

## Annex X

### Detailed information on the financial support to third parties as main purpose of the action (applicable only to Lot 3 and Lot 5 option c)

In compliance with the present guidelines and notably of any conditions or restrictions in this Section, the lead applicant must define in Section 2.1.1 of Annex A.2 (Grant application form – Full application):

#### (i) Objectives, results and priorities

In their application, the lead applicant must outline the objectives and the results to be achieved through the use of the financial support.

These objectives must contribute to:

- (i) the global objective, **and**
- (ii) one or several specific objectives as defined in section 1.2. of the Guidelines for grant applicants, **and**
- (iii) one or several priorities as defined in section 1.2 of the Guidelines for grant applicants.

The overall project shall provide capacity building (e.g. training, coaching, organisational development, knowledge sharing and networking with other organisations):

- a) to smaller organisations (= CSOs and/or LAs) receiving financial support to third parties from the projects resulting from this Call for Proposals;
- b) to increase the organisations' capacity to provide DEAR/Global Citizenship Education (GCE)/Global Education (GE).

Strengthening the capacity of small and medium sized CSOs and/or LAs to provide DEAR/GCE/GE shall be a priority. This aspect shall be duly reflected in the selection and evaluation process of the third parties.

#### (ii) Eligible activities

A clear and detailed description of the activities eligible for financial support must be provided in the description of the action.

The individual activities funded from these projects through financial support to third parties shall contribute to i) the global objective, **and** ii) one or several specific objectives **and**, one or several priorities, as defined in section 1.2 of the Guidelines for grant applicants.

#### (iii) Eligible entities

Third parties eligible for financial support **must** fulfil the following criteria:

- be legal persons or an entity without legal personality **and**
- be effectively established in one of the following countries or territories, as defined in Annex M **and**

- be non-profit-making and be a Civil Society Organisation (CSO) or an association of CSOs; or be a Local Authority (LA) or an association of LAs **and**;
- **not** be:
  - a beneficiary of a grant (neither lead applicant, nor co-applicant),
  - an affiliated entity,
  - associates and contractors
 in the frame of this call for proposals **and**
- have the **financial, administrative and/or operational** capacity to successfully carry out the activities to be financed through the financial support.

Third parties benefitting from financial support may only be eligible for one financial support to third parties within the projects that will result from this Call for Proposals.

Financial Support to third parties outside of the EU can constitute a maximum of 20% of the financial support to third parties foreseen by the action.

#### **(iv) Selection criteria**

The lead applicant shall detail in the description of the action the selection and award criteria to be used to select third parties. Subject to requirements outlined in points v, vi and vii below, grant beneficiaries may use their own rules in the selection and evaluation process, provided that these comply with the principles of proportionality, sound financial management, equal treatment and non-discrimination. The grant beneficiary must ensure transparency and prevent conflict of interests throughout the entire award procedure<sup>1</sup>.

During the implementation of the action, the selection and evaluation procedure must be based on the above mentioned principles and shall be well documented in the report to the contracting authority<sup>2</sup>.

In addition, once the selection process is finalised, the list of the beneficiaries of Financial Support will need to be submitted to the contracting authority as an integrated part of the narrative reports, as detailed in point (vii) below.

#### **(v) Criteria to determine the amount of financial support to third parties**

Under Lot 3 and Lot 5 option c), financial support to third parties shall be the primary aim of the action.

In addition to the mandatory conditions (points (i) to (vii) listed in section 2.1.3. g) to be defined in Section 2.1.1 of Annex A.2 (Grant application form – Full application), the application shall detail the criteria and methodology used to determine the amount of the financial support to third parties. This shall include the following indicative information:

- The total amount allocated to Financial Support to Third Parties;
- The number of third parties' projects to be supported;

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<sup>1</sup> Articles 4.1-4.4 of the General Conditions.

<sup>2</sup> Article 10.8 of the General Conditions (Annex II to 'Annex G - Standard grant contract).

- The costs linked to administration, management, and coordination;
- The quality support measures (e.g. knowledge sharing, capacity building, networking, IT support e.g. in web-hosting) offered to the activities/organisations involved through financial support;
- The costs linked to quality support activities incurred by the project.

**(vi) Maximum amount of financial support per third party**

The indicative minimum and maximum amount per third party shall be defined in the application.

The maximum amount of financial support **per third party cannot exceed EUR 250 000.**

**(vii) System of control set up to verify the eligibility of costs (relevant to the implementation phase)**

The coordinator (lead applicant) shall assume the financial responsibility for the management of the EU funds in compliance with the contract<sup>3</sup>. There is no contractual link between the EC and the third party. Therefore, the beneficiary shall set up a system of control of third party activities and costs.

In order to monitor the project activities, the coordinator (the lead applicant) shall provide, in its reports to the contracting authority, a comprehensive and detailed description of the award and implementation of any financial support given. These reports should provide, amongst other, information on the award procedures, on the identities of the recipient of financial support, the amounts granted, the results achieved, the problems encountered and solutions found, the activities carried out as well as a timetable of the activities which still need to be carried out<sup>4</sup>.

Any publication or information or product produced by the third party should be consistent with the objectives and main purpose of this call for proposals.

All measures and activities relating to visibility and, if applicable, communication, must comply with the latest Communication and Visibility Requirements for EU-funded external action, laid down and published by the European Commission ([Communication and Visibility Requirements for EU External Actions | International Partnerships \(europa.eu\)](https://ec.europa.eu/eas/visibility-requirements)).

The auditor selected by the beneficiary shall verify the eligibility of the costs incurred by the third party<sup>5</sup>. It is advisable that the beneficiary agrees with the auditor on the supporting documents necessary to verify the eligibility of costs incurred by third parties.

The Beneficiary shall keep copies of all supporting documents related to financial support to third parties for the period specified in the General Conditions of the EC grant contract<sup>6</sup>.

Furthermore, grant beneficiaries must ensure that recipients of financial support to third parties do not include entities/persons included in the lists of EU restrictive measures<sup>7</sup>.

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<sup>3</sup> Article 1.6 g) of the General Conditions.

<sup>4</sup> Article of the General Conditions.

<sup>5</sup> Section 2.9 of *Model report of factual findings and terms of reference for an expenditure verification of an EU financed grant contract for external action* (Annex VII to 'Annex G - Standard grant contract).

<sup>6</sup> Articles 10.9 and 16.3 and to the extent relevant, articles 16.6-16.9 of the General Conditions.

<sup>7</sup> Article 1.5 bis of the General Conditions.

The beneficiary must verify that the third parties are not in any of the exclusion criteria as described in point 2.6.10.1.1.exclusion criteria of the Practical Guide (PRAG). To that extent, the beneficiary shall ensure that all the third parties complete and sign the below 'Declaration on exclusion criteria by the third party' before the signature of the Financial Support to Third Party contracts.

Finally, to the extent relevant, the Beneficiary(ies) shall ensure that the conditions applicable to them under Articles 3, 4.1-4.4, 6 and 16 of the General Conditions are also applicable to third parties awarded financial support.

## Declaration on exclusion criteria by the third party

<i>(only for natural persons)</i> himself or herself:	<i>(for legal persons and entities without legal personality)</i> the following entity:
ID or passport number:       ('the person')	Full official name: Official legal form: Statutory registration number: Full official address:   VAT registration number: ('the person')

In order to provide the Beneficiary with a reasonable assurance that the third party is able to carry out the agreed upon actions, the authorised signatory of the third parties declares that the person will be excluded from participation if:

- a) they are bankrupt, subject to insolvency or winding-up procedures, where its assets are being administered by a liquidator or by a court, where it is in an arrangement with creditors, where its business activities are suspended, or where it is in any analogous situation arising from a similar procedure provided for under national laws or regulations;
  
- b) they have been established by a final judgment or a final administrative decision that the economic operator is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the applicable law;
  
- c) they have been established by a final judgment or a final administrative decision that the economic operator is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the economic operator belongs, or by having engaged in any wrongful conduct which has an impact on its professional credibility where such conduct denotes a wrongful intent or gross negligence, including, in particular, any of the following:
  - i) fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of selection criteria or in the performance of a contract;
  
  - ii) entering into agreement with other economic operators with the aim of distorting competition;
  
  - iii) violating intellectual property rights;
  
  - iv) attempting to influence the decision-making process of the contracting authority during the procurement procedure;
  
  - v) attempting to obtain confidential information that may confer upon it undue advantages in the procurement procedure;
  
- d) they have been established by a final judgment that the economic operator is guilty of any of the following:

i) fraud, within the meaning of Article 3 of Directive (EU) 2017/1371 of the European Parliament and of the Council of 5 July 2017 on the fight against fraud to the Union's financial interests by means of criminal law [83] and Article 1 of the Convention on the protection of the European Communities' financial interests drawn up by the Council Act of 26 July 1995 [84];

ii) corruption, as defined in Article 4(2) of Directive (EU) 2017/1371 and Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union, drawn up by the Council Act of 26 May 1997 [85], and in Article 2(1) of Council Framework Decision 2003/568/JHA of 22 July 2003 on combating corruption in the private sector [86], as well as corruption as defined in the law of the country where the contracting authority is located, the country in which the economic operator is established or the country of the performance of the contract;

iii) conduct related to a criminal organisation referred to in Article 2 of Council Framework Decision 2008/841/JHA of 24 October 2008 on the fight against organised crime [87];

iv) money laundering or terrorist financing within the meaning of Article 1(3), (4) and (5) of Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (Text with EEA relevance) of the European Parliament and of the Council [88];

v) terrorist-related offences or offences linked to terrorist activities, as defined in Articles 1 and 3 of Council Framework Decision of 13 June 2002 on combating terrorism [89], respectively, or inciting or aiding or abetting or attempting to commit such offences, as referred to in Article 4 of that Framework Decision;

vi) child labour or other forms of trafficking in human beings as defined in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council of 5 April 2011 on preventing and combating trafficking in human beings and protecting its victims, and replacing Council Framework Decision 2002/629/JHA [90];

e) they have shown significant deficiencies in complying with main obligations in the performance of a contract financed by the EU, which has led to the early termination of a legal commitment or to the application of liquidated damages or other contractual penalties or which has been discovered following checks and audits or investigations by an authorising officer, OLAF or the Court of Auditors;

f) they have been established by a final judgment or final administrative decision that the economic operator has committed an irregularity within the meaning of Article 1(2) of Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities financial interests [91].

g) they have been established by a final judgment or final administrative decision that the person or entity has created an entity under a different jurisdiction with the intent to circumvent fiscal, social or any other legal obligations of mandatory application in the jurisdiction of its registered office, central administration or principal place of business.

h) they have as been established by a final judgment or final administrative decision that an entity has been created with the intent provided for in point (g).

The authorised signatory of the third party must certify that he is not in one of the situations listed above and signed on behalf of the third party.

<b>Name of the (legal) person</b>	
<b>Address</b>	
<b>Contact details</b>	
<b>Name of the Responsible Person</b>	
<b>Position</b>	
<b>Signature</b>	
<b>Date</b>	