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| ANNEX 1: PROCEDURE FOR AMENDMENT OF THE CONTRACT |

**MINOR CHANGES – NOTIFICATION LETTER:**

**Preparation of Notification Letter**

Minor change in the Contract is communicated to the CFCU, with a copy to JTS and CB, through Notification Letter. The following are the steps how to prepare and submit Notification Letter:

1. Prior consult the need for modification with the responsible Contract Manager in the CFCU and responsible Project Officer in the JTS.
2. Prepare the notification letter following the standard forms in English
3. Any notification modifying the budget must include a “revised budget” showing how the budget breakdown of the initial contract, and any previous changes, if any, has been modified by this change.
4. Project Officer in the JTS and (if relevant) CBC Body provide opinion and verification of the request, if relevant. CFCU than notifies the Grant Beneficiary accordingly about the acceptance or rejection of the request.
5. CFCU informs accordingly the Control Body in Kosovo about acceptance or rejection of the requests for the Grant Beneficiaries from Kosovo.
6. Additional documents that have to be attached to the notification letters together with the justifications are as follows:

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| Increase of approved salaries/fee rates | Document proving that new requested salaries do not exceed those normally borne by the Beneficiary or his partners |
| Increase of approved unit rates or number of equipment | Document proving that the new requested rates do not exceed normal market rates |
| Change of auditor | Registration certificate of the chamber of auditors and respective licences required by the national legislation. |
| Change of expert | CV of the initial and new(proposed) expert |
| Modifications in budget | “Budget for the Action” showing how the budget breakdown of the initial contract, and any previous changes, if any. |
| Change in Activities/Action Plan | Revised Action Plan. |

**MAJOR CHANGES – ADDENDUM:**

1. The justification for grant addendum is consulted with the responsible Contract Manager in the CFCU and responsible Project Officer in the JTS prior to official submission.
2. Coordinator prepares Request of Addendum using the standard template (Letter- Addendum request letter) and submits to the CFCU, with a copy to the JTS and CB, min 30 days before the change should enter into force

Any addendum modifying the budget must include a “modification budget” showing how the budget breakdown of the initial contract, and any previous changes, if any, has been modified by this addendum.

1. The Project Officer in the JTS and (if relevant) CBC Body provide opinion and verification of the request, if relevant. Contract Manager in the CFCU reviews the original request of the Grant Beneficiary and rejects requests which have little or no substantiation.
2. The Contract Manager will recommend the Head of CFCU to approve requests for Addendum that are properly substantiated and do not question the Grants award decision or are not contrary to the equal treatment of Applicants.
3. CFCU will review if addendum is feasible drafts Explanatory note, using standard template and any revised annexes (if applicable). Prepares three originals of the proposed addendums. Upon internal approval within the CFCU and ex-ante approval by the EUD the addendum is submitted to the Coordinator for counter signature.
4. CFCU informs accordingly the Control Body in Kosovo about acceptance or rejection of the requests for the Grant Beneficiaries from Kosovo.
5. If addendum is not feasible letter will be sent to the Coordinator.

**APPENDIX1:**Template for Notification Letter

**APPENDIX2:** Template for request for addendum

**APPENDIX 3:** Template for budget modification/reallocation (minor changes)