



PARTNERSHIP AGREEMENT

between the lead partner and other project partners
of the project *[project title]*

Central Baltic Programme 2014-2020

(Date)

Partnership Agreement¹ model between lead partner and other project partners of the project co-financed by the Central Baltic Programme 2014-2020

Abbreviations

AA - Audit Authority
EU - European Union
FLC - First Level Control
JS - Joint Secretariat
LP - lead partner
MA - Managing Authority
PP - project partner
SC - Steering Committee

Preamble

In regard to

- Regulation (EU) No 1303/2013
- Regulation (E) No 1301/2013
- Regulation (EU) No 1299/2013
- Relevant national legislation and rules applicable to the LP and PP
- Community and national regulations on:
 - Rules for public procurement and entry into the markets
 - Protection of the environment
 - Equal opportunities between men and women
 - State aid rules;
- The valid Programme Manual
- The Subsidy Contract signed on *[date]* between the MA and the LP representing all the PP organisations, for the implementation of the Central Baltic programme project *[id number and title of the project]*, selected for funding by the Central Baltic Programme 2014-2020 Steering Committee

the following agreement has been made between the following partners:

¹ This document serves as an example only. It must be negotiated between partners and tailored to the partnership's individual needs. There is no guarantee and no liability for completeness, correctness, up-to-dateness and full compatibility with EU and national law. The MA, AA or JS are not parties to this agreement and bear no legal responsibilities on the basis of this contract towards LP/PPs or third parties.

APPROVED PROJECT BUDGET

ERDF co-financing: € _____
Partners' contribution: € _____
TOTAL project budget: € _____

LEAD PARTNER

1. *[Name & address]*

Represented by: *[person authorised to sign documents on behalf of the organisation]*

ERDF co-financing: € _____
Partner contribution: € _____
Total LP budget: € _____

OTHER PROJECT PARTNERS (PPs)

2. *[Name & address]*

Represented by: *[person authorised to sign documents on behalf of the organisation]*

ERDF co-financing: € _____
Partner contribution: € _____
Total PP budget: € _____

3. *[Name & address]*

Represented by: *[person authorised to sign documents on behalf of the organisation]*

ERDF co-financing: € _____
Partner contribution: € _____
Total PP budget: € _____

4. *[Name & address]*

Represented by: *[person authorised to sign documents on behalf of the organisation]*

ERDF co-financing: € _____
Partner contribution: € _____
Total PP budget: € _____

[Please add partners in case needed]

Article 1

Subject of the agreement

Subject of this agreement is the setting up and implementation of the partnership in order to implement the Central Baltic programme project *[title of the project, project number]* as indicated in Annex 1 of this agreement, the Subsidy Contract between the MA of the Central Baltic programme and the LP dated *[date]*,

1. The annex No 1 of this agreement is considered to be an integral part of this agreement.

In addition, the partnership must agree internally on and follow the

- Detailed work plan by the LP/PPs (in accordance with the approved Application Form)
- Payment forecast (in accordance with the approved Application Form)

2. This agreement enters into force on *[the start date of the project as set out in the approved Application Form and Subsidy Contract]*. The agreement is in force until the closure of the project by the MA.

In case the irregular costs or issues related to ownership, foreseen generation of revenue or publicity require further actions outside the time this agreement is in force, the LP/PPs will agree separately on those issues (Cf. Article 14-15).

Article 2

Partners to the agreement

1. The partners to this agreement are the LP and other PPs in accordance with the approved Application Form.
2. The LP organisation is responsible for the management, communication, implementation and co-ordination of activities among the related partners as described in the Programme Manual and in the Subsidy Contract § 5 Representation of project partner(s), liability.

Article 3

Obligations of the LP/PPs

General provisions

The LP/PPs are committed to implement the project as defined in the preamble of this agreement and in the Subsidy Contract in compliance with relevant EU and national legislation.

1. **Obligation and duties of the LP**

The LP shall fulfil all obligations arising from the Subsidy Contract and the approved Application Form. The LP shall:

- In accordance with approved Application Form appoint the required project personnel responsible for the general implementation, reporting and financial management (accounts, financial reporting, the internal handling of ERDF co-financing and partner contribution)
- Start and implement the project together with other PPs in accordance with the approved Application Form and Subsidy Contract
- Set up and coordinate the work of the project Steering Group in accordance with instructions of the Programme Manual and Subsidy Contract
- Be at all times in close contact with the JS contact person to ensure fluent exchange of information between the LP and the JS
- Compile and submit via eMonitoring system Project Reports including the Final Report to the JS, as defined in the Programme Manual, Guide for Project Implementation and Subsidy Contract
- Receive payments from the MA of the Central Baltic programme
- Transfer the ERDF allocations to the partners in accordance with the approved Application Form. The transfer shall be made without any delay once the ERDF amounts have been received from the MA
- Ensure an efficient internal management and control system i.e.:
 - a) conduct the overall financial management of the project
 - b) carry out the project's overall accounting
 - c) communicate with the JS and in relevant cases with the MA and AA (i.e. matters directly related to the Subsidy Contract (MA) and audit issues (AA))
 - d) react promptly to any request by the JS and in relevant cases by MA and AA
 - e) notify partners immediately of any event that could lead to a temporary or final discontinuation or any other deviation of the project
- Retain at all times for audit purposes all files, documents and data about the part of the project for which it is responsible on customary data storage media in a safe and orderly manner for four years after the closure of the project by the MA. Other possibly longer statutory retention periods, as might be stated by national law, shall remain unaffected
- Provide necessary information and give access to its premises to all relevant authorised audit bodies
- Provide independent evaluators carrying out the Central Baltic programme evaluation any document or information necessary to assist with the evaluation
- Maintain and update a list of bodies responsible within the LP/PP organisations for the audit trail archives (and in case of outsourced/sub-contracted financial or project management the external bodies)
- Coordinate with PPs any project Modification Requests.

2. Obligations and duties of other PPs

Each PP shall accept the following duties and obligations:

- Appoint a project coordinator to be the responsible actor and give the project coordinator the authority to represent the partner in the project and to take the necessary decisions for the PP regarding the implementation of the project
- Implement the part of the project for which it is responsible in due time according to the approved AF
- Participate in the work of the project's Steering Group set up by the LP
- Support the LP in drawing up the Project Report and the Final Report by providing the required data on time following and the reporting instructions set in the Programme Manual, Guide for Project Implementation and other reporting instructions in accordance with the Subsidy Contract especially ensuring the conduct of the FLC process
- Notify the LP immediately of any event that could lead to a temporary or final discontinuation or any other deviation of the project
- Provide necessary information and give access to its premises to all relevant authorised audit bodies
- Retain for audit purposes all files, documents and data about the part of the project for which it is responsible on customary data storage media in a safe and orderly manner 4 years after the closure of the project by the MA
- Provide the independent assessors carrying out Central Baltic programme evaluations with any document or information necessary to assist with the process
- Respect all rules and obligations laid down in the Subsidy Contract between MA and LP setting responsibilities also on PPs
- React promptly to any request by the JS, MA or AA
- Use the eMonitoring System for reporting and other procedures related to the implementation of the project and accept that each user is responsible for keeping safe the user name and password and is responsible for all activities done with the user name.

Article 4 Liability

1. The liabilities of the LP/PPs are based on §5 of the Subsidy Contract taking into account that:

- The LP/PPs shall be held responsible for any violations of the conditions, duties and obligations set out in this agreement and the Subsidy Contract.
- The LP/PP shall not be held liable for not complying with obligations of this agreement in case of *force majeure*. In such a case, the PP involved must inform the LP in written without any delay. In case the LP fails to meet its obligations it must inform other PPs without any delay.

Article 5

Project financial management and payment forecast by the LP/PPs

1. The LP is the sole responsible party to the MA for the financial management of the project. The LP shall be responsible for the ERDF payments to its PPs as well as for an application for budget modifications. The LP is responsible for following the budget and for coordinating the use of the flexibility rule. For each Project Report following the payment of programme funds to the LP, the LP shall transfer immediately the sums assigned to each PP. No deduction, retention or further specific charges shall be made.
2. The LP must ensure the correctness of the accounting and financial reports and documents drawn up by the PPs in accordance with the reporting instructions. The LP may request further information, documentation and evidence from the PPs in case needed.
3. Each PP shall be held responsible for its own budget up to the amount as to which the PP participates in the project as stated in the Partner Contribution Statement for Project Application.
4. The PPs commit themselves to respect the budget by budget line and payment forecast by PP as presented in the AF.
5. Each PP keeps a separate accounting system (code or account, which allows the identification of project costs) solely used for the project. The accounts shall provide the necessary detailed financial information (total expenditure and income) in euros (EUR; €) related to the project (in case of countries outside EURO zone, see below).

The LP/PPs conduct the project reporting (Project Reports and Final Report) in accordance with the instructions set out in the Programme Manual, Guide for Project Implementation and as defined in the Subsidy Contract.

For PPs located outside the EURO zone, the LP and the PPs agree to use the exchange rate definition as defined in the Programme Manual.

The ERDF funding is paid out to the LP and LP forwards to the project partners in euros only. LP/PPs will bear the exchange risk fully.

Article 6

Modifications to the approved Application Form including the budget

Project modifications have to be well coordinated in the project partnership in order to be able to submit joint project modifications well in advance before necessary changes needs to be made and costs occurred. Project modifications have to be approved by the project Steering Group before submission of Modification Request to the JS.

Article 7

Project Reports

1. The LP/PP agree on the practical reporting procedure to be conducted during the project implementation. Each PP provides the LP with the information needed to draw up Project Report and other specific documents required by the MA/JS or FLC.
2. The LP shall make available information submitted to the JS and keep the PPs informed on a regular basis of all relevant communication with the bodies implementing the programme.
3. The partners are obliged to have their Partner Report certified by the national FLC.
4. The LP ensures that the co-financing rate of each PP has been taken into account during the payment procedure of the ERDF financing to PPs allowing correct allocation of ERDF financing to each PP.

Article 8

Information and publicity measures

1. The LP/PPs will jointly implement project communication and dissemination measures as described in the approved Application Form, Subsidy Contract, Programme Manual and Guide for Project Communication provided by the JS ensuring adequate promotion of the project and its results towards project stakeholders, target groups and the general public.
2. Any publicity measures must specify that the that the project has been co-financed by the European Regional Development Fund (ERDF) through the Central Baltic programme as set out in the Programme Manual.
3. The PPs agree that the JS/MA shall be authorised in the framework of the Central Baltic programme to publish the following information:
 - The name of the project
 - The name of the LP/PPs
 - The purpose of the subsidy
 - The total project budget and ERDF funding
 - The geographical location of the project
 - The information of the Project Reports and the Final Report

The LP is obliged to inform the JS on possible sensitive/confidential (e.g. business or personnel related) issues that cannot be published.

4. The LP/PPs agree to include in the Project Reports and Final Report information on publicity and information events and the PPs furthermore authorise the MA/JS and the European Commission to use this material to showcase how the subsidy has been used.

Article 9

Confidentiality

1. Although the nature of the implementation of the project is public, part of the information exchanged between the JS and programme bodies (MA and AA) and LP/PPs or between LP and PPs may be confidential. Only documents and other elements explicitly provided with the statement 'confidential' shall be regarded as such taking into account the relevant EU and national legislation.
2. The LP/PPs commit to take measures to ensure that all staff members carrying out the work respect the confidential nature of such information, and do not disseminate it, pass it on to third parties or use it without prior written consent of the LP and the PP institution that provided the information taking into account the relevant EU and national legislation.

Article 10

Cooperation with third parties, delegation and outsourcing

1. In the event of cooperation with third parties, of the delegation of part of the activities or of outsourcing, the PPs shall remain the sole responsible parties to the LP and through the latter to the bodies implementing the programme concerning compliance with their obligations by virtue of the conditions set forth in this agreement including its annex(es).
2. The LP shall be informed by the PPs about the subject and party of any contract concluded with a third party.
3. For outsourcing of activities co-financed by the Central Baltic programme the LP and the PPs shall comply with the EU and national public procurement rules.

Article 11

Assignment, legal succession

1. Neither the LP nor the PPs are allowed to assign their duties and rights under this agreement without the prior consent of the other parties to this agreement.
2. The parties to this agreement are aware of the provisions of the Subsidy Contract whereupon the LP is allowed to transfer its duties and rights to other organisations only after prior written consent of the MA and the SC.

Article 12

Non-fulfilment of obligations or delay

1. Each PP is obliged to promptly inform the LP and to provide the latter with all necessary details should there be events that could jeopardise the implementation of the project.
2. Should one of the PPs be temporarily unable to comply with its responsibilities, the LP and PP shall agree on suitable and functional arrangements to ensure the fluent continuation of the

project implementation. The LP will guarantee reasonable time for the PP to fulfil its obligations. The LP is committed to inform the JS on non-compliance of the PP responsibilities.

3. Should the non-fulfilment of obligations continue, the LP may decide to exclude the PP concerned from the project but only with the official approval of the MA. The MA/JS shall be informed immediately if the LP intends to exclude a PP from the project.
4. The excluded PP is obliged to refund to the LP any programme funds received which it cannot prove on the day of exclusion that they were used for the implementation of the project according to the approved Application Form and eligibility rules of expenditure in cases where for instance the auditing bodies have found ineligible cost items.

Article 13

Demand for repayment by the MA

1. Should the MA, in accordance with the provisions of the Subsidy Contract, demand repayment from the LP of subsidy already transferred, each PP is obliged to transfer its portion of the repayment amount to the LP. The LP shall, without delay, submit the Order of Recovery by which the MA has asserted the repayment claim to each PP with the amount repayable and notify the MA on receiving the Order of Recovery. The LP is obliged to conduct the repayment without any delay. In case the amount repayable shall be subject to interest, the interest rate will be determined in accordance with the provisions of the Subsidy Contract and would be applied to each PP.

Article 14

Ownership rights between LP/PPs

1. The LP/PPs agree that the arrangements in ownerships, titles and industrial and intellectual property rights on the outputs of the projects are in accordance of the Subsidy Contract (§8).
2. LP/PPs agree according to the project specific needs on the ownership and publicity issues of the results and outcomes of the project in accordance with the Subsidy Contract (§8) as follows:
 - (to be determined by the LP/PPs)
 - (to be determined by the LP/PPs)
 - (to be determined by the LP/PPs)
 - (to be determined by the LP/PPs)
 - etc.

Article 15

Generation of revenues and income

1. The LP/PPs agree to take necessary actions to guarantee the compliance with the relevant EU as well as national legislation in accordance with the Subsidy Contract (§9) in case net revenues are generated by LP/PPs in accordance with the stipulations of the Subsidy Contract after the closure of the project implementation.
2. The LP/PP agree to report any income generated by project activities and as a consequence to reduce proportionately the ERDF co-financing.

Article 16

Disputes between PPs

1. In case of any disputes among LP/PPs, the PPs are obliged to work towards an amicable settlement.
2. In the case amicable settlement is not possible the dispute will be finally decided in accordance with the jurisdiction of the country where the LP is located.

The place of jurisdiction is: *[Local court of the LP]*

Article 17

Concluding provisions

1. Working languages

The official working language of this partnership is English and all **official** correspondence between the LP/PPs and towards JS as well as MA and AA is conducted in English.

2. Nullity

If any provision in this agreement should be fully or partly ineffective, the parties to this agreement agree to undertake all necessary actions to replace the ineffective provision by an effective provision which comes as close as possible to the purpose of the original provision.

3. Amendment of the agreement

This agreement shall only be amended in writing signed by all parties involved.

Modifications to the project (e.g. concerning activities, time schedule or budget) that have been approved by the project's Steering Group and MA/JS can be carried out without amending the agreement.

4. Legal address of the LP/PPs

Any change of legal address by the PPs as indicated in the Application Form shall be notified to the LP by registered mail without any delay but at the latest within 15 days following the change of address. **The LP in turn will without delay inform the JS.**

Concluded at *[date, place]*

Signatures

Lead partner

Signature

Date

PP 1

Signature

Date

PP 2

Signature

Date

PP 3

Signature

Date

PP 4

Signature

Date

PP 5

Signature

Date

Annexes

Annex 1: Subsidy Contract