanner, photocopy)	Per unit	1	600	600	Per unit	1	600	600
2.3 Working stations (desk, shelves)	Per unit	4	500	2,000	Per unit	4	500	2,000
3 Machines, tools...			0	0				
3.1 Telephones	Per unit	4	40	160	Per unit	4	40	160
5 Other (please specify)								
<b>ibtotal Equipment and supplies</b>				<b>23,560</b>				<b>23,560</b>
<b>Local office</b>								
1 Vehicle costs (fuel, insurance, annual taxes)	Per month	12	200	2,400	Per month	12	200	2,400
2 Office rent	Per month	12	600	7,200	Per month	12	600	7,200
3 Consumables - office supplies	Per month	12	150	1,800	Per month	12	150	1,800
4 Other services (tel/fax, electricity/heating, maintenance)	Per month	12	200	2,400	Per month	12	200	2,400
<b>ibtotal Local office</b>				<b>13,800</b>				<b>13,800</b>
<b>Other costs, services<sup>8</sup></b>								
1 Publications <sup>9</sup>								
2 Studies, research <sup>8</sup>								
3 Expenditure verification/Audit	Per audit		0	0	Per audit			0
4 Evaluation costs								
4.2 Final Evaluation	Per report	1	10,000	10,000	Per report	1	10,000	10,000

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1. Budget for the Action<sup>1</sup>

	All Years				Year 1 <sup>2</sup>			
	Unit <sup>13</sup>	# of units	Unit value (in EUR)	Total Cost (in EUR) <sup>3</sup>	Unit	# of units	Unit value (in EUR)	Total Cost (in EUR)
Costs								
5.5 Translation, interpreters - Interpretation	Per day	50	90	4,500	Per day	50	90	4,500
5.5.1 Translation costs	Per page	300	10	3,000	Per page	300	10	3,000
5.6 Costs of conferences/seminars <sup>9</sup>				0				
5.6.1 Project Inception Workshop	Per workshop	3	500	1,500	Per workshop	3	500	1,500
5.7 Visibility actions <sup>10</sup>				0				
5.7.1 Kick-Off event	Per event	1	800	800	Per event	1	800	800
5.7.2 Leaflets (design, printing, distribution)	Per copy	600	1	600	Per copy	600	1	600
5.7.3 Billboards	Per unit	8	300	2,400	Per unit	8	300	2,400
5.7.4 Audio Visual Advertisements	Per unit	4	1,500	6,000	Per unit	4	1,500	6,000
5.7.5 Public events (Signature event, completion of infrastructure works, closure of the action)	Per event	6	800	4,800	Per event	6	800	4,800
<b>Subtotal Other costs, services</b>				<b>33,600</b>				<b>33,600</b>
6. Other								
6.1 Output 1: Capacity for promotion and monitoring of religious cultural heritage is improved in four target municipalities; municipality-citizen-KP co-ordination mechanisms established and consolidated; inter-municipality co-operative mechanisms established and consolidated; trust increased among the stakeholders at municipal level.								
6.1.1 Design and drafting of media campaigns	days	20	150	3,000	days	20	150	3,000
6.1.1.1 Local consultants to design media campaign	Per event	2	1,000	2,000	Per event	2	1,000	2,000
6.1.1.2 Workshops to improve trust between municipalities and authorities	Per material	1	2,000	2,000	Per material	1	2,000	2,000
6.1.1.3 Printed materials	Per event	4	300	1,200	Per event	4	300	1,200
6.1.1.4 Consultation meetings	Per activity	1	1,500	1,500	Per activity	1	1,500	1,500
6.1.1.5 Outreach activities within communities				0				
6.1.2 KP outreach programme with community leaders and groups, including educational component								
6.1.2.1 KP advisory and educational sessions with community	Session	5	500	2,500	Session	5	500	2,500
6.1.2.2 Workshops for improving inter-community trust	Per event	2	1,000	2,000	Per event	2	1,000	2,000
6.1.2.3 Educational activities	Per event	4	500	2,000	Per event	4	500	2,000
6.1.2.4 Outreach activities with communities	Per event	8	200	1,600	Per event	8	200	1,600
6.1.2.5 Develop, print and distribute the educational materials to communities	Per copy	2000	1	2,000	Per copy	2000	1	2,000
6.2 Output 2: At least four urban regeneration projects implemented for at least four selected sites of religious and cultural significance, including the public areas in the immediate vicinity of those sites; mobilisation of each community for the remediation of the sites of the "other" community								
				19,800				19,800

**Budget for the Action<sup>1</sup>**

Costs	All Years				Year 1 <sup>2</sup>			
	Unit <sup>3</sup>	# of units	Unit value (in EUR)	Total Cost (in EUR) <sup>4</sup>	Unit	# of units	Unit value (in EUR)	Total Cost (in EUR)
1.1 Inter-municipality "best practices" awareness raising events, development of plan for peer-exchange knowledge transfer among municipal authorities								
1.1.1 Needs assessment consultant	Per day	15	150	2,250	Per day	15	150	2,250
1.1.2 Workshops to present findings of report and best practices	Per event	2	1,000	2,000	Per event	2	1,000	2,000
1.1.3 Coordination meetings for planning and development	Per meeting	2	150	300	Per meeting	2	150	300
1.1.4 Awareness raising activities	Per event	2	300	600	Per event	2	300	600
1.1.5 Best Practices report prepared and published by UNDP	Per report	1	5,000	5,000	Per report	1	5,000	5,000
1.2 Selected renovation/rehabilitation works for prioritized sites and adjacent areas			0					
2.1 Contracts/cleaning, repair, public safety, improvement, and beautification.	contracts		1,070,200	1,070,200	contracts		1,070,200	1,070,200
				1,080,350				1,080,350
Output 3: Improved operational capacity of KP and of municipal authorities in the protection of religious and cultural heritage (RCH).								
1 Capacity development, including both training and advisory/material support, for BCH Unit within the KP								
1.1 Educational activities and advisory support for KP BCH Unit to affect the RCH sites								
1.1.1 Educational activities and advisory support for KP BCH Unit to affect the RCH sites	Per session	3	500	1,500	Per session	3	500	1,500
1.1.2 Advisory workshop	Per event	1	2,000	2,000	Per event	1	2,000	2,000
1.1.3 Trainer for municipal RCH training	Per day	5	150	750	Per day	5	150	750
1.1.4 Material support	Per material	1	500	500	Per material	1	500	500
2 Facilitated establishment of standing mechanisms for municipality-community-KP co-ordination and inter-municipality co-ordination (joint management forum for Cultural Protection)				0				
2.1 Consultations/Coordination meetings	Per meeting	8	300	2,400	Per meeting	8	300	2,400
3 Needs assessment and prioritization for development of operational capacity of BCH; competitive tendering for material requirements.				0				
3.1 Local consultant for needs assessment and procurement support	Per day	10	150	1,500	Per day	10	150	1,500
3.2 Meeting for reporting of findings and material requirements for BCH	Per meeting	2	150	300	Per meeting	2	150	300
3.3 Materials required by BCH unit based on needs assessment	Per material	1	20,000	20,000	Per material	1	20,000	20,000

1. Budget for the Action<sup>1</sup>

Costs	Unit <sup>13</sup>	# of units	All Years			Year 1 <sup>2</sup>		
			Unit Value (in EUR)	Total Cost (in EUR) <sup>3</sup>	Unit	# of units	Unit Value (in EUR)	Total Cost (in EUR)
6.3.4 Facilitated study visits to EU Member states and Candidate country policing formations, including hands-on exposure to event management and protection of sensitive sites.				0				
6.3.4.1 Organization of exchange visits (United Kingdom)	Per event	2	22,000	44,000	Per event	2	22,000	44,000
6.3.4.2 Conference to share lessons learned	Per event	1	6,000	6,000	Per event	1	6,000	6,000
6.3.4.3 Consultant for workshop facilitation	Per day	5	850	4,250	Per day	5	850	4,250
6.3.5 Joint KP-municipality prioritization exercises to develop and implement local plans for physical security and community outreach.				0				
6.3.5.1 Conduct the exercise on implementation of local plans	Per event	4	500	2,000	Per event	4	500	2,000
6.3.5.2 Community outreach exercises	Per event	4	800	3,200	Per event	4	800	3,200
6.3.5.3 International Consultant for security plan development	Per day	5	850	4,250	Per day	5	850	4,250
6.3.5.4 Workshop on implementation of plans	Per event	1	1,500	1,500	Per event	1	1,500	1,500
<b>Subtotal Other</b>				94,150				94,150
<b>7. Subtotal direct eligible costs of the Action (1-6)</b>				1,194,300				1,194,300
8. Indirect costs (maximum 7% of 7, subtotal of direct eligible costs of the Action)				101,109				101,109
<b>9. Total eligible costs of the Action (7+ 8)</b>				1,545,529				1,545,529
10. Provision for contingency reserve (maximum 5% of 7, subtotal of direct eligible costs of the Action)				14,471				14,471
<b>11. Total eligible costs (9+10)</b>				1,560,000				1,560,000
12. - Taxes <sup>11</sup>								
- Contributions in kind <sup>12</sup>								
<b>13. Total accepted<sup>11</sup> costs of the Action (11+12)</b>				1,560,000				1,560,000

2. Justification of the Budget for the Action

	<p><b>Clarification of the budget items</b>  <i>Provide a narrative clarification of each budget item demonstrating the necessity of the costs and how they relate to the action (e.g. through references to the activities and/or results in the Description of the Action).</i></p>
<p>1. Human Resources                      1.1 Salaries (gross salaries including social security charges and other related costs, local staff)                      1.1.1 Technical</p>	
<p>1.1.1.1 Project Manager</p>	<p>Full time PM and will be in charge of the overall management of the action, coordination with partners and stakeholders. Gross salaries correspond to the usual remuneration practices of the UN and they don't include any indirect costs, provisions or reserves and bonuses.</p>
<p>1.1.1.2 Project Officer</p>	<p>1 Local PO to oversee and coordinate component 1 and 3 of the project</p>
<p>1.1.2.3 Project Officer</p>	<p>1 Local PO to oversee and coordinate the day-to-day activities of component 2. This will be an engineering/construction specialist as they will be in charge of the rehabilitation of the sites.</p>
<p>1.1.2 Administrative/ support staff</p>	

**2. Justification of the Budget for the Action**

	<p><b>Clarification of the budget items</b>  <i>Provide a narrative clarification of each budget item demonstrating the necessity of the costs and how they relate to the action (e.g. through references to the activities and/or results in the Description of the Action).</i></p>
<p><b>1.1.2.1 Administrative Assistant</b></p>	<p>In charge of project administrative processes. Reports to the PM. Assistant supports the day-to-day implementation of project activities providing administration, logistics and other support to project manager and also keeping records and documentation for any project payments.</p>
<p><b>1.2 Salaries (gross salaries including social security charges and other related costs, expat/int staff)</b></p>	
<p><b>1.3 Per diems for missions/travels</b></p>	



2. Justification of the Budget for the Action

	<p><b>Clarification of the budget items</b>  <i>Provide a narrative clarification of each budget item demonstrating the necessity of the costs and how they relate to the action (e.g. through references to the activities and/or results in the Description of the Action).</i></p>
<p>1.3.1 Abroad (staff assigned to the Action)</p>	<p>Per diem for project staff to travel in the region for field visit and other exchange visits envisaged in the action</p>
<p>1.3.2 Local (staff assigned to the Action)</p>	<p>National staff traveling within Kosovo</p>
<p>1.3.3 Seminar/conference participants</p>	<p>Per diem for project staff traveling abroad to attend seminars/conferences (e.g. Dublin)</p>
<p><b>Subtotal Human Resources</b>  <b>2. Travel</b></p>	
<p>2.1. International travel</p>	<p>Return Airplane fares or transportation by car when in the region. When traveling by car compensation on max. €0.17/km</p>
<p>2.2 Local transportation</p>	<p>Envisaged for transportation within Kosovo for PMT</p>
<p><b>Subtotal Travel</b></p>	
<p><b>3. Equipment and supplies</b></p>	
<p>3.1 Purchase of vehicles</p>	<p>UNDP will buy a new project car to facilitate project implementation. Project car will be donated to project beneficiaries at the end of the project duration.</p>
<p><b>3.2 Furniture, computer equipment</b></p>	
<p>3.2.1 Computers</p>	<p>4 PCs for PM, Project Officers and Amin Assistant</p>
<p>3.2.2 All in one (printer, scanner, photocopy)</p>	<p>1 unit for PM, Project Officers and Amin Assistant</p>

2013.1

2. Justification of the Budget for the Action	Clarification of the budget items Provide a narrative clarification of each budget item demonstrating the necessity of the costs and how they relate to the action (e.g. through references to the activities and/or results in the Description of the Action)
3.2.3 Working stations (desk, shelves)	4 units for PM, Project Officers and Amin Assistant
3.3 Machines, tools,...	
3.3.1 Telephones	Four desk phones for the project team
3.5 Other (please specify)	
<i>Subtotal Equipment and supplies</i>	
4. Local office	Costs include fuel, insurance, annual taxes,
4.1 Vehicle costs (fuel, insurance, annual taxes)	
4.2 Office rent	Office rented for the project team based on UNDP rules of contracting
4.3 Consumables - office supplies	Office supply for normal operation of project office
4.4 Other services (tel/fax, electricity/heating, maintenance)	Cleaning services, electricity bills, office phone and fax costs, heating.
<i>Subtotal Local office</i>	
5. Other costs, services	
5.1 Publications	

## 2. Justification of the Budget for the Action

	<p><b>Clarification of the budget items</b>  <i>Provide a narrative clarification of each budget item demonstrating the necessity of the costs and how they relate to the action (e.g. through references to the activities and/or results in the Description of the Action).</i></p>
5.2 Studies, research9	
5.3 Expenditure verification/Audit	
5.4 Evaluation costs	
5.4.2 Final Evaluation	An external international evaluator is contracted to perform a final project evaluation
5.5 Translation, interpreters - Interpretation	Interpretation for English, Albanian and Serbian languages in meetings, events, etc.
5.5.1 Translation costs	Translation of documentation, training and other materials not envisaged elsewhere in the budget. The number of pages is an estimate.
5.6 Costs of conferences/seminars9	
5.6.1 Project Inception Workshop	Three project inception workshops are planned where partners can meet, rehabilitation sites can be selected and work plans can be finalized
5.7- Visibility actions10	
5.7.1 Kick-Off event	Official ceremony to launch the project in 4 proposed municipalities in the action document
5.7.2 Leaflets (design, printing, distribution)	Produced to inform communities and other stakeholders about the project
5.7.3 Billboards	Will be placed in all four municipalities
5.7.4 Audio Visual Advertisements	Will be produced to ensure proper visibility and awareness raising in the community
5.7.5 Public events (Signature event, completion of infrastructure works, closure of the action)	6 public events organized to inform the public on the achievement of the project, based on given milestones
<i>Subtotal Other costs, services</i>	
6.1 Output 1: Capacity for promotion and monitoring of religious cultural heritage is improved in four target municipalities; municipality-citizen-KP co-ordination mechanisms established and consolidated; inter-municipality co-operative mechanisms established and consolidated; trust increased among the stakeholders at municipal level.	
6.1.1 Design and drafting of media campaigns	

**2. Justification of the Budget for the Action**

	<p><b>Clarification of the budget items</b>  <i>Provide a narrative clarification of each budget item demonstrating the necessity of the costs and how they relate to the action (e.g. through references to the activities and/or results in the Description of the Action).</i></p>
<p>6.1.1.1 Local consultants to design media campaign</p>	<p>Local consultant for 20 days to help draft the media campaign for communication and public relations activities with the communities and KP. This activity includes training activities for the community leaders and groups, facilitated by the KP and EULEX, to develop and implement a public safety and community policing programme. EULEX will facilitate three, one day advisory and educational sessions for the communities affected by the interventions. Each training activity will include members of the KP, communities and municipalities. A local consultant will be hired for five days to conduct the trainings. 20 participants will receive training.</p>
<p>6.1.1.2 Workshops to improve trust between municipalities and authorities</p>	<p>Two workshops held to present the public outreach activities to the selected communities and municipalities as a way to build trust between communities, as stated in the budget two workshops will be conducted to improve trust between municipalities and authorities. The number of people taking part in the workshop will be 30, facilitated by UNDP with the support of the KP and EULEX. The number of trainees will be 2 and it will be one 2 day workshops. The objective of the workshop is to introduce the community to the KP BCH unit, their tasks and responsibilities and to increase communication between the two groups.</p>
<p>6.1.1.3 Printed materials</p>	<p>Printed leaflets will describe the project activities, partners and donors to the public and stakeholders</p>
<p>6.1.1.4 Consultation meetings</p>	<p>Consultative face to face meetings held between consultant, communities and KP</p>
<p>6.1.1.5 Outreach activities within communities including educational programme with community leaders and groups,</p>	<p>Outreach activities for youth and schools done through EULEX and KP with support of consultant</p>
<p>6.1.2.1 KP advisory and educational sessions with community</p>	<p>5 sessions will be facilitated by EULEX to develop and roll out a public safety and community policing programme</p>

## 2. Justification of the Budget for the Action

	<p><b>Clarification of the budget items</b>  <i>Provide a narrative clarification of each budget item demonstrating the necessity of the costs and how they relate to the action (e.g. through references to the activities and/or results in the Description of the Action).</i></p>
<p><b>6.1.2.2 Workshops for improving inter-community trust</b></p>	<p>Two workshops are to increase inter-community trust which will be facilitated by EULEX and KP. These two workshops are designed to improve trust between communities. They will be two one day workshops. Ideally a large number of community members will join but at least 50 should be part of the workshop. The workshops will be held to present the public outreach activities to the selected communities and municipalities as a way to build trust between communities. Members from both communities will be invited to engage in and view the public safety and community policing programme directly. The workshop will be implemented by JUNDP but the program will be presented through the KP and EULEX as they hold the best practice knowledge.</p>
<p><b>6.1.2.3 Educational activities</b></p>	<p>Through school visits, young community members will be taught self-policing of the neighbourhoods and respect of the "others" culture</p>
<p><b>6.1.2.4 Outreach activities with communities</b></p>	<p>8 events with the communities to present the outreach programme and receive community input</p>
<p><b>6.1.2.5 Develop, print and distribute the educational materials to communities</b></p>	<p>UNDP will develop, print and distribute the educational materials to various communities to further knowledge of the works done and allow other communities to get involved</p>
<p><b>6.2 Output 2: At least four urban regeneration projects implemented for at least four selected sites of religious and cultural significance, including the public areas in the immediate vicinity of those sites.</b>  <b>6.2.1 Inter-municipality "best practices" awareness raising events, development of plan for peer-exchange knowledge transfer among municipal authorities</b></p>	
<p><b>6.2.1.1 Needs assessment consultant</b></p>	<p>A local consultant will be hired for 15 days. The consultant will complete a needs assessment and develop a peer-exchange knowledge transfer system</p>

2. Justification of the Budget for the Action

	<p><b>Clarification of the budget items</b>  <i>Provide a narrative clarification for each budget item demonstrating the necessity of the costs and how they relate to the action (e.g. through references to the activities and/or results in the Description of the Action).</i></p>
<p>6.2.1.2 Workshops to present findings of report and best practices</p>	<p>Workshop to present the findings of the report and best practice. This will be two one day events. The needs assessment will be facilitated by the consultant hired and supported through EULEX. UNDP will plan and implement the workshop. Through a needs assessment and development of a peer-exchange knowledge transfer system by a local consultant coordination among municipalities will be increased. The consultant will speak to selected communities, religious and cultural leaders, and members of the municipalities through face to face meetings. The consultant will then present the findings and report in the first planned workshop, while the second workshop will be held to develop and discuss the awareness raising activities. 15 people will participate in the workshop.</p>
<p>6.2.1.3 Coordination meetings for planning and development</p>	<p>Two coordination and planning meetings held to gather information and plan for the workshop to develop awareness raising initiatives</p>
<p>6.2.1.4 Awareness raising activities</p>	<p>Awareness raising activities within the communities to allow an exchange of "best practice" through organisation of two workshops</p>
<p>6.2.1.5 Best Practices report prepared and published by UNDP</p>	<p>UNDP will research, write and publish a Best Practices report at the conclusion of the project to be shared with municipalities, international organizations, KP, and the public.</p>
<p>6.2.2 Selected renovation/rehabilitation works for prioritized sites and adjacent areas</p>	
<p>6.2.2.1 Contracts/cleaning, repair, public safety, improvement, and beautification.</p>	<p>Companies selected through UNDP procurement process to complete the renovation, rehabilitation and beautification works of selected sites.</p>
<p>6.3 Output 3: Improved operational capacity of KP and of municipal authorities in the protection of religious and cultural heritage (RCH).</p>	
<p>6.3.1 Capacity development, including both training and advisory/material support, for BCH Unit within the KP</p>	
<p>6.3.1.1 Educational activities and advisory support for KP BCH Unit to protect the RCH sites</p>	<p>Three training sessions for the KP BCH unit to further develop their capacities</p>

## 2. Justification of the Budget for the Action

	<b>Clarification of the budget items</b> <i>Provide a narrative clarification of each budget item demonstrating the necessity of the costs and how they relate to the action (e.g. through references to the activities and/or results in the Description of the Action).</i>
6.3.1.2 Advisory workshop	<p>Workshop, EULEX will support the new BCH unit within the KP in an advisory capacity to develop and roll out a public safety and community policing programme for the communities in which the remediation works will be undertaken through advisory and an educational programme. A workshop facilitator will be hired to aid EULEX in developing the public safety and community policing programme, as well as facilitate the workshop. This will be one two day event with the objective being to present public safety and community policing programme to the communities, more specifically the municipalities so they can be advised as to how best implement the new policing plans. At least 20 people should take part in the workshop.</p>
6.3.1.3 Trainer for municipal RCH training	<p>A local trainer will be hired for 5 days to aid in the workshop where best practices will be shared and training needs identified.</p>
6.3.1.4 Material support	<p>Material support such as Best Practice reports and other training materials needed for the workshop and training</p>
6.3.2 Facilitated establishment of standing mechanisms for Municipality-community-KP co-ordination and inter-municipality co-operation (joint management forum for Cultural Protection)	<p>Consultancy contracted @40 days to develop 2 business plans for the Amphitheatre and the Tourism centre based on PPP model</p>
6.3.2.1 Consultations/Coordination meetings	<p>Monthly coordination meetings will be established (planned for 8)</p>
6.3.3 Needs assessment and prioritization for development of operational capacity of BCH; competitive tendering for material requirements.	
6.3.3.1 Local consultant for needs assessment and procurement support	<p>Local consultant will be hired for 10 days for the completion of a needs assessment for the KP BCH unit</p>
6.3.3.2 Meeting for reporting of findings and material requirements for BCH unit	<p>Two meetings will be organized to share findings of needs assessment with KP and partners</p>
6.3.3.3 Materials required by BCH unit based on needs assessment	<p>Materials needs identified and procured through UNDP rules and regulations</p>
6.3.4 Facilitated study visits to EU Member states and Candidate country policing formations, including hands-on exposure to event management and protection of sensitive sites.	
6.3.4.1 Organization of exchange visits (United Kingdom)	<p>The amounts planned is to have two study visits with a budget of 22,000 euro each. The study visits are planned to be 3-4 days in length. This is based on 7 participants. This is approximately 3,140 euro per person. This would cover flight, visa, DSA for each participant based on UNDP rates.</p>

**2. Justification of the Budget for the Action**

	<p><b>Clarification of the budget items</b>  <i>Provide a narrative clarification of each budget item demonstrating the necessity of the costs and how they relate to the action (e.g. through references to the activities and/or results in the Description of the Action).</i></p>
<p>6.3.4.2 Conference to share lessons learned</p>	<p>1.3.4.2 Conference to share lessons learned</p>
<p>6.3.4.3 Consultant for workshop facilitation</p>	<p>The lessons learned conference is designed to evaluate the overall impact to structures and processes at all levels of the RoL system in Kosovo relevant to Religious and Cultural Protection. In addition, the lessons learned conference may be able to identify strengths of the approach used by Kosovo authorities and local government to add to the milieu of norms and best practices in the field of expertise. The overall purpose is to develop a publication for academic and expert consumption that encompasses the successes and challenges of the integrated Kosovo approach that helps to strengthen the universe of ideas on best practices in this regard.</p>
<p>6.3.5 Joint KP-municipality prioritization exercises to develop and implement local plans for physical security and community outreach.</p>	<p>The conference will invite intentional experts on RCH to share their experiences as well as members of communities, religious leaders, municipalities and government. It will be one, two day event which will be planned and implemented by UNDP. EULEX will support in expertise and workshop facilitation. The conference is expected to have 70 participants.</p>
<p>6.3.5.1 Conduct the exercise on implementation of local plans</p>	<p>4 exercises with KP, facilitated by EULEX to advise and implement community safety plans. Conduct the exercise on implementation of local plans. EULEX will support KP and municipality through advisory services to develop and implement local plans and exercises for physical security and community outreach. Through four, one day training events, which will be facilitated by an international expert and EULEX, the KP BCH unit will be trained on the implementation of the local security plans. The number of KP trained will be 15</p>
<p>6.3.5.2 Community outreach exercises</p>	<p>Each community selected for rehabilitation works will have community outreach exercises to share the role of the KP BCH unit and how they can participate and benefit from local security plans</p>
<p>6.3.5.3 International Consultant for security plan development</p>	<p>An international consultant will be hired for 5 days to aid in developing a local plan for security and community outreach. Consultant will also aid in drafting a work plan for implementation.</p>



2. Justification of the Budget for the Action

	<p><b>Clarification of the budget items</b>                      Provide a narrative clarification of each budget item demonstrating the necessity of the costs and how they relate to the action (e.g. through references to the activities and/or results in the Description of the Action).</p>
<p>6.3.5.4 Workshop on implementation of plans</p>	<p>workshop on implementation of plans. This will be one, two day workshop with communities to help better understand the security implementation plan. The workshop will be planned and implemented by UNDP and facilitated by EULEX, through support of the KP. It is planned that members of all selected sites/communities will be present. There will be at least 30 participants.</p>
<p><b>Subtotal Other</b></p>	
<p>7. Subtotal direct eligible costs of the Action (1-6)</p>	<p>1,444,420</p>
<p>8. Indirect costs (maximum 7% of 7, subtotal of direct eligible costs of the Action)</p>	<p>101,109</p>
<p>9. Total eligible costs of the Action (7+ 8)</p>	<p>1,545,529</p>
<p>10. Provision for contingency reserve (maximum 5% of 7, subtotal of direct eligible costs of the Action)</p>	<p>14,471</p>
<p>11. Total eligible costs (9+10)</p>	<p>1,560,000</p>
<p>12. - Taxes 11 - Contributions in kind 12</p>	<p>0</p>
<p>13. Total accepted<sup>11</sup> costs of the Action (11+12)</p>	<p>1,560,000</p>

All Years

**Justification of the estimated costs**

*Provide a justification of the calculation of the estimated costs. Note that the estimation should be based on real costs or on simplified cost options if allowed, as described in section 2.1.5 of the Guidelines for Grants Applicants.*

Gross salaries correspond to the usual remuneration practices of the UN and they don't include any indirect costs, provisions or reserves and bonuses.

Salary proposed within the range of the UN's rates for senior PM with >7 yrs of relevant experience. An international project manager is suggested given the sensitive nature of the project.

Salary proposed within the range of UNDP's rates for PO with >5 yrs of relevant experience. Projects cannot be run by the Kosovo government so adequate project staff must be hired for the project to fully function.

Salary proposed within the range of UNDP's rates for PO with >5 yrs of relevant experience

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All Years

**Justification of the estimated costs**

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The project administrative assistant will be contracted only for the duration of the project. He/she is responsible for administrative processes related to specific project activities and reports to the project manager. Assistant helps to ensure the timely implementation of activities related to the description of action and his/her role is limited to providing administrative and logistical to the project manager and the rest of the project team. As per article 7.1 of the EU special conditions, this budget line is for administrative and support staff, directly assigned to the operations of local infrastructure. He/she has no responsibility for funds management or budget management. Specific responsibilities will include:

**D. Administration and Logistics (covering sections 4; 5; 6):**

- Prepares and sends invitations for official launch event, drafts agenda, arranges travel for participants, orders catering.
- For advisory workshops, workshop on implementation of plans, as well as workshops to improve trust between municipalities and authorities, for improving inter-community trust, and to present findings of reports and best practices, prepares and sends agenda, drafts and sends invitations, identifies workshop locations, takes notes at meetings with stakeholders to discuss needs and ideas for workshops, prepares workshop outlines with project manager, take notes at the workshop to share with partners afterwards, and organizes catering.
- For other meetings for project planning, consultations, coordination and review: identifies location if needed, takes notes at meetings, sends invitations if required, organizes catering if needed.
- For awareness-raising activities, prepares and drafts agenda, prepares and sends invitations, identifies location for activities, takes notes at meetings with stakeholders to discuss needs and ideas for awareness-raising, prepares activity outlines with project manager, takes notes at the activities to share with partners afterwards, organizes catering, and prepares and facilitates specific activities as required.
- For organization of exchange visits, makes travel arrangements for participants (including flight, hotel, visa), drafts and sends invitation letters, drafts and prepares agendas, prepares background and logistical materials for participants, and organizes transportation and meetings in study visit location.
- For conference to share lessons learned, prepares and sends agenda, drafts and sends invitations, identifies conference location, takes notes at meetings with stakeholders to discuss needs and ideas for conference, prepares conference outlines with project manager, takes notes at the conference to share with partners afterwards, and organizes catering.
- For community outreach exercises (€ in total), prepares and sends agenda, drafts and sends invitations, identifies locations, prepares background documentation, and other support activities as required.
- For project board meetings, prepares and sends agenda, drafts and sends invitations, prepares documentation including printing of reports and documents, takes notes at the project board meeting to share with partners afterwards, organizes catering if required, ensures required equipment is circulated in advance of meetings.

**E. Outreach activities as per the visibility plan:**

- Ensure logistical and administrative actions in the communication and collaboration with partners.
- Maintain communication and provide required information on behalf of the projects to the UNDP office operations section and ensure efficient exchange of information between the UNDP Kosovo office and project teams.

All Years

**Justification of the estimated costs**

Provide a justification of the calculation of the estimated costs. Note that the estimation should be based on real costs or on simplified cost options if allowed, as described in section 2.1.5 of the Guidelines for Grants Applicants

Calculations based on average UNDP DSA/Per diem rates applicable for European countries. While it is not envisaged directly that project staff will travel in the region for the purpose of the project, there may be an opportunity to see RCH protection and best practice in the region. We have decreased the costs in the budget by decreasing the number of days travelled.

Calculations based on current UNDP DSA/Per diem rates for Kosovo (out of Prishtina).

Calculations based on average UNDP DSA/Per diem rates applicable for European countries

Average rate for economy/ Rate of the UNDP for compensation of travel costs per kilometer. While it is not envisaged directly that project staff will travel in the region for the purpose of the project, there may be an opportunity to see RCH protection and best practice abroad. We have decreased the costs in the budget by decreasing the travel.

Global amount at €40/month

Global amount based on estimations for a new car respecting country of origin rule. Upon completion of the project, the vehicle, will be donated to the KPBGH unit

Based on average rates UNDP gets from its LTA suppliers, respecting country of origin rule. Upon completion of the project, the items, will be donated to the KPBGH unit

Based on average rates UNDP gets from its LTA suppliers, respecting country of origin rule. Upon completion of the project, the items, will be donated to the KPBGH unit

2013.1

All Years

**Justification of the estimated costs**

*Provide a justification of the calculation of the estimated costs. Note that the estimation should be based on real costs or on simplified cost options if allowed, as described in section 2.1.5 of the Guidelines for Grants Applicants*

Based on average rates UNDP gets from its LTA suppliers, respecting country of origin rule. Upon completion of the project, the items, will be donated to the KPBCCH unit

Based on the local market prices

Global amount @ €160/month

The fee proposed is based on average fee UNDP pays for project offices in Kosovo. It is envisaged the field office will be based in Pristina due to equidistance from potential target municipalities

Based on average monthly costs of other UNDP project Offices in Kosovo

Based on average monthly costs of other UNDP project Offices in Kosovo

All Years

Justification of the estimated costs

Provide a justification of the calculation of the estimated costs. Note that the estimation should be based on real costs or on simplified cost options if allowed, as described in section 2.1.5 of the Guidelines for Grants Applicants

Fee proposed based on average rates UNDP applies for experienced evaluation experts >7 yrs

Fee for interpretation is based on average rates UNDP receives for such a service.

Fee per page translated is based on average rates UNDP applies for such a service.

Estimations based on costs of similar activities organized by UNDP in Kosovo to date

Estimations based on costs of similar activities organized by UNDP in Kosovo

Estimations based on costs of similar printing services received by UNDP in Kosovo

Average fee for printing and installation in the four sites

Estimation done as per the average pricing in the local market

Estimations based on costs of similar activities organized by UNDP in Kosovo

All Years

**Justification of the estimated costs**

*Provide a justification of the calculation of the estimated costs. Note that the estimation should be based on real costs or on simplified cost options if allowed, as described in section 2.1.5 of the Guidelines for Grants Applicants.*

Fee proposed based on UNDP rates for senior short term experts

Estimations based on costs of similar activities organized by UNDP in Kosovo

Estimations based on costs of similar printing services received by UNDP in Kosovo

Estimations based on costs of similar activities organized by UNDP in Kosovo covering refreshments and venues

Estimations based on costs of similar activities organized by UNDP in Kosovo to date

Estimations based on costs of similar activities organized by UNDP in Kosovo

All Years

**Justification of the estimated costs**

Provide a justification of the calculation of the estimated costs. Note that the estimation should be based on real costs or on simplified cost options if allowed, as described in section 2.1.5 of the Guidelines for Grants Applicants

Estimations based on costs of similar activities organized by UNDP in Kosovo

~~Estimations based on costs of similar activities organized by UNDP in Kosovo~~

Estimations based on costs of similar activities organized by UNDP in Kosovo

Estimations based on costs of similar printing services received by UNDP in Kosovo

Fee proposed based on UNDP rates for senior short term experts



All Years

**Justification of the estimated costs**

*Provide a justification of the calculation of the estimated costs. Note that the estimation should be based on real costs or on simplified cost options if allowed, as described in section 2.1.5 of the Guidelines for Grants Applicants*

Estimate meeting costs based on similar activities organized by UNDP Kosovo

Estimate meeting costs based on similar activities organized by UNDP Kosovo covering refreshments and venues

Exact activities will be decided upon but estimate is based on similar activities organized by UNDP Kosovo

The fee proposed is based on similar reports that have been published by UNDP Kosovo

Cost estimate based on the selection of 4 sites. Estimations based on similar works done.

Cost estimate based on similar activities organized by UNDP Kosovo

**Justification of the estimated costs**

*Provide a justification of the calculation of the estimated costs. Note that the estimation should be based on real costs or on simplified cost options if allowed, as described in section 2.1.5 of the Guidelines for Grants Applicants*

Cost estimate based on similar activities organized by UNDP Kosovo

Fee proposed based on UNDP rates for senior short term experts

Cost estimate based on similar activities organized by UNDP Kosovo

Fee proposed based on UNDP rates for senior short term experts

Cost estimate based on similar activities organized by UNDP Kosovo covering refreshments and venues

Fee proposed based on UNDP rates for senior short term experts

Cost estimate based on similar activities organized by UNDP Kosovo covering refreshments and venues

Cost estimate is based on basic needs identified through partners

Cost estimate based on 4 KP members, 2 EULEX staff and 1 UNDP project staff. Based on DSA and market research flight rates.

All Years

**Justification of the estimated costs**

*Provide a justification of the calculation of the estimated costs. Note that the estimation should be based on real costs or on simplified cost options, if allowed, as described in section 2.1.5 of the Guidelines for Grants Applicants*

Cost estimate based on similar activities organized by UNDP Kosovo and costs for international guests.

Cost estimate based on UNDP daily rates for international consultants

Cost estimate based on similar activities organized by UNDP Kosovo

Cost estimate based on similar activities organized by UNDP Kosovo

Cost estimate based on UNDP daily rates for international consultants

All Years

**Justification of the estimated costs**

*Provide a justification of the calculation of the estimated costs. Note that the estimation should be based on real costs or on simplified cost options if allowed, as described in section 2.1.5 of the Guidelines for Grants Applicants*

Cost estimate based on similar activities organized by UNDP Kosovo

### 3. Expected sources of funding & summary of estimated costs<sup>1</sup>

		Amount	Percentage
		EUR	%
<b>Expected Sources of funding</b>			
EU/EDF contribution sought in this application (A)		1,560,000	100
Other contributions (Applicant, other Donors etc)			
Name	Conditions <sup>6</sup>		
UNDP		0	
Revenue from the Action		0	
To be inserted if applicable and allowed by the guidelines: In-kind contributions <sup>5</sup>		0	
Expected TOTAL CONTRIBUTIONS		1,560,000	
<b>Estimated Costs</b>			
Estimated TOTAL ELIGIBLE COSTS <sup>2</sup> (B)		1,560,000	
EU/EDF contribution expressed as a percentage of total eligible costs <sup>4</sup> (A/B x 100)			100.00
<del>In case of non-eligibility of taxes and the Beneficiary(ies) or its affiliated entity(ies) cannot reclaim them:</del>			
To be inserted if applicable and allowed by the guidelines: Taxes/In-kind contributions <sup>5</sup>			
Estimated TOTAL ACCEPTED COSTS <sup>3</sup> (C)			
EU/EDF contribution expressed as a percentage of total accepted costs <sup>4</sup> (A/C x 100)			

1. Expected sources of funding and estimated costs must be in balance. It is reminded that the figures introduced in the table shall respect all the points included in the checklist for the full application form (part 7 of the full application form)
2. as per heading 11 of the Budget of the Action
3. as per heading 13 of the Budget of the Action
4. do not round, enter percentage with 2 decimals (e.g. 74,38%)
5. as per heading 12 of the Budget of the Action
6. with reference to art.17.4 (b) of the General Conditions



**ANNEX IV**  
**Financial Identification Form**

2016/372-856







# FINANCIAL IDENTIFICATION

PRIVACY STATEMENT

Document prepared by the Bank of Belgium

ACCOUNT NAME	
ACCOUNT NAME(1)	UNITED NATIONS DEVELOPMENT PROGRAMME
ADDRESS	ONE UNITED NATIONS PLAZA
TOWN/CITY	NEW YORK
COUNTRY	UNITED STATES
POSTCODE	NY 10017

CONTACT	Mr. Julie Anne Mejia, Treasurer	
TELEPHONE	+1-212-906-5690	FAX +1-212-906-5645
E-MAIL	julie.anne.mejia@undp.org	

BANK	
BANK NAME	ING Belgium SA/NV
BRANCH ADDRESS	68 COURS ST MICHEL
TOWN/CITY	BRUSSELS
COUNTRY	BELGIUM
ACCOUNT NUMBER	+01-0186139-77
IBAN(2)	BE50 301018613977
POSTCODE	1040

REMARKS:

**BANK STAMP + SIGNATURE OF BANK REPRESENTATIVE**  
(Both Obligatory)(3)

Antoinette D'YVE  
Relationship Manager  
Institutionals

**ING Belgium SA/NV**  
avenue Marnixlaan, 24  
1000 BRUSSELS  
Phone 02/547.21.11

**DATE + SIGNATURE ACCOUNT HOLDER:**  
(Obligatory)

DATE

(1) The name or title under which the account has been opened and not the name of the authorized agent  
 (2) If the IBAN Code (International Bank account number) is applied in the country where your bank is situated  
 (3) It is preferable to attach a copy of recent bank statement, in which event the stamp of the bank and the signature of the bank's representative are not required. The signature of the account-holder is obligatory in all cases.

AR F



**ANNEX V**  
**Standard Request for Payment**

2016/372-856

AR 1F



## ANNEX V

### Request for payment for PAGODA

Date of the request for payment <.....>

For the attention of  
<Address of the Contracting Authority>  
<Financial unit indicated in the Agreement><sup>1</sup>

Reference number of the Agreement ...

Title of the Agreement: ...

Name and address of the Organisation: ...

Request for payment number: ...

Period covered by the request for payment: ...

Dear Sir/Madam,

I hereby request payment of pre-financing/interim payment/balance<sup>2</sup> under the Agreement mentioned above.

The amount requested is [in accordance with Article 4 of the Special Conditions of the Agreement/the following: ...]<sup>3</sup>

Please find attached the following supporting documents:

- narrative and financial progress report (for pre-financing / interim payments )
- final narrative and financial report (for payment of the balance)<sup>4</sup>

The payment should be made to the following bank account:...<sup>5</sup>

Please when making the payment indicate the following communication: ...

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

Yours faithfully,

<signature>

<sup>1</sup> If applicable, please do not forget to address a copy of this letter to the European Union Delegation mentioned in Article 5 of the Special Conditions of the Agreement.

<sup>2</sup> Delete the options which do not apply.

<sup>3</sup> Delete the option which does not apply.

<sup>4</sup> Delete the items which do not apply.

<sup>5</sup> Indicate the account number shown on the identification form annexed to the Agreement. In the event of change of bank account, please complete and attach a new identification form as per model.

N.B.: Instalments of pre-financing, interim payments and final payments shall be made upon approval of the payment request accompanied by a progress or final report (see Articles 19 and 26 of the General Conditions of Agreement).



**ANNEX VI**  
**Communication and Visibility Plan**

# COMMUNICATION AND VISIBILITY PLAN<sup>1</sup>

A - Objectives

B- Communication Activities

C- Resources

## A- Objectives

### 1. Overall communication objectives

The overall objective is to increase awareness of the project within Kosovo communities, but also abroad, to showcase inter-ethnic actions and rehabilitation works of cultural sites. This ideally would cause other communities to want to be involved and further sites to be repaired. Since the Kosovo Police (KP) Unit for the Security of Buildings and Cultural Heritage (BCH) is directly involved in the project, to not only build its own capacities, but also to increase trust among communities to better inter-ethnic relations.

All planned activities will provide maximum visibility to the EU. The action envisages a number of visibility activities aimed at building up strong awareness among various relevant audiences about the objectives, activities and accomplishment of the project, the role of partner organizations and the donor and the impact of this cooperation.

### 2. Target groups

- Representatives of key central agencies- Kosovo Police
- Local experts, municipal authorities, local agencies, private sector representatives (local and national)
- Local population- communities
- Mass media
- General Public
- Donors and international organizations
- Other countries on the path to EU accession with similar issues

### 3. Specific objectives for each target group, related to the action's objectives and the phases of the project cycle

The first objective is to ensure that the beneficiary population (Kosovo communities) are aware of the action, the roles of the EU and the implementing agencies. Through this project it is hoped that awareness of the importance of cultural protection will be increased and that communities will learn to respect the "others" cultural sites.

This EU funding will showcase the importance of cultural protection within the region and raise awareness of the EU's interest in protection of cultural heritage.

The action will also raise awareness of the partnership between the EU, UNDP, EULEX and UNMIK. To showcase how various international bodies are able to work together.

Please see table below for target audiences and specific channels of communication.

<sup>1</sup> This template is not mandatory, it is just a possible example.

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Target Audience ranked by importance		Preferred/Appropriate channels of communication
Representatives of key central agencies- Police	Kosovo	Conferences and other public events, face-to-face meetings, newsletter, email alerts, website, promotion literature (leaflets, factsheets), signatory events, ribbon cutting events
Local experts, municipal authorities, local agencies, private sector representatives (local and national)	local	Workshops, seminars, trainings, website (UNDP, Municipality), leaflets, signatory event, ribbon cutting events, Best Practices Report
Local population- communities		Local meetings, workshops, leaflets, awareness raising activities
Mass media		Press releases, email alerts, Newsletter, website, press-conferences
General Public		Media channels, awareness raising initiatives public signage at rehabilitated sites, leaflets
Donors and international organizations		Website, Newsletter, email alerts, Best Practices report

## **B. Communication Activities**

### **4. Main activities that will take place during the period covered by the communication and visibility plan**

There will be a kick-off (launch event) within the first two months of the project commencing. This will be organized by UNDP in consultation with EULEX, UNMIK and the EU Office.

Leaflets describing the project activities will be printed and distributed at awareness raising events. These leaflets will be designed and published by UNDP in consultations with all partners.

Billboards will be designed for each site selected for rehabilitation and renovations works. These billboards will highlight the financial contribution from the EU and the project.

Audio visual advertisements such as radio announcements and news items.

Public events (6) such as a signature event, completion of infrastructure and close of the action. It is planned that a signatory event will take place either within the EU or UNDP premises. Partners and beneficiaries will be invited. After the completion of rehabilitation and renovation for each selected site, a small opening and ribbon cutting event will take place, and a final close of the project event as well.

### **5. Communication tools chosen**

Given the diversity of the target auditory, using a media mix is absolutely essential in delivering the message. Hence, delivery of the main message will be carried out in three different forms:

- Direct communications (workshops, trainings, etc.) with primary and key stakeholders including local and national authorities and local population in keeping with the main focal areas of the project;
- Publicity/public information outreach including press media conference upon major initiatives/milestones of the project (rehabilitation of sites), press releases, media interviews, photo opportunities, newspaper and other features- especially of the beautification and rehabilitation of selected sites;
- Web-based communications through the web sites of UNDP and Municipalities

Website: The communication is provided by the websites <http://www.ks.undp.org> - The web pages will contain information on the work of the project. The responsibility for updating and developing the information for the web pages is borne by the project manager.

Information materials: Leaflets on the project components, focusing on increasing public awareness will be printed and distributed among the stakeholders during public events.

Press releases - on the activities within the project will be composed in order to preview, initiate and celebrate milestone achievements. PRs are sent to the EU Office prior to the announced event. PRs will be published on the website and distributed through the relevant email lists. Other partners may complement the distribution using their own channels.

**6. Completion of the communication objectives**

Include measures for the different tools proposed.

**7. Provisions for feedback (when applicable)**

Give details of assessment forms or other means used to get feedback on the activity from participants.

**C- Resources**

**8. Human Resources**

The project team will be responsible for the communication and visibility plan, along with support from the UNDP communications team.

The project manager will draft and prepare the communications and visibility items along with the rest of the project team and stakeholders, and UNDP will be responsible for quality assurance and oversight. This is part of the roles and responsibility foreseen for the project manager and project officers.

**9. Financial resources**

The total financial allocation to visibility will be EUR 14,600.

The use of UNDP's communication tools such as websites and social media is free of charge.



**ANNEX VII**

**Management Declaration template**

2016/372-856



I, the undersigned, <insert forename and surname>, in my capacity as <insert function in the entrusted entity or person>, confirm that in relation to the Agreement <insert reference of the concrete Agreement>, (the "agreement"), based on my own judgement and on the information at my disposal, including, inter alia, the results of the audits and controls carried out, that:

1. The information submitted under Article 3 General Conditions of the Agreement for the financial period dd/mm/yyyy to dd/mm/yyyy is properly presented, complete and accurate;
2. The expenditure was used for its intended purpose as defined in Annex I of the Agreement;
3. The control systems put in place give the necessary assurances that the underlying transactions were managed in accordance with the provision of this Agreement.
4. The Organisation performed the activities in compliance with the obligations laid down in the Agreement and applying the accounting, internal control, audit systems, and procedures for grants and procurement, including a review procedure,<sup>1</sup> referred to in Article 2.5 and 2.6 of the General Conditions and which have been positively assessed in the ex-ante pillars assessment.

Furthermore, I confirm that I am not aware of any undisclosed matter which could harm the interests of the European Union.

*[However, the following reservations should be noted:]*<sup>2</sup>.

<insert place and date>

.....  
(signature)

<Insert forename and surname>

<sup>1</sup> Adapt if grants and/or procurement procedures is/are not the one(s) assessed by the Commission and take out for PA Grant Agreements

<sup>2</sup> Option to be used in case of reservations.

