Project Partnership Agreement

Model agreement between the lead partner and partners of INTERREG NWE projects

[This document serves as an example only. It should be negotiated between partners and tailored to the partnership’s individual needs. There is no guarantee and no liability for completeness, correctness, up-to-datedness and full compatibility with EU and national law.]

NWE Programme project [INDEX and TITLE of the project]

Having regard to:

* Article 13(2) of the Regulation (EU) no 1299/2013 of the European Parliament and of the Council of 17 December 2013, on the European Territorial Cooperation goal,
* The NWE programme manual, section 2.3.2, partner roles, whereupon partners in a project funded under the NWE Programme have to conclude an agreement concerning their mutual financial and legal responsibilities, including the functions and responsibilities of the lead partner,
* The subsidy contract signed between the NWE managing authority and the lead partner, Article 9 and 10.

For the implementation of the NWE Programme project [INDEX and TITLE of the project], approved by the NWE Programme Monitoring Committee – on [DATE], the following agreement shall be made between the partners of the project.

*Article 1*

**Parties to the agreement**

The parties to this agreement are the lead partner and the project partners’ organisations as listed in the latest approved version of the application form.

*Article 2*

**Subject of the agreement**

1. Subject of this agreement is the organisation of a partnership in order to implement the project [INDEX and TITLE of the project] as indicated in the annexes of this agreement. The annexes comprise:
* the latest version of the application form approved by the programme
* the latest subsidy contract between the managing authority and the lead partner
1. The annexes - including all provisions they are based on and refer to - are considered to be an integral part of this agreement.

*Article 3*

**Obligations of the parties**

All partners oblige themselves to achieve the common objective and planned outputs of the project through cooperation in the partnership.

**Lead partner’s obligations**

1. The lead partner will comply with all obligations deriving from article 13(2) of Regulation (EU) No 1299/2013, the subsidy contract and the NWE programme manual, inter alia, ensure the transfer of the subsidy to the project partners as quickly as possible and in full.
2. The lead partner will inform the partners on a regular basis about any relevant communication between the lead partner and the NWE joint secretariat.
3. Before submitting a request for change to the joint secretariat, the lead partner shall obtain the approval of its partners on the changes proposed. The lead partner may set a deadline to the partners for this approval so that beyond this deadline the proposed changes are considered as approved by the partners.

[If the project wants to provide more explicit information here, it could be copied from the relevant Regulation, the subsidy contract and/or the programme manual]

**Partners’ obligations**

1. To be eligible as project partner under NWE Programme the partner has to be a legal entity.
2. All partners will do everything in their power to implement the project as defined in the present agreement and shall ensure to implement it in line with the latest approved version of the application form and this partnership agreement.
3. All partners shall comply with the provisions of the subsidy contract, the programme manual, the cooperation programme and the latest approved version of the application form.
4. All partners shall comply with the statutory rules under European law, national statutory regulations, orders, decrees and rulings, permits and exemptions which are relevant for the performance of the present agreement, specifically with respect to their own portion of the project. The implications associated with compliance with these rules, regulations, permits and exemptions will be at the expense and risk of the partner whose own part of the project is affected.

In addition, they shall fulfil the following obligations:

* To nominate a project manager and a financial manager for the parts of the project for which it is responsible and give the lead partner the authority to represent the partner in the project;
* To provide the lead partner with all the information that it needs in the prescribed form to draw up the mandatory reports for the project as well as all other reports on activities, requests for payment and other documents or information requested by the joint secretariat. The information so requested will be provided to the lead partner on time and complete;
* To ensure and to assume responsibility that its expenditure has been incurred for the purpose of implementing the project, corresponds to the activities in the application form, and complies with the provisions of Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013, in particular Article 65, Art. 18 of Regulation (EU) No 1299/2013 of the European Parliament and of the Council of 17 December 2013, and Commission Delegated Regulation (EU) No 481/2014 of 4 March 2014 (specific rules on eligibility of expenditure for cooperation programmes).

All eligible costs shall relate to the purpose of the project and its delivery, be incurred within the dates specified in the subsidy contract, be reasonable, justified and consistent with the usual internal rules of the partner, be supported by receipts, invoices or accounting documents of equivalent probative value, respect public procurement rules and the programme eligibility rules described in the NWE programme manual. Partners must get acquainted with and accept the financial flows system which consists in a partial reimbursement of spent amounts. The reimbursement is performed after the costs have been reported and considered eligible;

* To ensure that all expenditure has been verified by a first level controller, according to the procedure set in the programme rules;
* To make the partner contributions (partner budgets) available as foreseen in the latest approved version of the application form and this partnership agreement;
* To actively encourage the involvement of the stakeholder groups in their regions, their participation in the project, and their cooperation with respect to publishing the project results;
* To react promptly to any request of the lead partner, of programme authorities and bodies involved in the programme implementation, in particular for what concerns requests related to the coordination, implementation and evaluation of the project;
* To notify immediately the lead partner of any event that could lead to a temporary or final discontinuation or any other deviation of the project, as well as any change related to the name of the organisation, its contact details, legal status or any other change concerning the partner’s legal entity which may have an impact on the project or on their eligibility to the programme;
* To comply as much as possible with the planned budget by budget line, by work packages and spending forecast as indicated in the application form and to notify the lead partner without delay of any deviation or event that may lead to a deviation.

**Solvency provisions**

Non-public partners are obliged to undergo a solvency check before the approval of the application. No payments will be made to non-public partners in danger of insolvency. If the danger of insolvency occurs during the project implementation non-public partners are held to inform without delay the lead partner and joint secretariat of such problems. Lead partners shall immediately suspend any payments to insolvent partners. The programme will immediately suspend any payment of the insolvent non-public partner’s part.

*Article 4*

**Decision-making under the agreement**

1. Decisions with regard to the:
* general project activities will be taken by [...] *(e.g. the decision making body indicated in the application form)*
* individual activities of project partners will be taken by [...] *(e.g. the decision making body indicated in the application form)*
* general project budget will be taken by [...] *(e.g. the decision making body indicated in the application form)*
* individual budget of project partners will be taken by [...] *(e.g. the decision making body indicated in the application form)*
* *request for the exclusion and addition of partners will be taken by [...] (e.g. the decision making body indicated in the application form)*
1. The decision will be taken by [...], (*e.g. majority vote, ⅚ majority)*

[Further details can be specified here.]

*Article 5*

**Audit**

1. Efficient and reliable management and control system and audit trail at a project partner level (in compliance with the requirements in the programme manual) shall be established.
2. All partners shall support any audit or control of the project and will produce all documents required for the control and audit, provide necessary information and give access to their premises including the investments.
3. Each project partner institution shall retain for audit purposes all files, documents and data related to the project implementation on customary data storage media in a safe and orderly manner in compliance with the Article 140 of Regulation (EU) No 1303/2013. The exact period will be communicated to the projects with the closure notification letter. The lead partner will inform the project partners of the start date of the period. This period might be interrupted in duly justified cases and will resume after this interruption. Upon request by the programme, by the Commission or by the Court of Auditors, the documents have to be made available. Other possibly longer statutory retention periods, as might be stated by national law, remain unaffected.

This period shall be interrupted either in the case of legal proceedings or at the duly motivated request of the Commission. Other possibly longer statutory retention periods, as might be stated by national law, remain unaffected.

The above requirement also applies to any partner which leaves the partnership before the end of the project.

*Article 6*

**Communication and publicity**

1. All partners will implement a communication and dissemination plan that ensures adequate promotion of the project and its results towards potential target groups, project stakeholders and the general public in compliance with the Annex XII (2.2) of Regulation (EU) No 1303/2013, the subsidy contract (article 12) and the programme manual.
2. The partners agree that the programme Authorities shall be authorised to publish in any form and by any means, including the Internet the following information:
* the name of the lead partner and its partners;
* the project name;
* the summary of the project activities;
* the objectives of the project and the subsidy;
* the project start and end dates;
* the European Regional Development Fund (ERDF) amount allocated and the total eligible cost of the project;
* the geographical location of the project implementation;
* progress reports including the final report.

*Article 7*

**Intellectual Property Rights**

1. All products (material and intellectual) that derive from the project will be the property of the partnership in their entirety. The outcome and results of the projects have to be made available to the general public free of charge.
2. The managing authority reserves the right to use them for information and communication actions in respect of the programme. In case that there are pre-existing intellectual and industrial properties rights which are made available to the project, these are fully respected.
3. Any income generated by the intellectual property rights must be managed in compliance with the applicable EU, national and programme rules in the scope of net revenue and state aid.

[If applicable, concrete details on how the project will handle and agree upon the intellectual property rights for the project’s outputs and results can be included here.]

*Article 8*

**Cooperation with third parties, delegation legal succession and outsourcing**

1. In case of cooperation with third parties including suppliers of good/services, the project partner concerned shall remain solely responsible to the lead partner concerning compliance with its obligations as set out in this Partnership Agreement.

1. The lead partner shall be informed by the project partner about the subject and party of any contract concluded with a third party.

1. No project partner shall have the right to transfer its rights and obligations under this Partnership Agreement without the prior consent of the other project participants and the responsible programme implementing bodies.
2. In cases of legal succession, the lead partner or concerned partner is obliged to transfer all duties under this partnership agreement to the legal successor.

1. Outsourcing to consultants or to suppliers of goods/service shall be undertaken in accordance with procedures set out in the public procurement rules applicable to the contracting partner and in compliance with the EU directives on public procurement.

*Article 9*

**Confidentiality**

1. Although the project is public in nature, the parties can agree that a portion of the information which the partners share amongst themselves or with the joint secretariat within the context of project implementation may be regarded as confidential. Only those documents and other items which are explicitly designated as “confidential” will be regarded as such.
2. The partners will take steps to guarantee that all staff involved in the project will respect the confidentiality of these data, will not disseminate these data, furnish them to third parties or use these data without the consent of the lead partner or the partner that supplied these data.
3. The partners will take the same steps to guarantee the confidentiality of the data that they would have taken if confidential data of their own had been involved.

*Article* *10*

**Shared costs, preparation costs and advance payments**

1. The shared costs are governed by the contracting-partner-only principle. The contracting partner is the only one that budgets, contracts, actually pays, ensures verification and reports 100% of the cost item of joint benefit and receives the related ERDF. The arrangements for sharing costs between partners are defined in an agreement between the involved partners.

[If applicable, concrete details on how the procedures and individual shares for each partner can be included here.]

1. The preparation costs will be reimbursed through a lump sum of €30,000 ERDF per project and will be paid to the lead partner.

[The partners can divide the lump sum among themselves in accordance with the efforts and costs borne; the partnership agreement should indicate here if the lead partner will keep the €30,000 ERDF. If the preparation costs are split among some partners, the beneficiaries and the amount received (totalling €30,000) must be provided here.]

1. The advance payment is limited to either 50% of the partner’s ERDF budget or €50,000 ERDF at project level, whichever is lower. The advance payment will be paid to the lead partner and can be shared among the partners entitled to receiving it. The lead partner will disburse the advance payment amount(s) accordingly upon receipt.

[If applicable, the list of beneficiaries and the amounts of advance payment they will each receive, totalling €50,000 max, must be included here.]

*Article 11*

**Liability**

1. Each partner, including the lead partner, shall be liable to the other partners and shall indemnify and hold harmless such other partners for and against any liabilities, damages and costs resulting from the non-compliance of its duties and obligations as set forth in this agreement and its annexes.

1. No party shall be held liable for not complying with obligations ensuing from this agreement should the non-compliance be caused by force majeure. In such a case, the partner involved must announce this immediately in writing to the other partners of the project.

*Article 12*

**Non-fulfilment of obligations and disputes**

1. Should one of the partners be in default, the lead partner shall admonish the respective partner to comply within a maximum of [DAYS]. The lead partner shall make any effort to contact the partners in order to solve the difficulties including seeking the assistance of the joint secretariat / the managing authority of the programme.
2. Should the non-fulfilment of obligations continue, the partnership may decide to exclude the partner concerned from the project. The managing authority / joint secretariat shall be informed immediately by the lead partner if the partnership intends to exclude a partner from the project.
3. The excluded partner is obliged to refund to the lead partner any programme funds received which it cannot prove on the day of exclusion that they were used for the implementation of the project.
4. In case of non-fulfilment of a partner's obligation having financial consequences for the funding of the project as a whole, the lead partner may demand compensation to cover the sum involved.
5. In case of any disputes, even if regarded as such by only one of the partners, which may arise owing to a further agreement or an actual action which is wholly or partly subject to the present agreement, the project partners shall first work towards an amicable settlement. In case the partners do not reach an amicable settlement, the settlement will be adjudicated by the competent court in the district in which the lead partner has its registered office. The lead partner’s registered office is located in [address].

*Article 13*

**Duration and right of termination**

1. The agreement will enter into force on the date on which it is signed. It will remain in force until complete fulfilment of the lead partner and partners’ obligations under this partnership agreement and the subsidy contract.
2. In particular, all supporting documents (such as invoices, public procurement files, contract, etc.) must be made available during the lifetime of the project. At the end of the project the deadline for keeping documentation will be communicated to the Lead Partner.
3. The agreement can be terminated prematurely by means of a decision taken by the [Decision making body] which also makes arrangements regarding the consequences of such premature termination. The managing authority / joint secretariat shall be informed immediately by the lead partner about the intention to terminate the agreement.

*Article 14*

**Demand for repayment**

1. Should the programme authorities in accordance with the provisions of the subsidy contract demand repayment of all or part of the subsidy already transferred, each partner concerned is obliged to reimburse its share of the subsidy amount unduly received to the lead partner.
2. The lead partner shall, without delay, inform the concerned partner about any ERDF amount unduly paid due to an irregularity as soon as it is informed by the managing authority / joint secretariat. It shall also forward, without delay, submit the letter by which the managing authority has asserted the recovery order and notify each partner of the amount to be repaid. This amount is due by the deadline indicated by the lead partner in accordance with the recovery procedure described in the programme manual. In case the amount to be recovered shall be subject to interest, the interest rate will be determined in accordance with the provisions of the subsidy contract (Article 14.3) and would be applied to each concerned partner.
3. According to article 122.2 of Regulation (EU) 1303/2013 and article 27.3 of Regulation (EU) 1299/2013, if the Lead Partner does not succeed in securing repayment from other Project Partners or if the Managing Authority does not succeed in securing repayment from the Lead Partner after having used all reasonable endeavours in accordance with point 5.4 of the Cooperation Programme and the Procedure for the recovery of irregularities, the EU Member State or third country on whose territory the beneficiary concerned is located shall reimburse the managing authority any amounts unduly paid to that beneficiary. The EU Member State on whose territory the concerned beneficiary is located shall be entitled to undertake any legal action that it may deem necessary towards the concerned beneficiary in order to recover the unduly paid amount, based on national jurisdiction rules and in accordance with any agreement the EU Member State may have entered into with the beneficiary. In that case, the Lead Partner shall have the right to transfer its rights and obligations under this agreement to the EU Member State on whose territory the concerned beneficiary is located provided that the EU Member State agree to this transfer.

*Article 15*

**Amendment of the Partnership Agreement, withdrawals**

1. This agreement shall only be amended in writing by means of an amendment to that effect signed by all parties involved.
2. Modifications to the project (e.g. concerning activities, time schedule or budget) that have been approved by the programme authorities, in compliance with the procedure set in the programme manual, can be carried out without amending the present agreement.
3. If one of the partners withdraws from the partnership, the lead partner and the project partners shall endeavour to cover the contribution of the withdrawing project partner, proposing to the programme authorities either to reallocate the tasks of the withdrawn partner inside the partnership and/or; to replace the withdrawn partner by one or more new project partners. If the two above mentioned options are not feasible they project partners might propose to reduce the number of tasks and accordingly reduce the project’s budget.

*Article 16*

**Working language**

1. The working language of this partnership shall be … [language commonly used by the partners]
2. The English version of the partnership agreement is the binding one.

*Article 17*

**Final provisions**

1. This agreement is governed by .......... law [law of the country where the lead partner is located].
2. If any provision in this agreement should be wholly or partly ineffective, the parties to this agreement undertake to replace the ineffective provision by an effective provision which comes as close as possible to the purpose of the ineffective provision.

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| **Signatures**

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| **The Lead Partner**Name of the organisation in English: ……………………………………………………………………………………………………………….………………………………………….Amount of the partner budget (partner contribution): €………………….……………………….….……………….….Amount of the match-funding to be provided by the lead partner: €………………………………………………..Place and date:………………………………………………………………………………………………………………………………….Name and function of the signatory:…………………………………………………………………………………………………Signature/Stamp:……………………………………………………………………………………………………………………………… |
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