

Sector Seminar on agriculture, rural development and food security in EU external action instruments



PRAG 2015 Main changes



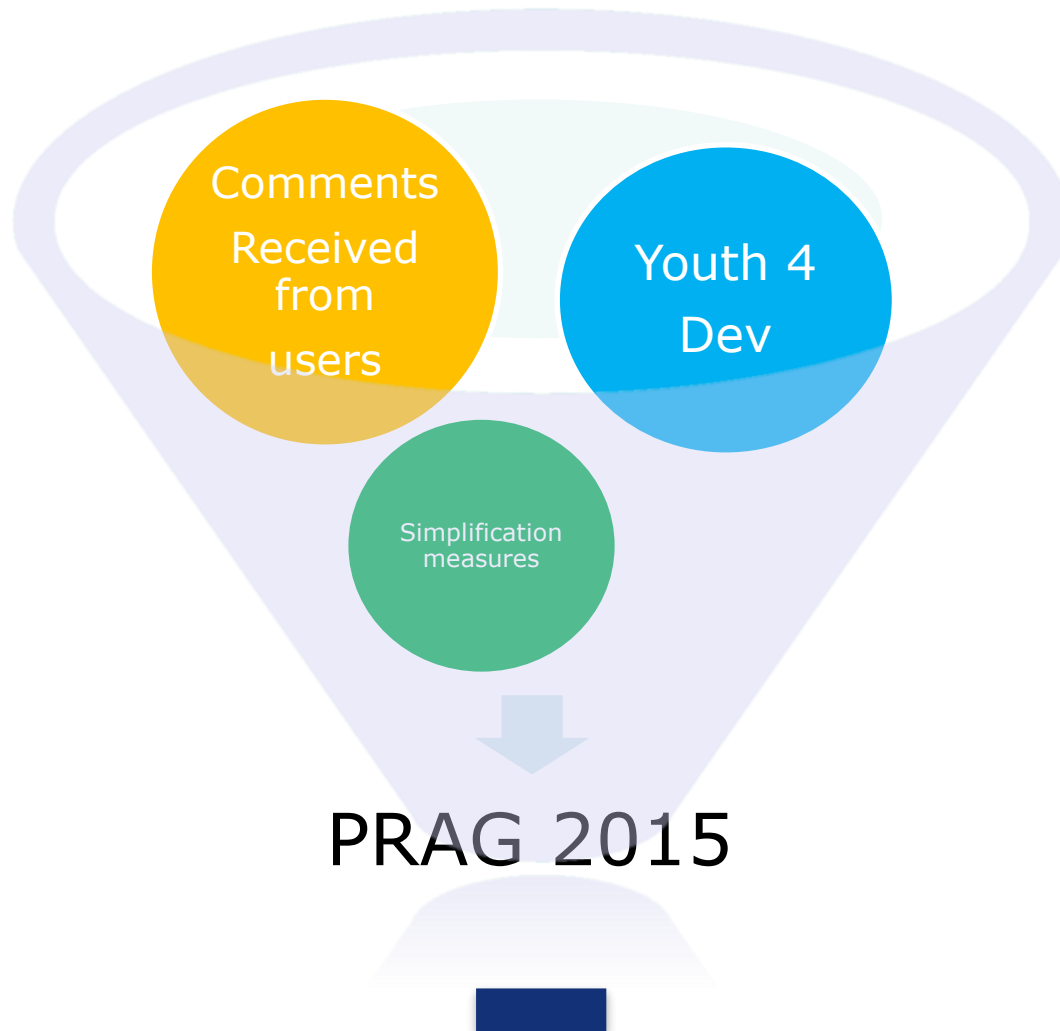
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Publication of PRAG 2015:

15/07/2015

Currently, one of its new elements is undergoing a consultation among different services

Sources of the changes



1

PRAG 2015

- Clarification on retroactivity of addenda to contracts

A contract can be amended through an administrative order or addendum under the conditions provided for in the contract itself. In exceptional circumstances, the amendment may have a retroactive effect from the date of the request provided the execution period has not expired, but the contractor or grant beneficiary will only receive confirmation that the contracting authority has agreed to its request once the addendum has been duly signed or an administrative order has been issued.



- Evaluation committees :

Possibility of conducting the meetings of the evaluation committee through videoconference when one/several of the members does not have the possibility of being “in camera”.

Secure telecommunication means and secure electronic dispatch of documents will be required.

- Global price in Service contracts:

As an outcome of the simplification exercise, contracting authorities are further encouraged in the PRAG to make use of global price contracts rather than fee-based ones.

- Contract notice:

Selection criteria for financial capacity.
Liquidity ratio clarified.

Current ratio (current assets/current liabilities) must be at least ~~< depending~~
~~on type of industry but generally between 1,5 1 and 3 > 1.~~ In case of a
consortium this criterion must be fulfilled by each member.

- Application form:

Clarification of footnote 18: reference only to profile of experts hired in previous projects to be provided, not also names

When supporting documents are to be issued by contracting authorities after the date of publication of PRAG 2014, please also indicate the ~~name/profile~~ function of ~~main staff~~ key experts provided, whether belonging or not to permanent staff, and the number of months each of them worked on the project.

- General conditions and performance guarantee:

New deadline for release of the performance guarantee, 60 days

11.7 Unless the Special Conditions provide otherwise, the performance guarantee shall be released within 60 ~~45~~ days of the issuing of the signed final acceptance certificate for its total amount except for amounts which are the subject of amicable settlement, arbitration or litigation.

- General conditions, performance guarantee and retention guarantee:

New deadline for release of the performance and retention guarantees, 60 days

47.3 The sum retained or the retention guarantee shall be released within 60 ~~45~~ days of the issuing of the signed final statement of account referred to in Article 51.



- Simplified tender dossier for infrastructure works (value between EUR 300.000 and EUR 5 millions)

Publication with PRAG 2015 in July or after as stand-alone release

- General conditions and special conditions:

Rule of origin of goods:

Goods may originate from any country, whenever the price of the estimate quantity of those goods, is below EUR 100.000



- General conditions and special conditions:

Beneficiaries may by default use their rules for currency conversion

- Substantial simplification of Annex IV
 - no procedures imposed, only requirement:

award to the tender offering best value for money or, where appropriate to the tender offering the lowest price while avoiding any conflict of interest



- Templates for Framework Partnership Agreements (FPAs)
 - establish long-term cooperation with strategic partners
 - FPA complemented by specific grant agreements
 - may not exceed 4 years, save in exceptional cases



- PROSPECT

PROSPECT is a tool that makes the Call for Proposals cycle paperless by supporting the entire process in a single IT system.



- Introduction of PAGODA

Grants to organisations whose pillars have been positively assessed by the European Commission and (other) international organisations

If the beneficiary of a grant (i.e. the coordinator in a multi-beneficiary contract) is an organisation whose pillars have been positively assessed by the European Commission as part of an assessment for the entrustment of budget implementation tasks, this organisation will not sign the standard grant contract but a PA Grant Agreement based on the PAGODA template. This agreement may have to be supplemented by provisions that have been agreed as part of framework agreements with the relevant organisations.

However, the Special and General Conditions of the PA Grant Agreement will be supplemented by standard templates published with the call for proposals, i.e. the Budget (Annex B) and the Logical Framework (Annex C). The description of the action (Annex I to the PA Grant Agreement) will be based on the organisation's application. For the reporting, the organisation may use its own templates as long as these templates comply with the relevant provisions of the PA Grant Agreement.

Where the coordinator is not a pillar assessed organisation but one or more co-beneficiaries are international organisations whose pillars have been positively assessed the standard grant contract will be signed. In this case additional provisions of Annex e3h11 will be incorporated under Article 7 of the Special Conditions. Provisions of Annex e3h11 also need to be included in the Special Conditions if the coordinator or a co-beneficiary is an international organisation whose pillars have not been positively assessed.

2

Youth for development

Youth for development

- **Aim?** To help young professionals by giving them an opportunity to develop and strengthen their professional competencies
- **How?** By creating a contractual obligation to offer vocational traineeships within a development cooperation assignment
- Trainees can be young people (18-30 years) with or without university degree, from the EU and partner countries

Youth for development:

- Trainees will get a financial allocation defined by the contractor according to national law
- Trainees to be recruited by the contractor
- Traineeships will vary from 3 to 12 months, either on the field or as backstopping
- Trainees do not replace the regular staff and work on well-defined tasks within the project
- The initiative may be extended to Member States' agencies delegated to implement EU projects and to international organisations at a later stage

Youth for development: How does it work?

- 1 trainee hired per tranche of €500 000
- For contracts of services, works or for grants (more than EUR 500 000): it is a contractual obligation to employ directly a young person per tranche of EUR 500 000
- It is not compulsory to hire more than 10 trainees
- For supply contracts and for smaller contracts, there is no such contractual obligation, and implementation of the initiative is an option
- Double ceiling, max. 4% of contract value or 200,000 euros