*MINIMUM SCOPE*

**Partnership Agreement**

Within the framework of the Interreg V-A Poland – Denmark – Germany – Lithuania – Sweden (South Baltic) Programme 2014-2020

for the implementation of the Project No …………………..

titled [title of the project] …………………..

Between:

[**full name of Lead Partner**] …………………..

**located in:** [full address]…………………..

[particulars identifying the Lead Partner[[1]](#footnote-1)]

hereinafter referred to as the „Lead Partner”

**represented by**: [full name and position of person representing the Lead Partner]………………….., based on ……………… dated [yyyy-mm-dd], attached hereto as Appendix No …………………..,

and[[2]](#footnote-2)

**[full name of Partner**] …………………..

**based in:** [full address]…………………..

[particulars identifying the Partner[[3]](#footnote-3)]

hereinafter referred to as the „Partner”

**represented by**: [full name and function of a person representing the Partner]………………….., based on ……………… dated ………………….., attached hereto as Appendix No …………………..,

jointly referred to as the „Parties”,

hereinafter referred to as „agreement”.

The Parties hereby agree the following:

**§ 1**

**DEFINITIONS**

For the purposes of this agreement the terms listed below shall have the following meaning:

1. “Application Form” – means an Application Form a project under the Programme No ………. together with all the Appendices, as approved by the Programme Monitoring Committee on ………… which constitutes an Appendix   
   No ………………….. to the agreement, as amended;
2. “Central ICT system” – means an ICT system which supports the implementation of the Programme, the development and operation of which is a responsibility of a minister competent for regional development;
3. “Co-financing rate” – means a quotient of the value of funding allocated for the whole project and the total values of eligible expenditures of the project expressed in percentages accurate to the second decimal place. Co-financing rate may not exceed 85.00% of eligible expenditures for the Lead Partner and particular Partners;
4. “Co-financing” – means funds originating from ERDF;
5. “Controller” – means the controller referred to in Article 23(4) of ETC Regulation;
6. “Current version of the Programme Manual” – means a document adopted by the Monitoring Committee, which amendments are adopted by the Monitoring Committee, providing the principles of preparing, implementing, monitoring and reimbursing a project and its durability. The Lead Partner shall have access to the current version of the Programme Manual and shall be informed immediately via the Programme website about any amendments to the Programme Manual and about the date of entry into force of the amendments;
7. “Direct staff costs” – means the costs of staff directly engaged in the project implementation, settled within the budget line: Staff costs;
8. “Due co-financing” – ERDF funds eligible for payment to the Lead Partner on a basis of presented and approved eligible expenses;
9. “Durability”– means a prohibition on introducing major modifications to the project within 5 years of the final payment to the Partner, as referred to in Article 71 of the General Regulation;
10. “E-documents” – means documents which exist only in electronic version or copies thereof, original e-documents which also exist on paper, as well as scanned documents and photocopies of original paper documents, described by the Partner in accordance with the requirements defined in the current version of the Programme Manual;
11. “Eligible expenditures” – means expenditures or costs duly incurred by the Lead Partner or Partner in reference of implementing a Project under the Programme, pursuant to an agreement, the EU regulations and national regulations of the Lead Partner or the Partner and the current version of the Programme Manual;
12. “ERDF” – means the European Regional Development Fund;
13. “ETC Regulation” – means 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 European Regional Development Fund to the European territorial cooperation goal (OJ L 347, 20.12.2013, pp. 259-280);
14. “Financial correction” – means an amount by which the funding for a project is decreased due to an irregularity established in an approved Partner Progress Report or Project Progress Report;
15. “Flat-rate” – means a form of co-financing, referred to in Article 67(1)(d) of the General Regulation;
16. “General Regulation” – means Regulation No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, 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 European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and replacing Council Regulation (EC) No 1083/2006 (OJ L 347, 20.12.2013, pp. 320-469);
17. “Indirect costs” – means costs which are necessary for a Project implementation, but which do not relate directly to its main subject; the costs are defined in the current version of the Programme Manual under the budget line: office and administration costs;
18. “Irregularity” – means irregularity, referred to in Article 2(36) of the General Regulation;
19. “Joint Secretariat” – means an entity, referred to in Article 23(2) of ETC Regulation;
20. “Lead Partner” – means an entity indicated in an Form, who has signed the Subsidy Contract and who is responsible for financial and substantial implementation of the project;
21. “Lump sum” – means co-financings in a form, referred to in Article 67(1)(c) of the General Regulation;
22. “Monitoring Committee” – means the Monitoring Committee, referred to in Article 47 of the General Regulation;
23. “National contribution” – means Lead Partner’s and Partner’s own contributions in the total cost of the Project, as provided for in the Application Form, which is a sum of national funds – both public and private ones;
24. “ineligible expenditure” – means each and every expenditure or cost which cannot be deemed eligible expenditure;
25. “Partner Progress Report” – means an application for payment submitted by the Lead Partner or Partner to a competent Controller according to the principles defined in the current version of the Programme Manual and in the agreement, which describes progress in the implementation of the part of the Project to be implemented by a given Partner;
26. “Partner’s bank account” – means a bank account indicated in Appendix…. to the agreement;[[4]](#footnote-4);
27. “Partner” – means an entity indicated in the Application Form, who participates in the Project and who is bound to the Lead Partner by means of a partnership agreement concerning a project implementation;
28. “Programme documents” – means documents approved by the Managing Authority or Monitoring Committee, which are applicable to the Programme implementation;
29. “Programme website” – means www.southbaltic.eu;
30. “Programme” – means the Interreg V-A Poland – Denmark – Germany – Lithuania – Sweden (South Baltic) Programme 2014-2020, approved by the Decision of the European Commission No CCI 2014TC16RFCB013 dated 23.09.2015;
31. “project” – means an undertaking aiming at reaching an assumed goal defined by means of outcome indicators defined in the Application Form, implemented under the Programme based on an agreement;
32. “SL2014” – means the main application of Central ICT system, which fulfils the requirements set out in Article 122(3) and Article 125(2)(d) of the General Regulation and Article 24 of the Commission Delegated Regulation (EC) No 480/2014, and which supports the current process of the Programme management, monitoring and evaluation, in which data is collected and stored concerning projects implemented and which makes it possible for Partners and Lead Partner to reimburse the projects;
33. “GDPR” – means 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) (OJ L 119, 4.5.2016, pp. 1–88).

**§ 2**

**SUBJECT OF THE CONTRACT**

1. This agreement provides for principles and procedures of cooperation as well as mutual obligations of the Parties for the purpose of implementing the project ………[project title and number] under the Programme.
2. Moreover, this agreement provides for requirements relating to correct management by the Parties of co-financing allocated for the project implementation, as well as for terms and conditions concerning recovery by the Lead Partner of unduly spent amounts.
3. During the project implementation and during its durability period, the Lead Partner and the Partner shall act in accordance with:
4. the EU law and domestic regulations binding on the Partner, in particular:
5. ETC Regulation;
6. Regulation (EU) No 1301/2013 of the European Parliament and of the Council of 17 December 2013 on the European Regional Development Fund and on specific provisions concerning the investment for growth and jobs goal and repealing Regulation No 1080/2006 (OJ L 347, 20.12.2013, pp. 289-302);
7. General Regulation;
8. implementing Regulations of the European Commission which complement the General Regulation, ETC Regulation and the Regulation, referred to under (b);
9. national regulations concerning personal data protection;
10. national and EU public procurement law;
11. [(for state aid projects:) state aid regulations].
12. current versions of programme documents, in particular:
13. the Interreg V-A Poland – Denmark – Germany – Lithuania – Sweden (South Baltic) Programme 2014-2020 approved by the Decision of the European Commission No CCI 2014TC16RFCB013 dated 23.09.2015;
14. Programme Manual, posted on the Programme website;
15. national and EU principles and guidelines, in particular:
16. Commission interpretative communication on the Community law applicable to contract awards not or not fully subject to the provisions of the Public Procurement Directives (OJ C 179, 01.08.2006);
17. a document issued by the European Commission, concerning the determination of financial corrections;
18. as well as:
19. for projects approved for funding

[ jointly submitted ] Application Form under the Interreg V-A Poland – Denmark – Germany – Lithuania – Sweden (South Baltic) Programme 2014-2020 approved for funding;

[for project not approved for funding ] Application Form submitted jointly under the Interreg V-A Poland – Denmark – Germany – Lithuania – Sweden (South Baltic) Programme 2014-2020;

1. Subsidy Contract no ………………….. concerning the implementation of the project [project title] ………………….. in accordance with the Decision of the Monitoring Committee of [yyyy.mm.dd] …………………..;
2. …………………..
3. The Partner declares to have read the documents listed above and to have acknowledged the way in which any amendments to the documents shall be made available to the partner.

**§ 3**

**TERM OF THE AGREEMENT**

This agreement enters into force on the day of signing by all Parties. This agreement shall remain valid until all the obligations of the Lead Partner as defined in the Subsidy Contract have been fulfilled.

**§ 4**

**RIGHTS AND OBLIGATIONS OF THE LEAD PARTNER**

1. The Lead Partner shall be accountable to the Managing Authority for the overall coordination, management and implementation of the project. In particular the Lead Partner shall be responsible for ensuring proper management of funding intended for the project implementation by all the Partners who implement the project.
2. Only the Lead Partner shall be entitled to contact the Managing Authority for the purpose of the project implementation. The Lead Partner coordinates and intermediates in communication between the other Project Partners, the Managing Authority and the Joint Secretariat. E-documents and paper documents and information obtained by the Lead Partner from the Managing Authority, which can be useful for Partners’ actions, shall be made available by the Lead Partner to all the Partners. Partners may apply to the Lead Partner at any moment to ask the Managing Authority for supplying information which is necessary for proper implementation of their part of the project. In such case the Partner shall provide the Lead Partner with all relevant information and documents which are necessary for preparing a request for information.
3. The Lead Partner shall ensure the timely start of the project implementation and the completion of all the actions provided under the project and its termination, in accordance with the Schedule of Works and Expenditures agreed jointly with the remaining Partners, which constitutes Appendix No ………………….. to the partnership agreement. If necessary, the Lead Partner shall take actions to update the above mentioned Schedule of Works and Expenditures.
4. The Lead Partner shall:
   1. ensure that actions under the project are implemented correctly and shall inform Partners, Managing Authority and Joint Secretariat immediately about any circumstances which might affect the deadlines and scope of activities provided for in the Schedule of Works and Expenditures;
   2. monitor the progress in implementing the Programme output indicators and project main outputs;
   3. take any actions which are necessary for timely receipt of funding, as well as for transfer relevant portions of co-financing immediately to the Partners’ bank accounts, by 5 working days of the date of posting the payment of co-financing on the Lead Partner’s bank account. In particular, the Lead Partner should collect any information and documents, according to the principles of monitoring and accounting as adopted by the Managing Authority;
   4. timely report progress on the project implementation to the Joint Secretariat and apply for refund of eligible expenditures incurred for the project implementation, based on the Application Form and by the deadlines provided for in the Subsidy Contract;
   5. provide for audit trail to enable identifying each financial operation;
   6. return unduly paid co-financing for the project to the Managing Authority, in full or in part, as appropriate, if funds were paid due to non-eligible expenditures, unduly incurred expenditures or if the agreement was violated, or if the funds were taken unduly or in excessive amount;
   7. conduct and coordinate recovery from Partners of unduly paid funds, due to expenditures borne by the Partners;
   8. coordinate information and promotion actions carried out by particular Partners, resulting from arrangements provided for in the Application Form and in the Schedule of Works and Expenditures;
   9. provide for an adequate number of competent staff and technical measures necessary for effective fulfilment of obligations resulting from acting as a Lead Partner. In particular the Lead Partner shall appoint a Project Coordinator who shall be responsible for coordinating and implementing all the operational actions necessary for the project implementation. It is also recommended to appoint a Financial Manager, who shall be responsible for financial implementation of the project, as well as an officer responsible for information, who shall conduct communication actions related with the project, according to the requirements of the current version of the Programme Manual;
   10. implement actions agreed with the Partners, which are necessary to fully implement the project goals;
   11. keep the documents related with the project implementation for the period of at least five years from the date of the final payment for the project or for the period of two years from 31 December following the submission of the statement of expenditure to the European Commission by the Certifying Authority, which includes recent expenditure concerning the project – depending on which date is the latest;
   12. if a Partner withdraws from the project, in the part for which a given Partner was responsible - ensure that the products which are the project outcome shall be used in accordance with the agreement and shall be durable.
5. The Lead Partner shall make sure that expenditures presented by the Partners participating in the project have been incurred for the project implementation and have been compatible with the actions agreed among the Partners.
6. The Lead Partner shall verify whether the expenditures presented by the Partners participating in the project have been approved of by the Controllers.

**§ 5**

**RIGHTS AND OBLIGATIONS OF THE PARTNERS**

1. Each Partner shall be obliged to:
   1. fulfil its duties under documents regulating the implementation of the Programme;
   2. undertake any actions necessary for timely and full implementation of the Partner’s part of the project;
   3. undertake any necessary actions to enable the Lead Partner to fulfil its duties under the Subsidy Contract. To this end, each Partner shall be obliged to submit all documents and information required by the Lead Partner within a time-limit which enables the fulfilment of its duties towards the Managing Authority, set out in the Subsidy Contract, especially the timely preparation of payment applications and other documents in accordance with the provisions of the Subsidy Contract;
   4. ensure that double financing of eligible expenditure from the EU funds or other sources does not occur within the Partner’s part of the project under implementation;
   5. maintain separate accounting records or a separate accounting code for the purpose of implementation of the project, in a way which enables the identification of each financial operation carried out under the project[[5]](#footnote-5), under conditions set out in the current version of the Programme Manual;
   6. in its own Progress Reports, show only eligible expenditure and the expenditure which is in line with the Application Form;
   7. ensure that the public is informed about the funding of the project, in accordance with the requirements referred to in Article 115(3) of the General Regulation in the Commission Implementing Regulation (EU) No 821/2014 of 28 July 2014. (OJ L 223 of 29.7.2014, pp.   
      7-18) and in the current version of the Programme Manual;
   8. monitor the progress of achieving the target values of the output indicators defined in the Application Form by the Partner’s part of a project;
   9. regularly monitor the progress of the implementation of the Partner’s part of the project in relation to the content of the Application Form and other Appendices to this document as well as to immediately inform the Joint Secretariat through the Lead Partner of any irregularities, circumstances which cause delay or render impossible the full implementation of the project, or of the intention to cease the implementation of the Partner’s part of the project;
   10. immediately inform the Joint Secretariat through the Lead Partner of the circumstances which influence the reduction of eligible expenditure of the project, especially of the possibility to recover VAT and of the revenue which was not taken into account at the stage of co-financing the funding;
   11. immediately inform the Lead Partner of savings in the part of the project implemented by the Partner, especially those resulting from the tender procedures which were conducted and completed with a signature of the award of the public procurement contract;
   12. prepare and conduct public procurement procedures as well as to award public contracts under the part of the project implemented by the Partner in accordance with the provisions of EU and national law or with the principle of competitiveness, described in detail in the current version of the Programme Manual;
   13. immediately inform the competent Controller of the conclusion of the award of the public procurement contract and any amendment made to this contract, concluded with the contractor in the framework of the project implementation;
   14. provide the competent Controller with the documentation concerning the public procurement in relation with the implementation of the Partner’s part of the project immediately following the award of the public procurement;
   15. within 15 days from the date of termination of the reporting period, prepare and submit to the competent Controller the own Partner Progress Report and to correct any errors detected in them as well as to provide explanations or additions to the competent Controller within the time-limits specified by the Controller;
   16. make available documents and provide the necessary explanations to the competent Controller within the time-limits specified by the Controller;
   17. cooperate with external controllers, auditors, evaluators and to undergo controls or audits conducted by the authorised national and EU services;
   18. immediately inform the Lead Partner of such a change of the Partner’s legal status, which results in a failure to fulfil the requirements towards the Partner which are described in the Programme;
   19. immediately inform the Lead Partner of its liquidation or bankruptcy or bankruptcy or liquidation proceedings;
   20. store documentation concerning the implementation of the Partner’s part of the project for the period of at least five years from the date of the final payment to a given Partner or for the period of two years from 31 December following the submission of the statement of expenditure to the European Commission by the Certifying Authority, which includes recent expenditure concerning the project – depending on which date is the latest. [If the funding constitutes state aid, this period shall be replaced by the time-limit applicable under the provisions concerning State aid.];
   21. maintain the sustainability of its part of the project for the period of five years following the date of final payment by the Managing Authority and under the conditions specified in the EU law and in the current version of the Programme Manual;
   22. immediately repay unduly accepted funding.
2. Each Partner shall bear sole and exclusive responsibility for the implementation of tasks assigned to it, which were described in the Application Form approved by the Programme Monitoring Committee

AND/OR

division of tasks between the Lead Partner and particular Partners which constitutes Appendix No ………………….. to this Agreement.

1. Each Partner shall be obliged to immediately inform the Lead Partner of any important circumstances which influence the regularity, timeliness, effectiveness and completeness of the actions undertaken by this Partner.
2. Each Partner shall have the right to receive co-financing from the Programme funding, according to the project’s budget included in the Application Form, provided that the responsibilities under this agreement and documents regulating the implementation of the Programme according to paragraph 2 have been fulfilled.
3. Each Partner shall be obliged to immediately inform the Lead Partner about the completed verification of the Partner Progress Report and to submit to the Lead Partner all information and documents necessary in the process of preparing payment applications for the project.
4. Each Partner shall be liable for any irregularities detected during the implementation of tasks under the project, set out for a given Partner in the Application Form.
5. Each Partner shall give its consent to processing data related to the project for the purposes of monitoring, control, promotion and evaluation of the Programme.
6. Each Partner shall be liable towards other Partners for the damages resulting from the project and the effects of these damages in the framework of tasks and responsibilities assigned to the Partner under the project, according to § 5 of the partnership agreement.
7. Each Partner shall disclose the VAT recoverable during the implementation of the project and returns it to the Lead Partner if it has been found that the VAT which could be recovered had been shown in the report and refunded.
8. In justified cases, especially if the Programme is in jeopardy of cancelling obligations resulting from the n+3 principle, the Lead Partner, at the request of the Joint Secretariat, may request each Partner to submit an additional Partner Progress Report, covering the reporting period which is different from the standard reporting period.
9. If a Member State, in whose territory a Partner is located, covers the liabilities of the Partner towards the Lead Partner, the Member State has the right to request the reimbursement of the resources from the Partner.

**§ 6**

**COOPERATION WITH EXTERNAL ENTITIES**

1. In cooperation with external entities, including subcontractors, a Partner shall bear the sole liability towards the Lead Partner for the compliance of the actions of the external entity acting on behalf of the Partner with the provisions of this partnership agreement. The Lead Partner shall be immediately informed of the subject and scope of the agreement concluded with an external entity.
2. Rights and obligations resulting from this agreement cannot be partly or fully transferred to another entity without a prior consent of all other Partners and the Managing Authority.
3. Contracting the implementation of all or a part of tasks assigned to a given Partner shall be in accordance with the provisions of the EU and national law, including the provisions regulating the award of public contracts.

**§ 7**

**SUBMITTING A PARTNER PROGRESS REPORT AND VERIFICATION OF EXPENDITURE**

1. A Partner shall submit its Partner Progress Report from the implementation of the Partner’s part of the project along with Appendices to the competent Controller within the time-limits and under the conditions specified in the agreement, according to the provisions of the current version of the Programme Manual.
2. As a rule, a Partner Progress Report shall be submitted for the period of 6 consecutive months, in accordance with the 6-month reporting cycles: from 1 January to 30 June and from 1 July to 31 December/ from 1 April do 30 September and from 1 October to 31 March (delete if not applicable), while the beginning of the first reporting period begins on the day of the initiation of substantive actions in a project, defined in § 5(1)(1) of the Subsidy Contract.
3. The Controller shall verify the Partner Progress Report and the eligibility of the incurred expenditures declared therein. The verification shall be in line with the provisions, guidance or procedures specified in a given Member State with the account of rules established in the Programme.
4. Administrative verification of a Partner’s expenditures shall be done with the use of SL2014, on the basis of the data recorded in it and documents submitted by the Partner.
5. Should errors be found in a Partner Progress Report, the Controller:
6. fills in the deficiencies or corrects errors, if they are obvious, and informs the Partner;
7. calls for the Partner to correct or fill in the Partner Progress Report or to provide additional explanations.
8. Upon request of and within the deadlines specified by the Controller, the Partner submits the documents required for verification of the Partner Progress Report, corrects these documents, removes errors, and submits additional explanations as well as supplementary information.
9. In the case of clearing indirect costs using the flat rate, the amount of such costs is approved by the Controller in each Partner Progress Report, considering the percentage rate specified in the Application Form and the value of certified direct costs of the Partner, other than personnel costs.
10. In the case of reimbursing direct personnel costs using the flat rate, the amount of these costs is approved in each Partner Progress Report by the Controller, considering the percentage rate specified in the Application Form, the value of this rate and the value of certified direct costs of the Partner, other than personnel costs.
11. In the case of clearing preparation costs, the First Level Controller approves their amount for the Partner, in accordance with the lump sum indicated in the approved Application Form.
12. If during verification of the Partner Progress Report it is established that there has been a breach of national or Union regulations, or the principles concerning project implementation specified in the current version of the Programme Manual, in particular as regards public procurement or the need to ensure the principle of competition, described in detail in the current version of the Programme Manual, then relevant expenditures may be found as fully or partially irregular, and reduced by the Controller in the Partner Progress Report. The above is applicable also to expenditures incurred prior to signing the agreement. Establishing the amount of irregular expenditures connected with public procurement or the need to safeguard the principle of competition shall be in compliance with national regulations or principles. If in a given member state there are no relevant regulations or rules, the amount of irregular expenditures shall be established using the current document on financial corrections, issued by the European Commission.
13. The rules of procedure in the case of establishing irregular expenditures are regulated by the current version of the Programme Manual or by national guidelines on correcting expenditures and imposing financial corrections, if such guidelines are established in a given member state.
14. The income generated in a given accounting period in result of project implementation, in its part implemented by the Partner that had not been accounted for at the stage of allocating the amount of funding for the project, reduces the amount of eligible expenditures and the amount of funding for the Partner.
15. The result of verification of the Partner Progress Report, including the amount classified as eligible and the amount of funding, is forwarded by the Controller to the Partner, in compliance with the principles specified in the current version of the Programme Manual.
16. Detailed rules on how the Partner should submit objections as regards the results of verification, referred to in Article 23 of ETC Regulation, if such rules exist, are stipulated by national regulations referred to in the current version of the Programme Manual.

**§ 8**

**PROJECT BUDGET**

The financial contribution of individual Partners towards expenditures involved in project implementation, as well as the maximum amount of funding for individual Partners from the Programme budget are specified in the project budget, presented in the Application Form as well as in …………………...

**§ 9**

**TRANSFERRING THE FUNDS TO THE PARTNER**

1. The Lead Partner transfers the funds to the bank accounts of Partners in the appropriate amount, and in compliance with the request for payment, approved by the Managing Authority, and accounting for all deductions or the financial corrections imposed on the request for payment by the Managing Authority or by an entity appointed by the Managing Authority. The Lead Partner informs the Partners about the above mentioned corrections.
2. The funding is transferred to the individual Partners by the Lead Partner within 5 days from the day when the funding received from the Managing Authority is credited to the Lead Partner's bank account.
3. The funding shall be transferred by the Lead Partner in EUR to the bank accounts of the individual Partners, specified in Appendix No ………………….. to this agreement.
4. The following conditions must be satisfied before the funds are transferred to Partners by the Lead Partner: the obligations under this partnership agreement must have been fulfilled, the request for payment must have been approved by the Managing Authority, and the funds must have been transferred to the Lead Partner's bank account, as provided for in the Subsidy Contract.

**§ 10**

**IMPOSING DEDUCTIONS AND FINANCIAL CORRECTIONS BY THE MANAGING AUTHORITY**

1. If the Managing Authority, before the payment of the co-financing, states that in the Project Progress Report ineligible expenditures or irregular expenditures related to the implementation of a part of the project are borne by a given Project Partner, the Managing Authority may deduct the payment of the due co-financing. If, after the co-financing was paid, the Managing Authority finds there are ineligible expenditures, irregular expenditures or a violation of the Subsidy Contract, or if the funds were taken unduly or in excessive amount, with regard to the implementation of a part of the project by the Project Partner, it may impose the financial correction and issue the call for payment of funds addressed to the Lead Partner.
2. In the case the Managing Authority informs the Lead Partner about the identification of indications stated in paragraph 1, the Lead Partner submits this information to the Project Partner within ........days from the date in which the Lead Partner received it. The Project Partner may submit to the Lead Partner their objections to the findings of the Managing Authority within .... calendar days from the date in which the Project Partner received the information. The Lead Partner shall forward the objections to the Managing Authority within 14 calendar days from the date in which the Lead Partner received the information, following the procedure specified in the Subsidy Contract entered into between the Lead Partner and the Managing Authority.

**§ 11**

**RECOVERY OF FUNDS**

1. If the co-financing was paid to the Project Partner due to ineligible expenditures, irregular expenditures or if the Subsidy Contract was violated, or if the funds were taken unduly or in excessive amount, then the Managing Authority will issue the call for payment of funds, and the Lead Partner returns the unduly received co-financing. The Project Partner is obliged to refund the unduly taken co-financing to the Lead Partner together with interest payable to the Managing Authority under conditions, within the deadline and on account identified by the Lead Partner.
2. If there exist conditions allowing the Project Partner for recovery of VAT classified earlier in the project as eligible, they reimburse to the Lead Partner the unduly taken co-financing for the incurred expenditure of VAT. The Lead Partner shall reimburse these funds to the Managing Authority.
3. If the Project Partner fails to make the reimbursement within the deadline set out by the Lead Partner, the amounts wrongly used or collected, together with interest payable to the Managing Authority shall be deducted by the Lead Partner from the subsequent amount of due co-financing. If the amount of co-financing wrongly used or collected exceeds the amount remaining to be paid or if no deduction is possible, the Lead Partner shall take measures to recover the amounts of the co-financing payable to the Managing Authority together with interest, by taking legal measures available. The costs of measures taken to recover the amount of wrongly used co-financing shall be borne by the Project Partner.

**§ 12**

**CONTROLS AND AUDITS**

1. The Partner shall be subject to controls and audits within the scope of implementing their part of implementation of the project and maintaining its durability. The controls and audits shall be conducted by entities entitled to carry out control-related activities in accordance with the applicable national and EU legislation and the current version of the Programme documents.
2. The Partner shall give access to all the documents on project implementation, in particular the electronic versions of documents and documents used to create them, to the entities referred to in paragraph 1, throughout the entire period when such documents are kept, referred to in § 8 paragraph 18 of the Subsidy Contract.
3. The Partner shall take corrective action within the deadlines specified in the recommendations deriving from the above-mentioned verifications and audits.
4. The Partner shall provide the entities carrying out verifications and audits with the information on former controls of the project, carried out by other authorized entities.

**§ 13**

**FORM OF OWNERSHIP**

1. The ownership and other property rights resulting from the project shall belong to, respectively, the Lead Partner or the Partners.
2. Each Partner shall ensure that the products and results of the project are used in such a manner as to guarantee their wide dissemination and making them publicly available, in line with the Application Form.

**§ 14**

**INFORMATION AND PROMOTION**

1. All the project information and promotional activities shall be carried out in compliance with the rules specified in subparagraph 2.2 of Annex XII to General Regulation, in Commission Implementing Regulation (EU) No 821/2014 of 28 July 2014. (OJ L 223, 29.7.2014, p. 7-18), and in the current version of the Programme Manual. The Partners shall:
2. mark with the Programme logo and the European Union symbol the following: all the information and promotional activities concerning the project; all the documents related to project implementation made publicly available as well as all the document and materials for people and entities participating in the project;
3. place at least one poster with a minimum format A3 or an information board and/or memorial board at the site of project implementation;
4. place a description of the project on a website - if Partners have their websites;
5. informing people and entities participating in project implementation about the co-financing obtained for the project,
6. document the information and promotional activities carried out under the project.
7. Each of the Partners shall ensure that they do not publish, in any form, any information on the project which has not been agreed upon or consulted with the Managing Authority or the Joint Secretariat, that all such information and publications include a statement that the Managing Authority is not responsible for their contents.
8. Each of the Partners shall send to the Joint Secretariat, via the Lead Partner, written information about the outcomes of the project.
9. Each of the Partners shall submit to the Joint Secretariat, via the Lead Partner, the existing audio-visual documentation from project implementation and shall give their consent for the use of such documentation by the Managing Authority or the Joint Secretariat.
10. Each Partner gives permission to the Managing Authority and institutions that it specified for publication of information referred to in Article 115(2) of the General Regulation and audio-visual documentation of the implementation of the project in any form and through any media.

**§ 15**

**AMENDMENTS TO SUBSIDY CONTRACT**

1. All Project Partners accept that amendments to the Subsidy Contract and to Appendices constituting its integral part, in order to be valid, may be introduced only during the period of implementation of the project substantive measures, i.e. until the day specified in § 5(1)(b) of the Subsidy Contract and in accordance with the rules described in § 14 of the Subsidy Contract and the current version of the Programme Manual, subject to § 20(9) of the Subsidy Contract.
2. Each proposal for the amendment to the Subsidy Contract or Appendices constituting its integral part submitted by the Lead Partner to Joint Secretariat, must be previously agreed by the Partners.
3. The Partners of the project are required to inform the Lead Partner about any planned and existing changes related to their part of the project. If a given change of the part of the project requires introduction of the amendments to the Subsidy Contract, the Lead Partner in cooperation with and on the basis of documents received from the competent Partner will amend the Subsidy Contract or relevant Appendices, in accordance with procedures described in § 14 of the Subsidy Contract and in the current version of the Programme Manual.
4. The Partners are required to submit to the Lead Partner documents that are necessary to make amendments to the Subsidy Contract or to its Appendices well in advance, that is within the deadline allowing for their implementation, in accordance with the Subsidy Contract and the current version of the Programme Manual.

**§ 16**

**INADEQUATE PROJECT IMPLEMENTATION**

1. The Project Partners shall take note that where target values of the output indicators identified in Application Form were not achieved, the Managing Authority:
2. may adequately reduce the value of co-financing;
3. may request reimbursement of part or total of the paid amount of co-financing.
4. In relation to the paragraph 1, the Lead Partner may ask any Project Partner to appropriately document reasons for failing to achieve values of indicators assigned to its part of the project and its measures designed to achieve the above mentioned indicators. If Project Partner via the Lead Partner informs on reasons for failing to achieve values of target indicators declared in the application, which were independent from him, and efforts made to achieve the indicators, the Managing Authority may waive from the application of sanctions referred to in paragraph 1. If the Project Partner via the Lead Partner forwards appropriately documents about the independent from him reasons of the failure to achieve the declared in the application target values of indicators and shows its efforts aimed at achieving the indicators, the Managing Authority may waive the imposition of sanctions referred to in paragraph 1.
5. The Project Partners shall take note that in case where the project objective was achieved and the Project Partner failed to exercise due diligence while achieving it, the Managing Authority may claim for reimbursement of the part of paid amount of funding. The amounts in all budget lines of the project related to measures implemented not in line with assumptions presented in the Application Form, may be reduced in an appropriate manner.
6. If on the basis of the paragraph 3, the Managing Authority requests Lead Partner to reimburse the part of funding amount related to activities of at least one Project Partner, the provisions of § 10 shall apply accordingly.

**§ 17**

**AMENDMENTS TO PARTNERSHIP AGREEMENT**

1. The amendments to the partnership agreement must be agreed by all Partners.
2. Changes of the project bank account and SWIFT or IBAN code, as well as change of the name and address of the bank in which the account was opened, shall be notified in writing by the Partner to the Lead Partner. In case where Partner do not inform the Lead Partner of the change of the bank account, the Lead Partner shall bear all related costs.

§ 18

PROCESSING OF PERSONAL DATA

1. The Lead Partner as the processor of data entrusted to him by the Ministry of Investment and Economic Development, being the Administrator of data within the meaning of GDPR, entrusts the Partner the data for processing for the needs of implementation of the agreement. The personal data covered by the entrusting is processed with the use of SL2014.
2. The Partner is aware that it is an administrator within the meaning of GDPR in relation to personal data processed by the Processor for the purpose of implementation of the project, which has not been entered into SL2014.
3. The entrusting is for the duration of the agreement.
4. The entrusting referred to in paragraph 1 concerns the following categories of persons:
   1. persons representing partners or beneficiaries of the project and the institutions involved in the implementation of the Programme,
   2. project personnel,
   3. participants of activities carried out within the framework of the project,
   4. contractors applying for execution of the contract or executing the contract in the project,

which are visible after logging in to SL2014.

1. Categories of data are precisely connected with the purpose of processing and include, depending on the categories of persons, in particular: first name, surname, date of birth, place of birth, address of place of residence, PESEL identification number, Tax ID No, workplace, occupation, education, series and number of ID, telephone number, e-mail address, login, role in the Programme, role in the project, bank account number and other data visible after logging in.
2. The entrusting does not include data of special categories.
3. In the event of controls referred to in § 12 of the agreement, the Partner authorizes the persons entitled to carrying out a control to access to the data for which the Partner is an administrator within the meaning of GDPR and which is processed in connection with the implementation of the project.
4. The Lead Partner authorizes the Partners to further entrusting personal data to their controllers. The Partner is obliged to conclude an agreement with the controllers, which will ensure at least the same level of protection as resulting from this agreement, in particular the duty to ensure sufficient guarantee of implementation of adequate technical and organizational measures, so that the processing is in line with the requirements of GDPR. If the controller does not meet the imposed obligations of data protection, full responsibility towards the Lead Partner for the fulfillment of duties of this processing body shall lie on the Partner.
5. The Partner ensures the processing of personal data exclusively in the area of the EEA, in line with the rules laid down in the provisions on personal data protection binding the Partner as well as the appropriate protection of personal data.
6. The Lead Partner obliges the Partner to perform informational duties, mentioned in articles 13 and 14 of GDPR, towards the persons to whom the personal data relates to. The Processor shall undertake adequate technical and organizational measures in order to document the performance of this duty, in line with the accountability principle.
7. The Partner declares that it ensures the sufficient guarantee of implementation of adequate technical and organizational measures so that the processing meets the requirements of GDPR and protects the rights of persons to whom the data relates to. The Partner also commits that it:
8. processes personal data according to the conditions stipulated in this agreement;
9. ensures that the persons authorized to process personal data are obliged to secrecy or are subject to an adequate obligation to maintain secrecy on the basis of a legal act;
10. will keep a record of processing activities, referred to in GDPR;
11. undertakes all measures required on the basis of Article 32 of GDPR;
12. keep the conditions of engaging other processors, referred to in Articles 28(2) and (4) of GDPR and in line with this agreement;
13. taking into account the character of processing, assists the Administrator through adequate technical and organizational measures, to comply with the obligation of answering to the request of the person, to whom the data refers to, in the scope of execution of his/her rights laid down in Chapter III of GDPR;
14. taking into account the character of processing and the information available to the Processor, assists the Administrator to comply with the obligations laid down in Articles 32-36 of GDPR;
15. after the completion of data processing, loses the access to data, and in case of making copies, they will be deleted, unless this will be necessary to establish, assert or defend legal claims;
16. shares with the Administrator any information necessary to demonstrate the compliance with the duties stipulated in Article 28 of GDPR and allows the Administrator or a body acting on its behalf the performance of audits, including inspections, and contributes to them.
17. The Partner commits that during the agreement, in the framework of its organization, it will process the entrusted personal data in accordance with the provisions of law on protection of personal data (GDPR and provisions of a Member State appropriate for the seat of the Processor), including processing it with the use of adequate technical and organizational measures providing the protection of personal data processing adequate to the threats and categories of data protected and against the sharing thereof to unauthorized persons, it will keep records of the persons authorized to process personal data and commit them to secrecy.
18. The Partner also commits that it will process the personal data exclusively in accordance with the agreement and the instructions which the Administrator may give if necessary, including that it will not use the personal data for the purpose, in a manner and for a period other than as specified in the agreement, in particular to obtain benefits for itself or for a third Party.
19. The Partner shall make all efforts, to undertake adequate technical and organizational measures against the loss or any form of unlawful processing, including breach of security of data – accidental or illegal destruction, loss, modification, unauthorized disclosure or access to personal data sent, stored or processed in any other way – in relation to the processing of personal data under this agreement.
20. The Partner commits to make every effort so that the security measures are at reasonable level, taking into account the current state of knowledge, sensitivity of personal data and costs related to the security measures.
21. The Partner manages the risk in the process of processing of the entrusted personal data and implements the security measures based on the results of risk analysis.
22. In case of breach of security or personal data breach, referred to in Article 4(12) of GDPR, the Partner shall notify the Lead Partner of this fact, without undue delay, in no more than 12 hours. The Partner will in such case make every effort so that the provided information is complete, correct and accurate.
23. If it is required by provisions of law or regulations, the Partner collaborates in the scope of notifying the appropriate authorities or subjects of data.
24. The Partner shall inform the Lead Partner without any delay of any circumstances influencing the security of processing of entrusted personal data.
25. The Partner shall enable the Lead Partner, the Minister or any other authorized body to perform the control of accordance of processing of entrusted personal data with the agreement.
26. The Partner is responsible for the damages caused by its actions connected with a failure to fulfil the obligations imposed directly by GDPR on the Partner being the Processor or when it was acting outside the lawful instructions of the Lead Partner or against these instructions. The Partner is responsible for the damages caused by the application of security measures or failure to apply the appropriate security measures.

**§ 19**

**CENTRAL ICT SYSTEM**

1. To settle the project under implementation the Partner will use the main application of the central ICT system – SL2014.
2. By means of the SL2014 the Partner shall:
3. draw up, submit and send partial payment applications to the competent Controller,
4. record information on the payment schedule in its own part of the project,
5. record information on planned and carried out public procurement procedures, planned and awarded contracts in accordance with the competitiveness principle detailed in the current version of the Programme Manual, as well as information on concluded contracts and selected contractors and project personnel,
6. corresponds with the competent Controller on the project under implementation and provides, upon request of the Controller, necessary information and electronic versions of documents.
7. Providing electronic versions of documents via the SL2014 system does not relieve the Partner from the obligation of storing them. The Partner shall also store the original versions of documents used to create electronic versions. During on-the-spot checks carried out by authorised institutions, the Partner shall make available both original and electronic versions of documents.
8. The detailed description of the Partner’s tasks as regards working within the SL2014 system and deadlines set for their completion are included in the updated versions of the Programme Manual and/or the User Manual for SL2014, which are available on the programme website.
9. All Partners shall consider as legally binding the adopted in the agreement solutions applied with respect to communication and data exchange via the SL2014 system, without any possibility of opposing the effects of their application.
10. Each Partner involved in the implementation of the project shall designate persons authorised to perform actions related to project implementation on their behalf to work in the SL2014 system. Designation of the above-mentioned persons, changing their powers or cancelling access to SL2014 shall be carried out based on request to grant/change/cancel access for an authorised person in line with the *Procedure for notification of authorised persons under the project*, *through the Lead Partner*. Updated versions of these documents are available on the Programme’s website. The list of persons authorised to work within the SL2014 system along with requests to grant/change/cancel access for an authorised person constitute Appendix to the agreement for funding concluded between the Managing Authority and the Lead Partner. Amendments to the Appendix (i.e. changes in the list of authorised persons) do not require drawing up an annex to the agreement.
11. Any activities of authorised persons carried out in the SL2014 system will be understood in terms of law as activities of the Partner.
12. Any correspondence between the Partner and the competent Controller is conducted via SL2014, excluding correspondence on:
13. amendments to the content of the agreement requiring the signing of an annex to the agreement,
14. requests to grant/change/cancel access to the SL2014 system for an authorised person,
15. on-the-spot check,
16. seeking the reimbursement of funds referred to in § 10.
17. The Partner shall consider as legally binding the adopted in the agreement solutions applied with respect to communication and data exchange in SL2014, without any possibility of opposing the effects of their application.
18. To authenticate the actions performed within the SL2014 system, persons authorized by the Partner established in the Republic of Poland shall use the ePUAP trusted profile or safe electronic signature verified using a valid eligible certificate under SL2014. If, for technical reasons, the ePUAP trusted profile cannot be used, the authentication shall take place using the login and password generated by the SL2014 system, where the PESEL number of a given authorised person is used as a login.
19. To authenticate the actions performed within SL2014, persons authorized by the Partner not established in the Republic of Poland shall use the safe electronic signature verified using a valid eligible certificate under SL2014 or their e-mail addresses and passwords.
20. In justified situations, e.g. in the case of failure of the application, when the time for restoring the normal operation of the SL2014 system does not allow to submit a partial payment application on time, the Partner shall submit the applications on paper, using the template available on the programme website. The Partner shall undertake to complete in the SL2014 system data as regards documents provided in writing within 5 working days from the date of receipt of information on failure removal.
21. Individuals authorised by the Partner shall undertake to observe the *Regulations* concerning the security of *information processed in the main application of the central ICT system*, and to work in the SL2014 system in line with the principles defined in current versions of the Programme Manual and User Manual on SL2014.
22. The Partner shall immediately notify the Lead Partner and Joint Secretariat of the failure of the SL2014 which prevent or hamper carrying out work within SL2014 and in particular which make it impossible to send via the SL2014 system the partial payment application to the Controller.
23. The Partner shall in any case notify the Lead Partner and Joint Secretariat of information security violation, incidents and vulnerabilities related to processing data in the SL2014 system by the Partner, including in particular of instances of unauthorized access to data processed in the SL2014 system by the Partner.

**§ 20**

**APPLICABLE LAW AND DISPUTE RESOLUTION**

1. The applicable law for this agreement shall be the law of the Lead Partner’s state.
2. In the case of any dispute arising between the Parties as regards the interpretation or implementation of this partnership agreement, the Parties shall seek to resolve their dispute by mediation. To this end, each Partner shall designate one independent mediator. The task of the team of mediators will be to work out a solution to the dispute within 1 month from the date of the establishment of the team.
3. Should the solution proposed by the mediators not be accepted by all Partners, the dispute shall be subject to the jurisdiction of a common court having material competence in the state in which the Lead Partner is established.

**§ 21**

**FINAL PROVISIONS**

1. This agreement has been drawn up in …………………... copies.
2. Each Party shall receive one copy of the partnership agreement.
3. Unless the Parties shall decide otherwise, any communication between them shall be in (indicate language/languages): …………………....
4. The following Appendices are an integral part of the Agreement:

* Appendix 1 – …………………...;
* Appendix 2 – …………………...;
* Appendix 3 – …………………...;
* Appendix No … – …………………...;
* Appendix No … – List of bank data of individual Partners

|  |  |  |
| --- | --- | --- |
|  | **On behalf of**  **LEAD PARTNER** | **On behalf of**  **Partner no** …..[[6]](#footnote-6) |
| [**full name of the Lead Partner**] | ………………….... | ………………….... |
| First name and surname | ………………….... | ………………….... |
| Position | ………………….... | ………………….... |
| Signature and stamp (if applicable) | ………………….... | ………………….... |
| Place, date | ………………….... | ………………….... |

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|  |

1. identification numbers, as appropriate: NIP (or equivalent) or REGON, KRS (if the entity is subject to registration, or equivalent), VAT (or equivalent). [↑](#footnote-ref-1)
2. to be adjusted to the number of beneficiaries participating in the project. [↑](#footnote-ref-2)
3. identification numbers, as appropriate: NIP (or equivalent) or REGON, KRS (if the entity is subject to registration, or equivalent), VAT (or equivalent). [↑](#footnote-ref-3)
4. To apply as appropriate if more than one Beneficiary participates in the Project. [↑](#footnote-ref-4)
5. Shall not concern expenditure settled using a flat rate method. [↑](#footnote-ref-5)
6. To be adjusted to the number of beneficiaries participating in the project. [↑](#footnote-ref-6)