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### LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject:

Agreement between the European Union and the Republic of Lebanon, in the form of an exchange of letters, amending and supplementing the Agreement for scientific and technological cooperation between the European Union and the Republic of Lebanon setting out the terms and conditions for the participation of the Republic of Lebanon in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA)

5949/25 COMPET.2 **EN** 

AGREEMENT BETWEEN THE EUROPEAN UNION
AND THE REPUBLIC OF LEBANON,
IN THE FORM OF AN EXCHANGE OF LETTERS,
AMENDING AND SUPPLEMENTING THE AGREEMENT
FOR SCIENTIFIC AND TECHNOLOGICAL COOPERATION
BETWEEN THE EUROPEAN UNION
AND THE REPUBLIC OF LEBANON
SETTING OUT THE TERMS AND CONDITIONS
FOR THE PARTICIPATION OF THE REPUBLIC OF LEBANON
IN THE PARTNERSHIP FOR RESEARCH AND INNOVATION
IN THE MEDITERRANEAN AREA (PRIMA)

### A. Letter from the Union

Sir/Madam,

I have the honour to refer to the Agreement for scientific and technological cooperation between the European Union and the Republic of Lebanon setting out the terms and conditions for the participation of the Republic of Lebanon in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA)<sup>1</sup> (hereinafter referred to as "the PRIMA Agreement"). The PRIMA Agreement provided for the terms and conditions for the participation of Lebanon in PRIMA. The terms and conditions are those set out in Decision (EU) 2017/1324 of the European Parliament and of the Council<sup>2</sup> (hereinafter referred to as "the PRIMA Decision"), and this Agreement shall remain in force as long as the PRIMA Decision is in force. The PRIMA Decision required that the final activities to be funded under Horizon 2020, including the final calls for proposals under the relevant annual work plans be launched by 31 December 2024 and, in duly justified cases, by 31 December 2025. In order to prolong its activities, the PRIMA Decision had to be amended and incorporated into Horizon Europe.

Agreement for scientific and technological cooperation between the European Union and the Republic of Lebanon setting out the terms and conditions for the participation of the Republic of Lebanon in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA) (OJ EU L 79, 22.3.2018, p. 3,

ELI: http://data.europa.eu/eli/agree internation/2018/467/oj).

Decision (EU) 2017/1324 of the European Parliament and of the Council of 4 July 2017 on the participation of the Union in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA) jointly undertaken by several Member States (OJ EU L 185, 18.7.2017, p. 1, ELI: http://data.europa.eu/eli/dec/2017/1324/oj).

Following the adoption of Decision (EU) 2024/1167 of the European Parliament and of the Council<sup>1</sup> amending Decision (EU) 2017/1324 as regards the continuation of the Union's participation in PRIMA under Horizon Europe (hereinafter referred to as "the amended PRIMA Decision"), it is necessary to amend and supplement the PRIMA Agreement in order to align that agreement to the amended PRIMA Decision so as to allow Lebanon to continue to be considered as a Participating State under Horizon Europe pursuant to Article 1(2) of the amended PRIMA Decision. Moreover, in view of the new financial rules, it is necessary to fully integrate into the PRIMA Agreement the implementing arrangements for mutual assistance, concluded pursuant to Article 2 of the PRIMA Agreement, as set out in this Agreement in the form of an Exchange of Letters. Therefore, in order to fully integrate into the PRIMA Agreement the implementing arrangements for mutual assistance, the following amendments to that agreement are proposed:

# 1. Article 2 is replaced by the following:

"The terms and conditions for the participation of Lebanon in PRIMA shall be those set out in Decision (EU) 2017/1324 of the European Parliament and of the Council<sup>2</sup>. The Parties shall comply with the obligations established by Decision (EU) 2017/1324 and take appropriate measures, in particular by providing all necessary assistance in order to ensure the application of Article 10(2) and Article 11(3), (3a) and (4) of that Decision. The detailed arrangements for such assistance are set out in the Annex."

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Decision (EU) 2024/1167 of the European Parliament and of the Council of 11 April 2024 amending Decision (EU) 2017/1324 as regards the continuation of the Union's participation in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA) under Horizon Europe (OJ EU L, 2024/1167, 19.4.2024, ELI: http://data.europa.eu/eli/dec/2024/1167/oj).

Decision (EU) 2017/1324 of the European Parliament and of the Council of 4 July 2017 on the participation of the Union in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA) jointly undertaken by several Member States (OJ EU L 185, 18.7.2017, p. 1, ELI: http://data.europa.eu/eli/dec/2017/1324/oj), as amended by Decision (EU) 2024/1167 of the European Parliament and of the Council of 11 April 2024 amending Decision (EU) 2017/1324 as regards the continuation of the Union's participation in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA) under Horizon Europe (OJ EU L, 2024/1167, 19.4.2024, ELI: http://data.europa.eu/eli/dec/2024/1167/oj).

## 2. The following Article 8 is added:

"Article 8

The detailed arrangements for assistance essential to the cooperation are integrated as an Annex to this Agreement and form an integral part thereof.".

3. The following Annex is added to the PRIMA Agreement:

"ANNEX

On mutual assistance pursuant to Article 2

The modalities for mutual assistance outlined in this Annex focus on exchange of information and consultations between the Parties and on other modalities for assistance such as facilitating access for audits, reviews and checks on expenditure and access for investigations, concerning in particular the application of Article 10(2) and Article 11(3), (3a) and (4) of Decision (EU) 2017/1324 regarding indirect actions funded pursuant to Article 6(1), point (a), of that Decision (hereinafter referred to as "indirect actions"). These modalities do not in any way entail the extra-contractual liability of competent Lebanese designated authorities in case of irregularities detected during financial checks, audits, reviews and inspections referred under the above-mentioned Articles, including in the beneficiaries' declarations regarding their legal status or eligibility. The obligations of Lebanese beneficiaries in relation to audits, reviews and checks, as well as investigations by the European Anti-Fraud Office (OLAF), including the relevant enforcement provisions, are exhaustively regulated in the Grant Agreements signed between those beneficiaries and the PRIMA Implementing Structure (PRIMA Foundation).

Audits, reviews and checks

1. The Lebanese authorities are required under Article 2 of the Agreement to provide the necessary assistance for audits of expenditure by facilitating the performance of these operations. Where such assistance is needed, PRIMA Implementing Structure (PRIMA Foundation) shall provide the Lebanese designated authority, in advance, with the basic information on the missions related to these audits, reviews and checks, thus enabling the designated authority to facilitate those missions to the extent necessary.

For the purposes of this point, the Lebanese designated authority is the National Council for Scientific Research – Lebanon (CNRS-L).

2. The audits, reviews and checks may be carried out after Decision (EU) 2017/1324, as amended by Decision (EU) 2024/1167, or the Agreement expire or after the termination of the Agreement, as long as it is necessary for the implementation of PRIMA.

### **ARTICLE 2**

Investigations by the European Anti-Fraud Office (OLAF) and the European Public Prosecutor's Office (EPPO)

1. The Lebanese authorities are required under Article 2 of the Agreement to provide the necessary assistance for investigations carried out by OLAF, with due respect to the Lebanese national laws.

2. OLAF shall prepare and carry out investigative activities on Lebanese territory in close cooperation with the competent Lebanese authority designated by the Republic of Lebanon. OLAF shall notify the designated authority in good time of the object, purpose and legal basis of the on-the-spot checks and inspections carried out on Lebanese territory, so that it can provide any necessary relevant assistance. To that end, the staff of the competent Lebanese authorities may participate in such on-the-spot checks and inspections.

If the Lebanese designated authority so wishes, it may carry out the on-the-spot checks and inspections jointly with OLAF.

For the purposes of this point, the Lebanese designated authority is the National Council for Scientific Research – Lebanon (CNRS-L).

- 3. If the concerned participants in indirect actions or legal entities established in the Republic of Lebanon resist an on-the-spot check or inspection, the Lebanese authorities, acting in accordance with national rules, shall afford the staff of OLAF the necessary assistance so as to enable it to conduct its on-the-spot checks and inspections effectively and without undue delay.
- 4. OLAF will, where possible, inform the Lebanese authorities of the results of such on-the-spot checks and inspections in due time.

5. The Lebanese authorities shall cooperate with the European Public Prosecutor's Office<sup>1</sup> to allow it to fulfil its duties to investigate, prosecute and bring to judgment the perpetrators of, and accomplices to, criminal offences affecting the financial interests of the Union, in accordance with the applicable legislation.

#### **ARTICLE 3**

Information and consultation

The Parties shall exchange information for mutual assistance under the Agreement on a regular basis, unless prohibited from doing so by applicable rules or laws and, at the request of one of the Parties, conduct consultations.

The competent Lebanese authorities shall inform the Commission or OLAF, within a reasonable time period, of information which has come to their attention relating to suspected or established irregularities in the conclusion or performance of the grant agreements or contracts concluded to implement indirect actions.

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Council Regulation (EU) 2017/1939 of 12 October 2017 implementing enhanced cooperation on the establishment of the European Public Prosecutor's Office ('the EPPO') (OJ EU L 283, 31.10.2017, p. 1, ELI: http://data.europa.eu/eli/reg/2017/1939/oj).

Confidentiality

The Parties shall protect information communicated or acquired in any form under the Agreement in the same way as similar information is protected by their applicable rules. Such information shall not be communicated to persons other than those within the PRIMA Foundation, European Union's institutions, the Participating States or in the Republic of Lebanon whose functions require them to know it, and such information shall not be used for purposes other than to ensure effective protection of the Parties' financial interests."

I should be obliged if you would confirm that your Government is in agreement with the above. I have the honour to propose that, if the above is acceptable to your Government, this letter and your confirmation shall together constitute an Agreement between the European Union and the Republic of Lebanon, in the form of an Exchange of Letters, amending and supplementing the Agreement for scientific and technological cooperation between the European Union and the Republic of Lebanon setting out the terms and conditions for the participation of the Republic of Lebanon in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA). This Agreement in the form of an Exchange of Letters shall enter into force when the Union and the Republic of Lebanon have notified each other of the completion of their respective internal approval procedures to conclude this Agreement.

Please accept, Sir/Madam, the assurance of my highest consideration.

For the European Union

## B. Letter from the Republic of Lebanon

Sir/Madam,

I have the honour to acknowledge receipt of your letter of today's date which reads as follows:

"I have the honour to refer to the Agreement for scientific and technological cooperation between the European Union and the Republic of Lebanon setting out the terms and conditions for the participation of the Republic of Lebanon in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA)<sup>1</sup> (hereinafter referred to as "the PRIMA Agreement"). The PRIMA Agreement provided for the terms and conditions for the participation of Lebanon in PRIMA. The terms and conditions are those set out in Decision (EU) 2017/1324 of the European Parliament and of the Council<sup>2</sup> (hereinafter referred to as "the PRIMA Decision"), and this Agreement shall remain in force as long as the PRIMA Decision is in force. The PRIMA Decision required that the final activities to be funded under Horizon 2020, including the final calls for proposals under the relevant annual work plans be launched by 31 December 2024 and, in duly justified cases, by 31 December 2025. In order to prolong its activities, the PRIMA Decision had to be amended and incorporated into Horizon Europe.

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Following the adoption of Decision (EU) 2024/1167 of the European Parliament and of the Council¹ amending Decision (EU) 2017/1324 as regards the continuation of the Union's participation in PRIMA under Horizon Europe (hereinafter referred to as "the amended PRIMA Decision"), it is necessary to amend and supplement the PRIMA Agreement in order to align that agreement to the amended PRIMA Decision so as to allow Lebanon to continue to be considered as a Participating State under Horizon Europe pursuant to Article 1(2) of the amended PRIMA Decision. Moreover, in view of the new financial rules, it is necessary to fully integrate into the PRIMA Agreement the implementing arrangements for mutual assistance, concluded pursuant to Article 2 of the PRIMA Agreement, as set out in this Agreement in the form of an Exchange of Letters. Therefore, in order to fully integrate into the PRIMA Agreement the implementing arrangements for mutual assistance, the following amendments to that agreement are proposed:

## 1. Article 2 is replaced by the following:

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## 2. The following Article 8 is added:

"Article 8

The detailed arrangements for assistance essential to the cooperation are integrated as an Annex to this Agreement and form an integral part thereof.".

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#### ARTICLE 1

Audits, reviews and checks

1. The Lebanese authorities are required under Article 2 of the Agreement to provide the necessary assistance for audits of expenditure by facilitating the performance of these operations. Where such assistance is needed, PRIMA Implementing Structure (PRIMA Foundation) shall provide the Lebanese designated authority, in advance, with the basic information on the missions related to these audits, reviews and checks, thus enabling the designated authority to facilitate those missions to the extent necessary.

For the purposes of this point, the Lebanese designated authority is the National Council for Scientific Research – Lebanon (CNRS-L).

2. The audits, reviews and checks may be carried out after Decision (EU) 2017/1324, as amended by Decision (EU) 2024/1167, or the Agreement expire or after the termination of the Agreement, as long as it is necessary for the implementation of PRIMA.

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If the Lebanese designated authority so wishes, it may carry out the on-the-spot checks and inspections jointly with OLAF.

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- 3. If the concerned participants in indirect actions or legal entities established in the Republic of Lebanon resist an on-the-spot check or inspection, the Lebanese authorities, acting in accordance with national rules, shall afford the staff of OLAF the necessary assistance so as to enable it to conduct its on-the-spot checks and inspections effectively and without undue delay.
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The competent Lebanese authorities shall inform the Commission or OLAF, within a reasonable time period, of information which has come to their attention relating to suspected or established irregularities in the conclusion or performance of the grant agreements or contracts concluded to implement indirect actions.

### **ARTICLE 4**

### Confidentiality

The Parties shall protect information communicated or acquired in any form under the Agreement in the same way as similar information is protected by their applicable rules. Such information shall not be communicated to persons other than those within the PRIMA Foundation, European Union's institutions, the Participating States or in the Republic of Lebanon whose functions require them to know it, and such information shall not be used for purposes other than to ensure effective protection of the Parties' financial interests."

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I am able to confirm that my Government is in agreement with the contents of your letter and that your letter and this letter shall together constitute an Agreement between the European Union and the Republic of Lebanon, in the form of an Exchange of Letters, amending and supplementing the PRIMA Agreement in accordance with your proposal.

Please accept, Sir/Madam, the assurance of my highest consideration.

For the Republic of Lebanon