

FINANCING AGREEMENT

SPECIAL CONDITIONS

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

on the one part, and

Bosnia and Herzegovina represented by the Directorate for European Integration of the Council of Ministers of Bosnia and Herzegovina and the Government of Montenegro represented by the European Integration Office, hereinafter jointly referred to as "the IPA II beneficiaries", or separately referred to as "**the IPA II beneficiary**" or "the party",

on the other part,

and together, jointly referred to as "the parties"

HAVE AGREED AS FOLLOWS:

Article 1 - The Action Programme

- (1) The Union agrees to finance and the IPA II beneficiaries agree to accept the financing of the 2018 allocation of the following Action Programme as described in Annex I:

**Cross-border cooperation Action Programme Bosnia and Herzegovina –
Montenegro for the years 2018 - 2020**
2018/041-460

This Action Programme is financed from the Union Budget under the following basic act:
Instrument for Pre-Accession Assistance (IPA II)¹.

- (2) The total estimated cost of the 2018 allocation of this Action Programme is EUR 1 411 764 and the maximum Union contribution to this Action Programme is set at EUR 1 200 000.

No financial contribution is required from the IPA II beneficiaries.

¹Regulation (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (IPA II), OJ L 77, 15.03.2014, p. 11.

Article 2 – Execution period and operational implementation period

- (1) The execution period of this Financing Agreement as defined in Article 1(1) of Annex II is fixed at 12 years, from the entry into force of this Financing Agreement.
- (2) The operational implementation period of this Financing Agreement as defined in Article 1(2) of Annex II is fixed at 6 years, from the entry into force of this Financing Agreement.

Article 3 – Addresses and Communication

All communication concerning the implementation of this Financing Agreement shall be in writing, shall refer expressly to the Action Programme as identified in Article 1(1) and shall be sent to the following addresses:

a) for the Commission

Directorate-General for Neighbourhood and Enlargement Negotiations (DG NEAR)
Directorate D
Rue de la Loi 15
B-1049 Brussels
Belgium
E-mail: NEAR-D4@ec.europa.eu

b) for the IPA II beneficiaries

For Bosnia and Herzegovina:
Directorate for European Integration of the Council of Ministers of Bosnia and Herzegovina
National IPA Coordinator (NIPAC)
Djoke Mazalica 5
71000 Sarajevo, Bosna i Hercegovina
E-mail: kabinet.dei@dei.gov.ba

For Montenegro:
Ivana Glišević Đurović
Deputy Chief Negotiator and
National IPA Coordinator
Government of Montenegro
European Integration Office
Bulevar Revolucije 15
81000 Podgorica, Montenegro
E-mail: ivana.glisevic@gsv.gov.me

Article 4 – OLAF contact point

The contact point of the IPA II beneficiary having the appropriate powers to cooperate directly with the European Anti-Fraud Office (OLAF) in order to facilitate OLAF's operational activities shall be: Ms Vera Letica (vletica@mft.gov.ba) and Ms Sehija Mujkanovic (smujkanovic@mft.gov.ba), Assistant Minister, (Ministry of Finance and Treasury of Bosnia and Herzegovina - e-mail:

Article 5 – Framework Agreements

The Action Programme shall be implemented in accordance with the provisions of the Framework Agreement between the European Commission and Bosnia and Herzegovina on the arrangements for implementation of Union financial assistance to Bosnia and Herzegovina under the Instrument for Pre-Accession Assistance (IPA II), which entered into force on 24 August 2015, and in accordance with the provisions of the Framework Agreement between the European Commission and Montenegro on the arrangements for implementation of Union financial assistance to Montenegro under the Instrument for Pre-Accession Assistance (IPA II), which entered into force on 04 June 2015, respectively (hereafter referred to as “the Framework Agreement(s)”).

This Financing Agreement supplements the provisions of the abovementioned Framework Agreements. In case of conflict between, on the one hand, the provisions of this Financing Agreement and, on the other hand, the provisions of the respective Framework Agreement, the latter shall take precedence.

Article 6 - Annexes

- (1) This Financing Agreement is composed of:
 - a) these Special Conditions;
 - b) Annex I: CBC Action Programme Bosnia and Herzegovina – Montenegro for the years 2018-2020
 - c) Annex IA: IPA II CBC 2014-2020 Programme between Bosnia and Herzegovina - Montenegro;
 - d) Annex II: General Conditions;
 - e) Annex III: Model Annual CBC Report on the implementation of IPA II assistance in accordance with Article 80 of the Framework Agreement;
 - f) Annex IIIA: Model annual report on the implementation of IPA II assistance in accordance with Article 58 of the Framework Agreement.
- (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, and Annex IA and the provisions of Annex II on the other hand, the latter shall take precedence. In the event of a conflict between, the provisions of Annex I on the one hand, and the provisions of Annex IA, on the other hand, the former shall take precedence.

Article 7 – Entry into force

This Financing Agreement shall enter into force on the date on which it is signed by the last party, at the latest by 31 December 2019.

This agreement is drawn up in triplicate in the English language, one being handed to the Commission and one to each of the IPA II beneficiaries.

For the IPA II beneficiaries:

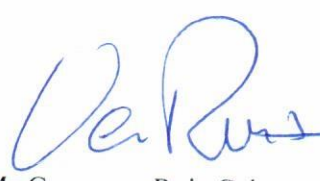
For Bosnia and Herzegovina:



Mr Edin Dilberović
Director
Directorate for European Integration
of the Council of Ministers of
Bosnia and Herzegovina

Sarajevo, on 31.10.2019.


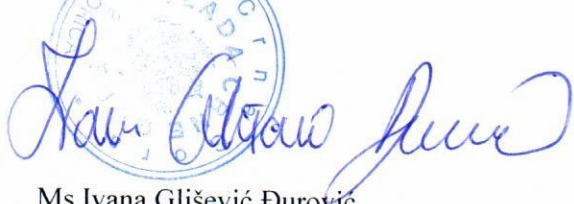
For the Commission:



Ms Genoveva Ruiz Calavera
Director
DG NEAR, Directorate D
European Commission

Brussels, on 24/2/2019

For Montenegro:



Ms Ivana Glišević Đurović
Deputy Chief Negotiator and
National IPA Coordinator (NIPAC)
Government of Montenegro
European Integration Office

Podgorica, on 25/11/2019