NOTE FOR THE ATTENTION OF BENEFICIARIES OF 2013 TEMPUS IV PROJECTS

Subject: 2013 Tempus IV projects - purchase of equipment and respect of rule of origin

The purpose of this note is to raise awareness of beneficiaries about the fact that the last generation of Tempus projects (selected in 2013) must respect the rule of origin when purchasing their equipment as stated in the Grant Agreement (art. 1.10.1) and further explained in the Guidelines for the use of the grant (point 5.5) and in the Frequently Asked Questions (FAQ No. 51).

This rule is in force in all EU external aid Programmes (2007-2013) as foreseen in the EU regulations establishing the external aid financial instruments and had to be introduced in Tempus IV last Call (2013) to comply with the basic acts.

Consequently, for the Tempus IV 2013 project generation, any good or product purchased in the framework of the project shall comply with the rule of origin and shall therefore originate from a Member State of the European Union or from an eligible country (as defined in the relevant regulations).

This rule applies to all "tangible physical products" purchased in the framework of the contract, i.e. to all equipment excluding software, databases, digital products and such like. It also applies to books.

Under this rule, goods "originate" not in the country of the supplier but in the country where the goods were last produced or assembled. That is what is meant by their "country of origin".

Therefore, the origin of the goods is not determined by the nationality of the brand (nor by the country of the supplier) but by the country where the goods were last produced or assembled. Depending on the geographical region(s) involved in the Tempus project, specific provisions apply.

However, the following general indications can be given as regards the eligible countries of origin:

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Countries represented in the partnership | Eligible countries of origin
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Western Balkans | Western Balkans, Southern Mediterranean and Eastern European Countries*
Southern Mediterranean and/or Eastern European Countries | EU Member States + Norway, Liechtenstein, Iceland
Central Asia | Central Asia + Asia, Middle East, Latin America, South Africa**

* Plus Turkey and the former Yugoslav Republic of Macedonia
** In total 48 countries from Latin America, Asia (including China), the Middle-East and South Africa (see list in Annex 1 of the Regulation (EC) No 1905/2006 in the link above), as well as the least developed countries (as specified by OECD/DAC: http://www.oecd.org/dac/stats/DAC%20List%202012%20and%202013%20Forth.pdf).

The rule of origin IS TO BE RESPECTED in any event independently of the amount of the equipment purchase, however:

- For goods of UNIT costs of MORE than 5,000 EUR – not only the rule is to be respected but a certificate of origin must be obtained by the supplier directly at the moment of the purchase and must be kept with the project's accounts. The certificate of origin is a document used in international trade. It is a standardised printed form, completed by the exporter and certified by an authorised issuing body - such as Chambers of Commerce - attesting that the goods in a particular export shipment have been wholly produced, manufactured or assembled in a particular country.

- For goods of UNIT costs of LESS than 5,000 EUR – the rule is to be respected – but no Certificate of Origin is required. In case of audits, or in case of doubts during the final financial assessment by the Agency, the Beneficiary might be asked to prove the origin – but this can be done with other documents (e.g. the invoices can mention the origin of the product, etc.).

In highly exceptional cases (e.g. specialised products that are only produced in a non-eligible country, publications/books that are only published in non-eligible countries, etc.), the project can address a request of derogation/authorisation to the Agency that will examine the request and decide if it is duly substantiated. This request can be accepted but should be substantiated by concrete evidence of a thorough market search (e.g. replies from the suppliers, etc.).

Please note, however, that arguments such as the price or compatibility with existing equipment will not be considered as sufficient reason to grant derogations.

The respect of the rule of origin will be part of the financial check by the Agency at final reporting stage. This is also checked by the ex-post auditors. Failure to comply with the rule of origin will inevitably lead to the ineligibility of the related expenditure with potentially high amounts to be recovered by the Agency.

Finally, we ask you to circulate this note to all the co-beneficiaries of your project and to ensure that the above mentioned rules are respected. We also strongly recommend to collect from the partners the required supporting documents in due time during the project implementation as to avoid any problem at the end of the project or in case of ex-post financial audit.

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