

**Special Auxiliary Conditions for Allocations Provided
by the Federal Foreign Office**

(BNBest-AA)

**pursuant to No. 15.2 of the Provisional
Administrative Regulations on Article
44 of the Federal Budget Code (BHO)**

(Last updated in September 2014)

**1 General
information**

1.1 Following a decision by the German Bundestag, the Federal Foreign Office is required to **block further payments to recipients who violate the Auxiliary Conditions** (see also **Reimbursement of allocations** ANBest-I No. 9, ANBest-P No. 8 and ANBest-Gk No. 8).

1.2 **Unused allocations** must be repaid **immediately** and **without being asked** after completion of the measure/after the end of the appropriation period into the account of Bundeskasse Halle, **account no. 86001040 at the Deutsche Bundesbank, Leipzig branch (bank sort code 86000000)**.

**The following additional information is required
for repayments from abroad: SWIFT code/BIC:
MARKDEF1860**

IBAN: DE388600000008600140

For bank transfers, only a 12-digit reference number must be indicated as the purpose of payment. The recipient must request this reference number from the Federal Foreign Office division authorising the allocation.

Any **accumulated credit interest must be repaid using the same procedure**. It must not be offset against bank fees or bank service charges.

In cases of **late repayment**, the Federal Foreign Office reserves the right to demand **default interest** at the valid default interest rate of 5% above the German Bundesbank's basic interest rate at the time.

2 Income and expenditure

2.1 Any **shortfall in income** compared to the estimates in the financial plan, business plan or budget should be balanced out by reducing expenditure in order to avoid deficits.

2.2 **Expenditure eligible for cover** is regulated – for **project support** in accordance with No. 1.2 of ANBest-P or ANBest-Gk, – for **support for institutions** with the agreement of the agency approving the allocation in accordance with the provisions of the relevant Budget Act and the Federal Budget Code (BHO).

2.3 Receipts

2.3.1 Receipts which do not immediately make clear the purpose and reason for a payment must be explained. Blanket explanations such as “expenses for preparations” are not permissible. Receipts in foreign languages – other than English or French – must be accompanied by a translation. The essential details of such receipts at least must be provided in the German language. For conversions from foreign currencies into EUR, the exchange rate must be given. The valid exchange rate is that deriving from the transfer of the allocation to the recipient outside the euro area, or his local project partner outside the euro area (rate of exchange on the bank statement on the day the allocation was received into the recipient’s account). The bank statement is thus an important document for the recipient and, within the context of the proof of employment of funds, one of the documents to be submitted and examined.

If payment is made to the recipient in instalments, all relevant bank statements must be submitted by the recipient. As the recipient participates in either the withdrawal or request procedure for funds and must provide proof of the amount of each withdrawal/request, the recipient’s eventual bills in foreign currencies can be converted using the respective exchange rate.

2.3.2 Forwarding invoices must be accompanied by a duplicate of the consignment note and the bill of lading as well as other documentation for the individual positions.

2.4 Discounts

Customary reductions (e.g. cash discounts) are to be agreed and utilised.

3 Personnel costs

3.1 Insofar as **allocations** may be used for **personnel expenditure**, the **provisions that apply to the Federal Administration**,

in particular those of the law concerning collective bargaining, the law on travel and relocations expenses, the guidelines on advances and the canteen guidelines, are to be applied appropriately, in accordance with No. 1.3 ANBest-I and ANBest-P (**prohibition of preference**).

3.2 The **staffing plan** is binding.

Staff changes (new positions, promotions, reorganisations) do not become effective until the Federal Foreign Office, in consultation with the Federal Ministry of Finance and the German Bundestag’s Budget Committee, has given its approval.

3.3 **Personnel files** must be kept for every employee; these files must contain full information about all details of the term of employment from recruitment to termination as well as all contractual documentation.

3.4 In addition, a **wage or salary account file** (master file) must be created for every employee. This file must contain the details required for calculating the monthly remuneration (wage) (e.g. date of commencement of employment, age, marital status, remuneration and tax details).

4 Travel expenses for official trips

4.1 Travel expenses shall be reimbursed in amounts not exceeding the limit fixed in the applicable version of the following:

4.1.1 **Federal Travel Expenses Act** (Bundesreisekostengesetz, BRKG) of 1 September 2005 in conjunction with the general administrative regulations; Article 12 of the BRKG (Illness during an official trip) and Article 13 of the BRKG (Combining official trips with private travel)

4.1.2 Ordinance Governing the Reimbursement of Costs Associated with Foreign Travel (Auslandsreisekostenverordnung, ARV)

4.2 Travel expenses must in principle be **settled** according to the model prescribed for the Federal Administration. In particular, **exact times** must be given for the following:

4.2.1 **departure** from and **arrival** at home and arrival at/departure from individual places of employment,
and

4.2.2 (in the case of **official trips abroad**) **border crossings**.

4.3 Means of transport

4.3.1 In principle, regular **public means of transport** are to be used for **official trips**. If, in **exceptional circumstances**, for which detailed justification must be given, a **privately-owned car** is used, compensation for the distance travelled can only be recognised up to the rates outlined in Article 5 para. 1 sentence 1 of the BRKG. The reimbursement here is 0.20 EUR per kilometre travelled, up to a maximum of 130 EUR for the entire trip.

4.3.2 **Rental cars or taxis** may only be used with good reason.

The necessity for using them must be specified on the receipts. For taxi travel in non-European countries, the need to provide a receipt can be waived in exceptional cases if it is objectively impossible to obtain one (local convention). In such cases, the need to use a taxi must be justified in the travel expenses invoice.

4.3.3 Flight expenses will be reimbursed if the flight is necessary for official or economic reasons, in particular

- for reasons of time
- if flying is cheaper than travelling by train
- if a total of at least one working day is saved.

The part of the flight ticket retained by the passenger must always be attached to the travel expenses invoice. For **flights taken by persons working for the Federal Foreign Office** or an **intermediary organisation**, it is sufficient to present the invoice from the airline or travel agency, as long as

- the flight ticket was procured officially,
- "NONREF" was specified on the flight ticket,
- the flight took place as stated on the invoice.

4.3.4 It must be pointed out that, in the case of illness or accident, **no legal claims** pertaining to health insurance or health care arise against the Federal Foreign Office.

It is strongly recommended that additional health insurance be taken out which also covers business trips and which meets the cost of transporting the patient back to the Federal Republic of Germany if necessary on medical grounds.

5 Items procured to fulfil the intended purpose of the allocation

5.1 The **inventory** required pursuant to No. 4 of the ANBest-I, the ANBest-P and the ANBest-Gk must be carried out in line with the following specimen:

Inventory
of moveable items acquired with Federal Government funds

Consecutive no.	Inventory no.	Receipt of item (day of acquisition)	Quantity	Item	Unit price	Total price	Outgoing items (date, reason)

The items listed have (not) been insured since with
..... against fire and burglary.
(legally binding signature)

5.1.1 **Invoices** for the acquisition of items that have to be identified in the inventory must be **marked** accordingly.

5.1.2 The Proof of Employment of Funds – and, if required, the interim report – must be accompanied by an **itemisation** (in accordance with the above specimen) **in triplicate** of the items procured during the accounting period from Federal Government funds.

5.1.3 The **inventory statement** on the total stock of moveable items must be submitted for inspection or handed over in duplicate or as a photocopy on request.

5.2 **Disposals** due to wear and tear, sale or loss must be crossed out in red, initialled by the person logging the item and removed from the inventory.

5.2.1 **Segregation** (sale or other use)

If inventoried items cannot be used for the recipient's purposes or have become expendable, the items in question must be removed from the inventory.

5.2.1.1 In the case of an individual replacement value of up to (750 EUR), by means of a **depreciation authorisation** enforced by the recipient's management board. The Federal Foreign Office is to be informed in writing of such authorisation.

5.2.1.2 In the case of a higher replacement value, **only with the consent of the Federal Foreign Office.**

Consent must be applied for in writing, detailing the following information:

- reason for the segregation/state of the item
- date of acquisition, procurement value, source
- replacement procurement:
yes/no

5.2.1.3 Income from the sale of Federal property must not be used to procure replacements or for other outlays. It is to be recorded as revenue from the sale of objects in the relevant section of the budget or financial plan.

5.2.2 **Loss**

The Federal Foreign Office is to be notified of any loss

without delay. This **notification** must include:

- precise itemisation of the lost objects
- description of the state of the objects at the time of loss
- date of acquisition, procurement value, sources.

In the event of **theft**, a certified **report** from the local police authorities is to be included. In addition, it must be stated whether negligent conduct on the part of the recipient's employees has been established, whether steps have been taken to recover the lost objects and what security precautions have been taken to prevent further thefts.

5.3 The **inventory is to be inspected at least every two years** by a person not involved

in managing the objects.

Inspection comments (name, date) are to be attached to the inventory.

6 Awarding contracts

6.1 Contracts for the procurement of goods, construction services and other services are awarded to competent, efficient and reliable companies in a competitive process. Participants in the procedure are to be treated equally. Each contract is to be awarded to the most cost-effective bid. The lowest bid is not in itself decisive. Each award of a contract is to be documented in an award notice. Furthermore, the Award and Contract Procedure for Public Supplies and Services (VOL/A) or the Award and Contract Procedure for Construction Services (VOB) is to be observed.

6.2 If, for exceptional reasons, a procurement contract cannot be awarded at market prices, a cost price is to be agreed in line with the applicable pricing laws in the case of domestic awards (Pricing Regulation for Government Contracts PR No. 30/53 of 21 November 1953 with the appendix “Guidelines for Pricing on the Basis of Cost”, last amended by ordinance PR No. 1/89 of 13 June 1989, Federal Law Gazette I, page 1094).

7 Protecting specific rights: the recipient undertakes

7.1 in the case of allocations for **publications**, depending on the individual situation,

- to make available an agreed number of **free copies**, or
- **to grant rights of utilisation for property rights** and to transfer property rights to the Federation or allow it an appropriate share of the revenues from these rights;

7.2 in the case of **research and other scientific work**, to permit **public utilisation** of the findings.

8 Turnover tax

8.1 Recipients defined as enterprises pursuant to Article 2 of the German Turnover Tax Law must **provide notification** of whether they **qualify for input tax deduction**.

If applicable, the information in the statement of accounts in the Proof of Employment of Funds is to be listed separately according to remunerations and input tax amounts.

8.2 Pursuant to Article 4, No. 1 in conjunction with Articles 6 and 6a of the German Turnover Tax Law, export shipments or **intra-Community shipments** are **exempt from turnover tax** under certain conditions.

The shipment is classed as an **export shipment** if

1. the contractor has shipped or transported the object of the shipment to a non-EU country, excluding
 - areas listed in Article 1, section 3, or
2. the recipient has shipped or transported the object of the shipment to a non-EU country, excluding areas listed in Article 1, section 3, and is a foreign recipient, or
3. the contractor or the recipient have shipped or transported the object of the shipment to the areas listed in Article 1, section 3 and the recipient
 - a) is a contractor that has acquired the object for its own enterprise, or
 - b) is a foreign recipient but not a contractor and the object eventually arrives in another non-EU country.

If, in cases 2 and 3, the object of the shipment is intended to equip or supply a means of transport, the shipment is only classed as an export shipment if

- the recipient is a foreign contractor, and
- the means of transport serves the purposes of the recipient's enterprise.

If, in cases 2 and 3, the object of the shipment is not acquired for business reasons and is exported in the recipient's personal luggage, the shipment is only classed as an export shipment if

- the recipient's place of residence or place of business is in a non-EU country, excluding areas set out in Article 1, section 3, and
- the object of the shipment is exported before the end of the third calendar month after the month of the shipment.

The supplier must provide documentation (**export certificate**) and a record (**book entry**) of the export.

The export shipment is exempt from tax only if the above-mentioned requirements are met in full.

A shipment is classed as an **intra-Community supply of goods** if **all** the following **conditions** are met:

1. The destination of the shipped object must be another area within the Community (intra-Community movement of goods).
2. The recipient is
 - = a contractor that has acquired the object for its own enterprise,
 - = a legal person that is not a contractor or that has not acquired the object for its enterprise,
 - = in the case of shipment of a new vehicle, also any other purchaser (including purchasers who are not recorded for turnover tax purposes in another EU Member State and who do not have a turnover tax ID number).
3. The acquisition of the object of the shipment is subject to turnover tax for intra-Community acquisitions in the case of a recipient in another EU Member State (**taxation of acquisitions**).

The supplier must provide documentation (**receipt**) and a record (**book entry**) of the intra-Community delivery.

The intra-Community shipment is exempt from tax only if the above-mentioned requirements are met in full.

8.3 Any **questions or doubts** relating to this area are to be clarified in advance with the **allocation recipient's tax authority**.

9 International removals

The **valid version** of the **Federal Act on Removal Expenses** of 11 December 1990 (Federal Law Gazette 1990 I, page 2682) and the **Regulation on expenses for removals abroad** of 4 May 1991 (Federal Law Gazette 1991 I, page 1072) must be applied in the case of **international removals**.

10 Federal Gender Equality Act (Bundesgleichstellungsgesetz, BGleiG)

Institutions receiving allocations undertake to **apply the Federal Gender Equality Act on equal treatment of women and men in the Federal Administration and Courts**

(BGleiG) of 30 November 2001 (Federal Law Gazette 2001 I, p. 3234) and, in particular, the principle of gender mainstreaming set forth in Article 2 of the Act.

11 Federal Foreign Office travel and security advice

When planning and implementing their **projects abroad**, recipients shall **take account of Federal Foreign Office travel and security advice**.

Particularly in potential or actual **crisis** situations, **agreement must be reached on whether to continue** the projects.

12 Federal Government Directive concerning the Prevention of Corruption in the Federal Administration of 30 July 2004

Institutions receiving allocations undertake to apply mutatis mutandis the Federal Government Directive concerning the Prevention of Corruption in the Federal Administration of 30 July 2004 if they are required under budget law to apply public procurement law (if the allocation or, if financed by several parties, the total amount of the allocation exceeds 100,000 EUR).

The recipient is obliged to apply mutatis mutandis the Federal Government Directive concerning the Prevention of Corruption in the Federal Administration of 30 July 2004, which is annexed to these Special Auxiliary Conditions. In order to avoid any misappropriation of funds received or influence on business operation by corruption, the recipient will take appropriate personnel, organisational and administrative measures. If there are any indications of misappropriation of funds, crimes of corruption or other violations of the intended purpose of the allocation, the Federal Foreign Office must be informed and inspections made possible.

In this regard and within the framework of the relationship between the recipient and the funding body, the funding body shall verify and ensure that these provisions are indeed implemented. Recipients shall provide a description of implementation in the substantive report.

The "Special Auxiliary Conditions for Allocations Provided by the Federal Foreign Office of October 2007" are hereby rescinded.