

FINANCING AGREEMENT SECTOR REFORM PERFORMANCE CONTRACT

SPECIAL CONDITIONS

The European Commission, hereinafter referred to as "**the Commission**", acting on behalf of the European Union, hereinafter referred to as "**the EU**",

of the one part, and

Georgia, hereinafter referred to as "**the Partner**", represented by the Ministry of Foreign Affairs,
of the other part,

have agreed as follows:

Article 1 - Nature of the action

- 1.1. The EU agrees to finance and the Partner agrees to accept the financing of the following budget support action:

Skills Development and Matching for Labour Market Needs

CRIS decision number: ENI/2017/040-319

This action is financed from the EU Budget under the following basic act: European Neighbourhood Instrument.

- 1.2. The total estimated cost of this action is EUR 50 850 000 and the maximum EU contribution to this action is set at EUR 48 850 000.

This budget support action is composed of:

- (a) a budget support component with a maximum EU contribution of EUR 30 000 000.
- (b) a complementary support component with a total estimated cost of EUR 16 850 000 and a maximum EU contribution of EUR 15 100 000.

- 1.3. The Partner shall not co-finance the action.

August 2018

Financing Agreement ENI/2017/040-319 - Special Conditions final draft

Article 2 – Execution period

- 2.1. The execution period of this Financing Agreement as defined in Article 15 of Annex II (General Conditions) shall commence on the entry into force of this Financing Agreement and end 84 months after this date.
- 2.2. The duration of the operational implementation period is fixed at 60 months.
- 2.3. The duration of the closure period is fixed at 24 months.

Article 3 – Addresses

All communications concerning the implementation of this Financing Agreement shall be in writing, shall refer expressly to this action as identified in Article 1.1 of these Special Conditions and shall be sent to the following addresses:

a) for the Commission

EU Delegation to Georgia, 38 Nino Chkheidze street, 0102, Tbilisi, Georgia; e-mail: delegation-georgia@eeas.europa.eu

b) for the Partner

Minister of Education, Science Culture and Sports of Georgia, Government of Georgia, e-mail: pr@mes.gov.ge; Minister of IDPs from Occupied Territories, Labour, Health and Social Affairs of Georgia, e-mail: info@moh.gov.ge; Minister of Economy and Sustainable Development, e-mail: ministry@moesd.gov.ge.

Article 4 – OLAF contact point

The contact point of the Partner having the appropriate powers to cooperate directly with the European Anti-Fraud Office (OLAF) in order to facilitate OLAF's operational activities shall be Head of European Integration and International Relations Division of the Department of Legal Affairs, Office of the Chief Prosecutor of Georgia; e-mail: ichilingarashvili@pog.gov.ge

Article 5 - Annexes

- 5.1. This Financing Agreement is composed of:
 - (a) these Special Conditions;
 - (b) Annex I: Technical and Administrative Provisions, detailing the objectives, expected results, activities, description of the budget-implementation tasks entrusted and budget of this Action;
 - (c) Annex II: General Conditions;

(d) Annex III: Reporting Template - not applicable to and not included in this Financing Agreement.

(e) Annex IV: Management Declaration Template - not applicable to and not included in this Financing Agreement.

- 5.2. In the event of a conflict between, on the one hand, the provisions of the Annexes and, on the other hand, the provisions of these Special Conditions, the latter shall take precedence. In the event of a conflict between, on the one hand, the provisions of Annex I (Technical and Administrative Provisions) and, on the other hand, the provisions of Annex II (General Conditions), the latter shall take precedence.

Article 6 – Provisions derogating from or supplementing Annex II (General Conditions)

The foreign exchange transfers will be accounted for under the value date of the notification of credit to the Treasury account from the Central Bank. The exchange rate will be the average rate of the interbank foreign currency market on the value date of the notification of credit.

Articles 18, 19, 25.3, 25.4 and 25.5 of Annex II (General Conditions) do not apply to those activities entrusted to an entity pursuant to Annex I under this Financing Agreement.

Article 7 – Entry into force

This Financing Agreement shall enter into force on the date on which it is signed by the last party.

Done in two original copies, one copy being handed to the Commission and one to the Partner.

For the Partner:

David Zalkaliani

Minister of Foreign Affairs

Signature



Date **20 NOV. 2018**

For the Commission:

Lawrence Meredith

Director Neighbourhood East

Directorate-General for Enlargement and
Neighbourhood Negotiations

Signature



Date

19 NOV. 2018

