

**Partnership Agreement for Small-scale project**

**(Interreg Programme Slovenia-Croatia 2021-2027 (hereinafter referred to as IP SI-HR))**

Based on the Open Call for Proposals for Small-scale projects, reference number: 4300-132/2023-MKRR, and having regard to Article 26 of a Regulation (EU) 2021/1059 of the European Parliament and of the Council of 24 June 2021 on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments, with all the amendments,the following has been agreed between

*<Lead Partner name and address*>, represented by *<name, function of the signatory*> (hereinafter referred to as Lead Partner)

and

*<name and address*>, represented by *<name, function of the signatory*> (hereinafter referred to as Project Partner 2);

*<name and address*>, represented by *<name, function of the signatory*> (hereinafter referred to as Project Partner 3);

*<name and address*>, represented by *<name, function of the signatory*> (hereinafter referred to as Project Partner 4);

for the implementation of the project <*project title*>, with acronym <*project acronym*>.

**Article 1**

**Legal framework**

The Parties declare at the outset that they are bound by the following legal framework:

1. Regulation (EU, Euratom) No 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 966/2012, together with related Delegated or Implementing Acts, with all the amendments;
2. Regulation (EU, Euratom) 2020/2092 of the European Parliament and of the Council of 16 December 2020 on a general regime of conditionality for the protection of the Union budget, with all the amendments;
3. The European Structural and Investment Funds Regulations, Delegated and Implementing Acts for the 2021-2027 period, especially:

* Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021, laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy (Common Provisions Regulation – hereinafter referred to as **CPR**), with all the amendments;
* Regulation (EU) 2021/1059 of the European Parliament and of the Council of 24 June 2021 on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments (hereinafter referred to as **Interreg Regulation**), with all the amendments;
* Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund (hereinafter referred to as **ERDF Regulation**), with all the amendments;

1. Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing directive 95/46/EC (General Data Protection Regulation - hereinafter referred to as **GDPR**), with all the amendments;
2. Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid relevance, Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, with all the amendments; Delegated and Implementing acts, as well as all applicable decisions and rulings in the field of State aid;
3. Community and national rules for public procurement and entry into the markets, protection of the environment, equal opportunities between men and women, State aid/de minimis rules and prevention of fraud;
4. Commission Decision No. C (2019) 3452 of 14 May 2019 laying down the guidelines for determining financial corrections to be made to expenditure financed by the Union for non-compliance with the applicable rules on public procurement, with all the amendments;
5. Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999, with all the amendments;
6. National and EU rules applicable to the Lead Partner (hereinafter referred to as **LP**) and its Project Partners (hereinafter referred to as **PPs**) and their activities;
7. Interreg Programme Slovenia-Croatia 2021-2027, with all the amendments;
8. Strategic Environmental Assessment (SEA) of the Interreg Programme Slovenia-Croatia 2021-2027;
9. Open Call for Proposals for Small-scale projects, with all the amendments;
10. Manual for Beneficiaries for Small-scale projects for the IP SI-HR (hereinafter referred to as **Manual for SSP**), with all the amendments;
11. Latest valid version of the Application Form (hereinafter referred to as **AF**), including all approved changes, as stored in the Joint electronic monitoring system (hereinafter referred to as **Jems**);
12. Decision of the Monitoring Committee (hereinafter referred to as the **MC**) on the approval of the project.

**Article 2**

**Definitions**

For the purposes of this Partnership Agreement, the following definitions apply:

a. Project partner: any institution financially participating in the project and contributing to its implementation, as identified in the latest valid version of the AF. It corresponds to the term “beneficiary” used in the European Structural and Investment Funds Regulations.

b. Lead partner: the project partner designated by all partners and who assumes responsibility for ensuring the implementation of the entire project according to Articles 23 (5) and 26 (1) b of the Interreg Regulation.

**Article 3**

**Subject of the Partnership Agreement**

1. This Partnership Agreement lays down the arrangements regulating the relations between the LP and all the PPs, in order to ensure sound implementation of the project, as set in the legal basis in the Article 1 of this Agreement.
2. The signed Partnership Agreement defines the mutual responsibilities of all parties concerning the administrative and financial management of the project.
3. The signed Partnership Agreement is also part of the Project Application.

**Article 4**

**Objectives of the project**

The project *<acronym*> shall contribute to the objective set out in the IP SI-HR. The project objectives and results are, in summary, to <*list the main objectives and results or make reference to the project documents*>:

* ..............
* .............

**Article 5**

**Duration of the Partnership Agreement**

This Partnership Agreement is valid from the date of the signature by all parties. It shall remain in force until the LP has discharged all obligations towards PPs, the Managing Authority (hereinafter referred to as **MA**) and any relevant European bodies.

**Article 6**

**Role and responsibilities of the Lead Partner**

1. The LP is responsible for the overall coordination, management and implementation of the project and bears subsidiary responsibility for its PPs. The LP is the lead beneficiary of the European Regional and Development Fund (hereinafter referred to as **ERDF**) grant and shall manage the funds in accordance with the details of this Partnership Agreement.
2. According to the present Agreement the LP is obliged to:
   1. appoint a project manager who has the operational responsibility for the implementation of the overall project;
   2. ensure timely commencement and implementation of the activities within the lifetime of the project, in compliance with all obligations to the MA. The LP must notify the Joint Secretariat (hereinafter referred to as **JS**) of any factors that may adversely affect implementation of the project activities and/or the financial plan;
   3. monitors the delivery of the agreed work plan setting out tasks to be undertaken as part of the project, the role of the PPs in their implementation, and the project budget;
   4. ensure the fulfilment of all conditions, set by the MC by the approval of the project;
   5. react promptly to any request made by the MA and JS;
   6. represent PPs towards the MA of the programme;
   7. inform PPs on the progress of the overall project;
   8. inform PPs about any variation of the conditions at the basis of the present agreement or about any modification that could influence the implementation of the project, the information activities or the disbursement of the ERDF funds;
   9. support PPs in implementing their obligations by giving them the correct information, indications and clarifications on the procedures, the forms and other relevant documents;
   10. notify the PPs immediately of any event that could lead to a temporary or final discontinuation of the project or any other deviation of the implementation of the project;
   11. regularly inform the PPs of all relevant communication between the LP and the JS/MA;
   12. guarantee the sound financial management of the funds allocated for the implementation of the project;
   13. agree with the PPs beforehand on any request to the MA or JS for the changing of the AF;
   14. ensure that no double funding or double reporting of costs takes place;
   15. ensure that the activities agreed between all partners are in accordance with the ERDF Subsidy Contract for Small-scale projects (hereinafter referred to as **SSP ERDF Subsidy Contract**);
   16. prepare and submit to JS the project report, claim for reimbursement, according to the Manual for SSP and any additional documents and/or information requested by the JS and MA;
   17. guarantee the correct and timely transfer of ERDF funds to all PPs without any delay when received from the Body performing the accounting function (hereinafter BAF);
   18. inform the JS about transfers of ERDF funds to partners;
   19. be, in general, the contact point representing the partnership for any communication with the JS/MA or any other programme bodies;
   20. provide access to the premises, documents and information, irrespective of the medium in which they are stored, for verifications by the MA, the JS, the Audit Authority (hereinafter referred to as **AA**), relevant national authorities, authorised representatives of the European Commission (hereinafter referred to as **EC**), the European Anti-Fraud Office, the European Court of Auditors, the Group of Auditors and any external auditor authorised by these institutions or bodies. These verifications may take place up to 5 years starting from 31 December of the year of the final payment from the programme to the LP or PPs. The LP must ensure that all original documents, or their certified copies, in line with the national legislation related to the implementation of the project, are made available until the above final date of possible verifications, and until any on-going audit, verification, appeal, litigation or pursuit of claim has been completed;
   21. guarantee the access to the databases and documents to all representatives of the institutions in charge of the controls foreseen by the IP SI-HR as well as to the bodies authorized to monitor the project. The LP must also guarantee the respect of the mentioned rules on the part of its PPs;
   22. guarantee to the European Union (hereinafter referred to as **EU**), MA, JS and National Authorities (hereinafter referred to as **NAs**) in charge the access to the place where the project has been implemented and to the headquarters of all PPs in order to implement the foreseen “on-the-spot” checks within the activity of control of the project;
   23. guarantee to the independent evaluators in charge the access to every document or information regarding the part of the project he/she is in charge of and deemed to be necessary for their activity;
   24. prepare the required documents and records for the project closure;
   25. inform the JS without any delay about any envisaged changes of the Partnership Agreement;
   26. *<any other task agreed with the partners*>.

In case of failure to reach the indicator triggering reimbursement, no ERDF Subsidy funds will be paid.

**Article 7**

**Role and obligations of the Project Partners**

1. PPs are responsible for carrying out specific project activities to deliver outputs in the manner and scope as indicated in this Agreement and in the latest valid version of the AF.
2. According to the present agreement the PPs are obliged to:
   1. actively cooperate in the implementation of the project;
   2. appoint a contact person for the implementation of the parts of the project under their responsibility and authorize the contact person to represent the PP;
   3. ensure the implementation of the part of the project they are responsible for in accordance with the latest valid version of the AF and the project work plan or otherwise agreed;
   4. strictly follow the EU eligibility rules as well as further eligibility rules set by the programme in the Manual for SSP and, if applicable, national rules and ensure that the requirements on eligibility of expenditure in line with the SSP ERDF Subsidy Contract signed between the MA and the LP are strictly respected;
   5. guarantee a sound financial management of funds;
   6. set up a physical and/or electronic archive where data, records and documents composing the audit trail are stored, in compliance with the requirements described in the Manual for SSP;
   7. guarantee the reimbursing to the LP or relevant programme body directly for unduly paid programme funds;
   8. guarantee that reported activities are implemented as agreed among PPs in the latest valid version of the AF;
   9. guarantee the timely performance of the project according to the work plan and in particular that expected outputs are actually delivered;
   10. notify the LP immediately of any event that could lead to a temporary or final discontinuation of the project or any other deviation of the implementation of the project;
   11. respect the relevant rules concerning, inter alia, equal opportunities, protection of the environment, financial management, branding, public procurement and State Aid, as defined in the Article 1 of this Agreement;
   12. provide access to the premises, documents and information, irrespective of the medium in which they are stored, for verifications by the MA, the JS, the AA, relevant NAs, authorised representatives of the EC, the European Anti-Fraud Office, the European Court of Auditors, the Group of Auditors and any external auditor authorised by these institutions or bodies. These verifications may take place up to 5 years starting from 31 December of the year of the final payment from the programme to the LP or PP. The PPs must ensure that all original documents, or their certified copies, in line with the national legislation related to the implementation of the project, are made available until the above final date of possible verifications, and until any on-going audit, verification, appeal, litigation or pursuit of claim has been completed;
   13. guarantee the access to the databases and documents to all representatives of the institutions in charge of the controls foreseen by the IP SI-HR as well as to the bodies authorized to monitor the project when required;
   14. guarantee to the EU, MA, JS, NCs and NAs in charge the access to the place where the project has been implemented and to the headquarters of all PPs in order to implement the foreseen “on-the-spot” checks within the activity of control of the project;
   15. guarantee to the independent evaluators in charge the access to every document or information regarding the part of project the partner is in charge of and deemed to be necessary for their activity;
   16. inform the LP of all changes including statutory changes and bank details;
   17. respond immediately to any request of the MA or JS transmitted by the LP;
   18. report in accordance with the existing legislation and national guidelines if the project activities contain elements of State aid;
   19. *<any other task agreed with the partners*>.
3. PPs agree to take all necessary steps enabling the LP to comply with its responsibilities as set out in the latest valid version of the AF and SSP ERDF Subsidy Contract.

**Article 8**

**Assignment, Legal succession**

1. No partner in the project shall have the right to transfer its rights and obligations under this Partnership Agreement without the prior consent of other PPs in the project and the responsible programme implementing bodies. The parties to this contract are aware of the provisions of the SSP ERDF Subsidy Contract whereupon the LP is allowed to assign its duties and rights as laid down in the available template of the SSP ERDF Subsidy Contract, published in the Application Pack for Small-scale projects, only after prior written consent of the MA.
2. In the case of legal succession; e.g., where the LP or any PP changes its legal form, the LP or PP is obliged to transfer all duties and obligations under this agreement to its successor. Legal succession shall be formalised according to the rules as set out in the Manual for SSP.

**Article 9**

**Communication, publicity measures and dissemination of results**

1. The LP and the PPs shall jointly implement the information and communication activities in accordance with the work plan in the latest valid version of the AF to ensure adequate promotion of the project towards the target groups and towards the general public.
2. The LP and the PPs must comply with the EU publicity rules as well as the communication requirements outlined in the Manual for SSP, and provide any material developed during the lifetime of the project that may be useful to publications at the programme level.
3. Each PP shall point out in the framework of any activities, especially in public relations measures, including the public procurement procedures, that the project is implemented with the financial assistance from ERDF funds under the IP SI-HR.
4. The LP and PPs ensure that any outputs and result produced during project implementation can be used by all interested parties and organisations, and are in the public interest and publicly available. Moreover, the PPs will support the LP and play an active role in any actions organised by the programme to disseminate and capitalise on project results.
5. The partners agree that the LP provides the MA with information concerning the project to publish in any form, unrestricted as far as data protection is concerned.

**Article 10**

**Ownership – Use of Results**

1. The LP and PPs must undertake to enforce applicable national and EU law, on intellectual property rights, especially copyright, regarding any output produced as a result of project implementation.
2. The LP or PP shall ensure that it has all rights to use any pre-existing intellectual property rights, if necessary for the implementation of the project.
3. Without prejudice to the previous paragraph, the PP grants the MA the right to make free use of the results of the project. The LP ensures that results and outputs of the project are joint property of all PPs. Consequently, the LP safeguards that each PP shall grant a simple, non-exclusive right of use of any produced work to all other PPs. The LP also ensures that while granting these rights to PPs the specific national rules and instructions relevant for the ownership rights of the project outputs and results are taken into account when necessary.
4. The LP and PPs are obliged to take all necessary measures in order to avoid conflicts of interest, and to keep each other informed without delay on any circumstances that have generated or may generate such conflict.
5. The LP and PPs are obliged to inform the relevant programme bodies if there is any sensitive or confidential information related to the project that may not be published or made publicly available. This clause does not affect the LP and PPs obligation to make all results and outputs of the project available to the public.
6. The LP and the other PPs in the project agree that the results of the project, including studies or analysis produced during the implementation, are available to the public in order to guarantee a widespread publicity of the project’s outcomes in accordance to the latest valid version of the AF.

**Article 11**

**Reporting**

1. The LP has the overall responsibility for monitoring the actions undertaken by PPs on an on-going basis.
2. The LP is responsible for submitting the project report to the JS.
3. Each PP commits to submit its partner report via Jems within 30 calendar days after the end of the reporting period as well as to provide the LP with the information needed to draw up project report and other specific documents required by the MA or JS. The reporting period for the entire project is laid down in the Jems after the signature of the SSP ERDF Subsidy Contract.

**Article 12**

**Financial management**

The ERDF contribution will be paid by the BAF into the account of the LP (or in exceptional cases to PPs) who is responsible for the administrative and financial management of the funds. The LP has to distribute the funds between PPs in accordance with their expenditure incurred for project activities effectively carried out by bank transfer within *<XX>* calendar days to the bank account of each PP. No deduction, retention or further specific charges shall be made by the LP.

**Article 13**

**Modifications, withdrawals and disputes**

1. This Partnership Agreement can only be changed by means of a written amendment that is agreed by all PPs. Any modification to the present agreement shall be attached to it as an addendum and signed by all PPs.
2. The LP and each PP agree not to withdraw from the project unless there are unavoidable reasons for doing so e.g. organisational changes of the PPs occur. If this were nonetheless to happen, the LP and the remaining PPs shall secure the contribution of the withdrawing PP either by assuming its tasks and budget or by asking one or more third parties to join the Partnership, with the previous authorization of the MC. The partner withdrawing from the project is according to the present Partnership Agreement obliged to pay expenditures incurred in connection with activities carried out during partners participation in the project. In case of a proposal to exclude a partner, the JS must be immediately informed.
3. The LP can, if necessary, request modifications of the latest valid version of the AF to the JS/MA or other relevant programme body. Any modifications requested, must be agreed and authorised by the PPs beforehand, according to pre-agreed rules of procedure or other decision-making mechanism established in the partnership.
4. In case of any dispute among themselves the PPs are obliged to work towards an amicable settlement. When an agreement cannot be reached, the PPs are obliged to seek an out-of-court arbitration procedure. Failing this, each and any legal disputes that may result from or in connection with this present Partnership Agreement, including such over the validity of this present Partnership Agreement itself and this arbitration clause, will be finally decided in accordance with the jurisdiction of the country where the LP is domiciled. The disputes will be settled at the competent court in *<name and address*>.

**Article 14**

**Recovery of unjustified expenditure**

1. In case that the PP does not fulfil its obligations, the LP should remind PP to fulfil them within a reasonable period, which can be a maximum of one month.
2. In the event of total or partial incompletion of the obligations of any of PPs, or in the event of the material errors in the effective execution of project activities, each cosignatory member of the present agreement undertakes to reimburse the LP any funds that have been unduly received, within 45 calendar days following the notification by the LP.
3. In case of the termination of the SSP ERDF Subsidy Contract, the PPs have to repay the unduly received funds to the LP within 45 calendar days.
4. In case of irregularities, the concerned PPs have to repay the funds to the LP within 45 calendar days.

**Article 15**

**Termination**

1. The Partnership Agreement must be terminated as a consequence of termination of the SSP ERDF Subsidy Contract.
2. Following termination of the Partnership Agreement, the LP and PPs are still obliged to comply with all the requirements after closure, such as recoveries or document retention for audit and evaluation purposes.

**Article 16**

**Liability and Force Majeure**

1. This Partnership Agreement is governed by the law of the country of the LP*.* Each PP, including the LP, shall be liable to other PPs and shall indemnify for any damages or costs resulting from the non-compliance of its contractual duties as set forth in this Agreement.
2. No PP, including LP, shall be held liable for not complying with the obligations ensuing from this agreement in case of force majeure.Force majeure means any unforeseeable and exceptional event affecting the fulfilment of any obligation under this Agreement, which is beyond the control of the MA/JS, LP and PPs and cannot be overcome despite their reasonable endeavours. In such a case, the involved partner must announce this immediately in writing to the other partners of the operation.

**Article 17**

**Working Language**

The working language of the Partnership is *<language*>. In case of translation of any document into another language, the *<language*> version shall be the binding one.

**Article 18**

**Concluding provisions**

1. This Partnership Agreement is done in <*number*> originals, of which <*number*> is received by each of the contracting parties.
2. In case of discrepancies between the SSP ERDF Subsidy Contract and this Partnership Agreement, the SSP ERDF Subsidy Contract prevails.

Name of the Lead Partner:

Name and title of legal representative:

Place, date and stamp (if applicable):

Signature

Name of the Project Partner 2:

Name and title of legal representative:

Place, date and stamp (if applicable):

Signature

Name of the Project Partner 3:

Name and title of legal representative:

Place, date and stamp (if applicable):

Signature

Name of the Project Partner 4:

Name and title of legal representative:

Place, date and stamp (if applicable):

Signature