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DECISION OF THE BUREAU OF THE EUROPEAN PARLIAMENT

of 6 July 2026

laying down the procedures for Implementing Regulation (EU, Euratom) 2025/2445 of the European Parliament and of the Council on the statute and funding of European political parties and European political foundations and repealing the Bureau Decision of 1 July 2019

(C/2026/3956)

THE BUREAU OF THE EUROPEAN PARLIAMENT,

Having regard to the Treaty on European Union, and in particular Article 10(4) thereof,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 224 thereof,

Having regard to Regulation (EU, Euratom) 2025/2445 of the European Parliament and of the Council of 26 November 2025 on the statute and funding of European political parties and European political foundations ([1]), and in particular Article 30(1) thereof,

Having regard to Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union ([2]) ('the Financial Regulation'),

Having regard to the Commission Delegated Regulation (EU, Euratom) 2015/2401 of 2 October 2015 on the content and functioning of the Register of European political parties and foundations ([3]),

Having regard to the European Parliament's Rules of Procedure ('the Rules of Procedure'), and in particular Rule 25(11) and Rule 241 thereof,

Whereas:

(1) There is a need to lay down the procedures for implementing Regulation (EU, Euratom) 2025/2445.

(2) For reasons of sound financial management and transparency, each funding application should be the subject of a decision of the Bureau, which should be notified to the addressee and should contain a statement of reasons in the event that the measure affects the addressee adversely,

HAS ADOPTED THIS DECISION:

Article 1

Subject-matter

This Decision lays down the applicable procedures for implementing Regulation (EU, Euratom) 2025/2445.

Unless stated otherwise, this Decision applies to both European political parties and to European political foundations.

The Annexes to this Decision form an integral part of it.

([1]) OJ L 2025/2445, 8.12.2025, ELI: http://data.europa.eu/eli/reg/2025/2445/oj.
([2]) OJ L 2024/2509, 26.9.2024, ELI: http://data.europa.eu/eli/reg/2024/2509/oj.
([3]) OJ L 333, 19.12.2015, p. 50, ELI: http://data.europa.eu/eli/reg_del/2015/2401/oj.

Article 2

Definitions

For the purpose of this Decision:

(1) ‘applicant’ means the party or the foundation that files an application for funding pursuant to Article 23 of Regulation (EU, Euratom) 2025/2445, following either a call for contributions or a call for proposals;

(2) ‘authorising officer by delegation’ means the staff member to whom the powers of the authorising officer have been delegated in accordance with the Bureau Decision of 20 January 2025 ([4]) and the decision of the Secretary-General on the delegation of the authorising officer’s duties;

(3) ‘Authority’ means ‘Authority for European political parties and European political foundations’ established by Article 8 of Regulation (EU, Euratom) 2025/2445;

(4) ‘beneficiary’ means the party which has been awarded a contribution or the foundation which has been awarded a grant pursuant to Regulation (EU, Euratom) 2025/2445;

(5) ‘final funding amount’ means either the final contribution amount (for parties) or the final grant amount (for foundations), established by the Bureau following its decision on the annual report;

(6) ‘foundation’ means ‘European political foundation’ as defined in Article 2, point (6), of Regulation (EU, Euratom) 2025/2445;

(7) ‘funding’ means either a contribution within the meaning of Title XI of the Financial Regulation (for parties) or an operating grant within the meaning of Title VIII of the Financial Regulation (for foundations);

(8) ‘funding decision’ means either the decision on the award of a contribution (for parties) or a grant (for foundations), in accordance with the terms and conditions specified in the call;

(9) ‘funding agreement’ means the agreement between the Parliament and the beneficiary concerning either a contribution (for parties) or a grant (for foundations), in accordance with the terms and conditions specified in the call and with the terms of the funding decision;

(10) ‘funding procedure’ means the procedure that runs from the submission of applications until approval of the annual report and the adoption of the decision on the final funding amount;

(11) ‘party’ means ‘European political party’ as defined in Article 2, point (4), of Regulation (EU, Euratom) 2025/2445.

Article 3

Calls

1. After approval by the Bureau, the authorising officer by delegation shall ensure annually the publication of a call for contributions, as regards parties, and a call for proposals, as regards foundations (‘calls’).

2. The calls shall specify the deadline, for parties and foundations, to submit their written funding applications to the European Parliament.

3. The calls shall include the following:

(a) the objectives pursued,

(b) the legal framework,

(c) the timeline of the funding procedure,

(d) the arrangements for Union financing,

(e) the eligibility and exclusion criteria,

(f) (in the case of foundations only) the selection criteria,

(g) the award criteria, as specified in Article 24 of Regulation (EU, Euratom) 2025/2445,

([4]) Bureau Decision of 20 January 2025 on internal rules on the implementation of the European Parliament’s Budget.

(h) an application form and a template form for the estimated budget to be provided by the applicant with its application,

(i) if applicable, a list of any supporting documents required,

(j) the special and general terms and conditions for the awarding of contributions and grants, as approved by the Bureau,

(k) in respect of parties, the nature of the expenditure that may be reimbursed from the contribution, and, in respect of foundations, the categories of costs considered to be eligible for funding from the grant.

4. The call for contributions and the call for proposals shall specify that each applicant must expressly commit itself in writing to complying with the relevant terms and conditions as a condition for its application to be admissible.

5. The calls for contributions and the calls for proposals shall specify that the estimated budget must not result in a net loss of the year, unless that loss is covered by an equivalent amount of reserves on the balance sheet as at the end of the preceding financial year.

Article 4

Funding application

1. In accordance with Article 23(1) of Regulation (EU, Euratom) 2025/2445, an applicant fulfilling the requirements laid down in Article 22(1) or (2) of that Regulation and wishing to receive funding from the general budget of the Union shall submit a written application to the President of the European Parliament.

2. The applicant may be invited by the authorising officer by delegation to submit, within a reasonable deadline, further supporting documents or clarifications as regards the application. Failure to provide the requested documents or clarifications by that deadline may lead to the rejection of the application.

Article 5

Decision on the funding application

1. On the basis of a proposal from the Secretary-General, the Bureau shall decide, within three months after closure of the respective call, on the funding applications after verifying compliance with the criteria laid down in Articles 22 and 23 of Regulation (EU, Euratom) 2025/2445 and referred to in Article 3(3) of this Decision, and shall determine the maximum provisional funding amount awarded to the applicant. The Bureau shall take account of any changes which have occurred in the situation of an applicant subsequent to the submission of the funding application. The applicants shall be informed by the President in writing of the Bureau's decision and of the maximum provisional funding amount awarded to the applicant.

2. If the application is approved by the Bureau, a funding agreement shall be signed by the beneficiary and the European Parliament, represented by the authorising officer by delegation, in accordance with the model laid down in Annex 1a (for parties) or Annex 1b (for foundations).

3. Where an application is rejected or the amounts requested are not awarded in part or in full, the decision taken by the Bureau in accordance with paragraph (1) shall state the grounds for rejection. The information provided to the applicant concerning the rejection shall include the available means of administrative and/or judicial redress.

4. The maximum provisional funding amount shall be the lower of the following: (a) the amount requested by the party or foundation in the application, which shall not exceed 95 % of total reimbursable expenditure or eligible costs presented in the estimated budget, in accordance with Article 22(4) of Regulation (EU, Euratom) 2025/2445; and (b) the amount determined in accordance with Article 24 of Regulation (EU, Euratom) 2025/2445. The final funding amount shall be determined in accordance with the procedure laid down in Article 8 of this Decision.

5. If the amounts per applicant are significantly different from those which were expected at the time of the publication of the calls referred to in Article 3 of this Decision, the Bureau may invite the President of the European Parliament to submit a proposal to the committee responsible for it to adapt the available appropriations.

Article 6

Payments

1. The funding shall be paid to beneficiaries in the form of pre-financing, as further specified in the Special Terms and Conditions laid down in Annex 1a (for parties) and Annex 1b (for foundations). Unless the Bureau decides otherwise in duly justified cases, the pre-financing shall be paid in one single instalment corresponding to 100 % of the maximum provisional funding amount.

2. On a case-by-case basis and subject to a risk analysis, the Bureau may decide to require a beneficiary to lodge a pre-financing guarantee in accordance with the Financial Regulation.

3. The provisions regarding payments and their deadlines shall be specified in the funding agreement. No funding shall be paid to the beneficiaries before the signature of the funding agreement.

Article 7

External audit

1. The authorising officer by delegation shall receive from the beneficiary the external audit report specified in Article 28(1), point (b), of Regulation (EU, Euratom) 2025/2445, prepared by the independent external bodies or experts, mandated pursuant to Article 28(3) of Regulation (EU, Euratom) 2025/2445,

2. The scope of the external audit is specified in Article 28(1), point (b), of Regulation (EU, Euratom) 2025/2445. The purpose of the external audit is further specified in the applicable provisions of Part B of the General Terms and Conditions laid down in Annex 1a (for parties) and Part B of the General Terms and Conditions laid down in Annex 1b (for foundations).

Article 8

Decision on the annual report and on the final funding amount

1. On the basis of a proposal from the Secretary-General, the Bureau shall approve or reject the annual report by 31 December of the year following the financial year concerned in the annual report.

2. The Bureau or the authorising officer by delegation may request the beneficiary to submit additional information for the purpose of verifying compliance with the relevant rules. The control of compliance shall be exercised in accordance with Articles 28 and 29 of Regulation (EU, Euratom) 2025/2445.

3. If such additional information is requested by the Bureau or the authorising officer by delegation, the deadline for the decision on the annual report shall be extended until that additional information has been received and evaluated. The deadline may also be extended when additional information was requested by the Authority, pursuant to Article 29(4) of Regulation (EU, Euratom) 2025/2445.

4. As regards parties, the Bureau shall annually, on the basis of that annual report, determine the amount of reimbursable expenditure and the final funding amount. In the case of a carry-over of unspent funding to the following financial year, the final funding amount shall be established in accordance with Part B of the General Terms and Conditions laid down in Annex 1a.

5. As regards foundations, the Bureau shall annually, on the basis of that annual report, determine the amount of eligible costs and the final funding amount.

6. The final funding amount shall not exceed 95 % of the annual reimbursable expenditure of a party and 95 % of the annual eligible costs of a foundation. In any event, the final funding amount shall not exceed the maximum provisional funding amount laid down in the funding agreement.

7. On the basis of the final funding amount determined in accordance with paragraphs 4 to 6, and the pre-financing payments previously made under the funding decision and the funding agreement, the authorising officer by delegation determines the amounts due to the beneficiary or to the European Parliament.

8. The final funding amount shall be determined without prejudice to the right of the European Parliament to undertake ex post controls in accordance with Part B of the General Terms and Conditions laid down in Annex 1a (for parties) and in Part B of the General Terms and Conditions laid down in Annex 1b (for foundations) and the possibility to adjust the final funding amount retroactively in light of the results of such controls or other audits or investigations by the competent bodies.

9. The decisions adopted under this Article shall be notified to the beneficiary as a uniform decision, in accordance with Rule 241(1) of the Rules of Procedure.

10. The applicable procedure for the approval of the annual report and the adoption of the decision on the final funding amount is further specified in Part B of the General Terms and Conditions laid down in Annex 1a (for parties) and in Part B of the General Terms and Conditions laid down in Annex 1b (for foundations).

Article 9

Suspension procedure

1. In accordance with the applicable rules of the Financial Regulation and with the applicable provisions of Part A of the General Terms and Conditions laid down in Annex 1a (for parties) and Part A of the General Terms and Conditions laid down in Annex 1b (for foundations), the Bureau may decide, upon proposal by the Secretary-General, to suspend the payment of the funding for a political party or foundation and to decide on the resumption of payment where the grounds for such suspension no longer apply. The authorising officer by delegation shall be competent to initiate such procedure and to take all necessary steps, in accordance with Part A of the General Terms and Conditions laid down in Annex 1a (for parties) and Part A of the General Terms and Conditions laid down in Annex 1b (for foundations), prior to such decision of the Bureau.

2. Rule 241(1), third subparagraph, of the Rules of Procedure shall apply to decisions adopted by the Bureau under this Article.

Article 10

Procedure for the termination or withdrawal of a funding decision

1. Prior to a decision of the Bureau on the termination of a funding decision pursuant to Article 36 of Regulation (EU, Euratom) 2025/2445 or on its withdrawal pursuant to Article 37 of that Regulation, the authorising officer by delegation shall be competent to initiate the procedure and to take all necessary steps, in accordance with Part A of the General Terms and Conditions laid down in Annex 1a to this Decision (for parties) and Part A of the General Terms and Conditions laid down in Annex 1b to this Decision (for foundations).

2. The Bureau shall decide on a proposal by the Secretary-General on the termination or withdrawal of a funding decision. Rule 241(1), third subparagraph, of the Rules of Procedure shall apply to any such decision.

3. Following the adoption by the Bureau of the decision to terminate or withdraw the funding decision, the authorising officer by delegation shall without delay notify the beneficiary of the termination of the funding agreement.

4. The authorising officer by delegation shall have the power to issue the necessary recovery orders.

Article 11

Control

The funding agreement shall expressly provide for the rights of the European Parliament and other competent authorities to exercise their powers of control in respect of the beneficiary, as referred to in Articles 29 and 30 of Regulation (EU, Euratom) 2025/2445.

Article 12

Technical support

In accordance with Article 31 of Regulation (EU, Euratom) 2025/2445, beneficiaries may apply for technical support from the European Parliament. The procedure, conditions and costs are laid down in the Bureau Decision of 22 April 2024 governing events on European Parliament premises.

Article 13

Right to be heard

In the cases in which, pursuant to Article 41 of Regulation (EU, Euratom) 2025/2445 and under the applicable funding agreement, including its Special and General Terms and Conditions, the beneficiary, or a natural person as referred to in Article 33 of Regulation (EU, Euratom) 2025/2445, is entitled, prior to any decision adopted by Parliament, to submit observations, the beneficiary or the natural person concerned shall be given a period of 10 working days, unless the applicable rules provide otherwise, to submit written observations. This period may, upon a reasoned request by the beneficiary or the natural person concerned, be extended once by another 10 working days.

Article 14

Repeal and entry into force

1. The Decision of the Bureau of the European Parliament of 1 July 2019 ([5]) is repealed with effect from the date of entry into force of this Decision. That Decision shall, however, continue to apply as regards acts and commitments relating to the funding of European political parties and European political foundations for the financial years 2025 and 2026.

2. This Decision shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

Article 15

Publication

This Decision shall be published in the *Official Journal of the European Union* and on the website of the European Parliament.

([5]) OJ C 249, 25.7.2019, p. 2.

ANNEX Ia

[MODEL] CONTRIBUTION AGREEMENT – PARTY

NUMBER: … [INSERT]

The European Parliament, whose Secretariat is situated at
Plateau du Kirchberg, L-2929 Luxembourg,
hereinafter referred to as 'the European Parliament',
represented, in respect of the signing of this agreement,
by .... [*surname/forename/function*],

of the one part,

and

[full official name of the beneficiary]
[*official legal form*]
[*legal registration No*]
[full official address]
[VAT number],
hereinafter referred to as 'the beneficiary',
represented, in respect of the signing of this agreement,
by: .... [*representative entitled to enter into legal commitments*] ....,

of the other part,

HAVE AGREED

the following Special Terms and Conditions, the General Terms and Conditions and the estimated budget in the Annex which shall form an integral part of this agreement.

The provisions of the Special Terms and Conditions shall take precedence over those of the other parts of this agreement. The provisions of the General Terms and Conditions shall take precedence over those of the Annex.

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I. **SPECIAL TERMS AND CONDITIONS**

ARTICLE I.1. – SUBJECT MATTER OF THE AGREEMENT

The European Parliament awards funding for the implementation of the statutory activities and objectives of the beneficiary in the financial year [insert], in accordance with the terms and conditions set out in the Special Terms and Conditions and the General Terms and Conditions ('terms and conditions'), as well as in accordance with the Annex to this agreement. This constitutes implementation of the funding decision adopted by the European Parliament on [insert date].

The beneficiary will use the funding for the purpose of implementing its statutory activities and objectives, acting on its own responsibility.

ARTICLE I.2. – PERIOD OF ELIGIBILITY

The period of eligibility for Union funding shall run from [insert DD/MM/YY] to [insert DD/MM/YY].

ARTICLE I.3. – FORM OF FUNDING

The contributions awarded to the beneficiary pursuant to Title XI of Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council ([1]) (the 'Financial Regulation') shall take the form of a reimbursement of a percentage of the reimbursable expenditure actually incurred.

ARTICLE I.4. – MAXIMUM PROVISIONAL FUNDING AMOUNT

The European Parliament shall contribute the maximum provisional funding amount of EUR [insert amount] in accordance with the funding decision adopted by the Bureau on [insert date].

The estimated budget is set out in the Annex that was submitted by the beneficiary in its application for funding.

ARTICLE I.5. – PAYMENTS AND PAYMENT ARRANGEMENTS

The funding shall be paid in accordance with the following timetable and arrangements

I.5.1. **Pre-financing**

Pre-financing payment of EUR [insert amount], representing [100 % by default, otherwise insert the percentage decided by the European Parliament in the Funding Decision] of the maximum amount established in Article I.4 of this agreement, shall be made to the beneficiary within 30 days following the date of entry into force of the agreement or, if applicable, from the date when the European Parliament receives the financial guarantee [of EUR … insert amount if applicable], whichever is the latest.

I.5.2. **Payment of the balance to the beneficiary**

In the event that there is a balance of funding to be paid to the beneficiary, it shall be paid to the beneficiary within 30 days following the date of adoption of the decision of the European Parliament on the annual report and the determination of the final funding amount as specified in Article II.25.

I.5.3. **Currency**

Payments shall be made by the European Parliament in euro. Any conversion of actual costs into euro shall be made at the daily rate published in the C series of the *Official Journal of the European Union* or, failing that, at the monthly accounting rate established by the European Parliament and published on its website, on the day when the payment order is issued by the European Parliament, save where the Special Terms and Conditions expressly provide otherwise.

Payments by the European Parliament shall be deemed to have been effected on the date on which they are debited to the European Parliament's account.

([1]) Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (OJ L, 2024/2509, 26.9.2024, ELI: http://data.europa.eu/eli/reg/2024/2509/oj).

ARTICLE I.6. – BANK ACCOUNT

Payments shall be made into the bank account or sub-account held by the beneficiary in a bank established in a European Union Member State, denominated in euro, details of which are given below:

Name of the bank: […]
Address of the branch where the account is held: […]
Precise denomination of the account holder: […]
Full account number (including bank codes): […]
IBAN: […]
BIC / SWIFT: […]

ARTICLE I.7. – GENERAL ADMINISTRATIVE PROVISIONS

Any communication addressed to the European Parliament in connection with this agreement shall be in writing, shall bear the number of the agreement and shall be sent either electronically to fin.part.fond.pol@europarl.europa.eu or by ordinary mail to the following address:

European Parliament
Director-General of Finance
[address of building / office to be inserted]
L-2929 Luxembourg
LUXEBOURG

Ordinary mail shall be deemed to have been received by the European Parliament on the date on which it is formally registered by the European Parliament's Mail Service.

Any communication addressed to the beneficiary in connection with this agreement shall be in writing, shall bear the number of the agreement and shall be sent either to the following address or electronically to the email address below:

Mr/Mrs […]
[Title]
[Official name of the beneficiary body]
[Full official address]
Email: […]

The beneficiary shall inform the authorising officer by delegation in writing of any change in its postal or electronic addresses without undue delay. That obligation shall continue to apply for a period of five years following the date of the last payment under this agreement.

ARTICLE I.8. – ENTRY INTO FORCE OF THE AGREEMENT

The agreement shall enter into force on the date on which it is signed on behalf of the European Parliament.

II. **GENERAL TERMS AND CONDITIONS**

PART A: *LEGAL AND ADMINISTRATIVE PROVISIONS*

ARTICLE II.1. – DEFINITIONS

For the purpose of this agreement:

(1) **'activity report'** means a written justification of the costs incurred during the period of eligibility. For example, an explanation of activities, administrative costs, etc. The activity report is part of the annual report;

(2) **'annual report'** means a report to be submitted within six months following the end of the financial year in accordance with Article 28 of Regulation (EU, Euratom) 2025/2445 of the European Parliament and of the Council [2] and Article 233 of the Financial Regulation;

[2] Regulation (EU, Euratom) 2025/2445 of the European Parliament and of the Council of 26 November 2025 on the statute and funding of European political parties and European political foundations (OJ L, 2025/2445, 8.12.2025, ELI: http://data.europa.eu/eli/reg/2025/2445/oj).

(3) **'balance of funding'** means the difference between the pre-financing amount pursuant to Article I.5.1 and the final funding amount established pursuant to Article II.25.4;

(4) **'clearing of pre-financing'** means a situation where the final funding amount is established by the authorising officer and the amount paid to the beneficiary is no longer the property of the Union;

(5) **'conflict of interests'** means a situation where the impartial and objective implementation of the agreement by the beneficiary is compromised for reasons involving family, emotional life, national affinity, economic interest, or any other shared interest with any third party related to the subject matter of the agreement. Political affinity does not, in principle, constitute a reason for a conflict of interests in the case of agreements concluded between the political party and organisations sharing the same political values. Nevertheless, in the case of such an agreement, compliance with Article 27 of Regulation (EU, Euratom) 2025/2445 must be observed;

(6) **'financial year N'** means the financial year for which the contribution was awarded in accordance with the funding decision referred to in Article I.1;

(7) **'force majeure'** means any unforeseeable, exceptional situation or event beyond the control of the beneficiary or the European Parliament that prevents either of them from fulfilling any of their obligations under the agreement, that is not attributable to error or negligence on their part or on the part of subcontractors, affiliated entities or third parties in receipt of financial support and which proves to be inevitable despite their exercising due diligence. The following cannot be invoked as force majeure: labour disputes, strikes, financial difficulties or any default of a service, defect in equipment or materials or delays in making them available, unless they stem directly from a relevant case of force majeure;

(8) **'formally notify'** means to communicate in writing by mail or electronic mail with proof of delivery;

(9) **'fraud'** means any intentional act or omission affecting the Union's financial interests relating to the use or presentation of false, incorrect or incomplete statements or documents, or to the non-disclosure of information in violation of a specific obligation;

(10) **'funding'** means a contribution awarded in accordance with Title XI of the Financial Regulation and Chapter IV of Regulation (EU, Euratom) 2025/2445;

(11) **'irregularity'** means any infringement of a provision of Union law resulting from an act or omission by the beneficiary, which has or would have the effect of prejudicing the Union's budget;

(12) **'non-cash benefits'** means any offering or contribution in kind, the provision below market value of any goods, services or works, and any other transaction which constitutes an economic advantage for the beneficiary within the meaning of Article 2, points (9) and (10), of Regulation (EU, Euratom) 2025/2445;

(13) **'own resources'** means the sources of funding other than funding from the general budget of the Union, consisting of donations, contributions, self-generated resources (as defined in Article 2, points (9), (10) and (11), of Regulation (EU, Euratom) 2025/2445) and other revenue (e.g. interest earned on reserves, legal damages).

ARTICLE II.2. – GENERAL OBLIGATIONS OF THE BENEFICIARY

The beneficiary:

(a) shall bear sole responsibility for, and the burden of proving, compliance with any legal obligations incumbent on it;

(b) shall be required to make good any damage suffered by the European Parliament as a result of the implementation, including the incorrect implementation, of the agreement, except in cases of force majeure;

(c) shall bear sole liability towards third parties, including for damage of any kind suffered by them during the implementation of the agreement;

(d) shall inform the European Parliament immediately of any change in its legal, financial, technical, organisational or ownership situation and of any change in its name, address or legal representative;

(e) shall take all necessary measures to prevent any conflict of interests arising.

ARTICLE II.3. – OBLIGATIONS LINKED TO BANK ACCOUNT

The account or sub-account referred to in Article I.6 must make it possible to identify the amounts paid by the European Parliament and must be reserved exclusively for the receipt of amounts referred to in Article I.5 paid by the European Parliament.

If the amounts paid into this account as pre-financing yield interest or equivalent benefits under the law of the Member State on whose territory the account is opened, such interest or benefits shall be recovered by the European Parliament subject to the conditions laid down in Article II.26, in accordance with Article 232(5) of the Financial Regulation.

Under no circumstances shall the amounts paid by the European Parliament be used for speculative purposes.

The pre-financing shall remain the property of the Union until it is cleared against the final funding amount.

ARTICLE II.4. – LIABILITY FOR DAMAGES

The European Parliament may not be held liable for any damage caused or sustained by the beneficiary, including any damage caused to third parties during or as a consequence of the implementation of this agreement.

Except in cases of force majeure, the beneficiary shall compensate the European Parliament for any damage it sustains as a result of the implementation of the agreement or because the agreement was not implemented in full compliance with its provisions.

ARTICLE II.5. – CONFIDENTIALITY

Unless otherwise stipulated in this agreement, in Article 39 of Regulation (EU, Euratom) 2025/2445 or in other applicable Union legal acts, in particular Regulation (EC) No 1049/2001 of the European Parliament and of the Council ([3]), the European Parliament and the beneficiary undertake to preserve the confidentiality of any document, information or other material directly related to the subject matter of this agreement.

ARTICLE II.6. – PROCESSING OF PERSONAL DATA

Any personal data collected in the context of this agreement shall be processed in accordance with Article 40 of Regulation (EU, Euratom) 2025/2445. Any processing of personal data by the European Parliament shall comply with Regulation (EU) 2018/1725 of the European Parliament and of the Council ([4]).

Such data shall only be processed for the purpose of the implementation and monitoring of the agreement without prejudice to their possible transfer to the bodies responsible for carrying out verification and audit tasks in accordance with Union law.

Any processing of personal data by the beneficiary in connection with this agreement is subject to Regulation (EU) 2016/679 of the European Parliament and of the Council ([5]). Without prejudice to the other cases provided for in that Regulation, processing of personal data in connection with this agreement is authorised only if it is necessary for the implementation of this agreement.

ARTICLE II.7. – RECORD KEEPING

In accordance with Article 236 of the Financial Regulation, the beneficiary shall keep all records, including accounting, statistical and tax records, and supporting documents concerning the implementation of the agreement for five years following the last payment related to the agreement.

([3]) Regulation (EC) No 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents (OJ L 145, 31.5.2001, p. 43, ELI: http://data.europa.eu/eli/reg/2001/1049/oj).

([4]) Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39, ELI: http://data.europa.eu/eli/reg/2018/1725/oj).

([5]) Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1, ELI: http://data.europa.eu/eli/reg/2016/679/oj).

Records related to audits, appeals, litigation, the settlement of claims arising out of the use of the funding or to European Public Prosecutor's Office (EPPO) or European Anti-Fraud Office (OLAF) investigations, if notified to the beneficiary, shall be retained until the end of such audits, appeals, litigation, settlement of claims or investigations.

For any procurement contract concluded by the beneficiary for the implementation of the agreement, the beneficiary shall keep a record of the tendering procedure, including the original (electronic/paper) correspondence (such as written invitations to tender and the tender specifications), a record of the evaluation of the offers received, the written justification for the choice of the final supplier, and the original contract signed by both parties.

ARTICLE II.8. – VISIBILITY OF UNION FUNDING

II.8.1. **Information on Union funding**

Unless the European Parliament requests or agrees otherwise, any communication or publication (including online), including at conferences or seminars, and any information material, such as brochures, leaflets, posters, presentations, by the beneficiary, related to an action funded by the contribution, shall acknowledge Union support to the beneficiary, through the following funding statement (translated into local languages, where appropriate):

'The European political party [name or acronym] is financed up to a maximum of 95 % by Union funds.'

II.8.2. **Disclaimer**

Any communication or publication by the beneficiary in any form and any medium, shall indicate that sole liability rests with the beneficiary and that the European Union is not responsible for any use that may be made of the information contained therein.

II.8.3. **Publication of information by the European Parliament**

In accordance with Article 39 of Regulation (EU, Euratom) 2025/2445, the European Parliament shall publish on its website the information for which it is responsible, as specified in Article 39(1) of Regulation (EU, Euratom) 2025/2445.

ARTICLE II.9. – AWARD OF CONTRACTS BY THE BENEFICIARY

II.9.1. **Principles**

Funding may be used to reimburse expenditure relating to contracts concluded by the beneficiary, provided that:

(a) in accordance with Article 226(2) of the Financial Regulation, there were no conflicts of interest when the contracts were awarded;

(b) in accordance with Article 163(1) of the Financial Regulation, the principles of transparency, proportionality, equal treatment and non-discrimination were complied with when the contracts were awarded;

(c) the duration of the procurement contracts concerned, including renewals, does not exceed five years;

(d) for procurement contracts with a value exceeding EUR 60 000 (excluding VAT) per supplier and per good or service, the beneficiary organises tendering procedures in compliance with Article II.9.2.

The estimated value of a contract shall not be determined with a view to circumventing the applicable rules, nor shall a contract be split up for that purpose. For the purpose of determining whether the threshold of EUR 60 000 (excluding VAT) is reached, the overall value of the contract over the entire envisaged duration of the contract shall be taken into account, including any amounts related to subcontracting.

II.9.2. **Procurement procedures**

For procurement contracts with a value exceeding EUR 60 000 (excluding VAT), the beneficiary shall organise procurement procedures in compliance with the following requirements:

(a) the call for tenders (written invitation to bid) shall include exclusion criteria, selection criteria (including minimum financial and technical capacity), award criteria and scoring method based on price and quality or only price, and technical specifications (expected deliverables, expected quality and volume of services/goods) against which the beneficiary must assess offers; bidders shall submit dated and signed offers with prices (including prices per unit if applicable) and supporting documents, allowing comparison between offers;

(b) the call for tenders shall be published or sent through appropriate channels, to ensure broad competition with reasonable deadlines (10 days at least) for submission of applications/offers;

(c) the beneficiary shall collect at least three independent offers. If there are fewer than three independent offers responding to the written invitation to bid, the beneficiary shall demonstrate that it was impossible to obtain additional offers for the procurement in question;

(d) offers shall be evaluated in accordance with the criteria set out in the call for tenders; the evaluation report shall show scores, highlight the comparative advantages of the selected bidder and be dated and be signed by the representative(s) of the beneficiary, who have no conflict of interest;

(e) the contracts shall be dated and signed by both parties and shall reflect the same terms as in the offer, or include terms that are not less favourable to the beneficiary;

(f) subcontracting shall be allowed if it is included in the offers and authorised in the technical specifications;

Procurement procedures may be subject to additional requirements as set out in the call for contributions.

II.9.3. **Liability**

The beneficiary shall bear sole liability in respect of the implementation of this agreement and compliance with the provisions of this agreement. The beneficiary shall state in its contracts with third parties that under no circumstances can the European Parliament be considered as party to those contracts or be held liable in any way towards the contractors.

ARTICLE II.10. – FINANCIAL SUPPORT TO ASSOCIATED ENTITIES

Financial support granted by the beneficiary to associated entities within the meaning of Article 226(3) of the Financial Regulation may, under the following conditions, constitute reimbursable expenditure:

(a) the financial support is granted by the beneficiary to the following associated entities:[insert the names of potential beneficiaries as indicated in the application form];

(b) those entities are part of the administrative organisation of the beneficiary as set out in the statutes of the beneficiary;

(c) the financial support for each entity does not exceed EUR 100 000;

(d) it is used by the associated entity for reimbursable expenditure;

(e) any lump sum paid to the associated entity does not exceed a quarter of the total financial support to that entity.

The beneficiary shall ensure that the European Parliament, the Authority for European political parties and European political foundations (Authority), the European Court of Auditors, the EPPO, where applicable, or OLAF are able to exercise their powers of control under Chapter V of Regulation (EU, Euratom) 2025/2445.

ARTICLE II.11. – FORCE MAJEURE

If either the European Parliament or the beneficiary is faced with a situation of force majeure, it shall inform the other without delay, by registered letter with proof of delivery or equivalent, stating the nature, probable duration and likely effects of the situation in question.

The European Parliament and the beneficiary shall make every effort to minimise any damage which might be caused by a situation of force majeure.

Neither the European Parliament nor the beneficiary shall be held to be in breach of any of its obligations under the agreement if it has been prevented from fulfilling that obligation by force majeure.

ARTICLE II.12. – SUSPENSION OF PAYMENT OF FUNDING

II.12.1. **Grounds for suspension**

The European Parliament may suspend the payment of funding, in accordance with the applicable rules under the Financial Regulation (in particular Article 116(4), Article 132 and Article 234(3) and (5) thereof), including in the following circumstances:

(i) where it suspects irregularities, fraud or breaches of obligations committed by the beneficiary during the award procedure or while implementing the agreement, until verification of those suspicions has been concluded;

(ii) where the beneficiary has been subject to the financial sanctions provided for in Article 32(3) of Regulation (EU, Euratom) 2025/2445, which are overdue, until the financial sanction is paid; or

(iii) if the beneficiary does not comply with the obligations laid down in Article II.29.1 to Article II.29.3 of this agreement.

II.12.2. **Procedure for suspension**

Step 1 — Before suspending the payment, the European Parliament shall formally notify the beneficiary of its intention to suspend, stating its reasons for wishing to do so and inviting the beneficiary to submit observations within 30 calendar days from the date on which it receives that notification.

Step 2 — If after expiry of the period for submission of observations the European Parliament decides not to pursue the suspension procedure, it shall notify the beneficiary of that decision.

If, after expiry of the period for submission of observations, the European Parliament decides to pursue the suspension procedure, it shall formally notify the beneficiary by means of a reasoned decision on suspension informing it of:

(i) the indicative date of completion of the necessary verification in the case referred to in Article II.12.1, point (i), and the suspended amounts; and

(ii) any legal remedies.

II.12.3. **Effects of the suspension**

The suspension of payment shall have the effect that the beneficiary is not entitled to receive any payments from the European Parliament until the verification referred to under Article II.12.2, point (i), under Step 2, is complete or the ground for suspension ceases to apply. This is without prejudice to the right of the European Parliament to withdraw or to terminate the Funding Decision under Articles II.13 and II.14.

II.12.4. **Resumption of payment**

From the moment that the ground for the suspension of payment ceases to apply, all payments concerned shall be resumed and the European Parliament shall notify the beneficiary thereof.

ARTICLE II.13. – WITHDRAWAL OF THE FUNDING DECISION BY THE EUROPEAN PARLIAMENT

II.13.1. **Grounds for withdrawal**

Where the Authority adopts a decision to remove the beneficiary from the Register on the basis of Article 21(1), point (a)(iv) of Regulation (EU, Euratom) 2025/2445, the European Parliament shall withdraw the funding decision concerning the beneficiary pursuant to Article 37 of that Regulation and with the consequences specified therein.

II.13.2. **Procedure for withdrawal**

Step 1 — Before withdrawing the funding decision concerning a beneficiary, the European Parliament shall formally notify the beneficiary of its intention to withdraw, stating its reasons for wishing to do so and inviting the beneficiary to submit observations within 30 calendar days from the date on which it receives that notification.

Step 2 — If, after expiry of the period for submission of observations, the European Parliament decides not to withdraw the Funding Decision, it shall notify the beneficiary of that decision.

If, after expiry of the period for submission of observations, the European Parliament decides to withdraw the Funding Decision, it shall formally notify the beneficiary by means of a reasoned decision on withdrawal.

Step 3 — Following the adoption of the decision to withdraw the Funding Decision, the European Parliament shall without delay notify the beneficiary of the termination of the contribution agreement.

ARTICLE II.14. – TERMINATION OF THE FUNDING DECISION

II.14.1. **Termination at the request of the beneficiary**

The beneficiary may request the termination of the Funding Decision.

The beneficiary shall formally notify the European Parliament on termination, stating:

(a) the reasons for termination; and

(b) the date on which the termination is to take effect, which shall not be earlier than the date on which the formal notification was sent.

The termination of the Funding Decision shall take effect on the day specified in the decision of termination or, if no day is specified therein, on the day of its notification to the beneficiary. Following the termination of the Funding Decision, the European Parliament shall without delay terminate the contribution agreement with effect on the same day.

II.14.2. **Termination by the European Parliament**

II.14.2.A. *Grounds for termination*

The European Parliament shall terminate the Funding Decision with future effect and as a result terminate this Agreement, in accordance with Article 36 of Regulation (EU, Euratom) 2025/2445, in any of the following circumstances:

(a) where there is a ground for termination under Article 36(1), point (a) or (b), of Regulation (EU, Euratom) 2025/2445;

(b) if the beneficiary no longer complies with Article 23(2), second sentence, of Regulation (EU, Euratom) 2025/2445;

(c) in accordance with the applicable rules under the Financial Regulation, in particular Article 132 thereof;

(d) if the beneficiary is declared bankrupt, is being wound up or is the subject of any other similar proceedings.

II.14.2.B. *Procedure for termination*

Step 1 — Before termination of the Funding Decision, the European Parliament shall formally notify the beneficiary of its intention to terminate, stating its reasons for wishing to do so and inviting the beneficiary to submit observations within 30 calendar days from the date on which it receives that notification.

Step 2 — If, after expiry of the period for submission of observations, the European Parliament decides not to terminate the Funding Decision, it shall notify the beneficiary of that decision.

If, after expiry of the period for submission of observations, the European Parliament decides to terminate the Funding Decision, it shall formally notify the beneficiary, by means of a reasoned decision on termination.

Step 3 — Following the adoption of the decision to terminate the Funding Decision, the European Parliament shall without delay notify the beneficiary of the termination of the contribution agreement.

ARTICLE II.15. – ASSIGNMENT

The beneficiary may not assign any of its claims for payment against the European Parliament to any third party, except if approved in advance by the European Parliament on the basis of a reasoned, written request by the beneficiary.

If the European Parliament does not accept in writing the assignment or the terms of such acceptance are not complied with, the assignment shall have no legal effect.

Under no circumstances may an assignment release the beneficiary from its obligations towards the European Parliament.

ARTICLE II.16. – LATE PAYMENT INTEREST

If the European Parliament does not pay within the time limits for payment, the beneficiary shall be entitled to late-payment interest at the rate applied by the European Central Bank for its main refinancing operations in euros (‘the reference rate’), plus three and a half points. The reference rate is the rate in force on the first day of the month in which the time limit for payment expires, as published in the C series of the *Official Journal of the European Union*.

If the European Parliament suspends the payments as provided for in Article II.12, these actions may not be considered to be cases of late payment.

Late-payment interest covers the period running from the day following the due date for payment, up to and including the date of actual payment.

As an exception to the first subparagraph, if the calculated interest is lower than or equal to EUR 200, the European Parliament shall only be required to pay it to the beneficiary if the beneficiary requests it within two months of receiving late payment.

ARTICLE II.17. – APPLICABLE LAW

This agreement is governed by the applicable Union law, and in particular by Regulation (EU, Euratom) 2025/2445 and the applicable rules of the Financial Regulation. They are complemented by the national law of the Member State in which the beneficiary has its seat.

ARTICLE II.18. – RIGHT TO BE HEARD

In the cases in which, under this agreement, the beneficiary is entitled to submit observations, the beneficiary shall be given a period of 10 working days, save where expressly provided otherwise, to submit written observations. This period may, upon reasoned request by the beneficiary, be extended once by another 10 working days.

PART B: *FINANCIAL PROVISIONS*

ARTICLE II.19. – REIMBURSABLE EXPENDITURE

II.19.1. **Conditions**

In order to be considered to be eligible for reimbursement from Union funding, expenditure shall meet the following cumulative criteria:

(a) be directly related to the subject-matter of the agreement and provided for in the estimated budget annexed to the agreement;

(b) be necessary for the implementation of the agreement;

(c) be reasonable and justified, and comply with the principle of sound financial management, in particular regarding economy and efficiency;

(d) be generated during the period of eligibility as defined in Article I.2, with the exception of costs relating to annual reports and certificates on the financial statements and underlying accounts;

(e) be actually incurred by the beneficiary;

(f) be identifiable and verifiable, and recorded in the beneficiary's accounts, in accordance with the accounting standards applicable to it;

(g) comply with the requirements of applicable tax and social security laws;

(h) comply with Article II.9.1;

(i) comply, if the relevant costs stem from procurement contracts with a value exceeding EUR 60 000 (excluding VAT), with the procedural requirements laid down in Article II.9.2;

(j) comply with the requirements laid down in Title XI of the Financial Regulation, Regulation (EU, Euratom) 2025/2445 or in the call for contributions.

The beneficiary's accounting and internal audit procedures shall make it possible to carry out a direct reconciliation of the costs and revenue declared in the annual report with the financial statements and the corresponding supporting documents. Lack of proper reconciliation may result in the expenditure being classified as non-reimbursable.

II.19.2. **Examples for reimbursable expenditure**

In particular, and provided that they meet the criteria laid down in Article II.19.1, the following operating costs shall be regarded as reimbursable:

(a) expenditure linked to technical assistance, meetings, research, cross-border events, studies, information and publications;

(b) personnel costs, comprising actual salaries, social security contributions and other statutory costs included in remuneration, provided that they do not exceed the average rates under the beneficiary's usual policy on remuneration;

(c) travel and subsistence expenses for staff, provided that they are consistent with the beneficiary's usual practices regarding travel costs;

(d) the depreciation costs of equipment or other assets (new or second-hand) as recorded in the beneficiary's accounting statements, provided that the asset

  (i) is depreciated in accordance with local accounting standards and accounting practices consistently applied over time; and

  (ii) has been purchased in accordance with Article II.9.1 and Article II.9.2;

(e) the costs of financial guarantees, related to the pre-financing paid by the European Parliament.

ARTICLE II.20. – NON-REIMBURSABLE EXPENDITURE

Without prejudice to Article II.19.1 of this agreement, the following expenditure shall be considered non-reimbursable expenditure:

(a) return on capital and dividends paid by the beneficiary;

(b) debt and debt service charges;

(c) provisions for losses or debts;

(d) interest owed, with the exception of negative interest for the account in which pre-financing from the European Parliament is received, provided that such negative interest could not have been avoided;

(e) doubtful debts;

(f) exchange losses;

(g) costs of transfers from the European Parliament charged by the bank of the beneficiary;

(h) expenditure declared by the beneficiary under another action receiving a grant financed from the Union budget;

(i) non-cash benefits;

(j) excessive or reckless expenditure;

(k) deductible VAT;

(l) prohibited funding of certain third parties pursuant to Article 27 of Regulation (EU, Euratom) 2025/2445 and Article 226(3) of the Financial Regulation;

(m) expenditure related to legal disputes with the European Parliament or the Authority;

(n) amount of financial sanctions imposed by the Authority or any national authority and late payment interest payable as a result;

(o) expenditure that lacks sufficient supporting evidence, such as tendering documents, contracts, invoices, deliverables.

ARTICLE II.21. – NON-CASH BENEFITS

The value of non-cash benefits shall not exceed:

(a) the costs corresponding to non-cash benefits that are actually borne by the third parties or the members granting those benefits, duly supported by accounting documents;

(b) in the absence of such documents, the costs that correspond to those generally accepted on the market in question;

(c) their value as accepted in the estimated budget set out in the Annex;

(d) 50 % of own resources accepted in the estimated budget.

Non-cash benefits:

(a) shall be accounted for separately, both in revenue and expenditure;

(b) shall comply with Article 25 of Regulation (EU, Euratom) 2025/2445, as well as the national tax and social security rules;

(c) shall only be accepted on a provisional basis, subject to a certification by the external auditor and to acceptance in the decision over the final funding amount;

(d) shall not be in the form of immovable property.

ARTICLE II.22. – BUDGET TRANSFERS

The beneficiary shall be allowed to adjust the estimated budget set out in the Annex, by transfers between the different budget categories without prejudice to Article II.21. This adjustment shall not require an amendment of the agreement. Such transfers shall be justified in the annual report.

ARTICLE II.23. – REPORTING OBLIGATIONS

II.23.1. **Annual report**

Preferably by 15 May, and at the latest by 30 June, following the end of financial year N, the beneficiary shall submit to the authorising officer by delegation an annual report in an open, machine-readable format, composed of the following:

(a) annual financial statements and accompanying notes, covering beneficiary’s revenue and costs, assets and liabilities at the beginning and at the end of the financial year, in accordance with the law applicable in the Member State of the beneficiary’s seat;

(b) an external audit report on the annual financial statements, covering both the reliability of the financial statements and the legality and regularity of the revenue and expenditure, carried out by an independent body or expert;

(c) the list of donors and contributors and their corresponding donations or contributions and self-generated resources reported in accordance with Article 25(2) of Regulation (EU, Euratom) 2025/2445;

(d) activity report;

(e) financial statement of the actual expenditure and revenue based on the structure of the estimated budget;

(f) detail of accounts as regards revenue, costs, assets and liabilities;

(g) reconciliation of financial statement referred to in point (e) with detail of accounts referred to in point (f);

(h) list of suppliers which charged the beneficiary over EUR 10 000 in the financial year N or for which the cumulative value in the last 5 years equals or exceeds EUR 60 000 (excluding VAT), specifying the name, and address of the supplier as well as the description of the goods or services provided.

The information included in the annual report shall be sufficient to establish the final funding amount.

II.23.2. **External audit report**

The beneficiary shall cooperate with the independent external bodies or experts, mandated pursuant to Article 28(3) of Regulation (EU, Euratom) 2025/2445 in the preparation and submission of the external audit report specified in Article 28(1) of Regulation (EU, Euratom) 2025/2445.

For that purpose, the beneficiary shall provide any information or documents requested by the external auditor pursuant to Article 28(4) of Regulation (EU, Euratom) 2025/2445, including in the course of on-the-spot checks, conducted under the same conditions as in Article II.29.3 of this agreement.

The purpose of the external audit shall be to certify the reliability of the financial statements and the legality and regularity of their revenue and expenditure, and in particular that:

(a) the financial statements were prepared in accordance with the national law applicable to the beneficiary, are free of material misstatement and show a true and fair view of the financial position and the operating results;

(b) the expenditure declared was actually incurred;

(c) the statement of revenue is exhaustive;

(d) the financial documents submitted by the beneficiary to Parliament are consistent with the financial provisions of the agreement;

(e) the obligations arising from Regulation (EU, Euratom) 2025/2445, in particular from Article 25 thereof, have been met;

(f) the obligations arising from the agreement, in particular from Article II.9 and Article II.19 thereof, have been met;

(g) non-cash benefits have actually been provided to the beneficiary and have been valued in compliance with the applicable rules;

(h) any unused part of Union funding for the financial year N was carried over to the next financial year in accordance with Article 232(2) of the Financial Regulation or reimbursed to the European Parliament;

(i) the unused part of Union funding of the financial year N-1, was used in the financial year N in accordance with Article 232(4) of the Financial Regulation;

(j) any surplus of own resources was transferred to the reserve.

ARTICLE II.24. – DECISION ON ANNUAL REPORT

By 31 December of the year following financial year N, the European Parliament shall approve or reject the annual report, as specified in Article II.23.1.

If the European Parliament does not respond in writing within a period of six months after the reception of the annual report, the annual report shall be deemed to have been approved.

The approval of the annual report is without prejudice to the establishment of the final funding amount under Article II.25 by means of which the European Parliament takes a final decision on the reimbursement of expenditure.

The European Parliament may request additional information from the beneficiary in order to be in a position to take a decision on the annual report. In the event of such request, the deadline for the decision on the annual report shall be extended until the requested information has been received and evaluated by the European Parliament. The deadline may also be extended when additional information has been requested by the Authority, pursuant to Article 29(4) of Regulation (EU, Euratom) 2025/2445.

If the annual report has substantial deficiencies, or if the external auditor concludes that they cannot form an audit opinion due to a lack of audit evidence, the European Parliament may reject it without requesting additional information from the beneficiary and may request that the beneficiary submit a new report within a period of 15 working days.

Requests for additional information or a new report shall be notified to the beneficiary in writing.

If the annual report that was initially submitted is rejected and a new report is requested, the approval procedure set out in this Article shall apply to the new report.

ARTICLE II.25. – DECISION ON THE FINAL FUNDING AMOUNT

II.25.1. **Impact of the annual report**

The decision of the European Parliament establishing the final funding amount shall be based on the annual report approved in accordance with Article II.24. In the event of a definitive rejection of the annual report by the European Parliament or failure of the beneficiary to submit any annual report within the applicable deadlines, no reimbursable expenditure may be established by the decision on the final funding amount.

II.25.2. **Threshold**

The final funding amount shall be limited to the amount laid down in Article I.4. It shall not exceed 95 % of the reimbursable expenditure that were actually incurred.

II.25.3. **Carry-over of unspent funding**

Any part of the contribution not spent within financial year N for which it was awarded, shall be carried over to financial year N+1 and spent on any reimbursable expenditure incurred by 31 December of year N+1. Remaining amounts of the previous year’s contributions shall not be used to finance the part of the expenditure which European political parties must cover from their own resources.

Within 20 days after the end of financial year N, the beneficiary shall inform the authorising officer by delegation of the European Parliament on the estimated amount of funding carried over to the financial year N+1.

The beneficiary shall first use the part of the contribution that has not been used within the financial year for which it was awarded and only then any contribution awarded after that year.

II.25.4. **Decision on final funding amount**

The European Parliament controls annually whether expenditure complies with the provisions of Regulation (EU, Euratom) 2025/2445, the Financial Regulation and the agreement. Each year it shall take a decision on the final funding amount, which shall be duly notified to the beneficiary.

If the amount of the funding defined in Article I.4 was entirely spent during financial year N, the final funding amount shall be established after the closing of that financial year.

In the event of a carry-over of unspent funding to financial year N+1 in accordance with Article II.25.3, the final funding amount of year N shall be established as follows:

Step 1 — In year N+1 the European Parliament shall decide on the reimbursable costs of financial year N and the first part of the final funding amount of year N, corresponding to those costs. In addition, the European Parliament shall establish the amount of unspent funding awarded for financial year N that is to be carried over to the financial year N+1;

Step 2 — In year N+2, the European Parliament shall decide on the reimbursable costs of financial year N+1, determining which of them will be covered by the unspent funding carried over to the financial year N+1 (second part of the final funding amount).

The final funding amount of year N shall be the sum of amounts established in steps 1 and 2.

The timeline provided for in Step 1 and Step 2 above shall be valid to the extent that there is no decision under Article 8(3) of the Decision of the Bureau.

At the moment of establishing the final funding amount, the clearing of pre-financing shall take place. In case of a carry-over, a partial clearing of pre-financing takes place at the moment of each of the aforementioned steps.

II.25.5. **Recovery of unspent funding**

Any remaining part of the contribution awarded for year N that is not spent until the end of the year N+1 shall be recovered in accordance with Chapter 6 of Title IV of the Financial Regulation.

II.25.6. **Balance of funding**

If the pre-financing paid exceeds the final funding amount, the European Parliament shall recover the pre-financing unduly paid.

If the final funding amount exceeds the pre-financing paid, the European Parliament shall pay the balance.

II.25.7. **Surplus of own resources**

(a) *Building of special reserve*

The beneficiary may build a special reserve from the surplus of own resources.

The surplus of own resources to be transferred to the special reserve account shall be the amount of own resources that exceed the sum of own resources necessary to cover 5 % of reimbursable expenditure actually incurred in financial year N. The beneficiary must have previously covered the non-reimbursable expenditure of financial year N by using its own resources only.

In the case of self-generated resources, if the beneficiary exceeds the threshold stipulated under Article 25(13) of Regulation (EU, Euratom) 2025/2445, the amount of revenue that exceeds the threshold shall not be declared in revenue but shall be deducted from the total of reimbursable expenditure.

The reserve shall only be used to cover the operational costs of the beneficiary.

(b) *Profit*

Profit is defined as a surplus of income over expenditure.

Income includes funding from the Union budget and own resources of the beneficiary.

Contributions by third parties to joint activities shall not be considered to be part of the own resources of the beneficiary. Moreover, the beneficiary shall not directly or indirectly receive other funding from the general budget of the Union. In particular, donations from the budgets of political groups in the European Parliament shall be prohibited.

The surplus allocated to the special reserve will not be taken into account for the calculation of the profit.

(c) *Recovery*

The funding may not produce a profit for the beneficiary. The European Parliament shall be entitled to recover the percentage of the profit corresponding to the Union contribution to the reimbursable costs.

ARTICLE II.26. – INTEREST ON PRE-FINANCING

The beneficiary shall notify the authorising officer by delegation of the amount of interest or equivalent benefits yielded during the financial year N by the funds that it has received from the European Parliament.

The European Parliament shall recover the interest yielded by the respective funds, when establishing the final funding amount. That interest shall not be included in the own resources.

ARTICLE II.27. – RECOVERY

If amounts have been unduly paid to the beneficiary or if a recovery procedure is justified under the terms and conditions of the agreement, Regulation (EU, Euratom) 2025/2445 or the Financial Regulation, the beneficiary shall repay the amounts concerned to the European Parliament, in accordance with the terms and conditions and by the deadline laid down by the European Parliament.

II.27.1. **Late payment interest**

If the beneficiary fails to make the repayment by the deadline laid down by the European Parliament, the European Parliament shall charge on the sums due late-payment interest at the rate laid down in Article II.16. The late-payment interest shall cover the period between the expiry of the deadline laid down for repayment and the date on which the European Parliament receives full repayment of the sums due, inclusive.

Any partial repayment shall first be entered against charges and late-payment interest and only then against the principal.

II.27.2. **Offsetting**

Without prejudice to other means of recovery provided for in the Financial Regulation, if no repayment has been made by the deadline laid down, the sums due to the European Parliament may be recovered by offsetting them against any sums owed to the beneficiary on any other account in accordance with the Financial Regulation. In exceptional circumstances, justified by the need to safeguard the financial interests of the Union, the European Parliament may recover by offsetting before the due date of the payment. The beneficiary's prior consent shall not be required.

II.27.3. **Bank charges**

Bank charges occasioned by the recovery of the sums owed to the European Parliament shall be borne solely by the beneficiary.

ARTICLE II.28. – FINANCIAL GUARANTEE

If the European Parliament requests a financial guarantee in accordance with Article 231 of the Financial Regulation, the following conditions must be fulfilled:

(a) the financial guarantee must be provided by a bank or an approved financial institution or, if requested by the beneficiary and accepted by the European Parliament, by a third party;

(b) the guarantor must stand as first-call guarantor and not require the European Parliament to first have recourse against the principal debtor (i.e. the beneficiary concerned); and

(c) the financial guarantee must explicitly remain in force until the pre-financing is cleared against interim payments or payment of the balance by the European Parliament; if payment of the balance takes the form of a recovery, the financial guarantee must remain in force until the debt is considered to be fully cleared; and the European Parliament must release the guarantee within the following month.

ARTICLE II.29. – CONTROL

II.29.1. **General provisions**

Within the scope of their competence and in accordance with Chapter V of Regulation (EU, Euratom) 2025/2445, and with Article 129, Article 234(1) and Article 235(1) of the Financial Regulation, the European Parliament, the Authority, OLAF, the EPPO in respect of those Member States participating in enhanced cooperation pursuant to Council Regulation (EU) 2017/1939 [6] and the European Court of Auditors may at any moment exercise their respective powers of control in order to verify whether the beneficiary is in full compliance with the obligations laid down in the agreement, in Regulation (EU, Euratom) 2025/2445 and the Financial Regulation.

The beneficiary shall duly cooperate with the competent authorities and shall provide them with all necessary assistance for the conduct of their control.

The beneficiary shall ensure that any third parties, including contractors and subcontractors, involved in the implementation of the activities funded under this agreement, grant equivalent rights as those set out in the first paragraph of Article II.29.1 as provided for in Article 129(2) of the Financial Regulation.

The European Parliament and the Authority may delegate the task of control to external bodies duly authorised to act on their behalf ('the authorised bodies'). The duty of cooperation shall also apply in respect of such authorised bodies in the exercise of the control tasks delegated to them.

II.29.2. **Obligation to provide documents and/or information**

The beneficiary shall provide any document and/or information, including information in electronic format, which is requested by the European Parliament, the Authority or the authorised body ('the competent authority').

Any documents or information provided by the beneficiary shall be processed in accordance with Article II.6.

II.29.3. **On-the-spot checks by the competent authority**

The competent authority may conduct on-the-spot checks in the premises of the beneficiary. To this end, it may request in writing that the beneficiary make appropriate arrangements for such check within an appropriate deadline to be fixed by the competent authority.

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[6] Council Regulation (EU) 2017/1939 of 12 October 2017 implementing enhanced cooperation on the establishment of the European Public Prosecutor's Office ('the EPPO') (OJ L 283, 31.10.2017, p. 7, ELI: http://data.europa.eu/eli/reg/2017/1939/oj).

During an on-the-spot check, the beneficiary shall allow the competent authority to have access to the sites and premises where the operation is being or was carried out, as well as to all the necessary information, including information in electronic format.

The beneficiary shall ensure that the information is readily available at the moment of the on-the-spot check and that the information requested is handed over in an appropriate form.

II.29.4. Contradictory control procedure by the European Parliament

On the basis of the findings made during the control procedure, the European Parliament shall draw up a preliminary conclusions report which shall be sent to the beneficiary. The beneficiary may submit observations 30 calendar days from the date of receipt of the provisional audit report.

On the basis of the findings in the preliminary conclusions report and possible observations of the beneficiary, the European Parliament shall lay down its final conclusions. In the absence of observations within that deadline, or if the beneficiary accepts the preliminary findings, those findings shall be deemed to be final.

II.29.5. Effects of control conclusions and findings

Without prejudice to the Parliament's right to take the measures under Article II.12 to Article II.14, the final conclusions shall be duly taken into consideration by the European Parliament in the context of the establishment of the final funding amount.

Cases of possible fraud or severe violation of the applicable rules revealed by the final conclusions shall be notified to the competent national or Union authorities for further action.

The European Parliament may retroactively adjust the decision on the final funding amount on the basis of *ex post* controls carried out in accordance with Article 74(6) of the Financial Regulation.

II.29.6. Rights of control of OLAF

OLAF shall exercise its rights of control vis-a-vis the beneficiary in accordance with the applicable rules, and in particular with Council Regulation (Euratom, EC) No 2185/96 [7], Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council [8], Article 129 and Article 235(1) of the Financial Regulation and Article 29(4) and Article 30(7) of Regulation (EU, Euratom) 2025/2445.

The beneficiary shall duly cooperate with OLAF and shall provide OLAF with all necessary assistance in its conduct of the control.

II.29.7. Rights of control of the European Court of Auditors

The European Court of Auditors shall exercise its right of control in accordance with the applicable rules, and in particular with Article 129 and Article 235(1) of the Financial Regulation and Article 30(6) of Regulation (EU, Euratom) 2025/2445. Articles II.29.2 and II.29.3 shall apply.

The beneficiary shall duly cooperate with the Court of Auditors and shall provide that Court with all necessary assistance in its conduct of the control.

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(7) Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities (OJ L 292, 15.11.1996, p. 2, ELI: http://data.europa.eu/eli/reg/1996/2185/oj).

(8) Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ L 248, 18.9.2013, p. 1, ELI: http://data.europa.eu/eli/reg/2013/883/oj).

II.29.8. **Rights of control of the EPPO**

The EPPO shall exercise its rights of control in accordance with Regulation (EU) 2017/1939 and the applicable rules of the Financial Regulation.

The beneficiary shall duly cooperate with the EPPO and shall provide it with all necessary assistance in its conduct of the control.

II.29.9. **Consideration of control results in determining the final funding amount**

The European Parliament may take into account, at any time, the findings resulting from controls conducted by the authorities referred to in Article II.29.1 to establish or modify the final funding amount while respecting the right to be heard of the beneficiary under Article II.18 of this agreement.

II.29.10. **Failure to comply with the obligations under Article II.29.1 to Article II.29.3**

If the beneficiary does not comply with the obligations laid down in Article II.29.1 to Article II.29.3, the European Parliament may consider to be non-reimbursable any expenditure that has been insufficiently substantiated by the beneficiary.

SIGNATURES

For the Beneficiary [surname/forename/function]	For the European Parliament [surname/forename]
[signature]	[signature]
Done at [place], [date]	Done at [place], [date]

In duplicate in English.

ANNEX

ESTIMATED BUDGET

BUDGET FORM [PARTY]
FINANCIAL YEAR [N]

EXPENDITURE

			Budget	Implemented
A. REIMBURSABLE EXPENDITURE	A.1.	Personnel expenditure	0,00	0,00
	A.1.1.	Salaries and equivalent		
	A.1.2.	Social contributions		
	A.1.3.	Other personnel expenditure (e.g. trainings, mission costs)		
	A.2.	Infrastructure and other administrative expenditure	0,00	0,00
	A.2.1.	Rent, charges and maintenance costs of immovable property		
	A.2.2.	Stationery and office supplies, small equipment and software		
	A.2.3.	Depreciation of tangible and intagible assets		
	A.2.4.	Printing, editing, translation and reproduction costs		
	A.2.5.	Legal costs		
	A.2.6.	Accounting and audit costs, bank fees		
	A.2.7.	Miscellaneous (e.g. other services, administrative meetings)		
	A.3.	Meetings, research & communication	0,00	0,00
	A.3.1.	Costs of meetings, seminars, events		
	A.3.2.	Costs of studies and research		
	A.3.3.	Documentation costs (newspapers, press agencies, databases)		
	A.3.4.	Digital presence & social media		
	A.3.5.	Publicity costs		
	A.3.6.	Election campaigns		
	A.3.7.	Other related costs		
	A.4.	Support to associated entities		
	A.5.	Miscellanious deductions		
TOTAL REIMBURSABLE EXPENDITURE			0,00	0,00
B. NON-REIMBURSABLE EXP.	B.1.	Provisions, impairments & write-offs		
	B.2.	Interests owed and exchange losses		
	B.3.	Non-cash benefits		
	B.4.	Net impact of reclassifications related to previous years		
	B.5.	Others (to be specified)		
		TOTAL NON-REIMBURSABLE EXPENDITURE	0,00	0,00
C.		TOTAL EXPENDITURE	0,00	0,00

REVENUE

			Budget	Implemented
D. EP FUNDING	D.1.	European Parliament funding estimated / used in year N		
	D.2.	European Parliament funding carried over from year N-1 as available at the beginning of year N		
E. OWN RESOURCES	E.1.	Member financial contributions	0,00	0,00
	E.1.1.	from member parties		
	E.1.2.	from individual members		
	E.2	Financial donations	0,00	0,00
		(to be specified)		
	E.3.	Self-generated resources	0,00	0,00
		(e.g. participation fees, sales of publications)		
	E.4.	Other revenue not covered by Regulation (EU, Euratom) 2025/2445	0,00	0,00
		(to be specified)		
	E.5.	Non-cash benefits	0,00	0,00
	E.5.1.	Member non-cash contributions		
	E.5.2.	Non-cash offerings		
		TOTAL OWN RESOURCES	0,00	0,00
F.		TOTAL REVENUE	0,00	0,00

G.	SHARE OF SELF-GENERATED RESSOURCES AND OTHER REVENUE IN TOTAL EXPENDITURE	#DIV/0!	#DIV/0!
H.	PROFIT/LOSS	0,00	0,00
I.	INTEREST FROM EP PRE-FINANCING		
J.	EUROPEAN PARLIAMENT FUNDING CARRIED OVER TO YEAR N+1		

= manual data input

ANNEX Ib

[MODEL] GRANT AGREEMENT – FOUNDATION

NUMBER: … [INSERT]

The European Parliament, whose Secretariat is situated at
Plateau du Kirchberg, L-2929 Luxembourg,
hereinafter referred to as 'the European Parliament',
represented, in respect of the signing of this agreement,
by .... [*surname*/forename/function],

of the one part,

and

[full official name of the beneficiary]
[official legal form]
[legal registration No]
[full official address]
[VAT number],
hereinafter referred to as 'the beneficiary',
represented, in respect of the signing of this agreement,
by: .... [representative entitled to enter into legal commitments] ....,

of the other part,

HAVE AGREED

the following Special Terms and Conditions, General Terms and Conditions and Annexes:

Annex 1 Estimated budget

Annex 2 Work programme

which shall form an integral part of this agreement.

The provisions of the Special Terms and Conditions shall take precedence over those of the other parts of this agreement. The provisions of the General Terms and Conditions shall take precedence over those of the other Annexes.

TABLE OF CONTENTS

I. **SPECIAL TERMS AND CONDITIONS**

ARTICLE I.1. – SUBJECT MATTER OF THE AGREEMENT

The European Parliament awards funding for the implementation of the statutory activities and objectives of the beneficiary in the financial year [insert], in accordance with the terms and conditions set out in the Special Terms and Conditions and the General Terms and Conditions (‘terms and conditions’), as well as in accordance with the Annexes to this agreement. This constitutes implementation of the funding decision adopted by the European Parliament on [insert date].

The beneficiary will use the funding for the purpose of implementing its statutory activities and objectives, acting on its own responsibility.

ARTICLE I.2. – PERIOD OF ELIGIBILITY

The period of eligibility for Union funding shall run from [insert DD/MM/YY] to [insert DD/MM/YY].

ARTICLE I.3. – FORM OF FUNDING

The grant awarded to the beneficiary pursuant to Title VIII of Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council ([1]) (the ‘Financial Regulation’) shall take the form of a reimbursement of a percentage of the eligible costs actually incurred.

ARTICLE I.4. – MAXIMUM PROVISIONAL FUNDING AMOUNT

The European Parliament shall contribute the maximum provisional funding amount of EUR [insert amount], in accordance with the funding decision adopted by the Bureau on [insert date].

The estimated budget is set out in the Annex that was submitted by the beneficiary in its application for funding.

ARTICLE I.5. – PAYMENTS AND PAYMENT ARRANGEMENTS

The funding shall be paid in accordance with the following timetable and arrangements.

I.5.1. **Pre-financing**

Pre-financing payment of EUR [insert amount], representing [100 % by default, otherwise insert the percentage decided by the European Parliament in the Funding Decision] of the maximum amount established in Article I.4 of this agreement, shall be made to the beneficiary within 30 days following the date of entry into force of the agreement or, if applicable, from the date when the European Parliament receives the financial guarantee of EUR [… insert amount if applicable], whichever is the latest.

I.5.2. **Payment of the balance to the beneficiary**

In the event that there is a balance of funding to be paid to the beneficiary, it shall be paid to the beneficiary within 30 days following the date of adoption of the decision of the European Parliament on the annual report and the determination of the final funding amount as specified in Article II.25.

I.5.3. **Currency**

Payments shall be made by the European Parliament in euro. Any conversion of actual costs into euro shall be made at the daily rate published in the C series of the *Official Journal of the European Union* or, failing that, at the monthly accounting rate established by the European Parliament and published on its website, on the day when the payment order is issued by the European Parliament, save where the Special Terms and Conditions expressly provided otherwise.

Payments by the European Parliament shall be deemed to have been effected on the date on which they are debited to the European Parliament’s account.

([1]) Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union) (OJ L, 2024/2509, 26.9.2024, ELI: http://data.europa.eu/eli/reg/2024/2509/oj).

ARTICLE I.6. – BANK ACCOUNT

Payments shall be made into the bank account or sub-account held by the beneficiary in a bank established in a European Union Member State, denominated in euro, details of which are given below:

Name of the bank: […]
Address of the branch where the account is held: […]
Precise denomination of the account holder: […]
Full account number (including bank codes): […]
IBAN: […]
BIC / SWIFT: […]

ARTICLE I.7. – GENERAL ADMINISTRATIVE PROVISIONS

Any communication addressed to the European Parliament in connection with this agreement shall be in writing, shall bear the number of this agreement and shall be sent either electronically to fin.part.fond.pol@europarl.europa.eu or by ordinary mail to the following address:

European Parliament
Director-General of Finance
[address of building / office to be inserted]
L-2929 Luxembourg
LUXEBOURG

Ordinary mail shall be deemed to have been received by the European Parliament on the date on which it is formally registered by the European Parliament's Mail Service.

Any communication addressed to the beneficiary in connection with this agreement shall be in writing, shall bear the number of the agreement and shall be sent either to the following address or electronically to the email address below:

Mr/Mrs […]
[Title]
[Official name of the beneficiary body]
[Full official address]
Email: […]

The beneficiary shall inform the authorising officer by delegation in writing of any change in its postal or electronic addresses without undue delay. That obligation shall continue to apply for a period of five years following the date of the last payment under this agreement.

ARTICLE I.8. – ENTRY INTO FORCE OF THE AGREEMENT

The agreement shall enter into force on the date on which it is signed on behalf of the European Parliament.

II. **GENERAL TERMS AND CONDITIONS**

PART A: *LEGAL AND ADMINISTRATIVE PROVISIONS*

ARTICLE II.1. – DEFINITIONS

For the purpose of this agreement:

(1) **'activity report'** means a written justification of the costs incurred during the period of eligibility. For example, an explanation of activities, administrative costs, etc. The activity report is part of the annual report;

(2) **'annual report'** means a report to be submitted within six months following the end of the financial year in accordance with Article 28 of Regulation (EU, Euratom) 2025/2445 of the European Parliament and of the Council [2];

[2] Regulation (EU, Euratom) 2025/2445 of the European Parliament and of the Council of 26 November 2025 on the statute and funding of European political parties and European political foundations (OJ L, 2025/2445, 8.12.2025, ELI: http://data.europa.eu/eli/reg/2025/2445/oj).

(3) **'balance of funding'** means the difference between the pre-financing amount pursuant to Article I.5.1 and the final funding amount established pursuant to Article II.25.4;

(4) **'clearing of pre-financing'** means a situation where the final funding amount is established by the authorising officer and the amount paid to the beneficiary is no longer the property of the Union;

(5) **'conflict of interests'** means a situation where the impartial and objective implementation of the agreement by the beneficiary is compromised for reasons involving family, emotional life, national affinity, economic interest, or any other shared interest with any third party related to the subject matter of the agreement; Political affinity does not, in principle, constitute a reason for a conflict of interests in the case of agreements concluded between the political foundation and organisations sharing the same political values. Nevertheless, in the case of such an agreement, compliance with Article 27 of Regulation (EU, Euratom) 2025/2445 must be observed;

(6) **'financial year N'** means the financial year for which the grant was awarded in accordance with the funding decision referred to in Article I.1;

(7) **'force majeure'** means any unforeseeable, exceptional situation or event beyond the control of the beneficiary or the European Parliament that prevents either of them from fulfilling any of their obligations under this agreement, that is not attributable to error or negligence on their part or on the part of subcontractors, affiliated entities or third parties in receipt of financial support and that proves to be inevitable despite their exercising due diligence. The following cannot be invoked as force majeure: labour disputes, strikes, financial difficulties or any default of a service, defect in equipment or materials or delays in making them available, unless they stem directly from a relevant case of force majeure;

(8) **'formally notify'** means to communicate in writing by mail or electronic mail with proof of delivery;

(9) **'fraud'** means any intentional act or omission affecting the Union's financial interests relating to the use or presentation of false, incorrect or incomplete statements or documents, or to the non-disclosure of information in violation of a specific obligation;

(10) **'funding'** means a grant awarded in accordance with Title VIII of the Financial Regulation and Chapter IV of Regulation (EU, Euratom) 2025/2445;

(11) **'irregularity'** means any infringement of a provision of Union law resulting from an act or omission by the beneficiary, which has or would have the effect of prejudicing the Union's budget;

(12) **'non-cash benefits'** means any offering or contribution in kind, the provision below market value of any goods, services or works, and any other transaction which constitutes an economic advantage for the beneficiary within the meaning of Article 2, points (9) and (10), of Regulation (EU, Euratom) 2025/2445;

(13) **'own resources'** means the sources of funding other than funding from the general budget of the Union, consisting of donations, contributions, self-generated resources (as defined in Article 2, points (9), (10) and (11), of Regulation (EU, Euratom) 2025/2445), and other revenue (e.g. interest earned on reserves, legal damages);

ARTICLE II.2. – GENERAL OBLIGATIONS OF THE BENEFICIARY

The beneficiary:

(a) shall bear sole responsibility for, and the burden of proving, compliance with any legal obligations incumbent on it;

(b) shall be required to make good any damage suffered by the European Parliament as a result of the implementation, including the incorrect implementation, of this agreement, except in cases of force majeure;

(c) shall bear sole liability towards third parties, including for damage of any kind suffered by them during the implementation of this agreement;

(d) shall inform the European Parliament immediately of any change in its legal, financial, technical, organisational or ownership situation and of any change in its name, address or legal representative;

(e) shall take all necessary measures to prevent any conflict of interests arising.

ARTICLE II.3. – OBLIGATIONS LINKED TO BANK ACCOUNT

The account or sub-account referred to in Article I.6 must make it possible to identify the amounts paid by the European Parliament and the interest yielded or equivalent benefits.

If the amounts paid into this account yield interest or equivalent benefits under the law of the Member State on whose territory the account is opened, such interest or benefits may be kept by the beneficiary, in accordance with Article 8(4) of the Financial Regulation.

Under no circumstances shall the amounts paid by the European Parliament be used for speculative purposes.

The pre-financing shall remain the property of the Union until it is cleared against the final funding amount.

ARTICLE II.4. – LIABILITY FOR DAMAGES

The European Parliament may not be held liable for any damage caused or sustained by the beneficiary, including any damage caused to third parties during or as a consequence of the implementation of this agreement.

Except in cases of force majeure, the beneficiary shall compensate the European Parliament for any damage it sustains as a result of the implementation of the agreement or because the agreement was not implemented in full compliance with its provisions.

ARTICLE II.5. – CONFIDENTIALITY

Unless otherwise stipulated in this agreement, in Article 39 of Regulation (EU, Euratom) 2025/2445 or in other applicable Union legal acts, in particular Regulation (EC) No 1049/2001 of the European Parliament and of the Council ([3]), the European Parliament and the beneficiary undertake to preserve the confidentiality of any document, information or other material directly related to the subject matter of this agreement.

ARTICLE II.6. – PROCESSING OF PERSONAL DATA

Any personal data collected in the context of the agreement shall be processed in accordance with Article 40 of Regulation (EU, Euratom) 2025/2445. Any processing of personal data by the European Parliament shall comply with Regulation (EU) 2018/1725 of the European Parliament and of the Council ([4]).

Such data shall only be processed for the purpose of the implementation and monitoring of the agreement without prejudice to their possible transfer to the bodies responsible for carrying out verification and audit tasks in accordance with Union law.

Any processing of personal data by the beneficiary in connection with this agreement is subject to Regulation (EU) 2016/679 of the European Parliament and of the Council ([5]). Without prejudice to the other cases provided for in that Regulation, processing of personal data in connection with this agreement is authorised only if it is necessary for the implementation of this agreement.

ARTICLE II.7. – RECORD KEEPING

In accordance with Article 133 of the Financial Regulation, the beneficiary shall keep any records, including accounting, statistical and tax records, and supporting documents concerning the implementation of the agreement for five years following the last payment related to the agreement.

([3]) Regulation (EC) No 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents (OJ L 145, 31.5.2001, p. 43, ELI: http://data.europa.eu/eli/reg/2001/1049/oj).

([4]) Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39, ELI: http://data.europa.eu/eli/reg/2018/1725/oj).

([5]) Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1, ELI: http://data.europa.eu/eli/reg/2016/679/oj).

Records related to audits, appeals, litigation, the settlement of claims arising out of the use of the funding or to European Public Prosecutor's Office (EPPO) or European Anti-Fraud Office (OLAF) investigations, if notified to the beneficiary, shall be retained until the end of such audits, appeals, litigation, settlement of claims or investigations.

For any procurement contract concluded by the beneficiary for the implementation of the agreement, the beneficiary shall keep, a record of the tendering procedure, including the original (electronic/paper) correspondence (such as written invitations to tender and the tender specifications), a record of the evaluation of the offers received, the written justification for the choice of the final supplier, and the original contract signed by both parties.

ARTICLE II.8. – VISIBILITY OF UNION FUNDING

II.8.1. **Information on Union funding**

Unless the European Parliament requests or agrees otherwise, any communication or publication (including online), including at conferences or seminars, and any information material, such as brochures, leaflets, posters, presentations, by the beneficiary, related to an action funded by the grant, shall acknowledge Union support to the beneficiary, through the following funding statement (translated into local languages, where appropriate):

'The European political foundation [name or acronym] is financed up to a maximum of 95 % by Union funds.'

II.8.2. **Disclaimer**

Any communication or publication by the beneficiary in any form and any medium, shall indicate that sole liability rests with the beneficiary and that the European Union is not responsible for any use that may be made of the information contained therein.

II.8.3. **Publication of information by the European Parliament**

In accordance with Article 39 of Regulation (EU, Euratom) 2025/2445, the European Parliament shall publish on its website the information for which it is responsible, as specified in the Article 39(1) of Regulation (EU, Euratom) 2025/2445.

ARTICLE II.9. – AWARD OF CONTRACTS BY THE BENEFICIARY

II.9.1. **Principles**

Funding may be used to reimburse expenditure relating to contracts concluded by the beneficiary, provided that:

(a) there were no conflicts of interest when the contracts were awarded;

(b) in accordance with Article 163(1) of the Financial Regulation, the principles of transparency, proportionality, equal treatment and non-discrimination were complied with when the contracts were awarded;

(c) the duration of the procurement contracts concerned, including renewals, does not exceed five years;

(d) for procurement contracts with a value exceeding EUR 60 000 (excluding VAT) per supplier and per good or service, the beneficiary organises tendering procedures in compliance with Article II.9.2.

The estimated value of a contract shall not be determined with a view to circumventing the applicable rules, nor shall a contract be split up for that purpose. For the purpose of determining whether the threshold of EUR 60 000 (excluding VAT) is reached, the overall value of the contract over the entire envisaged duration of the contract shall be taken into account, including any amounts related to subcontracting.

II.9.2. **Procurement procedures**

For procurement contracts with a value exceeding EUR 60 000 (excluding VAT), the beneficiary shall organise procurement procedures in compliance with the following requirements:

(a) the call for tenders (written invitation to bid) shall include exclusion criteria, selection criteria (including minimum financial and technical capacity), award criteria and scoring method based on price and quality or only price, and technical specifications (expected deliverables, expected quality and volume of services/goods) against which the beneficiary must assess offers; bidders shall submit dated and signed offers with prices (including prices per unit if applicable) and supporting documents, allowing comparison between offers;

(b) the call for tenders shall be published or sent through appropriate channels, to ensure broad competition with reasonable deadlines (10 days at least) for submission of applications/offers;

(c) the beneficiary shall collect at least three independent offers. If there are fewer than three independent offers responding to the written invitation to bid, the beneficiary shall demonstrate that it was impossible to obtain additional offers for the procurement in question;

(d) offers shall be evaluated in accordance with the criteria set out in the call for tenders; the evaluation report shall show scores, highlight the comparative advantages of the selected bidder and be dated and be signed by the representative(s) of the beneficiary, who have no conflict of interest.

(e) the contracts shall be dated and signed by both parties and shall reflect the same terms as in the offer, or include terms that are not less favourable to the beneficiary;

(f) subcontracting shall be allowed if it is included in the offers and authorised in the technical specifications.

Procurement procedures may be subject to additional requirements as set out in the call for proposals.

II.9.3. **Liability**

The beneficiary shall bear sole liability in respect of the implementation of the agreement and compliance with the provisions of the agreement. The beneficiary shall state in its contracts with third parties that under no circumstances can the European Parliament be considered as party to those contracts or be held liable in any way towards the contractors.

ARTICLE II.10. – FINANCIAL SUPPORT TO THIRD PARTIES

Financial support granted by the beneficiary to third parties within the meaning of Article 207 of the Financial Regulation may, under the following conditions, constitute eligible costs:

(a) the financial support is granted by the beneficiary to the following third parties, which have legal personality at the time of the application and at the time the payment is settled: ... [insert the names of potential beneficiaries as indicated in the application form];

(b) the financial support per third party does not exceed EUR 60 000;

(c) it is used by the third party for eligible costs;

A national or European political party and a national or European political foundation shall not be considered to be a third party for the purposes of this Article.

The beneficiary shall ensure that the European Parliament, the Authority for European political parties and European political foundations (Authority), the European Court of Auditors, the EPPO, where applicable, or OLAF are able to exercise their powers of control under Chapter V of Regulation (EU, Euratom) 2025/2445 and under Article 129 of the Financial Regulation.

ARTICLE II.11. – FORCE MAJEURE

If either the European Parliament or the beneficiary is faced with a situation of force majeure, it shall inform the other without delay, by registered letter with proof of delivery or equivalent, stating the nature, probable duration and likely effects of the situation in question.

The European Parliament and the beneficiary shall make every effort to minimise any damage which might be caused by a situation of force majeure.

Neither the European Parliament nor the beneficiary shall be held to be in breach of any of its obligations under the agreement if it has been prevented from fulfilling that obligation by force majeure.

ARTICLE II.12. – SUSPENSION OF PAYMENT OF FUNDING

II.12.1. **Grounds for suspension**

The European Parliament may suspend the payment of funding, in accordance with the applicable rules under the Financial Regulation, (in particular Article 116(4), Article 132 and Article 205(2) thereof), including in the following circumstances:

(i) where it suspects irregularities, fraud or breaches of obligations committed by the beneficiary during the award procedure or while implementing the agreement until verification of those suspicions has been concluded;

(ii) where the beneficiary has been subject to the financial sanctions provided for in Article 32(3) of Regulation (EU, Euratom) 2025/2445, which are overdue, until the financial sanction is paid, or

(iii) if the beneficiary does not comply with the obligations laid down in Article II.28.1 to Article II.28.3 of this agreement.

II.12.2. **Procedure for suspension**

Step 1 — Before suspending the payment, the European Parliament shall formally notify the beneficiary of its intention to suspend, stating its reasons for wishing to do so and inviting the beneficiary to submit observations within 30 calendar days from the date on which it receives that notification.

Step 2 — If, after expiry of the period for submission of observations, the European Parliament decides not to pursue the suspension procedure, it shall notify the beneficiary of that decision.

If, after expiry of the period for submission of observations, the European Parliament decides to pursue the suspension procedure, it shall formally notify the beneficiary, by means of a reasoned decision on suspension, informing it of:

(i) the indicative date of completion of the necessary verification in the case referred to in Article II.12.1, point (i), and the suspended amounts; and

(ii) any legal remedies.

II.12.3. **Effects of the suspension**

The suspension of payment shall have the effect that the beneficiary is not entitled to receive any payments from the European Parliament until the verification referred to under Article II.12.2, point (i), under Step 2, is complete or the ground for suspension ceases to apply. This is without prejudice to the right of the European Parliament to withdraw or to terminate the Funding Decision under Articles II.13 and II.14.

II.12.4. **Resumption of payment**

From the moment when the ground for the suspension of payment ceases to apply, all payments concerned shall be resumed and the European Parliament shall notify the beneficiary thereof.

ARTICLE II.13. – WITHDRAWAL OF THE FUNDING DECISION BY THE EUROPEAN PARLIAMENT

II.13.1. **Grounds for withdrawal**

Where the Authority adopts a decision to remove the beneficiary from the Register on the basis of Article 21(1), point (a)(iv) of Regulation (EU, Euratom) 2025/2445, the European Parliament shall withdraw the funding decision concerning the beneficiary pursuant to Article 37 of that Regulation and with the consequences specified therein.

II.13.2. **Procedure for withdrawal**

Step 1 — Before withdrawing the funding decision concerning a beneficiary, the European Parliament shall formally notify the beneficiary of its intention to withdraw, stating its reasons for wishing to do so and inviting the beneficiary to submit observations within 30 calendar days from the date on which it receives that notification.

Step 2 — If, after expiry of the period for submission of observations, the European Parliament decides not to withdraw the Funding Decision, it shall notify the beneficiary of that decision.

If, after expiry of the period for submission of observations, the European Parliament decides to withdraw the Funding Decision, it shall formally notify the beneficiary by means of a reasoned decision on withdrawal.

Step 3 — Following the adoption of the decision to withdraw the Funding Decision, the European Parliament shall without delay notify the beneficiary of the termination of the grant agreement.

ARTICLE II.14. – TERMINATION OF THE FUNDING DECISION

II.14.1. **Termination at the request of the beneficiary**

The beneficiary may request the termination of the Funding Decision.

The beneficiary shall formally notify the European Parliament on termination, stating:

(a) the reasons for termination; and

(b) the date on which the termination is to take effect, which shall not be earlier than the date on which the formal notification was sent.

The termination of the Funding Decision shall take effect on the day specified in the decision of termination or, if no day is specified therein, on the day of its notification to the beneficiary. Following the termination of the Funding Decision, the European Parliament shall without delay terminate the grant agreement with effect on the same day.

II.14.2. **Termination by the European Parliament**

II.14.2.A. *Grounds for termination*

The European Parliament shall terminate the Funding Decision with future effect and as a result terminate this Agreement, in accordance with Article 36 of Regulation (EU, Euratom) 2025/2445, in any of the following circumstances:

(a) where there is a ground for termination under Article 36(1), point (a) or (b), of Regulation (EU, Euratom) 2025/2445;

(b) if the beneficiary no longer complies with Article 23(2), second sentence, of Regulation (EU, Euratom) 2025/2445;

(c) in the cases referred to in Article 132 and 205 of the Financial Regulation;

(d) the beneficiary or any related person or person that has assumed unlimited liability for the debts of the beneficiary falls under any of the situations provided for in Article 138(1), points (a) or (b), of the Financial Regulation;

(e) the beneficiary or any related person finds itself in any of the situations provided for in Article 138(1), points (c) to (h), or comes within the scope of Article 138(3) of the Financial Regulation.

II.14.2.B. *Procedure for termination*

Step 1 — Before termination of the Funding Decision, the European Parliament shall formally notify the beneficiary of its intention to terminate, stating its reasons for wishing to do so and inviting the beneficiary to submit observations within 30 calendar days from the date on which it receives that notification.

Step 2 — If, after expiry of the period for submission of observations, the European Parliament decides not to terminate the Funding Decision, it shall notify the beneficiary of that decision.

If, after expiry of the period for submission of observations, the European Parliament decides to terminate the Funding Decision, it shall formally notify the beneficiary, by means of a reasoned decision on termination.

Step 3 — Following the adoption of the decision to terminate the Funding Decision, the European Parliament shall without delay notify the beneficiary of the termination of the grant agreement.

ARTICLE II.15. – ASSIGNMENT

The beneficiary may not assign any of its claims for payment against the European Parliament to any third party, except if approved in advance by the European Parliament on the basis of a reasoned, written request by the beneficiary.

If the European Parliament does not accept in writing the assignment or the terms of such acceptance are not complied with, the assignment shall have no legal effect.

Under no circumstances may an assignment release the beneficiary from its obligations towards the European Parliament.

ARTICLE II.16. – LATE PAYMENT INTEREST

If the European Parliament does not pay within the time limits for payment, the beneficiary shall be entitled to late-payment interest at the rate applied by the European Central Bank for its main refinancing operations in euros ('the reference rate'), plus three and a half points. The reference rate is the rate in force on the first day of the month in which the time limit for payment expires, as published in the C series of the *Official Journal of the European Union*.

If the European Parliament suspends the payments as provided for in Article II.12, these actions may not be considered to be cases of late payment.

Late-payment interest covers the period running from the day following the due date for payment, up to and including the date of actual payment.

As an exception to the first subparagraph, if the calculated interest is lower than or equal to EUR 200, the European Parliament shall only be required to pay it to the beneficiary if the beneficiary requests it within two months of receiving late payment.

ARTICLE II.17. – APPLICABLE LAW

This agreement is governed by the applicable Union law, and in particular by Regulation (EU, Euratom) 2025/2445 and the applicable rules of the Financial Regulation. They are complemented, where necessary, by the national law of the Member State in which the beneficiary has its seat.

ARTICLE II.18. – RIGHT TO BE HEARD

In the cases in which, under this agreement, the beneficiary is entitled to submit its observations, the beneficiary shall be given a period of 10 working days, save where expressly provided otherwise, to submit written observations. This period may, upon reasoned request by the beneficiary be extended once by another 10 working days.

PART B: *FINANCIAL PROVISIONS*

ARTICLE II.19. – ELIGIBLE COSTS

II.19.1. **Conditions**

In order to be considered eligible for Union funding, and in accordance with Article 189 of the Financial Regulation, costs shall meet the following cumulative criteria:

(a) be directly related to the subject-matter of the agreement and provided for in the estimated budget annexed to the agreement;

(b) be necessary for the implementation of the agreement;

(c) be reasonable and justified, and comply with the principle of sound financial management, in particular regarding economy and efficiency;

(d) be generated during the period of eligibility as defined in Article I.2, with the exception of costs relating to annual reports and certificates on the financial statements and underlying accounts;

(e) be actually incurred by the beneficiary;

(f) be identifiable and verifiable, and recorded in the beneficiary's accounts, in accordance with the accounting standards applicable to it;

(g) comply with the requirements of applicable tax and social security laws;

(h) comply with Article II.9.1;

(i) comply, if the relevant costs stem from procurement contracts with a value exceeding EUR 60 000 (excluding VAT), with the procedural requirements laid down in Article II.9.2;

(j) comply with the requirements laid down in Title XI of the Financial Regulation, Regulation (EU, Euratom) 2025/2445 or in the call for proposals.

The beneficiary's accounting and internal audit procedures shall make it possible to carry out a direct reconciliation of the costs and revenue declared in the annual report with the financial statements and the corresponding supporting documents. Lack of proper reconciliation may result in the costs being classified as ineligible.

II.19.2. **Examples for eligible costs**

In order to be considered to be eligible for Union funding, and in accordance with Article 189 of the Financial Regulation, costs must meet the following criteria:

(a) costs linked to technical assistance, meetings, research, cross-border events, studies, information and publications, and capacity building activities such as training courses or mentoring;

(b) personnel costs, comprising actual salaries, social security contributions and other statutory costs included in remuneration, provided that they do not exceed the average rates under the beneficiary's usual policy on remuneration;

(c) travel and subsistence expenses for staff, provided that they are consistent with the beneficiary's usual practices regarding travel costs;

(d) the depreciation costs of equipment or other assets (new or second-hand) as recorded in the beneficiary's accounting statements, provided that the asset:

   (i) is depreciated in accordance with local accounting standards and accounting practices consistently applied over time; and

   (ii) has been purchased in accordance with Article II.9.1 and Article II.9.2;

(e) the costs of financial guarantees, related to the pre-financing paid by the European Parliament.

ARTICLE II.20. – Ineligible costs

Without prejudice to Article II.19.1 of this agreement, the following costs shall be considered ineligible:

(a) return on capital and dividends paid by the beneficiary;

(b) debt and debt service charges;

(c) provisions for losses or debts;

(d) interest owed, with the exception of negative interests for the account in which pre-financing from the European Parliament is received, provided that such negative interest could not have been avoided;

(e) doubtful debts;

(f) exchange losses;

(g) costs of transfers from the European Parliament charged by the bank of the beneficiary;

(h) costs declared by the beneficiary under another action receiving a grant financed from the Union budget;

(i) non-cash benefits;

(j) excessive or reckless expenditure;

(k) deductible VAT;

(l) prohibited funding of certain third parties pursuant to Article 27 of Regulation (EU, Euratom) 2025/2445.

(m) costs related to legal disputes with the European Parliament or the Authority;

(n) amount of financial sanctions imposed by the Authority or any national authority and late payment interests payable as a result;

(o) expenditure that lacks sufficient supporting evidence, such as tendering documents, contracts, invoices, deliverables;

ARTICLE II.21. – NON-CASH BENEFITS

The value of non-cash benefits shall not exceed:

(a) the costs corresponding to non-cash benefits, that are actually borne by the third parties or the members granting these benefits, duly supported by accounting documents;

(b) in the absence of such documents, the costs that correspond to those generally accepted on the market in question;

(c) their value as accepted in the estimated budget set out in the Annex;

(d) 50 % of own resources accepted in the estimated budget.

Non-cash benefits:

(a) shall be accounted for separately, both in revenue and expenditure;

(b) shall comply with Article 25 of Regulation (EU, Euratom) 2025/2445, as well as the national tax and social security rules;

(c) shall only be accepted on a provisional basis, subject to a certification by the external auditor and to acceptance in the decision over the final funding amount;

(d) shall not be in the form of immovable property.

ARTICLE II.22. – BUDGET TRANSFERS

The beneficiary shall be allowed to adjust the estimated budget set out in the Annex, by transfers between the different budget categories without prejudice to Article II.21. This adjustment shall not require an amendment of the agreement. Such transfers shall be justified in the annual report.

ARTICLE II.23. – REPORTING OBLIGATIONS

II.23.1. **Annual report**

Preferably by 15 May, and at the latest by 30 June, following the end of financial year N, the beneficiary shall submit to the authorising officer by delegation an annual report in an open, machine-readable format, composed of the following:

(a) annual financial statements and accompanying notes, covering beneficiary's revenue and costs, assets and liabilities at the beginning and at the end of the financial year, in accordance with the law applicable in the Member State of the beneficiary's seat;

(b) an external audit report on the annual financial statements, covering both the reliability of the financial statements and the legality and regularity of the revenue and expenditure, carried out by an independent body or expert;

(c) the list of donors and contributors and their corresponding donations or contributions and self-generated resources reported in accordance with Article 25(2) of Regulation (EU, Euratom) 2025/2445;

(d) activity report;

(e) financial statement of the actual expenditure and revenue based on the structure of the estimated budget;

(f) detail of accounts as regards revenue, costs, assets and liabilities;

(g) reconciliation of financial statement referred to in point (e) with detail of accounts referred to in point (f);

(h) list of suppliers which charged the beneficiary over EUR 10 000 in the financial year N or for which the cumulative value in the last 5 years equals or exceeds EUR 60 000 (excluding VAT), specifying the name, and address of the supplier as well as the description of the goods or services provided;

In the event of a carry-over specified in Article II.25.3, the annual report shall include the documents referred to in points (d), (e), (f) and (g) covering the first quarter of the year following the financial year concerned.

The information included in the annual report shall be sufficient to establish the final funding amount.

II.23.2. **External audit report**

The beneficiary shall cooperate with the independent external bodies or experts, mandated pursuant to Article 28(3) of Regulation (EU, Euratom) 2025/2445 in the preparation and submission of the external audit report specified in Article 28(1) of Regulation (EU, Euratom) 2025/2445.

For that purpose, the beneficiary shall provide any information or documents requested by the external auditor pursuant to Article 28(4) of Regulation (EU, Euratom) 2025/2445 including in the course of on-the-spot checks, conducted under the same conditions as in Article II.28.3 of this agreement.

The purpose of the external audit shall be to certify the reliability of the financial statements and the legality and regularity of their revenue and expenditure, and in particular that:

(a) the financial statements were prepared in accordance with the national law applicable to the beneficiary, are free of material misstatement and show a true and fair view of the financial position and the operating results;

(b) the costs declared were actually incurred;

(c) the statement of revenue is exhaustive;

(d) the financial documents submitted by the beneficiary to Parliament are consistent with the financial provisions of the agreement;

(e) the obligations arising from Regulation (EU, Euratom) 2025/2445, in particular from Article 25 thereof have been met;

(f) the obligations arising from this agreement, in particular from Article II.9 and Article II.19 thereof, have been met;

(g) the non-cash benefits have actually been provided to the beneficiary and have been valued in compliance with the applicable rules;

(h) any surplus of Union funding was carried over to the next financial year and has been used in the first quarter of the financial year, pursuant to Article 226(7) of the Financial Regulation or reimbursed to European Parliament;

(i) any surplus of own resources was transferred to the reserve.

ARTICLE II.24. – DECISION ON ANNUAL REPORT

By 31 December of the year following financial year N, the European Parliament shall approve or reject the annual report, as specified in Article II.23.1.

If the European Parliament does not respond in writing within a period of six months after the reception of the annual report, the annual report shall be deemed to have been approved.

The approval of the annual report is without prejudice to the establishment of the final funding amount under Article II.25 by means of which the European Parliament takes a final decision on the eligibility of the costs.

The European Parliament may request additional information from the beneficiary in order to be in a position to take a decision on the annual report. In the event of such request, the deadline for the decision on the annual report shall be extended until the requested information has been received and evaluated by the European Parliament. The deadline may also be extended when additional information has been requested by the Authority, pursuant to Article 29(4) of Regulation (EU, Euratom) 2025/2445.

If the annual report has substantial deficiencies, or if the external auditor concludes that they cannot form an audit opinion due to a lack of audit evidence, the European Parliament may reject it without requesting additional information from the beneficiary and may request that the beneficiary submit a new report within a period of 15 working days.

Requests for additional information or a new report shall be notified to the beneficiary in writing.

If the annual report that was initially submitted is rejected and a new report is requested, the approval procedure set out in this Article shall apply to the new report.

ARTICLE II.25. – DECISION ON THE FINAL FUNDING AMOUNT

II.25.1. **Impact of the annual report**

The decision of the European Parliament establishing the final funding amount shall be based on the annual report approved in accordance with Article II.24. In the event of a definitive rejection of the annual report by the European Parliament or failure of the beneficiary to submit any annual report within the applicable deadlines, ineligible costs may be established by the decision on the final funding amount.

II.25.2. **Threshold**

The final funding amount shall be limited to the amount laid down in Article I.4 and shall not exceed 95 % of the eligible costs that were actually incurred.

II.25.3. **Carry-over of surplus**

If, at the end of financial year N, the beneficiary records a surplus of income over expenditure, part of that surplus may be carried over to financing year N+1, in accordance with Article 226(7) of the Financial Regulation.

(a) *Definition of surplus*

The surplus of financial year N shall be the difference between the total eligible costs and the sum of:

(i) the maximum provisional funding amount, pursuant to Article I.4;

(ii) the beneficiary's own resources earmarked to cover eligible costs, the beneficiary having previously covered ineligible costs using own resources only; and

(iii) any surplus carried over from financial year N-1.

The surplus that may be carried over to financial year N+1 shall not exceed 25 % of the total income referred to in points (i) and (ii).

(b) *Accounting of provision for eligible costs*

The amount actually carried over shall be entered in the balance sheet for financial year N as a 'provision to cover eligible costs of the first quarter of year N+1'. This provision shall constitute an eligible cost of financial year N.

Moreover, an interim settlement of accounts as of 31 March of year N+1 at the latest shall determine the eligible costs actually incurred as at that date. The provision shall not exceed those costs.

In year N+1, the provision shall be dissolved and shall generate revenue which is used to cover eligible costs in the first quarter of the financial year N+1.

II.25.4. **Decision on final funding amount**

The European Parliament controls annually whether expenditure complies with the provisions of Regulation (EU, Euratom) 2025/2445, the Financial Regulation and the agreement. Each year it shall take a decision on the final funding amount, which shall be duly notified to the beneficiary.

When the final funding amount is established, the clearing of pre-financing shall take place.

II.25.5. **Balance of funding**

If the pre-financing paid exceeds the final funding amount, the European Parliament shall recover the pre-financing unduly paid.

If the final funding amount exceeds the pre-financing paid, the European Parliament shall pay the balance.

II.25.6. Profit

(a) *Definition*

Profit is defined in Article 195(2) of the Financial Regulation.

(b) *Reserve building*

In accordance with Article 195(2) of the Financial Regulation, the beneficiary may build reserves from the surplus of own resources, which are defined in Article II.1.

The surplus of own resources to be transferred to the reserve account shall be, if applicable, the amount of own resources that exceeds the sum of own resources necessary to cover 5 % of eligible costs actually incurred in financial year N and 5 % of the costs included in the provision to be carried over to financial year N+1. The beneficiary shall have previously covered ineligible costs by using its own resources only.

In the case of self-generated resources, if the beneficiary exceeds the threshold stipulated under Article 25(13) of Regulation (EU, Euratom) 2025/2445, the amount of revenue that exceeds the threshold shall not be declared in revenue but shall be deducted from the total of eligible costs.

The surplus allocated to the reserve shall not be taken into account for the calculation of the profit.

The reserve shall only be used to cover operational costs of the beneficiary.

(c) *Recovery*

The funding shall not result in a profit for the beneficiary. The European Parliament shall be entitled to recover the percentage of the profit corresponding to the Union contribution to the eligible costs, in accordance with Article 195(4) of the Financial Regulation.

ARTICLE II.26. – RECOVERY

If amounts have been unduly paid to the beneficiary or if a recovery procedure is justified under the terms and conditions of the agreement, Regulation (EU, Euratom) 2025/2445 or the Financial Regulation, the beneficiary shall repay the amounts concerned to the European Parliament, in accordance with the terms and conditions and by the deadline laid down by the European Parliament.

II.26.1. **Late payment interest**

If the beneficiary fails to make the repayment by the deadline laid down by the European Parliament, the European Parliament shall charge on the sums due late-payment interest at the rate laid down in Article II.16. The late-payment interest shall cover the period between the expiry of the deadline laid down for repayment and the date on which the European Parliament receives full repayment of the sums due, inclusive.

Any partial repayment shall first be entered against charges and late-payment interest and only then against the principal.

II.26.2. **Offsetting**

Without prejudice to other means of recovery provided for in the Financial Regulation, if no repayment has been made by the deadline laid down, the sums due to the European Parliament may be recovered by offsetting them against any sums owed to the beneficiary on any other account in accordance with the Financial Regulation. In exceptional circumstances, justified by the need to safeguard the financial interests of the Union, the European Parliament may recover by offsetting before the due date of the payment. The beneficiary's prior consent shall not be required.

II.26.3. **Bank charges**

Bank charges occasioned by the recovery of the sums owed to the European Parliament shall be borne solely by the beneficiary.

ARTICLE II.27. – FINANCIAL GUARANTEE

If the European Parliament requests a financial guarantee in accordance with Article 156 of the Financial Regulation, the following conditions must be fulfilled:

(a) the financial guarantee must be provided by a bank or an approved financial institution or, if requested by the beneficiary and accepted by the European Parliament, by a third party;

(b) the guarantor must stand as first-call guarantor and not require the European Parliament to first have recourse against the principal debtor (i.e. the beneficiary concerned); and

(c) the financial guarantee must explicitly remain in force until the pre-financing is cleared against interim payments or payment of the balance by the European Parliament; if payment of the balance takes the form of a recovery, the financial guarantee must remain in force until the debt is considered fully cleared; and the European Parliament must release the guarantee within the following month.

ARTICLE II.28. – CONTROL

II.28.1. General provisions

Within the scope of their competence and in accordance with Chapter V of Regulation (EU, Euratom) 2025/2445, and with Article 205 (1) and Article 204 (2)(g) in conjunction with Article 129 of the Financial Regulation, the European Parliament, the Authority, OLAF, the EPPO in respect of those Member States participating in enhanced cooperation pursuant to Council Regulation (EU) 2017/1939 [6] and the European Court of Auditors may at any moment exercise their respective powers of control in order to verify whether the beneficiary is in full compliance with the obligations laid down in the agreement, in Regulation (EU, Euratom) 2025/2445 and the Financial Regulation.

The beneficiary shall duly cooperate with the competent authorities and shall provide them with all necessary assistance for the conduct of their control.

The beneficiary shall ensure that any third parties, including contractors and subcontractors, involved in the implementation of the activities funded under this agreement, grant equivalent rights as those set out in the first paragraph of Article II.28.1 as provided for in Article 129(2) of the Financial Regulation.

The European Parliament and the Authority may delegate the task of control to external bodies duly authorised to act on their behalf ('the authorised bodies'). The duty of cooperation shall also apply in respect of such authorised bodies in the exercise of the control tasks delegated to them.

II.28.2. Obligation to provide documents and/or information

The beneficiary shall provide any document and/or information, including information in electronic format, which is requested by the European Parliament, the Authority or the authorised body ('the competent authority').

Any documents or information provided by the beneficiary shall be processed in accordance with Article II.6.

II.28.3. On-the-spot checks by the competent authority

The competent authority may conduct on-the-spot checks in the premises of the beneficiary. To this end, it may request in writing that the beneficiary make appropriate arrangements for such check within an appropriate deadline to be fixed by the competent authority.

During an on-the-spot check, the beneficiary shall allow the competent authority to have access to the sites and premises where the operation is being or was carried out, as well as to all the necessary information, including information in electronic format.

The beneficiary shall ensure that the information is readily available at the moment of the on-the-spot check and that the information requested is handed over in an appropriate form.

II.28.4. Contradictory control procedure by the European Parliament

On the basis of the findings made during the control procedure, the European Parliament shall draw up a preliminary conclusions report which shall be sent to the beneficiary. The beneficiary may submit observations within 30 calendar days from the date of receipt of the provisional audit report.

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(6) Council Regulation (EU) 2017/1939 of 12 October 2017 implementing enhanced cooperation on the establishment of the European Public Prosecutor's Office ('the EPPO') (OJ L 283, 31.10.2017, p. 7, ELI: http://data.europa.eu/eli/reg/2017/1939/oj).

On the basis of the findings in the preliminary conclusions report and possible observations of the beneficiary, the European Parliament shall lay down its final conclusions. In the absence of observations within that deadline, or if the beneficiary accepts the preliminary findings, those findings shall be deemed to be final.

II.28.5. **Effects of control conclusions and findings**

Without prejudice to the Parliament's right to take the measures under Article II.12 to Article II.14, the final conclusions shall be duly taken into consideration by the European Parliament in the context of the establishment of the final funding amount.

Cases of possible fraud or severe violation of the applicable rules revealed by the final conclusions shall be notified to the competent national or Union authorities for further action.

The European Parliament may retroactively adjust the decision on the final funding amount on the basis of *ex post* controls, carried out in accordance with Article 74(6) of the Financial Regulation.

II.28.6. **Rights of control of OLAF**

OLAF shall exercise its rights of control vis à vis the beneficiary in accordance with the applicable rules, and in particular with Council Regulation (Euratom, EC) No 2185/96 [7], Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council [8], Article 129 of the Financial Regulation and Article 29(4) and Article 30(7) of Regulation (EU, Euratom) 2025/2445.

The beneficiary shall duly cooperate with OLAF and shall provide OLAF with all necessary assistance in its conduct of the control.

II.28.7. **Rights of control of the European Court of Auditors**

The European Court of Auditors shall exercise its right of control in accordance with the applicable rules, and in particular with Article 129 of the Financial Regulation and Article 30(6) of Regulation (EU, Euratom) 2025/2445. Articles II.28.2 and II.28.3 shall apply.

The beneficiary shall duly cooperate with the Court of Auditors and shall provide that Court with all necessary assistance in its conduct of the control.

II.28.8. **Rights of control of the EPPO**

The EPPO shall exercise its rights of control in accordance with Regulation (EU) 2017/1939 and the applicable rules of the Financial Regulation.

The beneficiary shall duly cooperate with the EPPO and shall provide it with all necessary assistance in its conduct of the control.

II.28.9. **Consideration of control results in determining the final funding amount**

The European Parliament may take into account, at any time, the findings resulting from controls conducted by the authorities referred to in Article II.28.1 to establish or modify the final funding amount while respecting the right to be heard of the beneficiary under Article II.18 of this agreement.

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(7) Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities (OJ L 292, 15.11.1996, p. 2, ELI: http://data.europa.eu/eli/reg/1996/2185/oj).

(8) Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ L 248, 18.9.2013, p. 1, ELI: http://data.europa.eu/eli/reg/2013/883/oj).

II.28.10. **Failure to comply with the obligations under Article II.28.1 to Article II.28.3**

If the beneficiary does not comply with the obligations laid down in Article II.28.1 to Article II.28.3, the European Parliament may consider to be ineligible any cost that has been insufficiently substantiated by the beneficiary.

SIGNATURES

For the Beneficiary [surname/forename/function]	For the European Parliament [surname/forename]
[signature]	[signature]
Done at [place], [date]	Done at [place], [date]

In duplicate in English.

ANNEX 1

ESTIMATED BUDGET

BUDGET FORM **[FOUNDATION]**
FINANCIAL YEAR [N]

EXPENDITURE

			Budget	Implemented
A. ELIGIBLE COSTS	**A.1.**	**Personnel expenditure**	0,00	0,00
	A.1.1.	Salaries and equivalent		
	A.1.2.	Social contributions		
	A.1.3.	Other personnel expenditure (e.g. trainings, mission costs)		
	A.2.	**Infrastructure and other administrative expenditure**	0,00	0,00
	A.2.1.	Rent, charges and maintenance costs of immovable property		
	A.2.2.	Stationery and office supplies, small equipment and software		
	A.2.3.	Depreciation of tangible and intagible assets		
	A.2.4.	Printing, editing, translation and reproduction costs		
	A.2.5.	Legal costs		
	A.2.6.	Accounting and audit costs, bank fees		
	A.2.7.	Miscellaneous (e.g. other services, administrative meetings)		
	A.3.	**Meetings, research & communication**	0,00	0,00
	A.3.1.	Costs of meetings, seminars, events		
	A.3.2.	Costs of studies and research		
	A.3.3.	Documentation costs (newspapers, press agencies, databases)		
	A.3.4.	Digital presence & social media		
	A.3.5.	Publicity costs		
	A.3.6.	Other related costs		
	A.4.	**Support to third parties**		
	A.5.	**Miscellanious deductions**		
	A.6.	**Allocation to Provision to cover eligible costs of the first quarter of year N+1**		
		TOTAL ELIGIBLE COSTS	0,00	0,00
B. INELIGIBLE COSTS	**B.1.**	**Provisions, impairments & write-offs**		
	B.2.	**Interests owed and exchange losses**		
	B.3.	**Non-cash benefits**		
	B.4.	**Net impact of reclassifications related to previous years**		
	B.5.	**Others (to be specified)**		
		TOTAL INELIGIBLE COSTS	0,00	0,00
	C.	**TOTAL EXPENDITURE**	0,00	0,00

REVENUE

			Budget	Implemented
D. EP FUNDING	**D.1.**	**European Parliament funding estimated / used in year N**	0,00	0,00
	D.1.1.	Dissolution of Provision from N-1 to cover eligible costs of the first quarter of year N		
	D.1.2.	European Parliament funding requested (provisional) / awarded (actual) for year N		
E. OWN RESOURCES	**E.1.**	**Member financial contributions**	0,00	0,00
	E.1.1.	from member organisations		
	E.1.2.	from individual members		
	E.2.	**Financial donations**	0,00	0,00
		(to be specified)		
	E.3.	**Self-generated resources**	0,00	0,00
		(e.g. participation fees, sales of publications)		
	E.4.	**Other revenue not covered by Regulation (EU, Euratom) 2025/2445**	0,00	0,00
		(to be specified)		
	E.5.	**Non-cash benefits**	0,00	0,00
	E.5.1.	Member non-cash contributions		
	E.5.2.	Non-cash offerings		
		TOTAL OWN RESOURCES	0,00	0,00
	F.	**TOTAL REVENUE**	0,00	0,00

G.	**SHARE OF SELF-GENERATED RESSOURCES AND OTHER REVENUE IN TOTAL EXPENDITURE**	#DIV/0!	#DIV/0!
H.	**PROFIT/LOSS**	0,00	0,00
I.	**INTEREST FROM EP PRE-FINANCING**		

= manual data input

ANNEX 2

WORK PROGRAMME

[to be inserted per funding application]