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returned to the
Delegation

GRANT CONTRACT
- EXTERNAL ACTIONS OF THE EUROPEAN UNION -
2010/234-282

The European Union, represented by the European Commission, ("the Contracting Authority")
of the one part,

and *Moscow State Institute of International Relations (University)*, state educational institution, official registration number (OGRN): 1037739194217, official address: 76, prospect Vernadskogo, Moscow, 119454, Russia, VAT (INN) number: 7729134728, ("the Beneficiary")

of the other part,

have agreed as follows:

Special conditions

Article 1 - Purpose

1.1 The purpose of this contract is the award of a grant by the Contracting Authority for the implementation of the Action entitled: *Support to the Development of the European Studies Institute* ("the Action") described in Annex I.

The Beneficiary will be awarded the grant on the terms and conditions set out in this contract, which consists of these special conditions ("Special Conditions") and the annexes, which the Beneficiary hereby declares it has noted and accepted.

1.3 The Beneficiary accepts the grant and undertakes to carry out the Action under its own responsibility.

Article 2 - Implementation period of the Action

2.1 This contract shall enter into force on the date when the last of the two Parties signs.

2.2 Implementation of the Action shall begin on:

21 September 2010.

2.3 The Action's implementation period, as laid down in Annex I, is **36 months**.

2.4 The execution period of this contract will end at the moment when final payment is paid by the Contracting authority and in any case at the latest 18 months as from the end of the implementation period as stipulated in art 2.3 above.

Article 3 - Financing the Action

3.1 The total cost of the Action is estimated at **6,000,000 EUR**, as set out in Annex III.

3.2 The Contracting Authority undertakes to finance a maximum of **3,000,000 EUR**, equivalent to **50%** of the estimated total eligible cost of the Action.; the final amount of the eligible costs shall be established in accordance with Articles 14 and 17 of Annex II.

- 3.3 Pursuant to Article 14.4 of the Annex II, **1.63%** of the final amount of direct eligible costs of the Action established in accordance with Articles 14 and 17 of the Annex II, may be claimed by the beneficiary as indirect costs.
- 3.4 In order to support the achievement of the objectives of the action, as specified in Annex I of this Contract, the Beneficiary may award sub-grants. The sub-grants awarded by the Beneficiary are subject to the nationality rules as referred to in Annex IV. The minimum amount per sub-grant is **5,000 EUR** while the maximum amount per such sub-grant is **15,000 EUR**.
- 3.5 Only the types of activities as mentioned in the Description of the Action in Annex I are allowed to receive sub-grants.
- 3.6 The total amount of sub-grants to be awarded by the beneficiary within this grant contract is **135,000 EUR**.
- 3.7 Pursuant to Article 14.6 of Annex II, the Regulation under which this contract is financed authorises payment of taxes, including VAT, in the case the Beneficiary can show it cannot reclaim.

Article 4 - Narrative and financial reporting and payment arrangements

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

First instalment of pre-financing (80% of the part of the forecast budget for the first 12 months of implementation financed by the Contracting Authority):	800,000.00 EUR
Forecast further instalment(s) of pre-financing: (subject to the provisions of Annex II)	800,000.00 EUR
Forecast further instalment(s) of pre-financing: (subject to the provisions of Annex II)	800,000.00 EUR
Forecast final payment (subject to the provisions of Annex II):	600,000.00 EUR

- 4.3 In case where the pre-financing instalments are to be paid by the Contracting authority, the first instalment of pre-financing will be paid to the Beneficiary within 45 days, as from the date of reception by the Contracting authority of signed contract accompanied by the financial guarantee if required in accordance with article 15.7 of the General Conditions.

Article 5 - Contact addresses

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

For the Contracting Authority

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

European Commission

	Delegation of the European Union to Russia Finance & Contract Section
Name:	Tuuli VIRTANEN (Head of Section)
Address:	Kadashevskaya nab. 14/1 119017 Moscow, Russian Federation
Telephone/fax:	+7 (495) 721 2002; 721 2020
e-mail:	Tuuli.VIRTANEN@ec.europa.eu

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

	Delegation of the European Union to Russia Operations Section
Name:	Nicola SCARAMUZZO
Address:	Kadashevskaya nab. 14/1 119017 Moscow, Russian Federation
Telephone/fax:	+7 (495) 7212035; 7212020
e-mail:	Nicola.scaramuzzo@ec.europa.eu

For the Beneficiary

	Moscow State Institute of International Relations (University) of the Ministry of Foreign Affairs of Russia (MGIMO)
Name:	Dr Marc ENTIN, Dr. Tamara SHASHIKHINA
Address:	76 Vernadsky Prospekt, 119454 Moscow, Russia
Telephone/fax:	+7 (495) 433 85 88, 434 17 10
e-mail:	+7 (495) 433 85 88 ide@mgimo.ru ; director-ide@mgimo.ru ;

5.2 The audit firm which will carry out the verification(s) referred to in Article 15.6 of Annex II is

*LLC "Audit-Expert Business"
Aviamotornaya street, 55 bld.5, 111024 Moscow, Russia
Te : +7 (495) 544-4172,
Fax : +7 (495) 544-41-73
e-mail: info@AuditExpBiz.ru
contact person: Korob Vitaliy Ivanovich*

Article 6 - Annexes

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

Annex I: Description of the Action

- Annex II: General Conditions applicable to European Union-financed grant contracts for external Actions
- Annex III: Budget for the Action
- Annex IV: Contract-award procedures
- Annex V: Standard request for payment and financial identification form
- Annex VI: Model narrative and financial report
- Annex VII: Model report of factual findings and terms of reference for an expenditure verification of an EU financed grant contract for external actions

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

Article 7 - Other specific conditions applying to the Action

7.2 The following derogations from the General Conditions shall apply:


7.2.1 By derogation from Article 15.4 of annex II, once the deadline laid down in Article 15.1 has expired, the Beneficiary shall receive late-payment interest:

- at the rediscount rate applied by the issuing institution of the country of the Contracting Authority where payments are in national currency;
- at the rate applied by the European Central Bank to its main refinancing transactions in euro, as published in the Official Journal of the European Union, where payments are in euro,

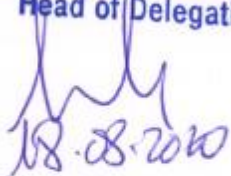
on the first day of the month in which the deadline expired, plus three and a half points. The late-payment interest shall apply to the time which elapses between the date of the payment deadline and the date on which the Contracting Authority's account is debited. By way of exception, when the interest calculated in accordance with this provision is lower than or equal to EUR 200, it shall be paid to the Beneficiary only upon a demand submitted within two months of receiving late payment. The Member States are not entitled to late-payment interest. This interest is not considered income for the purposes of Article 17.3.

Done in English in three originals: two originals being for the European Commission and one original being for the Beneficiary.

For the Beneficiary

Name **A. V. Torkunov**
 Title **Rector**
 Signature 
 Date **30/08/2010**

For the Contracting Authority

Name **Fernando M. VALENZUELA**
 Title **Head of Delegation**
 Signature 
 Date **18.08.2010**