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Preconditions for Participating in the Calls for Proposals

Potential applicants may not participate in calls for proposals or be awarded grants if they are in any of the situations as follows:

- a) It is bankrupt, subject to insolvency or winding-up procedures, where its assets are being administered by a liquidator or by a court, where it is in an arrangement with creditors, where its
- b) It has been established by a final judgment or a final administrative decision that the economic operator is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the law of the country in which it is established, with those of the country in which the contracting authority is located or those of the country of the performance of the contract;
- c) It has been established by a final judgment or a final administrative decision that the economic operator is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the economic operator belongs, or by having engaged in any wrongful conduct which has an impact on its professional credibility where such conduct denotes a wrongful intent or gross negligence, including, in particular, any of the following:
 - i) Fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of selection criteria or in the performance of a contract;
 - ii) Entering into agreement with other economic operators with the aim of distorting competition;
 - iii) Violating intellectual property rights;
 - iv) Attempting to influence the decision-making process of the contracting authority during the procurement procedure;
 - v) Attempting to obtain confidential information that may confer upon it undue advantages in the procurement procedure;
- d) It has been established by a final judgment that the economic operator is guilty of any of the following:
 - i) Fraud, within the meaning of Article 1 of the Convention on the protection of the European Communities' financial interests drawn up by the Council Act of 26 July 1995¹;
 - ii) Corruption, as defined in Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union, drawn up by the Council Act of 26 May 1997², and in Article 2(1) of Council Framework Decision 2003/568/JHA³, as well as corruption as defined in the law of

¹ OJ C 316, 27.11.1995, p.48.

² OJ C 195, 25.6.1997, p. 1.

³ OJ L 192, 31.07.2003, p. 54.

the country where the contracting authority is located, the country in which the economic operator is established or the country of the performance of the contract;

iii) Participation in a criminal organisation, as defined in Article 2 of Council Framework Decision 2008/841/JHA⁴ ;

iv) Money laundering or terrorist financing, as defined in Article 1 of Directive 2005/60/EC of the European Parliament and of the Council⁵

v) Terrorist-related offences or offences linked to terrorist activities, as defined in Articles 1 and 3 of Council Framework Decision 2002/475/JHA⁶ respectively, or inciting or aiding or abetting or attempting to commit such offences, as referred to in Article 4 of that Framework Decision;

vi) Child labour or other forms of trafficking in human beings as defined in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council⁷;

e) The economic operator has shown significant deficiencies in complying with main obligations in the performance of a contract financed by the EU, which has led to its early termination or to the application of liquidated damages or other contractual penalties or which has been discovered following checks, audits or investigations by an authorising officer, OLAF or the Court of Auditors;

f) It has been established by a final judgment or final administrative decision that the economic operator has committed an irregularity within the meaning of Article 1(2) of Council Regulation (EC, Euratom) No 2988/95⁸ .

⁴ OJ L 300, 11.11.2008, p. 42.

⁵ OJ L 309, 25.11.2005, p. 15.

⁶ OJ L 164, 22.6.2002, p. 3.

⁷ OJ L 101, 15.4.2011, p. 1.

⁸ OJ L 312, 23.12.1995, p. 1