

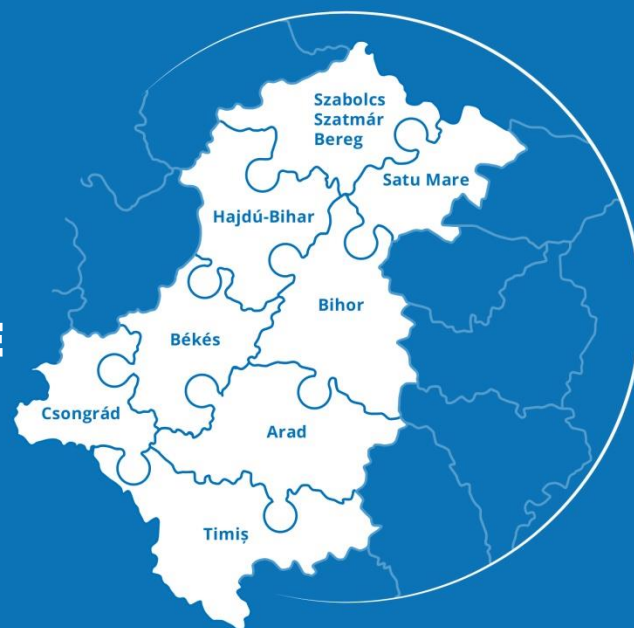
Partnership for a better future

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Partnership Agreement

INTERREG V-A ROMANIA-HUNGARY PROGRAMME

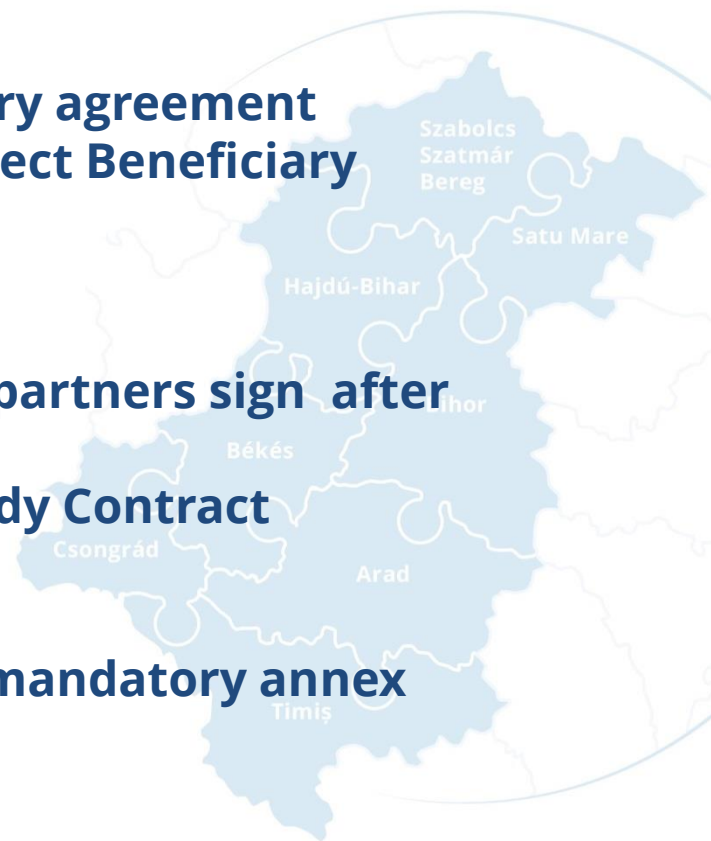
**Partner search Forum
Timișoara, 10th of February 2017**



Legal framework:

- ✓ **Regulation (EU) No 1303/2013** of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the ERDF, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the ERDF, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006,
- ✓ **Regulation (EU) No 1299/2013** of the European Parliament and of the Council of 17 December 2013 on specific provisions for the support from the ERDF to the ETC goal,
- ✓ **Regulation (EU) No 1301/2013** of the European Parliament and of the Council of 17 December 2013 on the ERDF and on the specific provisions concerning the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/2006,
- ✓ **Commission Delegated Regulation (EU) No 240/2014** of 7 January 2014 on the European code of conduct on partnership in the framework of the ESI Funds,
- ✓ **Interreg V-A Romania-Hungary Programme** (hereinafter referred to as Cooperation Programme), approved by the European Commission through Decision no. 9112 / 09.12.2015,
- ✓ **Memorandum of Implementation** – Arrangements between Member States participating in the Interreg V-A Romania-Hungary Programme (Mol).

- ✓ **The Partnership Agreement is a compulsory agreement between the Lead Beneficiary(LB) and Project Beneficiary (PB)**
- ✓ **Partnership Agreement is a document all partners sign after the project approval.
Only after that the MA can issue the Subsidy Contract**
- ✓ **The Partnership Agreement represents a mandatory annex of the Subsidy Contract.**



The Partnership Agreement has 22 articles

- 1 Object**
- 2 Duration of the Agreement**
- 3 Value of the project**
- 4 Financing of the project**
- 5 Eligible Expenditures**
- 6 Reimbursement of the expenditures**
- 7 Rights and duties of the parties**
- 8 Publicity**
- 9 Confidentiality**
- 10 Conflict of interests**



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- 11 Irregularities or fraud. Recovery of the funding**
 - 12 Disputes between beneficiaries**
 - 13 Audit, control and evaluation of the project**
 - 14 Assignment, legal succession**
 - 15 Amendment of the Agreement**
 - 16 Working language**
 - 17 Termination of the Agreement**
 - 18 Force majeure and fortuitous event**
 - 19 Correspondence**
 - 20 Applicable law**
 - 21 Final provisions**
 - 22 Signatures**



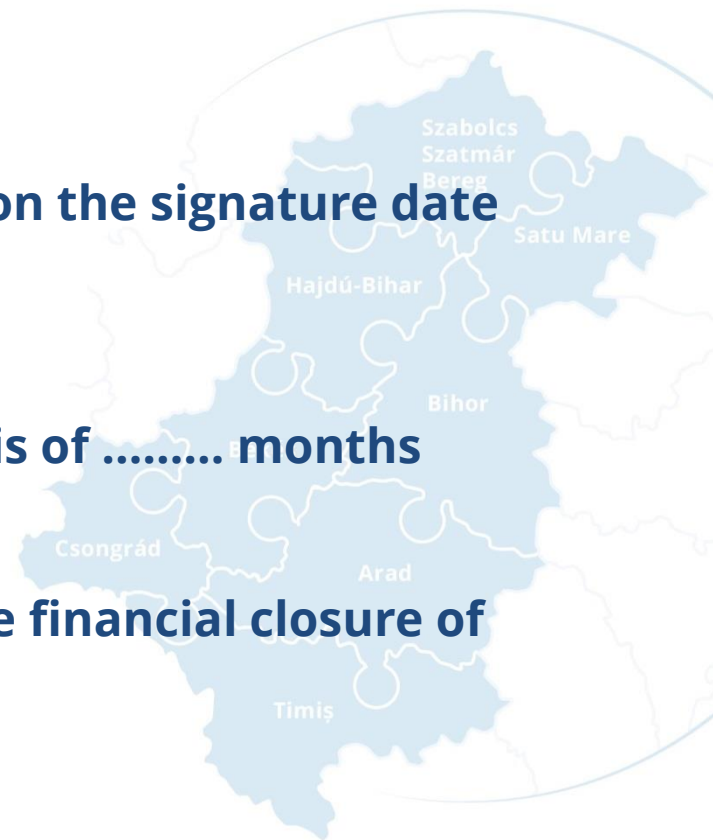
Art.1 Object

- ✓ **Organisation of a partnership in order to implement the project selected under the Interreg V-A Romania – Hungary Programme**
- ✓ **Establish their rights and duties, the way of achieving their tasks and the relations between Lead Beneficiary and Project Beneficiaries**



Art.2 Duration of the Agreement

- ✓ **Partnership Agreement enters into force on the signature date the last party signs**
- ✓ **The implementation period of the project is of months**
- ✓ **The Agreement is valid for 5 years from the financial closure of the project**



Art.3 & 4 Value and financing of the project

- ✓ The **total eligible value in EUR** (non-refundable financing and the contribution of the beneficiaries), out of which:
 - **ERDF**, representing **max. 85 %**
 - **State Budgets Co-financing**, representing:
 - max. 13% ⇒ for Romanian beneficiaries
 - max. 15% ⇒ for Hungarian beneficiaries
 - max. 10% ⇒ for Hungarian beneficiaries
 - **Beneficiaries own contribution**, representing
 - min. 2% ⇒ for Romanian beneficiaries
 - min. 0% ⇒ for Hungarian beneficiaries
 - min. 5% ⇒ for Hungarian beneficiaries
- ✓ The **Lead Beneficiary** is responsible:
 - for the sound financial management of the project
 - for transferring the amounts to each Project Beneficiary



Art.5 & 6 Eligible Expenditures & Reimbursement of the expenditures (1)

- ✓ The **expenditures are eligible** if :
 - respect the applicable European and national legislation
 - respect the Interreg V-A RO-HU Programme and Call for Proposal rules
 - are stipulated in the project
 - comply with the terms and conditions stipulated in the Subsidy contract
- ✓ A **first level control system** has been established both in Romania and Hungary in order to check the expenditure made by the Project Beneficiaries from each country
- ✓ Regular **reporting period** is **3 months** in case of the projects with an implementation period under 18 months and **4 months** for the projects exceeding 18 months



Art.5 & 6 Eligible Expenditures & Reimbursement of the expenditures (2)

- ✓ The **Reimbursement claims** submitted by the LB shall contain only validated expenditure and shall be supported by the First Level Control Certificate and afferent Report issued by the controllers of the Project Beneficiaries.
- ✓ Even if no expenditure was incurred, the **progress report** shall be submitted in due time to the Joint Secretariat.
- ✓ The Progress Report and Reimbursement Claim have to be submitted to the JS **at the latest within 3 months** after the reporting period.
- ✓ The funds are reimbursed **only in Euro** and will be transferred by the MA into a special bank account opened exclusively for the project, indicated by the LB.



Art.7 Rights and duties of the parties (1)

✓ The **Lead Beneficiary**

- is entitled to **represent all beneficiaries** participating in the project
- has the **responsibility of implementing** the project
- guarantees that itself and all beneficiaries have **complied with all legal requirements** and all necessary **approvals**
- ensures that the first level controllers have **verified the expenditure** presented by all PB
- takes **full responsibility** for the **damages caused to third parties** from its own fault
 - during the implementation of the project
- is at all times obliged to **retain for audit purposes all files, documents and data**
 - about the project on customary data storage media in a safe and orderly manner
- **must observe the recommendations** received after an audit control



Art.7 Rights and duties of the parties (2)

✓ The **Project Beneficiary**

- implements the **part of the project** for which it is responsible
- is **responsible for its budget** up to the amount it participates in the project
- notifies** the Lead Beneficiary regarding **any situation** that may lead to the **temporary or permanent impossibility** or to any other drawback **in the implementation** of the project
- is responsible for **uploading in the eMS** the progress reports and any other documents
- have the obligation to **respond to any request of the Lead Beneficiary** within the deadline stipulated in the respective requests
- must implement the measures included in the action plan, at the stipulated deadlines,
set by the Lead Beneficiary/MA/JS, according to the recommendations resulted from the audit missions of the European Commission, Audit Authority or other empowered audit and control bodies
- in case an irregularity** is discovered, the Project Beneficiary **is responsible to reimburse the ERDF amounts** affected by the irregularity to the Lead Beneficiary

Art.8 Publicity

- ✓ The Lead Beneficiary and all Project Beneficiaries are **responsible for the implementation of the information and publicity activities** related to the non-reimbursable financial assistance received through the Programme.

- ✓ **The rules** stipulated in the **Visual Identity Manual** are **mandatory** for the Lead Beneficiary and all Project Beneficiaries.

The Visual identity Manual is available on **www.interreg-rohu.eu**

- ✓ The LB ensures the **proper means of communication** between the project and the Programme.



Art. 9 Confidentiality

- ✓ The Managing Authority and the Lead Beneficiary undertake to preserve the **confidentiality of any document, information or other material** communicated to them in confidence until **at least 5 years** from the official closure of the Programme
- ✓ The data used for publicity purposes, for informing on and promoting the use of ERDF funds, shall not be considered as having confidential status
- ✓ Failing to observe the confidentiality obligation gives the damaged party the right to claim compensations from the damaging party



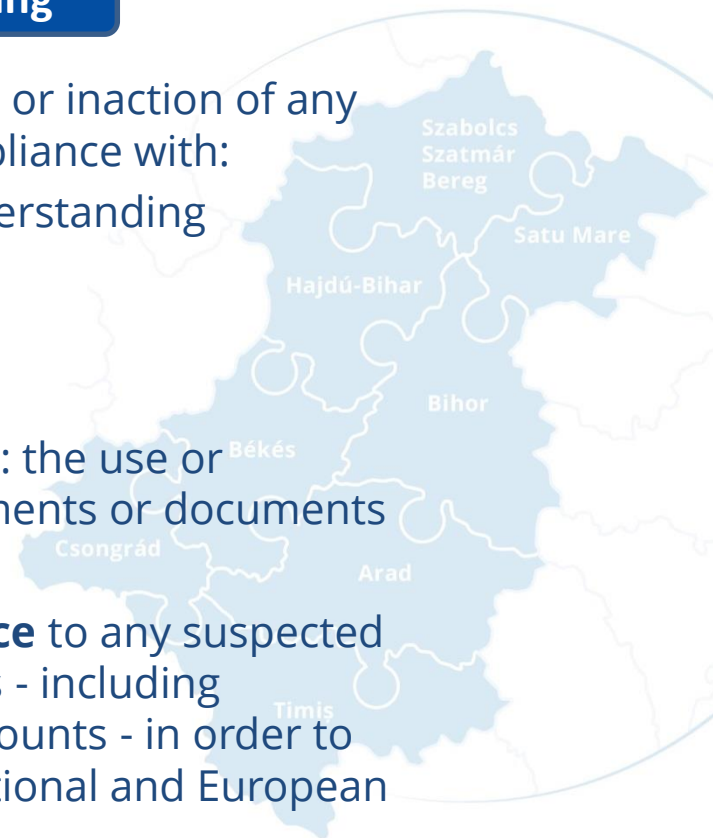
Art.10 Conflict of interests

- ✓ Any circumstances that have affected or may affect the execution of the Subsidy contract by the parties in an objective and impartial manner.
- ✓ Such circumstances may result from reasons involving family, emotional life, economic interests, political or national affinities or any other shared interest with the recipient.
- ✓ Any conflict of interests that arises during the implementation of the Subsidy contract shall be immediately notified to the JS.



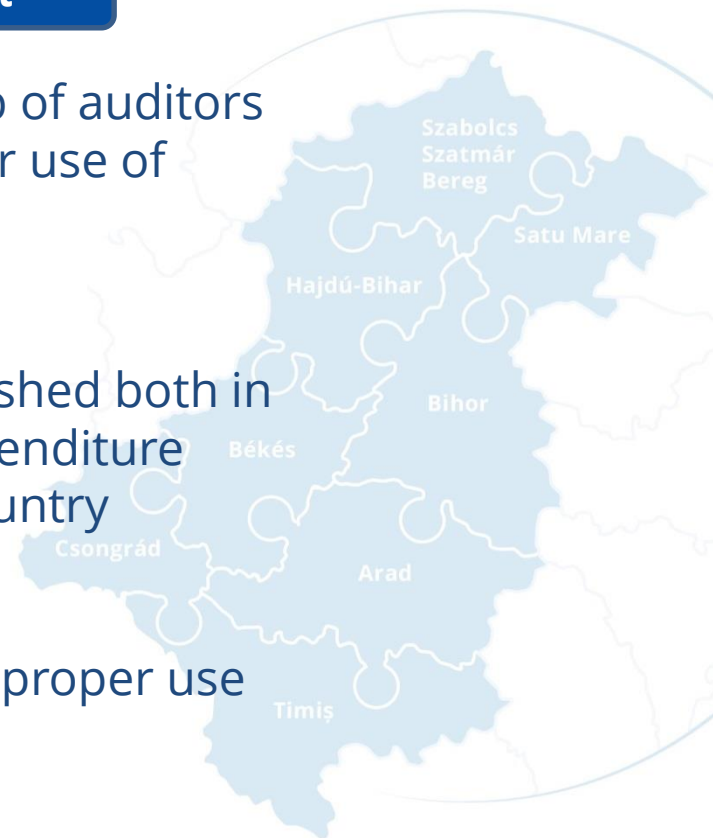
Art. 11 Irregularities or fraud. Recovery of the funding

- ✓ **“Irregularity”** is any failure, resulting from an action or inaction of any Beneficiary, to observe the law, regulation and compliance with:
 - the provisions of the memorandums of understanding
 - financing agreements
 - the provisions of the contracts
- ✓ **“Fraud”** is any intentional act or omission relating to: the use or presentation of false, incorrect or incomplete statements or documents
- ✓ The Programme structures shall show **zero tolerance** to any suspected cases of fraud and shall take all necessary measures - including termination of contract and recovery of relevant amounts - in order to prevent and correct such cases, according to the national and European legislation in force.



Art.13 Audit, control and evaluation of the project

- ✓ **Audit Authority** from Romania and the group of auditors as well as the MA are entitled to audit the proper use of funds by the LB or PBs
- ✓ **A first level control system** has been established both in Romania and Hungary in order to check the expenditure made by the Project Beneficiaries from each country
- ✓ The **MA** is entitled to verify and to control the proper use of funds by the LB or PBs



Art. 15 Amendment of the Agreement

- ✓ **Any modification** to the Partnership Agreement is made only with the agreement of all parties and takes the form of an **addendum** to the present Agreement
- ✓ As an exception :
 - change of headquarter
 - material errors in the text of the Agreement
- ✓ Addenda enter into force the next day after their signing by the last party



Art.17 Termination of the Agreement

- ✓ In exceptional and duly justified cases, including “force majeure”, the Lead Beneficiary may decide on terminating the Partnership Agreement
- ✓ The termination of the Subsidy contract is possible only with prior approval of the MA or of the Monitoring Committee, as the case may be
- ✓ The Partnership Agreement may be terminated, by decision of the Lead Beneficiary, in whole or in part:
 - **without any other delay or formality** or
 - **with a previous conciliation procedure**and the Project Beneficiary is obliged to repay to the Lead Beneficiary the amounts already received

Art.19 Correspondence

- ✓ The **entire correspondence** shall be done in written form, by mentioning:
 - the title of the project
 - the project code
 - a registration number (entry and exit)
- ✓ The **reports** and **reimbursement claims**, and **any other official document** submitted for the implementation of the project **must be signed by the legal representative** of the Project Beneficiary or by its mandate



Art.21 Final provisions

- ✓ The following Annexes shall be deemed to form and be read and constituted as part of the agreement:
 - Annex 1: **Budget** of the project
 - Annex 2: **Schedule** for spending forecast and reimbursement claims
 - Annex 3: Approved **Application Form**
- ✓ The Partnership Agreement and its annexes are to be taken as mutually explanatory of one another
- ✓ For the purposes of interpretation, **the priority of the documents** shall be in accordance with the following sequence:
 - Partnership Agreement
 - Any subsequent amendments of the Partnership Agreement
- ✓ The Partnership Agreement is concluded in **as many copies as many partners** are involved in the project. **Each copy** must be **countersigned** by the Lead Beneficiary and every Project Beneficiary.





**Establishing appropriate
partnership relations is a necessary
premise to successful
implementation of
projects RO-HU!**

The secret of a successful project

- ✓ **functional partnership**
- ✓ **trained partners**
- ✓ **COMMUNICATION!**



Thank you for your attention!

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