

Financial Regulation applicable to the general budget: rules for the implementation of Regulation (EC, Euratom) No 1605/2002

2005/0904(CNS) - 01/06/2006 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a resolution drafted by Borut **PAHOR** (PES, SI) and Ingeborg **GRÄSSLE** (EPP-ED, DE) and made some amendments to the Commission's proposal. (Please see the summary of 19/04/2006.) In particular, Parliament raised the contract values in cases of negotiated procedure with consultation. For example, a negotiated procedure with consultation of at least five candidates may be used for contracts with a value less than or equal to EUR 80 000 (rather than EUR 60000, as proposed by the Commission.) It added that contracts may not be divided into individual lots if this results in circumvention of the thresholds.

Parliament also added clauses to ensure that the time limits for the receipt of tenders and requests to participate, laid down in calendar days by the contracting authorities, shall be long enough to allow interested parties a reasonable period to prepare and submit their tenders, taking particular account of the complexity of the contract or the need to visit the site or consult on the spot the documents annexed to the specifications. It has inserted time limits for both open and restricted procedures for contracts.

With regard to cases where the pre-financing represents over 80% of the total amount of the grant and exceeds EUR 60 000, Parliament stated that a guarantee will be required if no other means to secure the debt which is equally effective can be established. For NGOs operating in the field of external action, that guarantee shall be demanded in respect of pre-financing exceeding EUR 1 000 000 or representing over 90 % of the total amount of the grant if no other means to secure the debt which is equally effective can be established. The guarantee shall be valid for a period sufficiently long to allow it to be activated.

Finally, Parliament made provision for amendment of grant agreements in certain cases.