

# Joint Programme between the European Union and the Council of Europe

## Strengthening Information Society in Ukraine

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Funded  
by the European Union  
and the Council of Europe



EUROPEAN UNION

COUNCIL OF EUROPE



CONSEIL DE L'EUROPE

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Implemented  
by the Council of Europe

## CALL FOR PROPOSALS

## Grant Application Guide

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## I. BACKGROUND INFORMATION

The overall objective of the **Joint Programme between the European Union and the Council of Europe (CoE) “Strengthening information society in Ukraine”** (hereafter referred to as “the Programme”) is to strengthen the protection of human rights and fundamental freedoms through:

- greater freedom, diversity and pluralism in the media;
- an open, inclusive, sustainable, people-centred and human rights-based approach to the Internet;
- an effective system of protection of individuals with regard to their right to privacy and right to control their personal data.

It contributes to the implementation of reforms linked to commitments before the CoE, to the Association Agreement with EU and Visa liberalisation action plan with EU.

The **target audiences** are mostly journalists, editors, relevant professional associations, officials of regional and local administrations, judges, civil society representatives, bloggers, private sector, general public.

The Programme's objectives cover a large part of the problems with which Ukraine has been confronted in the fields of media, data protection and internet governance and which should be tackled. To achieve these objectives and to deliver the expected results, the programme relies on the CoE expertise and commitment of the national authorities and inclusion of all relevant stakeholders, including the civil society and the private sector (Internet business and technical communities).

The programme has **three components**:

- A. Freedom of Expression and Freedom of the Media
- B. Internet Governance
- C. Access to Public Information and Data Protection

The **expected results** of the programme are:

- A strategy for the approximation of media legislation to the International (UN) and European (CoE and EU) regulatory framework developed and implemented;
- Progress as regards the elimination of state or authority-owned media made;
- Safeguards for fair and balanced media coverage of elections in line with relevant European standards and the EU-Ukraine association-related criteria developed;
- Means to ensure the protection of working conditions of journalists against threats and violence promoted with good practices and proposals for legal reforms;
- The legal framework to ensure the right to access public information improved;
- Internet governance and human rights courses included in the Curricula of national institutions;
- Knowledge and awareness of Internet users of their human rights online increased;
- Capacities and knowledge of Internet service providers on Internet governance and Human rights standards of the Council of Europe strengthened;
- Participation of national key stakeholders including government, parliament, civil society, media representatives and general public in the international Internet governance and human rights debates enhanced;
- Data protection law reviewed and reformed in accordance with international and European standards in the field;
- Independence and capacity of the Ombudsman (Parliament Commissioner for Human Rights) overseeing data protection strengthened;
- Data protection is implemented by sectors such as law enforcement, health, bar, financial services, ICTs and employment;

- Recommendations on the protection of privacy in the media disseminated and the related training carried out.

## II. GENERAL INFORMATION

The grants under the “quick response mechanism” of the Programme amount to a total of 400.000 Euros. Grants will fund projects to address specific needs related to the objectives of the Programme. The quick response mechanism will be used to provide support, primarily to media outlets, NGOs and analytical centers.

Therefore, grants shall under no circumstances be awarded to:

- profit organisations;
- political parties; or
- physical persons.

The period of project implementation shall not exceed 6 months as from 01 June 2015. The winners should be announced in the end of May 2015. Winners will be invited to participate in trainings organised by the Programme team to clarify financial aspects, visibility coordination and reporting.

The funds for each grant should in principle be distributed as follows:

- Advance is to be paid when the Grant Agreement between the two parties is signed;
- Balance is to be paid based on actual expenditures incurred after the presentation and acceptance by the Council of Europe of the final narrative and financial reports for the Grant implementation.

The projects proposed shall cover any of the following sectors or themes:

- Raising professionalism of media in covering the issues related to the European integration, in particular the reforms aimed at compliance with CoE commitments and obligations and for the implementation of the requirements of the EU-UA Association agreement and of the Visa Liberalisation Action Plan with EU;
- Supporting impartial and independent reporting targeting developments in eastern and southern Ukraine;
- Developing and enhancing sustainability and innovation of new media and of community media.
- Supporting the establishment of a genuine public broadcasting system, including its regional dimension;
- Increasing transparency and efficiency of transition to digital broadcasting including the improvement of regulatory practices;
- Enhancing implementation of the access to public information legislation at the national and local levels;
- Monitoring and analysis of implementing the data protection legislation in different sectors. Priority will be given to the projects targeting the following sectors: retail commerce, telecommunication, law enforcement, bar, healthcare, finance;
- Promoting internet governance and human rights online in line with the Council of Europe principles and standards.

The proposed areas of concern are indicative and not exhaustive, opened to other suggestions and proposals, **however the priority will be given to the listed priorities.**

**Further to the specific objectives, preference will be given to:**

- Actions proposed by a coalition or consortium of civil society organisations;
- Actions which have significant regional coverage;
- Actions built upon existing and past initiatives and best practices in the same area;
- Actions foreseeing cooperation with a wide range of stakeholders (other actors, state authorities, state institutions, etc);
- Actions ensuring multiplication and/or sustainability.

**The following types of action will not be considered:**

- Actions providing financial support to third parties (re-granting schemes);
- Actions concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences and congresses;
- Actions concerned only or mainly with individual scholarships for studies or training courses;
- Actions supporting political parties.

### **III. NUMBER AND AMOUNTS OF GRANTS TO BE AWARDED**

It is expected to support a limited number of projects for the total amount of 400.000 Euros. The number of grants awarded will depend on the budget of the selected projects. The CoE reserves however the right to not award all available funds.

Only non-profit organisations will be eligible to participate, such as:

- media outlets;
- analytical centres;
- NGOs;
- research institutes;
- charitable organisations;
- academic institutes etc.

A maximum amount **up to €55,000 (fifty five thousand)** can be awarded per project.

The CoE will conclude Grant Agreements with each selected applicant individually, after finalisation of the selection process.

### **IV. APPLICATION PROCESS**

The methodology and specific criteria for selecting Projects have been agreed upon by the Steering Committee of the Programme.

#### **1. How to apply?**

Applicants may express their interest for the grant by filling an Application form (as reproduced in Appendix I to the present document) and by addressing it together with the supporting documents in Ukrainian and/or English to the designated e-mail address ([DGI-UPSIS@coe.int](mailto:DGI-UPSIS@coe.int)) **before 24 May 2015** (For further information, see **VIII. How to send applications?**).

## **2. Documents to be submitted**

Each application shall contain:

- The completed application form (See Appendix I)
- A provisional budget (using the template reproduced in Appendix II)
- The other supporting documents:
  - Certificate(s) of state registration;
  - Certificate(s) proving non-profit status;
  - Statutes of the organisation(s);
  - CVs of the key staff involved in the implementation of the proposed project;
  - Bank statement confirming bank requisites;
  - Bank statement confirming fruitful cooperation with organization(s) and existence of bank accounts;
  - A declaration on any existing or potential conflict of interest.

**Applications that are incomplete shall not be considered.**

## **3. Format of documents**

Applicants are invited to send proposals in font Arial 11, single line spacing.

## **4. Questions**

General information can be found on the website of the Council of Europe: <http://www.coe.int/en/web/kyiv/41>

Other questions regarding this specific call for expression of interest shall be sent at the latest one week before the deadline for the submission of proposals, in English or Ukrainian, and shall be exclusively sent to the following address: [DGI-UPSIS@coe.int](mailto:DGI-UPSIS@coe.int)

## **5. Change, alteration and modification of the application file**

Any change in the format, or any alteration or modification of the original tender will cause the immediate rejection of the bid concerned.

## **V. EVALUATION AND SELECTION PROCEDURE**

The projects presented by the applicants will be selected by the Evaluation Committee. The Evaluation Committee will be composed of:

- Representative(s) of the Programme;
- Financial specialist of the Programme
- Representative(s) of the Council of Europe;
- Representatives of the EU Delegation in Ukraine.

The procedure shall be based on the underlying principles of grant award procedures, which are objectivity, transparency, proportionality, non-retroactivity, non-cumulative award, no-profit, equal treatment and non-discrimination.

The following criteria will apply:

### **1. Exclusion criteria:**

Applicants shall be excluded from participating in the call for expression of interest where they:

- have been sentenced by final judgment on one or more of the following charges: participation in a criminal organisation, corruption, fraud, money laundering;
- are in a situation of bankruptcy, liquidation, termination of activity, insolvency or arrangement with creditors or any like situation arising from a procedure of the same kind, or are subject to a procedure of the same kind;
- have received a judgment with res judicata force, finding an offence that affects their professional integrity or serious professional misconduct;
- do not comply with their obligations as regards payment of social security contributions, taxes and dues, according to the applicable statutory provisions.

By signing the application form, all applicants declare on their honour certifying that they are not in any of the above-mentioned situations. The Council of Europe reserves the right to request further documents in this regard to selected applicants.

### **2. Eligibility criteria:**

In order to be eligible for a grant, the applicants must:

- Be legally registered in Ukraine;
- Have the right to carry out activities described in application according to the Statute of the organisation and registration card;
- Have a non-tax payer status;
- Have proven experience in the field;
- Have sufficient financial and operational capacity, including staff, to carry out activities described in its proposal;
- Have a bank account.

The applicants must have the financial and operational capacity to complete the activity for which funding is requested. Only organisations who demonstrate the necessary financial and operational capacity may be awarded a grant. CVs of key action staff (experts) have to be submitted with the grant application.

**Multiple applications are not allowed.**

### **3. Award criteria**

The projects proposed shall compulsorily:

- be composed of a set of activities or one main activity;
- not exceed 6 months;
- be up to 55.000 euros;
- take place in Ukraine.

Eligible projects respecting the above requirements will further be assessed against the following criteria:

- The added value of the project, i.e. the lasting impact and/or multiplier effect (30%)

- The extent to which the action meets the priorities and objectives of the reform agenda in Ukraine (30%);
- The quality, accuracy, clarity and completeness of the application and the estimated budget (25%);
- The relevance of the experience of the applying organisation(s) and staff (15%).

## **VI. NOTIFICATION ON THE DECISION**

At the completion of the selection process, all applicants will be notified in writing of the final decision concerning their respective application as well as on the next steps to be undertaken. All provisionally selected applicants will be offered expert assistance in further developing the project proposals, in particular as regards the budget.

## **VII. GRANT AGREEMENT**

Once the project proposal documents are finalised following the decision to award a grant, the Beneficiary(ies) will be offered to sign a Grant Agreement (See Appendix III, for information only), formalising thus their legal commitments.

## **VIII. HOW TO SEND APPLICATIONS?**

The application form, **completed and signed**, together with the supporting documents must be submitted in electronic form (scanned copies) to the following e-mail address: [DGI-UPSIS@coe.int](mailto:DGI-UPSIS@coe.int).

Applications must be received in PDF format, **before 24 May 2015 (at midnight, EEST, GMT +3)**. Applications received after the above mentioned date will not be considered.

\* \* \*



**APPENDIX I – APPLICATION FORM**  
**2015 Strengthening Information Society - Call for proposals (Grants)**

<b>PART I: INFORMATION ON PROJECT PROPOSAL</b>	
1. Name of the NGO, media outlet or research institution with non-profit status	
2. Address of grant recipient: <ul style="list-style-type: none"><li>- city,</li><li>- street, office number</li><li>- zip code</li></ul> Web-site of the NGO.	
3. Mission of the grant recipient, strategic goals	
4. Areas of expertise, examples of key achievements	

5. Grant history (project titles, objectives and key results, year and amount received)	
6. Geographic outreach capacity	
7. Project Manager (name, position in the organization)	
8. Contact information	Tel E-mail Mobile:

<p>9. Core team (list of the team members and experts that will be implementing the project: names and positions)</p> <p><b>Do not forget to attach their respective CVs</b></p>	
<p>10. Information about current support received throughout the proposed project implementation period from other donors (e.g. salaries of full-time staff or office space covered by other donors, activities in the same area funded by other donors, proposed co-funding etc.)</p>	
<p>11. Bank details</p>	<p>Bank account holder: EDRPOU: Bank Name: Bank address: Bank account number: Currency: MFO: SWIFT:</p>

PART II: PROJECT OBJECTIVES AND DESCRIPTION	
12. Project title (in CAPS LOCK)	
<p>13. Brief background information justifying why the proposed activity/project is needed.</p> <p>Relevant statistics or data quantifying the problem would be a benefit.</p>	
<p>14. Please state briefly the objective(s) of the proposed activity/project and how you plan to achieve them</p>	

<p>15. PROJECT DESCRIPTION:</p> <ul style="list-style-type: none"><li>- events and activities planned;</li><li>- target group(s) (or potential participants) for the proposed project</li></ul> <p>(1/2)</p>	
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<p>15. PROJECT DESCRIPTION:</p> <ul style="list-style-type: none"><li>- events and activities planned;</li><li>- target group(s) (or potential participants) for the proposed project</li></ul> <p>(2/2)</p>	
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<p>16. Timeframe and brief workplan for the proposed project</p>	
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<p>17. Estimated results and expected impact</p>	
<p>18. Sustainability of results after the completion of the project</p>	



**COMPULSORY DECLARATION**

I hereby undersigned declare:

- being duly authorised to represent the above mentioned organisation(s) and in particular being duly authorised to submit a project proposal and to commit the organisation in this regard;
- that the organisation I represent:
  - has not been sentenced by final judgment on one or more of the following charges: participation in a criminal organisation, corruption, fraud, money laundering;
  - is not in a situation of bankruptcy, liquidation, termination of activity, insolvency or arrangement with creditors or any like situation arising from a procedure of the same kind, or subject to a procedure of the same kind;
  - has not received a judgment with res judicata force, finding an offence that affects its professional integrity or serious professional misconduct;
  - does comply with its obligations as regards payment of social security contributions, taxes and dues, according to its applicable statutory provisions. Does not have any conflict of interest.
- that grant funds will be used exclusively for the project and cannot be used for organizational (administrative) expenses that are not related to the project, for the payment of debts and debt service charges, currency exchange losses, credits to third parties, provisions for losses or potential future liabilities, construction and repair work, purchase of land, buildings, administrative procurement, salary costs of the personnel of national administrations.

<b>NAME OF THE PERSON AUTHORISED TO SIGN ON BEHALF OF THE APPLICANT(S)</b>	
<b>DATE</b>	
<b>SIGNATURE</b>	

**DO NOT FORGET TO ATTACH TO THIS APPLICATION FORM:**

1. A provisional budget (using the template reproduced in Appendix II of the call for expression of interest)
2. Certificate(s) of state registration
3. Certificate(s) proving the non-profit status of applicant(s)
4. Statute(s) of the applying organisation(s)
5. CVs of the key staff involved in the implementation of the proposed project
6. Bank statement confirming bank requisites
7. Bank statement confirming fruitful cooperation with applying organization(s) and existence of bank accounts
8. A declaration on any existing or potential conflict of interest

## APPENDIX II – PROVISIONAL BUDGET (TEMPLATE)

Payments	Unit	# of units	Average unit rate (€)	# of participants	Estimated budget (€)
<b>1. Per diems</b>					
1.1 Hotel expenses (nights x unit rate x participants)	Per night				
1.2 Lunches (lunches x unit rate x participants)	Per lunch				
1.3 Dinners (dinners x unit rate x participants)	Per dinner				
1.4 Coffee breaks (breaks x unit rate x participants)	Per break				
<b><i>Subtotal Per diems</i></b>					
<b>2. Travel</b>					
2.1 National participants (return trip x unit rate x participants)	Per trip				
2.2 Local transport (coach hire)	Per day				
2.3 Local transport (taxi) (trips x unit rate x participants)	Per trip				
<b><i>Subtotal Travel</i></b>					
<b>3. Rent of hall, interpretation and translation</b>					
3.1 Rent of hall (days x unit rate)	Per day				
3.2 Rent of interpretation equipment (days x unit rate)	Per day				
3.3 Interpretation services (days x unit rate x interpreters)	Per day				
3.4 Translation (pages x unit rate)	Per page				
<b><i>Subtotal Rent of hall, interpretation and translation</i></b>					
<b>4. Publications and printed material</b>					
4.1 Publications (editing) (item x unit rate)	Per item				
4.2 Publications (printing) (item x unit rate x copies)	Per item				
<b><i>Subtotal Publications and printed material</i></b>					
<b>5. Other (specify)</b>					
5.1 specify	specify				
5.2 specify	specify				
<b><i>Subtotal Other</i></b>					
<b>6. Administrative fees</b>					
6.1 Stationery supplies	Per event				
6.2 Other services (tel/fax, mail, copies)	Per event				
<b><i>Subtotal Administrative fees</i></b>					
<b>Total project costs (1-6)</b>					

**APPENDIX III – TEMPLATE GRANT AGREEMENT**  
**For information only**

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Ref No: .....  
FIMS PO No.: ...  
CEAD No.: .....

**GRANT AGREEMENT**  
**BETWEEN THE COUNCIL OF EUROPE AND ...**

The Council of Europe, which has its Head Office at Avenue de l'Europe, F-67075 Strasbourg, France, represented by ....., acting on behalf of the Secretary General (hereinafter referred to as “the Council of Europe”)

on the one hand, and

.....<sup>1</sup>, represented by .....<sup>2</sup> (hereinafter referred to as “the Grantee”)

on the other hand,

Referring to [Programme/Project];

Referring to the Call for expression of interest launched on [date];

Referring to the decision of the Evaluation Committee on [date];

have agreed as follows:

**ARTICLE 1 – PURPOSE OF THE AGREEMENT**

1. The Council of Europe awards to the Grantee, under the conditions set forth in this agreement and its appendices, the sum of **sum in figures (sum in letters) Euros** for the implementation of the project, as described in the proposal reproduced in Appendix II to the present Agreement.

2. [The Grantee shall contribute to 10% to the overall project budget, which is therefore not to exceed the total amount of **sum in figures (sum in letters) Euros.**]<sup>3</sup>

**ARTICLE 2 – GENERAL OBLIGATIONS OF THE GRANTEE**

1. The Grantee shall:

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<sup>1</sup> Name and address of the Grantee.

<sup>2</sup> Name of the representative and of his/her position within the administration of the Grantee.

<sup>3</sup> If applicable.

- a) be responsible for implementing the project, as described in Appendix II, in accordance with the terms and conditions of the current Agreement;
- b) be responsible for complying with any legal obligations incumbent on it;
- c) inform the Council of Europe immediately of any change likely to affect or delay the implementation of the project of which the Grantee is aware.

2. The Grantee undertakes:

- a) to use this grant exclusively for the purpose of the Agreement as stated in Article 1;
- b) to make no profit through the Council of Europe grant;
- c) to transmit to the Council of Europe a narrative report [on a quarterly basis as of [date] on the use made of the grant and] a final narrative report by [date];
- d) to transmit to the Council of Europe by [date]:
  - a final financial report (see Appendix III), in [Euros or local currency]<sup>4</sup>, in English, of the payments made for the project, certified by a responsible financial officer of the Grantee, accompanied by appropriate original supporting documents<sup>5</sup> (and a summary translation of those invoices not drawn up in English or French). If, under domestic law, the original documents must be retained by the Grantee, certified copies must be submitted with the final financial report;
  - a copy of the credit advice slip or any other document, provided by the Beneficiary's bank, to certify receipt of the payment;
  - where the Agreement was concluded in local currency, a certified copy, provided by the Beneficiary's bank, indicating the exchange rate applied on the date of conversion of the sum received into the local currency;
  - where applicable, upon request by the Council of Europe, the procurement documents referred to in Article 11.2.
- e) where the documents specified in Article 2.2 c) and d) are not received by the Council of Europe by the due date, to relinquish the right to the payment of the balance referred to in Article 3.1 b);
- f) to keep the accounts of the project, for a minimum period of ten years from the date of transmission of the narrative reports and financial statement under Article 2.2 c) and d), for any further verification of the proper use of the grant that the European Union, the European Court

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<sup>4</sup> Expenses occurred in other currencies shall be reported in [INDICATE REPORTING CURRENCY] applying exchange rate published by [INDICATE NATIONAL BANK CONCERNED] on the day of invoicing.

<sup>5</sup>“Appropriate original supporting documents” refer to signed contracts, invoices and acceptances of work (for all transactions), payment authorisation for all transactions should also be provided in case the Beneficiary uses such practice, and reliable evidence of payment (authorized payment order and bank statement). As regards round tables / conferences, it implies a programme mentioning among others the title, the dates, the venue, the agenda of the event, the names of experts facilitating the event, a signed list of participants, contracts with the venue of the event (e.g. hotel) for the rent of hall, food and beverages of participants, invoices of the venue of the event for the above services, and a report on the results of the event. As regards consultancy services, it implies evidence of the outputs produced, contracts with experts and consultants containing a specific description of services to be carried out, invoices produced after the works have been performed and delivered (the specialities of the consultants shall correspond to the nature of activities for which they are contracted). As regards travel fees / lodging of experts and participants, it implies, where relevant, contracts with a travel agency for travel fees and lodging, invoices of the travel agency mentioning destinations, dates, ticket costs, and names of the travelling persons, a programme of the event mentioning the names of the experts and signed lists of participants. This list is not comprehensive. Any doubt regarding the interpretation of the notion of “appropriate original supporting documents” should lead the Grantee to consult the Council of Europe.

of Auditors, the Council of Europe, its External Auditors or their appointed representative may effect;

- g) when acting under this Agreement, to observe any applicable laws and to ensure that the European Union and the Council of Europe are not held liable in respect of third party (including State authorities') claims in this connection.

### **ARTICLE 3 - PAYMENT ARRANGEMENTS**

1. The Council of Europe shall pay the amount mentioned in Article 1.2 in two instalments, as follows:

- a) [XX] % within 30 days of receipt of this Agreement duly signed;
- b) the balance within 30 days of receipt and approval of the documents specified in Article 2.2 c) and d).

Payment of the balance will be based on actual expenditure (as indicated in the statement of expenditure incurred), up to the amount provided for in the estimated budget.

2. Payments will be made in the currency in [Euros or local currency].

3. The above-mentioned amount will be paid only by bank transfer to the following account opened in the name of the Beneficiary:

Account holder:

Full bank account number (RIB):

IBAN Code:

SWIFT Code:

Bank name:

Bank address:

### **ARTICLE 4 –COMMUNICATIONS BETWEEN THE PARTIES**

1. The Contact point within the Council of Europe is:

*[Person / Function / Department*

*Address*

*Telephone*

*Email*

*Fax]*

The Contact point within the Grantee

*[Person / Function / Department*

*Address*

*Telephone*

*Email*

*Fax]*

2. Any communication is deemed to have been made when it is received by the receiving party, unless the Agreement refers to the date when the communication was sent.
3. Electronic communication is deemed to have been received by the receiving party on the day of successful dispatch of that communication, provided that it is sent to the addressees listed in paragraph 1 above. Dispatch shall be deemed unsuccessful if the sending party receives a message of non-delivery. In this case, the sending party shall immediately send again such communication to any of the other addresses listed in paragraph 1 above. In case of unsuccessful dispatch, the sending party shall not be held in breach of its obligation to send such communication within a specified deadline, provided the communication is dispatched by another means of communication without further delay.
4. Mail sent to the Council of Europe using the postal services is considered to have been received by the Council of Europe on the date on which it is registered by the department identified in paragraph 1 above.
5. Formal notifications made by registered mail with return receipt or equivalent, or by equivalent electronic means, shall be considered to have been received by the receiving party on the date of receipt indicated on the return receipt or equivalent.

## **ARTICLE 5 – LIABILITY FOR DAMAGES**

The Council of Europe shall not be held liable for any damage caused or sustained by the Grantee, including any damage caused to third parties as a consequence of or during the implementation of the project.

## **ARTICLE 6 – CHANGES IN GRANTEE’S CIRCUMSTANCES**

1. The Grantee shall inform the Council of Europe without delay of any changes in the persons who may legally represent it, or in its name, address or legal domicile.
2. By signing this Agreement, the Grantee declares on its honour certifying that it is not in any of the listed below situations and shall inform also inform the Council of Europe without delay in cases where:
  - a) it is or becomes the subject of a request for the opening of insolvency proceedings, or himself makes such a request, or goes into liquidation, ceases trading, or is or comes in a situation of bankruptcy, liquidation, termination of activity, or arrangement with creditors, or any like situation arising from a procedure of the same kind, or of any similar proceedings under the laws of the country in which he is domiciled;
  - b) it is sentenced by final judgment on one or more of the following charges: participation in a criminal organisation, corruption, fraud, money laundering;
  - c) it has received a final judgment, finding an offence that affects his professional integrity or serious professional misconduct;
  - d) it does not comply with its obligations as regards payment of social security contributions, taxes and dues, according to the statutory provisions of its country of legal domicile.
3. In the event of failure to comply with the above provisions, costs incurred after the change of circumstances shall not be eligible.

4. The Grantee shall also inform the Council of Europe without delay in cases where it is or becomes involved in a merger, takeover or change of ownership or partnership or there is a change in its legal status. In the event of failure to comply with this obligation, costs incurred after the change of circumstances may not be eligible.

## **ARTICLE 7 – CONFLICT OF INTERESTS**

1. The Grantee undertakes to take all necessary precautions to prevent any situation where the impartial and objective implementation of the Agreement is compromised for reasons involving economic interest, political or national affinity, family or emotional ties or any other shared interest (“conflict of interests”).

2. Any situation constituting or likely to lead to a conflict of interests during the implementation of the Agreement shall be notified to the Council of Europe, in writing, without delay. The beneficiary shall immediately take all the necessary steps to rectify this situation. The Council of Europe reserves the right to verify that the measures taken are appropriate and may require additional measures to be taken within a specified deadline.

## **ARTICLE 8 – CONFIDENTIALITY**

The Council of Europe and the Grantee undertake to preserve the confidentiality of any document, information or other material directly related to this Agreement and duly classified as confidential, for a minimum of ten years after the date of transmission of the narrative reports and financial statement under Article 2.2 c) and d) of this Agreement.

## **ARTICLE 9 – VISIBILITY**

1. Unless the Council of Europe requests or agrees otherwise, the Grantee shall take all necessary measures to publicise the fact that the Project has been funded within the framework of a Joint Project between the European Union and the Council of Europe. Information given to the press and to the beneficiaries of the Project, all related publicity material, official notices, reports and publications, shall acknowledge that the project was carried out with a grant from a Joint Project between the European Union and the Council of Europe and shall display in an appropriate way the Joint Projects’ visual identity (for instructions on use of the Joint Projects’ visual identity, see Appendix V).

2. The acknowledgement and Joint Projects’ visual identity shall be clearly visible in a manner that will not create any confusion regarding the identification of the Project as a project of the Grantee and the ownership of the equipment and items by the Grantee.

3. All publications by the Grantee pertaining to the Project that have received funding from a Joint Project between the European Union and the Council of Europe, in whatever form and whatever medium, including the Internet, shall carry the following or a similar disclaimer: “This document has been produced using funds of a Joint Project between the European Union and the Council of Europe. The views expressed herein can in no way be taken to reflect the official opinion of the European Union or the Council of Europe”.

4. If the equipment purchased with a grant from a Joint Project is not transferred to the local partners of the Grantee or to the final recipient of the Project at the end of the implementation period of this

Agreement, the visibility requirements as regards this equipment shall continue to apply between the end of the implementation period of this Agreement and the end of the Joint Project, if the latter lasts longer.

5. The Grantee accepts that the European Union and the Council of Europe may publish in any form and medium, including on their websites, the name and address of the Grantee, the purpose and amount of the grant and, if relevant, the percentage of co-financing.

## **ARTICLE 10 – OWNERSHIP/USE OF RESULTS**

1. Ownership, title and industrial and intellectual property rights in the results of the project and the reports and other documents relating to it shall be vested in the Grantee, as the case may be together with third parties, unless otherwise decided by the Grantee.

2. The Grantee grants the European Union and the Council of Europe the right to use free of charge, and as they see fit, all documents deriving from the project, whatever their form, provided this is in accordance with the existing industrial and intellectual property rights.

## **ARTICLE 11 – PROCUREMENT**

1. Unless otherwise agreed by the Parties in writing, the procurement of any goods, works or services and the award of grants by the Grantee and its partners in the context of the project shall be carried out in accordance with the applicable rules and procedures adopted by the Grantee.

2. This shall apply on the understanding that the Grantee's rules and procedures involve competitive tendering (i.e. by obtaining at least three offers for each purchase) and conform to nationally or internationally accepted standards, in compliance with the principles of transparency, proportionality, sound financial management, equal treatment and non-discrimination, care being taken to avoid any conflict of interests. The Grantee must be in a position to submit the documents showing that it has complied with the obligations set forth in this article when requested to do so by the European Union, the Council of Europe or their designated auditors.

3. As a derogation from paragraph 2 above contracts may be negotiated directly with suppliers without competitive tendering, if the expenditure concerns a purchase for an amount of less than 2000 Euros excluding tax, or less than 5000 Euros excluding tax for intellectual services where the basic selection criterion is the service provider's technical expertise.

4. Without prejudice to the specific procedures and exceptions applied by the Grantee, the award by the Grantee of contracts financed under this Agreement may not be cumulative or retrospective or have the purpose or effect of producing a profit for the Grantee.

5. The Grantee shall adopt reasonable measures, in accordance with its own procedures, to ensure that potential candidates or tenderers and financial aid beneficiaries shall be excluded from participation in a procurement procedure or a procedure for the award of financial aid if:

- a) their legal status is unclear (e.g. they are unable to provide information concerning their incorporation under the applicable national law or registration with the tax and other competent authorities); or
- b) they are bankrupt or subject to bankruptcy proceedings, are being wound up, are in judicial liquidation, have entered into an Agreement with creditors, have suspended business activities, or



are in any analogous situation arising from a similar procedure provided for in national legislation or regulations; or

- c) they have been convicted of an offence concerning their professional conduct by a judgment which has the force of *res judicata*; or
- d) they have been the subject of a judgment which has the force of *res judicata* for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the European Union's or the Council of Europe's financial interests; or
- e) they are guilty of misrepresentation when supplying the information required as a condition of participation in the procedure or fail to supply this information; or
- f) they are subject to a conflict of interests.

## ARTICLE 12 – ELIGIBLE COSTS

1. To be considered eligible under this Agreement, costs must:
  - a) be necessary for implementing the project, be provided for specifically in this Agreement, and comply with the principles of sound financial management, in particular value for money and cost-effectiveness;
  - b) have actually been incurred during the implementation period of this Agreement, defined as the period from the signature of the Agreement by both Parties and the date of transmission of the narrative reports and financial statement under Article 2.2 c) and d) of this Agreement;
  - c) be recorded in the Grantee's or Grantee's partners' accounts, be identifiable, be backed by originals of supporting evidence (as the case may be in electronic form), and be verifiable by the European Union and the Council of Europe;
2. It should be noted that, except when this is materially impossible, all payments to third parties must be made by transfers to their bank account.
3. Taxes, including added value taxes, even paid on expenses made in compliance with Article 12.1 of the present Agreement, should not be considered as eligible costs.
4. In addition to the provisions of Article 12.3, the following expenses shall not in any manner be considered as eligible costs (the list is not comprehensive):
  - Debts and debts service charges;
  - Provisions for losses or potential future liabilities;
  - Interest owned by the beneficiary to any third party;
  - Items already financed from other sources;
  - Purchases of land or buildings;
  - Currency exchange losses;
  - Costs of project proposal preparation;
  - International travel.

## **ARTICLE 13 – ACCOUNTS AND TECHNICAL AND FINANCIAL CHECKS**

1. The Grantee shall keep accurate and systematic records and accounts in respect of the implementation of the project. Separate management accounts shall be kept for each project, and shall detail all receipts and payments.
2. The accounting regulations and rules of the Grantee shall apply, on the understanding that these regulations and rules conform to nationally or internationally accepted standards. In all other cases, the Grantee shall use a dedicated double-entry book-keeping system as part of, or as an adjunct to, the Grantee's own accounts. This dedicated system shall follow the procedures dictated by professional practice and provide precise details of interest accruing on funds paid by the Council of Europe.
3. The Grantee shall have in place a system of financial control involving segregation of duties, evidence of authorisation of transactions, use and retention of purchase orders, goods-received notes, quotes and contracts.
4. Financial transactions and financial statements shall be subject to the internal and external monitoring procedures laid down in the Financial Regulations, rules and guidelines applicable to the Grantee. A copy of the audited financial statements shall be submitted to the Council of Europe by the Grantee.
5. The Grantee shall, for a minimum of ten years from the date of transmission of the narrative reports and financial statement under Article 2.2 c) and d) of this Agreement:
  - a) keep financial accounting documents concerning the activities financed; and
  - b) make available to the European Union and the Council of Europe, at their request, all relevant financial information, including statements of accounts concerning the project, whether they are kept by the Grantee or by its implementing partners or contractors.
6. The European Union and the European Court of Auditors and the Council of Europe and its External Auditors may undertake checks (including on the spot) related to the Project financed by this Agreement.

## **ARTICLE 14 – FINAL AMOUNT OF THE GRANT**

1. The total amount to be paid by the Council of Europe to the Grantee may not exceed the maximum amount established under Article 1 of this Agreement even if the overall payments exceed the estimated total budget set out in Appendix II.
2. The Grantee accepts that the grant of the Council of Europe shall be limited to the amount required to balance receipts and payments for the project and that it may not in any circumstances result in a surplus for the Grantee. The Council of Europe's undertaking to pay its grant shall apply only for expenditure qualifying as eligible costs.
3. In cases where the project is suspended or not completed within the implementation period of this Agreement, the funds that remain unspent after all liabilities incurred in this period have been satisfied, including any interest earned, will be reimbursed to the Council of Europe.

4. Where the project is not implemented at all, or is not carried out properly, in full or on time, and without prejudice to its right to terminate this Agreement pursuant to Article 15, the Council of Europe may, after allowing the Grantee to submit its observations and without prejudice to Article 18, reduce the grant *pro rata* to take account of the part of the project that has not been implemented on the terms laid down in this Agreement.

## **ARTICLE 15 – TERMINATION**

The Council of Europe reserves the right to terminate this Agreement and the Grantee undertakes to repay the grant:

- a) if the Grantee fails to use the grant for the purpose of the project; or
- b) if the Grantee fails to explain in detail how the grant was used for the project; or
- c) if the Grantee fails to submit the required documents by the due date; or
- d) if the Grantee fails to fulfil any of the terms of this Agreement;
- e) in the cases covered by Article 6.2.

## **ARTICLE 16 – AMENDMENTS**

The provisions of this Agreement may be amended only by written agreement between the Parties.

## **ARTICLE 17 – CASE OF FORCE MAJEURE**

1. In the event of force majeure, the parties shall be relieved of their obligations under this Agreement without any financial compensation. Force majeure is defined as including the following: major weather problems, earthquake, strikes affecting air travel, attacks, a state of war, health risks or events that would require the Council to cancel the grant.

2. In the event of such circumstances each party shall be required to notify the other party accordingly in writing, within a period of 5 days.

## **ARTICLE 18 – DISPUTES**

Any dispute regarding this Agreement shall - failing a friendly settlement between the Parties - be submitted to arbitration in accordance with Rule No. 481 of 27 February 1976 (see Appendix IV) issued by the Secretary General with the approval of the Committee of Ministers as provided in Article 21 of the General Agreement on Privileges and Immunities of the Council of Europe.

\* \* \*

Done in two copies, in [*if the Parties are not physically present at the same place when signing the agreement, insert the duty station of the person representing the Secretary General*] this date of [*if the Parties are not physically present at the same place when signing the agreement, insert the date of the last signature*].

For the Council of Europe

For the Grantee

