GRANT CONTRACT - EXTERNAL ACTIONS OF THE EUROPEAN COMMUNITY -

ONG-PVD/2003/061-514

The European Community, represented by the Commission of the European Communities, ("the Contracting Authority")

of the one part,

and

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Associazione Amici dei Bambini ("the Beneficiary"), with its office at Via Giacomo Frassi, 19 I-20077 Melegnano

of the other part,

have agreed as follows:

Special conditions

Article 1 - Purpose

- 1.1 The purpose of this contract is the award of a grant by the Contracting Authority for the implementation of the Action entitled:
- "Support to Socially Vulnerable Families for Prevention of Children Abandonment in Moldova" ("the Action").
- 1.2 The Beneficiary will be awarded the grant on the terms and conditions set out in this contract, which consists of these special conditions ("Special Conditions") and the annexes, which the Beneficiary hereby declares it has noted and accepted.
- 1.3 The Beneficiary accepts the grant and undertakes to carry out the Action under its own responsibility.

Article 2 - Implementation period of the Action

- 2.1 This contract shall enter into force on the date when the last of the two Parties signs.
- 2.2 Implementation of the Action shall begin the first day of the month following the date on which the advance is paid by the Commission.
- 2.3 The Action's implementation period, as laid down in Annex I, is 36 months.

Article 3 - Financing the Action

3.1 The total cost of the Action eligible for financing by the Contracting Authority is estimated at 668,964.00 EUR as set out in Annex III.

3.2 The Contracting Authority undertakes to finance a maximum of 500,000.00 EUR equivalent to 74.74 % of the estimated total eligible cost specified in paragraph 1; the final amount shall be established in accordance with Article 17 of Annex II.

Article 4 - Technical and financial reporting and payment arrangements

- 4.1 Technical and financial reports shall be produced in support of payment requests, in compliance with Articles 2 and 15.1 of Annex II.
- 4.2 Payment will be made in accordance with Article 15 of Annex II. Of the options referred to in Article 15.1, the following will apply:

First instalment of pre-financing (80% of the part of the forecast budget for the first 12 months of implementation financed by the Contracting Authority:

140,000.00 EUR

Further annual instalment(s) of pre-financing:

155,000.00 EUR 155,000.00 EUR

Forecast final payment (subject to the provisions of Annex II):

50,000.00 EUR

Article 5 - Contact addresses

Any communication relating to this contract must be in writing, state the number and title of the Action and be sent to the following addresses:

For the Contracting Authority

Payment requests and attached reports, including requests for changes to bank account arrangements should be sent to:

European Commission
EuropeAid Cooperation Office
For the attention of the finance unit - AIDCO/F6 (J-54 1/24)
B-1049 Brussels
BELGIUM

Copies of the documents referred to above, and correspondence of any other nature, should be sent to:

European Commission
EuropeAid Cooperation Office
For the attention of the management unit - AIDCO/F2 (J-54 4/S101)
B-1049 Brussels
BELGIUM

For the Beneficiary

Associazione Amici dei Bambini Via Giacomo Frassi, 19 I-20077 Melegnano

Article 6 - Annexes

6.1 The following documents are annexed to these Special Conditions and form an integral part of the contract:

Annex I: Description of the Action

Annex II: General Conditions applicable to European Community-financed grant contracts for external Actions

Annex III:

Budget for the Action

Annex IV:

Contract-award procedures

Annex V:Standard request for payment and financial identification form

Annex VI:

Model audit certificate

Annex VII:

Model financial guarantee

6.2 In the event of conflict between the provisions of the Annexes and those of the Special Conditions, the provisions of the Special Conditions shall take precedence. In the event of conflict between the provisions of Annex II and those of the other annexes, those of Annex II shall take precedence.

Article 7 - Other specific conditions applying to the Action

The General Conditions are supplemented by the following:

- 7.1 For actions including a component of micro-credit funds, the beneficiary has to submit for the Commission's approval an exit strategy at the latest 12 months after the start of the action.
- 7.2 The audit firm which will carry out the audit(s) referred to in Article 15.6 of Annex II is:

Reconta Ernst & Young s.p.a. Via XX Settembre, 12 I-16121 Genova

Done at Brussels in three originals in the English language, two of them for the Contracting Authority and one for the Beneficiary.

(Name - Function)
signature

For the Contracting Authority
signature
date 22/4/04

ADMINISTRATEUR
AIDCO F6

ANNEX I

DESCRIPTION OF THE OPERATION

Note: the Commission holds, in the original project file, a copy of any appendices mentioned in this annex.