

GRANT CONTRACT
- EXTERNAL ACTIONS OF THE EUROPEAN UNION -
No TR14C1.1.16-05/001
(the 'contract')

Ministry of Industry and Technology, DG for European Union and Foreign Affairs, Directorate of Project Management (MoIT/DoPM), Mustafa Kemal Mahallesi, Dumlupınar Bulvarı, (Eskişehir Yolu 7.Km), 2151.Cadde, No:154/A, Kat:7 06510 Çankaya/Ankara, TÜRKİYE

(the 'contracting authority')

of the one part,

and

TISK- Turkish Confederation of Employer Associations (TISK)

Non-Governmental Organisation

With official registration number: 042

Official Adress: Koç Kuleleri Söğütözü Mahallesi Söğütözü Caddesi, No:2 A Blok Kat:28 Çankaya/Ankara, TÜRKİYE

With VAT number: 8150031060

hereinafter the 'coordinator'

United Nations Development Programme (UNDP), Represented by UNDP Türkiye

International Organisation

One UN Plaza
10017 – New York, USA

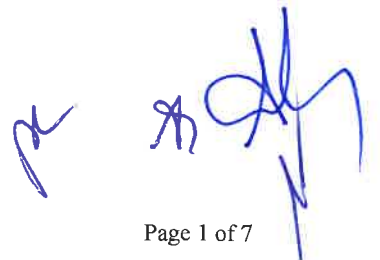
who have conferred powers of attorney for the purposes of the signature of the agreement to the coordinator¹, collectively referred to as 'beneficiary(ies)' where a provision applies without distinction to the coordinator and the co-beneficiary(ies)

of the other part,

(the 'parties')

have agreed as follows:

¹ Model mandate provided in Annex A to the guidelines for applicants.



Special conditions

Article 1 — Purpose

- 1.1 The purpose of this contract is the award of a grant by the contracting authority to finance the implementation of the action entitled: Developing Women Empowerment Models in Manufacturing Industry (the ‘action’) described in Annex I.
- 1.2 The beneficiary(ies) shall be awarded the grant on the terms and conditions set out in this contract, which consists of these special conditions (the ‘special conditions’) and the annexes, which the beneficiary(ies) hereby declares it has noted and accepted.
- 1.3 The beneficiary(ies) accepts the grant and undertakes to be responsible for carrying out the action.

Article 2 — Implementation period of the action

- 2.1 This contract shall enter into force on the date when the second of the two parties’ signs.
- 2.2 Implementation of the action shall begin on: the first day of the month following the date on which the first instalment of pre-financing is paid by the contracting authority.
- 2.3 The implementation period of the action, as laid down in Annex I, is 24 months.
- 2.4 The execution period of this contract shall end when the payment of the balance is made by the contracting authority and, in any event, at the latest 18 months after the end of the implementation period as stipulated in Article 2.3 unless postponed in accordance with Article 12.5 of Annex II.

Article 3 — Financing the action²

- 3.1 The total eligible costs are estimated at EUR 8,501,191.60 as set out in Annex III.
- 3.2 The contracting authority undertakes to finance a maximum amount of EUR 8,501,191.60.
The grant is further limited to 100% of the total eligible cost of the action specified in paragraph 1.
The final amount of the contracting authority’s contribution shall be determined in accordance with Articles 14 and 17 of Annex II.
- 3.3 Pursuant to Article 14.8 of Annex II, only for the UNDP implemented budget, maximum 7 % of the final amount of direct eligible costs of the action established in accordance with Articles 14 and 17 of Annex II, may be claimed as indirect costs.

Article 4 — Reporting and payment arrangements

- 4.1 Payments shall be made in accordance with Article 15 of Annex II option no. 3 as set out in Article 15.1
 - Initial pre-financing payment: EUR 4,062,551.43
 - Balance of the final amount of the grant: EUR 4,438,640.17 (subject to the provisions of Annex II)
- 4.2 An electronic system will be used by the contracting authority and the beneficiary(ies) for all stages of implementation including, inter alia, management of the contract (amendments and notifications), reporting (including reporting on results) and payments. The beneficiary(ies) will be required to register in and use the appropriate electronic exchange system to allow for the e-management of the contract. With regard to interim and final reports, the beneficiary(ies) will be expected to use the forms in the electronic system for encoding and submitting the reports. The electronic management of the contract through the aforementioned system may commence on the date on which implementation of the contract starts, as described in Article 2 above, or at a later date. In the latter case, the contracting authority will

² In case of action grants, note that the amount awarded and percentages stated in this article shall also be updated in Annex III Budget of the action, in the worksheet ‘Expected sources of funding and summary of estimated costs’.

inform the beneficiary(ies) in writing that he/they will be required to use the electronic system for all communications within a maximum period of 3 months.

Article 5 — Contact addresses

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

For the contracting authority

Ministry of Industry and Technology, DG for European Union and Foreign Affairs, Directorate of Project Management (MoIT/DoPM), Mustafa Kemal Mahallesi, Dumlupınar Bulvarı, (Eskişehir Yolu 7.Km), 2151.Cadde, No:154/A, Kat:7 06510 Çankaya/Ankara, TÜRKİYE

A copy of the reports referred to in Article 4.1 shall be sent to the concerned service of the European Commission, at the following address:

Delegation of the European Union to Türkiye

Uğur Mumcu Cad. No:88, Kat 4, 06700 Gaziosmanpaşa Çankaya/Ankara, TÜRKİYE

For the coordinator

TİSK, **Turkish Confederation of Employer Associations (TISK)**, Koç Kuleleri Söğütözü Mahallesi Söğütözü Caddesi, No:2 A Blok Kat:28 Çankaya/Ankara, TÜRKİYE

5.2 The expenditure verification(s) referred to in Article 15.7 of Annex II will be carried out:

Denge Ankara Bağımsız Denetim YMM AŞ (Mazars)

Address: Çukurambar, Muhsin Yazıcıoğlu Cad. 1451. Sok. Hayal Apt. No:4 D:1-4, 06520 Çankaya/Ankara, TÜRKİYE

Tel: +90 312 284 01 02

Fax: +90 312 284 67 00

Website: <https://www.mazars.com.tr>

Article 6 — Annexes (thus including Appendix I)

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

- Annex I: Description of the action (including the logical framework of the project)
- Annex II: General conditions applicable to European Union-financed grant contracts for external actions
- Annex III: Budget for the action (worksheets 1, 2 and 3)
- Annex IV: Procurement rules for beneficiaries
- Annex V: Standard request for payment and financial identification form
- Annex VI: Model narrative and financial report
- Annex VII: Terms of reference for an expenditure verification of a European Union financed grant contract for external actions and model report of factual findings
- Annex VIII: Standard template for transfer of asset ownership
- Annex IX: Specified forms and other relevant documents

6.2 In the event of a conflict between the provisions of the present special conditions and any annex thereto, the special conditions shall take precedence. In the event of a conflict between the provisions of Annex II and those of the other annexes, those of Annex II shall take precedence.

Article 7 — Other specific conditions applying to the action

7.1 The general conditions in Annex II are supplemented by the following:

7.1.1 For the purpose of this agreement, the following legal entity is considered as affiliated entities:

MESS-Turkish Association of Metal Industries, affiliated to TISK-Turkish Confederation of Employer Associations (TISK)

Costs incurred by these affiliated entities may be accepted as eligible, provided the entities concerned abide by all the relevant rules applicable to the beneficiary(ies) under this contract.

7.1.2 Financial support to third parties may only be awarded in compliance with the conditions set in the guidelines for applicants or section 6.8.2 PRAG and in accordance with the criteria and conditions laid down in the description of the action in Annex I.

The maximum amount of financial support per each third party is limited to EUR 14.440

7.1.3 VAT/taxes, duties and charges are not eligible for the activities as described in Annex I.

7.1.4. Where the implementation of the action requires the setting up or the use of a project office, the beneficiary(ies) may declare as direct eligible costs the portion of the operating costs of the project office described in the proposal which corresponds to the duration of the Action either based on costs actually incurred by the project office for the action or on the cost apportionment approach presented as part of the proposal.

7.2 The following derogations from Annex II shall apply:

7.2.1 By derogation to Article 15.9 of Annex II, and for the purpose of reporting, conversion into the currency set in the special conditions for bank and cash transfers shall be made using the rate of exchange of the bank of the Beneficiaries at the time at that each bit of the EU contribution in EUR was converted into TRY between the two bank accounts (in EUR and in TRY) of the Beneficiaries (First In First Out method – FIFO).

7.2.2 The following modifications to the General Conditions shall apply to: **UNDP** (hereinafter the “Organisation”)

- Nothing in this contract shall be interpreted as a waiver of the Organisation's privileges and immunities or of any specific agreement³, including on verification, concluded in this respect with the European Union.
- Annexes VIII and IX are not applicable to the Organisation.

Article 3 of the general conditions shall be supplemented as follows:

The organisation liability is subject to the rules governing the organisation's privileges and immunities.

Article 6 of the general conditions shall be supplemented as follows:

Equipment and vehicles of the Organisation may routinely carry its emblem and other indications of ownership prominently displayed. If during the implementation of the Action, equipment, vehicles, or major supplies are purchased, the organisation shall, however, display appropriate acknowledgement on such vehicles, equipment and major supplies (including display of the European Union logo). Where such display could jeopardise the organisation's privileges and immunities or the safety and security of the organisation's staff or of the final beneficiaries, the organisation shall propose appropriate alternative arrangements. The acknowledgement and European Union logo shall be clearly visible in a manner that does not create any confusion regarding the identification of the action as an activity of the organisation, the ownership of the equipment and supplies by the Organisation, and the application to the Action of the Organisation's privileges and immunities.

³ The Financial and Administrative Framework Agreement (FAFA) between the European Union and the United Nations signed on 29 April 2003 and as amended on 31 December 2018 lays down the legal rules applicable to all agreements between the EU and the UN agencies.

Article 7.5 of the General Conditions shall be supplemented by the following:

When the Action funded by the EU contributes to a larger action, the Organisation may transfer the equipment, vehicles and supplies paid by the budget of the Action to this larger action, if so provided for in the Special Conditions. In such case, it shall submit an inventory listing the items concerned and their use with the submission of the final report. The visibility requirements regarding the equipment, vehicles and supplies shall continue to apply at least until the end of the larger action.

Proofs of transfer of any equipment and goods transferred by the Organisation shall not be attached to the final report but kept for verification according to Article 16.

Articles 12.8 to 12.10 (Administrative and financial penalties) of the General Conditions shall be subject to the privileges and immunities of the Organisation.

Articles 13.1, 13.3 and 13.4 of the General Conditions shall be replaced by the following:

Without prejudice to any related Financial Framework Partnership Agreement, in default of amicable settlement, the parties may refer the matter to arbitration in accordance with the Permanent Court of Arbitration Optional Rules for Arbitration Involving International Organisations and States in force at the date of conclusion of this Agreement. The appointing authority shall be the Secretary General of the Permanent Court of Arbitration following a written request submitted by either Party. The Arbitrator's decision shall be binding on all Parties and there shall be no appeal.

Article 14.11 of the General Conditions shall be supplemented by the following:

The following costs shall not be considered eligible: provisions, reserves or non-remuneration related costs. Employers' contributions to pension or other insurance funds run by the Organisation may only be eligible to the extent they do not exceed the actual payments made by these schemes and that the amount provisioned does not exceed the contribution that could have been made to an external fund;

The coordinator shall ensure that any financial report as required under Article 2 can be properly and easily reconciled to the accounting and bookkeeping system and to the underlying accounting and other relevant records. For this purpose, the beneficiary (ies) shall prepare and keep appropriate reconciliations, supporting schedules, analyses and breakdowns for verification.

- The Organisation shall notify the contracting authority and the European Commission where it is not the contracting authority, without delay of any substantial change in the rules, procedures and systems applied in the implementation of the Action. This obligation concerns in particular (i) such changes affecting the pillar assessment undergone by the organisation, where applicable (ii) those which may affect the conditions for eligibility provided for in the applicable legal instruments of the EU, or (iii) any other circumstance likely to affect the implementation of the Action, delay or jeopardise its performance. The contracting authority reserves the right to adopt additional measures in response to said changes or to terminate the contract.

Articles 4.3 and 4.4. of the general conditions shall be applied according to the Organisation's rules and regulations positively assessed in the pillar assessment.

Article 15.7 of the general conditions shall be supplemented as follows:

The Organisation may decide to substitute the expenditure verification report and/or the detailed breakdown of expenditure for the part of incurred expenditure of the action that is implemented by the organisation by a management declaration stating that during the period covered by the corresponding report the contribution has been used and accounted for in compliance with the systems and rules positively assessed in the pillar assessment and with the obligations laid down in this contract. In that case, Annex VII is not applicable to the organisation.

The Organisation shall provide a management declaration with every progress and final report.

Article 16 of the General Conditions shall be replaced by the following:

Accounting

- 16.1 The Organisation shall keep accurate and regular records and accounts of the implementation of the Action. The accounting regulations and rules of the Organisation shall apply to the extent that they ensure accurate, complete, reliable and timely information. Financial transactions and financial statements shall be subject to the internal and external auditing procedures laid down in the regulations and rules of the Organisation.

Archiving

- 16.2 For a period of five (5) years from the payment of the balance and in any case until any on-going audit, verification, appeal, litigation or pursuit of claim or investigation by the European Anti-Fraud Office (OLAF), if notified to the Organisation, has been disposed of, the Organisation shall keep and make available according to this article all relevant financial information (originals or copies) related to the contract and to any procurement contracts and agreements for financial support.

Access and financial checks

- 16.3. The Organisation shall allow the European Commission, or any authorised representatives, to conduct desk reviews and on-the-spot checks on the basis of supporting accounting documents and any other document related to the financing of the Action.
- 16.4. The Organisation agrees that OLAF may carry out investigations, including on-the-spot checks and inspections, in accordance with the provisions laid down by EU law for the protection of the financial interests of the EU against fraud, corruption and any other illegal activity.
- 16.5. The Organisation agrees that the execution of this contract may be subject to scrutiny by the Court of Auditors when the Court of Auditors audits the European Commission's implementation of EU expenditure. In such case, the Organisation shall provide to the Court of Auditors access to the information that is required for the Court to perform its duties.
- 16.6. The European Public Prosecutor's Office also has the right of access for the purpose of checks, audits and investigations.
- 16.7. To that end, the Organisation undertakes to provide officials of the European Commission, the European Public Prosecutor's Office, OLAF and the European Court of Auditors and their authorised agents, upon request, information and access to any documents and computerised data concerning the technical and financial management of operations financed under the contract, as well as grant them access to sites and premises at which such operations are carried out. The Organisation shall take all necessary measures to facilitate these checks in accordance with its regulations and rules. The documents and computerised data may include information that the Organisation considers confidential in accordance with its own established regulations and rules or as governed by contractual agreement. Such information once provided to the European Commission, the European Public Prosecutor's Office, OLAF, the European Court of Auditors, or any other authorised representatives, shall be treated in accordance with EU confidentiality rules and legislation and Article 5. Documents must be accessible and filed in a manner permitting checks, the Organisation being bound to inform the European Commission, the European Public Prosecutor's Office, OLAF or the European Court of Auditors of the exact location at which they are kept. Where appropriate, the parties may agree to send copies of such documents for a desk review.
- 16.8. Where applicable, the desk reviews, investigations, on-the-spot checks and inspections referred to in Article 16.3 to 16.8 shall refer to a verification that shall be performed in accordance with the verification clauses agreed between the Organisation and the European Commission. This is without prejudice to any cooperation arrangement between OLAF and the Organisation's anti-fraud bodies.
- 16.9. The European Commission shall inform the Organisation of the planned on-the-spot missions by agents appointed by the European Commission in due time in order to ensure adequate procedural matters are agreed upon in advance.

- 16.10. Failure to comply with the obligations set forth in this Article 16 constitutes a case of breach of a substantial obligation under this Agreement.

7.3. For the purpose of Article 1.3 and 1.4 of the general conditions, for the part of the data transferred by the contracting authority to the European Commission the controller for the processing of personal data carried out within the Commission is Head of Finance Unit R4 of DG NEAR

7.3.1 Articles 1.3 and 1.4 of Annex II shall be replaced by the following:

1. Processing of personal data related to the implementation of the grant contract by the contracting authority takes place in accordance with the national legislation of the state of the contracting authority and with the provisions of the respective financing agreement.
2. To the extent that the grant contract covers an action financed by the European Union, the Contracting Authority may share communications related to the implementation of the grant contract, with the European Commission. These exchanges shall be made to the Commission, solely for the purpose of allowing the latter to exercise its rights and obligations under the applicable legislative framework and under the financing agreement with the Partner country – contracting authority. The exchanges may involve transfers of personal data (such as names, contact details, signatures and CVs) of natural persons involved in the implementation of the grant contract (such as contractors, staff, experts, trainees, subcontractors, insurers, guarantors, auditors and legal counsel). In cases where the contractor is processing personal data in the context of the implementation of the grant contract, he/she shall accordingly inform the data subjects of the possible transmission of their data to the Commission. When personal data is transmitted to the Commission, the latter processes them in accordance with 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/EC⁴ and as detailed in the specific privacy statement published at ePRAG.

Done in English in three originals, one original being for the contracting authority, one original being for the European Commission, and one original being for the beneficiary(ies).

For the beneficiary(ies)⁵

Name **konsel KOC*
 Title *Secretary General*
 Signature *[Handwritten Signature]*
 Date *29/09/2023*

*TURKİYE İŞVEREN SENDİKALARI KONGRESİ GENEL BAŞKANLIĞI
 09 Kuleleri Sığirtözd Mah.
 0611662/ Cad. No:2 A Blok Kat:28
 Ofis: 8. 06510 Çankaya/ANKARA
 Tel: 0312 439 77 17 Fax: 0312 439 75 92-94
 M.Ç. ÖPEL / D. 815 013 1060
 E-mail: info@kisgtr.org.tr*

For the contracting authority

Name *Mehmet Ali Ulman*
 Title *Hande MERÇAN AYGEN*
 Signature *[Handwritten Signature]*
 Date *21/09/2023*

*Avrupa Birliği ve Dış İlişkiler
 Genel Müdürlüğü
 Genel Müdür V*

Endorsed for financing by the European Union

Name *Odoardo COMO*
 Title *Head of Cooperation*
 Signature *[Handwritten Signature]*
 Date *29/09/2023*

⁴ OJ L 205 of 21.11.2018, p. 39.

⁵ In accordance with the mandate conferred on the coordinator, (see application form), the coordinator signs this contract also on behalf of the other beneficiaries, who, therefore, do not need to individually sign this contract to become parties to it.

[Handwritten signatures and initials]