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ANNEX 12

**ANNEX**

**ANNEX XII**

**Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part**

*to the*

**Proposal for a Council Decision**

**on the signing, on behalf of the European Union, and provisional application of the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part**

PROTOCOL III  
ON A FRAMEWORK AGREEMENT  
BETWEEN  
THE EUROPEAN UNION  
AND GEORGIA  
ON THE GENERAL PRINCIPLES  
FOR THE PARTICIPATION OF GEORGIA  
IN UNION PROGRAMMES

ARTICLE 1

Georgia shall be allowed to participate in all current and future programmes of the Union opened to the participation of Georgia in accordance with the relevant provisions adopting those programmes.

ARTICLE 2

Georgia shall contribute financially to the general budget of the EU corresponding to the specific programmes in which Georgia participates.

### ARTICLE 3

Georgia's representatives shall be allowed to take part as observers and, for the points which concern Georgia, in the management committees responsible for monitoring the programmes, to which Georgia contributes financially.

### ARTICLE 4

Projects and initiatives submitted by participants from Georgia shall, as far as possible, be subject to the same conditions, rules and procedures pertaining to the programmes concerned as those which apply to Member States.

### ARTICLE 5

The specific terms and conditions regarding the participation of Georgia in each specific programme, in particular the financial contribution payable, as well as reporting and evaluation procedures, shall be determined by agreement between the European Commission and the competent authorities of Georgia on the basis of the criteria established by the programmes concerned.

If Georgia applies for external assistance of the Union to participate in a given Union programme pursuant to Article 3 of Regulation (EC) No 1638/2006 of the European Parliament and of the Council of 24 October 2006 laying down general provisions establishing a European Neighbourhood and Partnership Instrument or pursuant to any similar legislative act of the Union providing for external assistance of the Union to Georgia that may be adopted in the future, the conditions governing the use by Georgia of external assistance of the Union shall be determined in a financing agreement, complying in particular with Article 20 of Regulation (EC) No 1638/2006.

## ARTICLE 6

Each agreement concluded pursuant to Article 5 of this Protocol, shall stipulate, in accordance with Regulation (EU, EURATOM) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002, that financial control or audits or other verifications, including administrative investigations will be carried out by, or under the authority of, the European Commission, the Court of Auditors and the European Anti-Fraud Office.

Detailed provisions shall be made on financial control and auditing, administrative measures, penalties and recovery enabling the European Commission, the Court of Auditors and the European Anti-Fraud Office to be granted powers equivalent to their powers with regard to beneficiaries or contractors established in the Union.

## ARTICLE 7

This Protocol shall apply while this Agreement is applicable.

Either Party may denounce this Protocol by written notification to the other Party.

Termination of the Protocol following denunciation by either Party shall have no influence on the checks and controls to be carried out, where appropriate, in accordance with the provisions laid down in Articles 5 and 6 where appropriate.

## ARTICLE 8

No later than three years after the date of entry into force of this Protocol, and every three years thereafter, both Parties may review the implementation of this Protocol on the basis of the actual participation of Georgia in Union programmes.