**I – Grounds for exclusion from participation in procurement**

Candidates, tenderers or applicants will be excluded from participation in procurement procedures if:

* they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
* they, have been convicted of an offence concerning their professional conduct by a judgment of a competent authority of *res judicata*;
* they have been guilty of grave professional misconduct proven by any means which the Contracting Authority can justify,
* they are not in compliance with their obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the Contracting Authority or those of the country where the contract is to be performed;
* they, or persons having powers of representation, decision making or control over them, have been the subject of a judgment which has the force of *res judicata* for fraud, corruption, involvement in a criminal organisation or any other illegal activity, where such an illegal activity is detrimental to the Communities financial interests;
* they are currently subject to an administrative penalty referred to in section 2.3.5. of the Practical guide to contract procedures for EC eternal actions.
* **II - Exclusion from award of contracts**

Contracts may not be awarded to candidates, applicants or tenderers who, during the procurement procedure:

* are subject to a conflict of interest;
* are guilty of misrepresentation in supplying the information required by the Contracting Authority as a condition of participation in the contract procedure or fail to supply this information;