

8. SPECIFIC GRANT AGREEMENT

8.1 SIGNATURE OF THE SPECIFIC GRANT AGREEMENT

If ECHO decides to fund the project, it will send **2** originals of the Specific Grant Agreement (SGA) signed by ECHO, based on the model template, Annex I to the FPA.

Until the electronic signature is available, the agreement has to be sent by post (Article 2 a of GC)

The partner has to send back **1** original of the SGA dated and signed by an authorised person within **15 calendar** days from receipt of the two originals.

Who?	What?	How?	Where?
ECHO -> Partner	2 signed originals	Formal notification	Official postal address in APPEL
Partner -> ECHO	1 signed original	Registered letter	European Commission DG- ECHO B - 1049 Brussels, Belgium

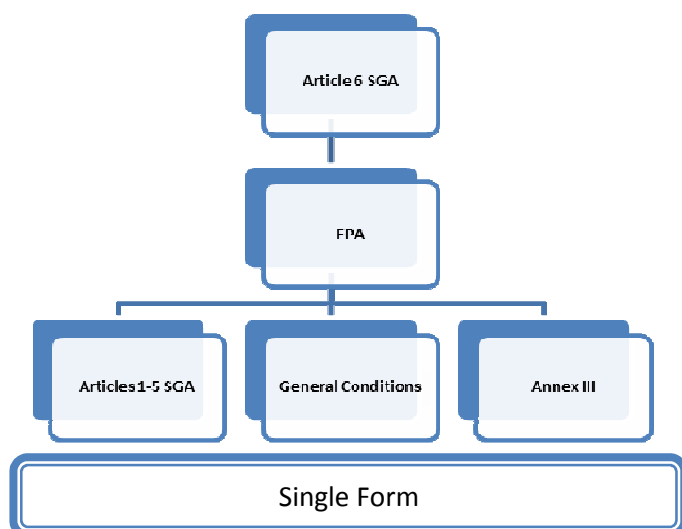
The reception by ECHO of the **signed original** sent by post will trigger the payment of the first instalment. Sending of the signed agreement by email will not be considered as sufficient to launch the pre-financing procedure.


What if ...	
SFA returned unsigned	✦ Agreement not valid. ECHO decides whether to resend the SGA text for signature
SGA returned signed but without date	✦ The date of signature will be the date of registration by ECHO.
SGA returned after 15 calendar days	✦ ECHO has the right to decide whether to accept the Agreement.
SGA returned with modifications made by partner.	✦ Agreement considered as null and void. ECHO can decide to launch again the agreement with or without changes.
Clerical errors in SGA	✦ The partner can sign the Agreement and inform ECHO (Head of Unit/director) of the identified error/s. ECHO will make the correction. (see also section 10.3)



A cover letter will be sent together with the Specific Grant Agreement. The text of the letter may contain important information for the implementation of the action (for instance, reminder to send TOR for evaluation or specific request for information on the action).

8.2 PRECEDENCE OF RULES



 The FPA, the GC, Annex III and the SF are not attached to the SGA but are nevertheless an integral part of the SGA.

This chart presents all the documents which are an integral part of the Specific Grant Agreement (SGA) and the precedence of rules starting from the top.

8.3 ARTICLE 6 – SUPPLEMENTING OR DEROGATING CLAUSES OR URGENT ACTION

Article 6 of the Specific Grant Agreement introduces specific conditions either to supplement the General Conditions or to derogate from provisions foreseen in the General Conditions. These clauses can be requested by:

- the partner;
- by ECHO during the negotiation of the proposal.

In order to be valid, the clauses need to be explicitly mentioned in Article 6 of the Specific Grant Agreement. It is not sufficient to mention them in section 11 of the Single Form, even if the Single Form forms an integral part of the Agreement.

	Supplementing	Derogating	Urgent action
Description	= adding provisions to the Agreement not foreseen in the existing clauses	= when a clause forming part of the SGA should not apply and another rule is to be applied instead	= defining the action as urgent.
How to request it? (when requested by partners)	Section 11 of Single Form	Section 11 of Single Form	Automatic if Simplified Single Form. Otherwise if requested by partner and agreed by ECHO
Relevant article of SGA	6.1	6.2	6.3

8.4 CONTENT OF THE SPECIFIC GRANT AGREEMENT

#	Text of the Articles - Specific Grant Agreement	Comments
	This Specific Grant Agreement [insert number] (hereinafter referred to as 'the Agreement') is concluded between:	<ul style="list-style-type: none"> Agreement number given by ECHO. <ul style="list-style-type: none"> It is the identification number of the action and must be mentioned by the partner in all communications
	The European Union (hereinafter referred to as 'the Union'), represented by the European Commission (hereinafter referred to as 'the Commission'), represented for the purposes of signature of the Agreement by [Forename SURNAME, function, DG/service], on the one part,	<ul style="list-style-type: none"> This is the identification of the official ("Authorising Officer") entitled to sign the agreement in the name of the European Union.
	<p>and</p> <p>[Name of the organisation] [SHORT NAME of the organisation] [Address]</p> <p>(hereinafter referred to as 'the Humanitarian Organisation'), represented for the purposes of signature of the Agreement by [Forename SURNAME, Function], on the other part.</p>	<ul style="list-style-type: none"> The person identified shall be a legal representative of the organisation, as indicated by the partner under section 12.1 of the Single Form. This person must be included in APPEL in the list of persons entitled to sign Specific Grant Agreements on behalf of the Organisation. The partner is responsible for the accuracy of the data transmitted to ECHO and must update the data whenever necessary in APPEL.
1	Subject matter of the Agreement	
1.1	This Agreement is concluded in the context of the partnership established between the Parties. It is drawn up in accordance with the relevant terms of the Framework Partnership Agreement No [...] signed between the Commission and the Humanitarian Organisation on [date on which the last Party signed the Framework Partnership Agreement] (hereinafter referred to as 'the Framework Partnership Agreement'). The terms and conditions of the Framework Partnership Agreement and its Annexes are fully applicable to this Agreement, except where explicitly provided otherwise.	<ul style="list-style-type: none"> The terms of the FPA and its annexes (the General Conditions and Annex III) are applicable to the SGA. However, where Article 6 SGA foresees conditions derogating or supplementing the General Conditions, these shall have precedence over all other applicable rules.
1.2	The Commission has decided to award a grant, under the terms and conditions set out in this Agreement and the Framework Partnership Agreement,	<ul style="list-style-type: none"> The title of the action is automatically extracted from the SF. Where the title of the action does not indicate the country of operation, this will also be included, where relevant.

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	including its Annexes, for the action entitled [insert title of the action] (hereinafter referred to as 'the Action') as described in the Single Form [...], which forms an integral part of this Agreement.	<ul style="list-style-type: none"> The reference number of the Single Form is the number notified automatically to the partner at the time of the submission of the last version of the proposal via APPEL. The system will automatically identify the last version of the SF (approved version) and will insert the relevant reference number in the Agreement.
1.3	With the signature of this Agreement, the Humanitarian Organisation accepts the grant and agrees to implement the action in accordance with the terms and conditions of the Agreement and of the Framework Partnership Agreement, including its Annexes, acting on its own responsibility.	<ul style="list-style-type: none"> The text of the General Conditions and Annex III are not annexed to individual Agreements, but by signing the Agreement the partner acknowledges that they will apply to the action. The full text of the proposal (i.e. the last version of the Single Form sent by the partner and accepted by ECHO) is also an integral part of the Agreement. The Single Form can be uploaded and accessed via APPEL.
2 Entry into force of the Agreement and the implementation period of the action		
2.1	The Agreement shall enter into force on the date provided for in Article 2 of the General Conditions applicable to Humanitarian Aid action financed by the European Union annexed to the Framework Partnership Agreement (hereinafter referred to as 'the General Conditions').	<ul style="list-style-type: none"> The Agreement produces effect only once it has entered into force. Currently, the signature of the SGA is still done on paper. However, in the future, the possibility exists for transiting to a full e-SGA. Thus, Article 2 GC provides for the possibility of both paper and e-signature. <ol style="list-style-type: none"> When SGA is to be signed on paper: it shall enter into force on the date of receipt by ECHO of one original document duly signed by the partner sent by postal delivery with return receipt; When SGA is to be signed electronically: it shall enter into force on the date of receipt by ECHO of the protected electronic document, duly signed by the partner through APPEL.
2.2	The implementation period of the action shall run for [months/days] from [insert date] (hereinafter referred to as 'the start date of the Action').	<ul style="list-style-type: none"> The duration and the start date are automatically extracted from section 1.5 of the Single Form. The last day of the agreement will be calculated according to the following example: a 3 month action starting on 8 February will end on 7 May. The implementation period of the action can equal the period of eligibility of expenditure (see below, Article 2.3 SGA) or can be shorter. The implementation period can never start before the eligibility period. The option to have the implementation also in "days" is available only for modification requests.
2.3	The eligibility period of the action shall be from [insert date] until the end of the implementation period of the action	<ul style="list-style-type: none"> The eligibility date is automatically extracted from section 1.5 of the Single Form. The eligibility period expires at the end of the implementation

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	specified in Article 2(2) herein.	period.
3. Maximum amount and form of the grant		
3.1	The direct costs of the action eligible for Union-funding are estimated at EUR [...]. Indirect costs are estimated at EUR [...] and shall be declared as eligible on the basis of a flat-rate of [...] % of the total eligible direct costs. The total eligible costs of the action are estimated at EUR [...], as set out in the Financial Overview of the action in the Single Form.	<ul style="list-style-type: none"> The amounts mentioned in this article are extracted from section 10 of the Single Form.
3.2	The European Union undertakes to finance a maximum of EUR [...], equivalent to [...] % of the estimated total eligible costs specified in Article 3(1) herein.	<ul style="list-style-type: none"> The amounts mentioned in this article are extracted from section 10 of the Single Form. (cf. SF guidelines). ECHO contribution is expressed both as a maximum amount and as a percentage of the total budget of the action. The percentage varies according to the financing modalities (full or partial financing).
3.3	The final amount of the Union contribution shall be determined in accordance with Article 18(8) of the General Conditions.	<ul style="list-style-type: none"> This provision recalls the rules related to the establishment of the final amount.
4.Submission of reports and final payment request		
4.1	<i>Either</i> ["[...] months before the end of the implementation period of the action, the Humanitarian Organisation shall submit an Interim Report on the action's implementation, covering the implementation up to one month before the reporting date."] <i>or</i> ["Not applicable."].	<ul style="list-style-type: none"> The interim reporti deadline is usually 3 months before the end of the action. No interim report requested in the case of: <ul style="list-style-type: none"> urgent actions or short actions with a duration of less than 10 months. When the Interim Report is not required, Article 4(1) shall indicate 'Not applicable.' <p><u>Exceptions:</u> When operationally justified, ECHO may:</p> <ul style="list-style-type: none"> set a different deadline (e.g. in case of long actions – 24 months – the IR could be requested 6/9 months before the end of the action.) request an IR also for urgent/short actions e.g. particularly difficult context or when ECHO does not have the possibility to do a monitoring of the action.
4.2	The Humanitarian Organisation shall submit the final payment request and the final report within [...] months after the end of the implementation period of the action.	<ul style="list-style-type: none"> Default reporting deadline: 3 months after the end date of implementation <p><u>Exception:</u></p> <ul style="list-style-type: none"> a different deadline may be set when operationally justified (e.g. in case of consortium), however the extension should not

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		<p>be excessive.</p> <ul style="list-style-type: none"> If the partner anticipates delays in the submission of the final report, it can request at any time a different deadline. The request should be made through a Modification Request, in Section 13 of the Single Form.
5. Payment arrangements		
5.1	<p>In accordance with Article 18(2) of the General Conditions, the Commission shall make a pre-financing payment equivalent to [...] of the amount specified in Article 3(2) herein.</p>	<p><u>General rule:</u> 80%</p> <ul style="list-style-type: none"> Different pre-financing rates can be applied by ECHO taking into account the specificities of the action, e.g.: <ul style="list-style-type: none"> the duration of the action; the difficult operating contexts, where there is a risk that the action can be suspended or terminated (in order to allow the re-allocation of the un-spent amounts); the past performance of the partner in similar contexts; in case of partners with a financial threshold to limit the risks incurred by ECHO. In those cases, ECHO may provide 50% followed by a second pre-financing payment amounting to 30% or a different configuration. In general, the partner is informed of the pre-financing rate at the reception of the SGA. Furthermore, the partner is informed of its risk status in APPEL, and thus may expect that in case of a high risk rating the level of pre-financing may be adjusted. <p><u>When:</u></p> <ul style="list-style-type: none"> The first/single pre-financing will be made 30 calendar days following the entry into force of the Agreement. The rule concerning the late payment interest will apply after that deadline. (see 2.1 above)
5.2	<p><i>Either</i> ["In accordance with Article 18(3) of the General Conditions, a further pre-financing instalment, equivalent to [...] of the amount specified in Article 3(2) herein shall be made by the Commission, subject to the Humanitarian Organisation's declaration that at least 70% of the first pre-financing installment paid has been consumed."] or ["Not applicable."].</p>	<ul style="list-style-type: none"> The second pre-financing is subject to the declaration by the partner that 70% of the previous instalment has been consumed, i.e. the partner has legal commitments amounting to 70% of the first instalment. The partner shall submit the request via the dedicated form in APPEL and sign the declaration to be attached as an annex in APPEL (no additional information needed). It does not have to coincide with the submission of the Interim Report. This payment is done within 30 calendar days of receipt of the declaration. If there is a single pre-financing, Article 5(2) shall indicate 'Not applicable.'

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6. Specific conditions applying to the Action		
		<ul style="list-style-type: none"> Article 6 serves the purpose of introducing specific conditions either to supplement the General Conditions or to derogate from one or more of their provisions. It is strongly recommended to introduce the necessary specific provisions, if any, in the SGA from the start, in order to avoid having to amend the SGA once the implementation of the action has begun.
6.1	<i>Either</i> ["The following specific conditions shall supplement, and have precedence over all other provisions of the Framework Partnership Agreement and its Annexes: [...]."] <i>or</i> ["Not applicable."].	<ul style="list-style-type: none"> Specific conditions supplementing the agreement refer to cases where one of the parties wants to add provisions to the agreement not foreseen in the existing clauses. If not relevant, the Article shall indicate "Not applicable".
6.2	<i>Either</i> ["The following specific conditions shall derogate from, and have precedence over all other provisions of the Framework Partnership Agreement and its Annexes: [...]."] <i>or</i> ["Not applicable."].	<ul style="list-style-type: none"> Derogations refer to cases where, for well-grounded reasons, a clause forming part of the General Conditions should not apply and another rule is to be applied instead. If not relevant, the Article shall indicate "Not applicable".
6.3	<i>Either</i> ["The rules applicable to urgent actions provided for in Article 3(5)(g) of Annex III of the Framework Partnership Agreement shall apply to this Agreement."] <i>or</i> ["Not applicable."].	<ul style="list-style-type: none"> The information whether an action is "urgent" shall be retrieved from the e-SF, only in those cases where a simplified SF was used. In other cases, the mention will be included by ECHO when necessary. If not relevant, the Article shall indicate "Not applicable".
	Done in two originals in the [English/French] language, one for the Commission and one for the Humanitarian Organisation.	<ul style="list-style-type: none"> The language of the SGA will be the same as the language in which the e-SF was completed, i.e. English or French. ECHO will send two originals signed by ECHO. The partner has to send back one original of the agreement signed within 15 days from receipt of the two originals.
	<p>For the Humanitarian Organisation [Forename SURNAME] [Function] Signature Done at [place], [date]</p> <p>For the Commission [Forename SURNAME] [Function] Signature Done at [Brussels], [date]</p>	<ul style="list-style-type: none"> The person identified shall be a legal representative, as indicated by the partner under section 12.1 of the Single Form. This person must be included in the list of persons entitled to sign Specific Grant Agreements on behalf of the Organisation. The partner is responsible for the accuracy of the data transmitted to ECHO and must update the data whenever necessary in APPEL. The partner must indicate also the date and place of signature.