

eMS Code ROHU 289

**Agreement between Lead Beneficiary and Project Beneficiaries  
in the project “Connecting the traditions of the Crisul Repede Valley”, ROHU 289  
financed under the Interreg V-A Romania - Hungary Programme**

**PARTNERSHIP AGREEMENT**

**Open Call**

Having regard to

- ✓ Regulation (EU) 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 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 European Regional Development Fund to the European territorial cooperation goal;
- ✓ 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 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 European Structural and Investment Funds;
- ✓ Commission Delegated Regulation (EU) No 481/2014 of 4 March 2014 supplementing 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;
- ✓ Interreg V-A Romania-Hungary Programme (hereinafter referred to as Cooperation Programme), approved by the European Commission through Decision No 9112 / 09.12.2015;
- ✓ Commission Implementing Regulation (EU) No 215/2014 of 7 March 2014 laying down rules for implementing Regulation (EU) No 1303/2013 of the European Parliament and of the Council 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 with regard to methodologies for climate change support, the determination of milestones and targets in the performance framework and the nomenclature of categories of intervention for the European Structural and Investment Funds;

- ✓ Memorandum of Implementation (MoI) - Arrangements between Member States participating in the Interreg V-A Romania-Hungary Programme - between the Ministry of Regional Development, Public Administration and European Funds from Romania, acting as Member State and Managing Authority with Certification function, the Prime Minister's Office from Hungary, acting as Member State and National Authority, and the Audit Authority within the Romanian Court of Accounts, acting as Audit Authority;

The following documents must also be observed in the framework of this Partnership Agreement:

- National rules applicable to the LB and its Project beneficiaries;
- Community and national rules on State aid;
- The relevant Call for Proposals;
- Project Implementation Manual laying down the Programme specific rules for the implementation of the projects<sup>1</sup>;
- Visual Identity Manual.

the following Agreement is concluded between

**Comuna Vadu Crişului, str. Principală, nr. 693, Vadu Crişului, Romania, post code: 417615, tax identification number 4784180, represented by Cosma Dorel-Florian as Lead Beneficiary (hereinafter referred to as LB) of the project proposal called CCRV**

and

**Körösszegapáti Nagyközségi Önkormányzat, Kossuth u. 62, Körösszegapáti, Hungary, post code: 4135, tax identification number 15373058-2-09, represented by Tarsaly Attila as Project Beneficiary No 2 (hereinafter referred to as PB2),**

for the implementation of the project **ROHU 289 - Connecting the traditions of the Crisul Repede Valley**, approved by the Monitoring Committee of the "Interreg V-A Romania - Hungary Programme" - on September 11, 2018 in Debrecen.

## **§ 1 Object**

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<sup>1</sup> During the project implementation/first level control/validation/verification process, the Project Implementation Manual in force at the specific time will apply.



- 1) The object of this Agreement is the organisation of a partnership in order to implement the project **ROHU 289 - Connecting the traditions of the Crisul Repede Valley**, selected under the Interreg V-A Romania - Hungary Programme.
- 2) Through the present Agreement, the parties establish their rights and duties, the way of achieving their tasks and the relations between Lead beneficiary and Project Beneficiaries, which shall apply in order to achieve the goals of the above-mentioned project.
- 3) The terms and conditions herein are acknowledged and accepted by all parties.

## **§ 2 Duration of the Agreement**

- 1) The Agreement enters into force on the signature date the last party signs. The last party signing has the obligation to mark the date.
- 2) The beginning date of the implementation of the project may be:
  - the next day the notification of approval of the project by the Monitoring Committee is received; or
  - the next day the Subsidy contract is signed; or
  - between notification and signing the Subsidy contract.

The project implementation starts on **01.12.2018**

- 3) The implementation period of the project is of **18 months**.
- 4) The Agreement is valid for **5 years** from the official closure of the Interreg V-A Romania-Hungary Programme.

## **§ 3 Value of the project**

- 1) The total eligible value is **79 999.00 EUR**, seventy-nine thousand nine hundred ninety-nine euro (non-refundable financing and the contribution of the beneficiaries-), out of which:
  - i. **67 999.15 EUR ERDF**,
  - ii. **9721.42 EUR State Budgets Co-financing**,
  - iii. **2728.43 EUR Beneficiaries own contribution**.
- 2) Any ineligible expenditure shall be supported by the LB and Project Beneficiaries, apart from the approved budget.

## **§ 4 Financing of the project**

- 1) MA awards a non-refundable financing from the ERDF of **67 999.15 EUR**, sixty-seven thousand nine hundred ninety-nine euros and fifteen eurocents.
- 2) MA awards to Romanian beneficiaries a non-refundable financing from the national state budget of **5509.92 EUR**, five thousand five hundred nine euros and ninety-two eurocents.

- 3) NA awards Hungarian beneficiaries a non-refundable financing from the national state budget of **3761.50 EUR, three thousand seven hundred sixty-one euros and fifty eurocents.**
- 4) The Lead Beneficiary and Project Beneficiaries participate in the project with their own contribution representing **2728.43 EUR, two thousand seven hundred twenty-eight euros and forty-three eurocents** and support the non-eligible expenditure, apart from the project budget, according to their contribution to the project.
- 5) The total eligible budget of LB is **42384.00 EUR**, out of which **36026.40 EUR** represents **85% ERDF**, **5509.92 EUR** represents **13% state national co-financing** and **847.68 EUR** represents **2% its own contribution.**<sup>2</sup>  
  
The total eligible budget of PB 2 is **37615.00 EUR**, out of which **31972.75 EUR** represents **85% ERDF**, **3761.50 EUR** represents **10% state national co-financing** and **1880.75 EUR** represents **5% its own contribution.**
- 6) The Lead Beneficiary is responsible in front of the Managing Authority for the sound financial management of the project.
- 7) The Lead Beneficiary receives the amounts mentioned at paragraph 1 directly from the MA, and is responsible for transferring the amounts to each Project Beneficiary, according to the Subsidy contract.
- 8) The Romanian Project Beneficiaries receive the amounts mentioned at paragraph 2 directly from the MA, according to the co-financing contract; the Hungarian Project Beneficiaries receive the amounts mentioned at paragraph 3 directly from the NA, according to the co-financing contract.
- 9) Any modification of the project has to be agreed by all Project Beneficiaries, justified and submitted by the LB to the Joint Secretariat in a written form.

## § 5 Eligible Expenditures

- 1) The expenditures related to the project are eligible provided that they respect the applicable European and national legislation in force, the Interreg V-A RO-HU Programme and Call for Proposal rules, they are stipulated in the project and the respective beneficiary budget, and provided that they comply with the terms and conditions stipulated in the Subsidy contract.

## § 6 Reimbursement of the expenditures

- 1) The Beneficiary has the obligation to request to the Managing Authority the reduction of the financing contract value at least 6 months before the end of the project implementation period, if there are savings following the finalization of public procurement procedures and/or public procurement contracts at project level.
- 2) The LB has the possibility to ask expenditure for reimbursement to the MA via a project report submitted in the electronic system at any given time for one or more project beneficiaries in accordance with the defined periods within the electronic system (or with

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<sup>2</sup> This article shall be completed for each beneficiary.



prior modification of the defined periods in the electronic system), provided that the expenditure claimed for reimbursement is not lower than 10,000 euro ERDF.

3) 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. Therefore, each beneficiary participating in the project has the obligation to ensure that its expenditures are checked and validated by a controller from the state on whose territory it is located, before the project report is submitted.

4) The LB must present all documents to the controllers and make sure that all project beneficiaries present their documents, in order to be verified (including the description of the activities' progress and relevant documents as foreseen by the draft of the partner reports within the electronic system) before drafting and forwarding the project report. All supporting documents should be uploaded by the beneficiaries via electronic system.

5) The LB must create and submit to Joint Secretariat (JS) the project reports including both financial and physical progress of the project via the electronic system integrating the information provided by the Project Beneficiaries in their partner reports, based on the conditions provided hereunder, in the Project Implementation Manual, eMS manual and in the applicable legislation. The beneficiaries will create partner reports and submit them to FLC for all defined periods within the electronic system if they have realized expenditures to be requested to FLC verifications during a specific period. The description of the progress of the activities in partner reports will cover exactly the period of the requests for FLC verifications.

6) The project report submitted by the LB shall contain only validated expenditure and shall be supported by the First Level Control Report issued by the Controllers of the Project Beneficiaries. The expenditures that were not validated by the controllers are deemed to be non-eligible for the Programme and shall not be requested for reimbursement.

7) The LB must include in a project report both physical and financial progress of the project. As exception, LB has the possibility to submit an intermediary Project Report (containing only the financial part), at any given time, with the condition that the expenditure claimed for reimbursement is not lower than EUR 10,000 ERDF. The LB shall submit project reports to the JS in maximum 3 months from the end date of each reporting period - as defined in the eMS system, and whenever requested by the JS. The instructions presented in the reporting models must be followed exactly. All reports must be submitted in English.

8) The final project report and the final Reimbursement claim have to be submitted to the JS at the latest five months after the end date of the implementation period of the project.

9) The funds are reimbursed only in Euro and will be transferred into a special bank account, indicated by the LB. The LB can use the same bank account for more projects with the amendment that it will have a proper analytical accounting system for each project. The exchange rate differences are non-eligible expenditures for the project. The exchange rate risk is borne by the beneficiary concerned.

10) The expenditure incurred in a currency other than the euro shall be converted into euro by using the monthly accounting exchange rate of the Commission in the month during which that expenditure was submitted for verification to the first level controller. The LB transfers the received ERDF amounts to all project beneficiaries within 5 working days as of cashing in the amounts from the MA and will make no deduction, retention or further specific charge from the ERDF amounts it receives.

## **§ 7 Rights and duties of the parties**

### **A. Lead Beneficiary**



In addition to the obligations of the LB as already stated, the LB undertakes the following duties:

- 1) The LB guarantees that it is entitled to represent all beneficiaries participating in the project and that it has established with its project beneficiaries the division of the responsibilities regarding the project in the form of the Partnership Agreement.
- 2) The LB has the responsibility of implementing the project according to the provisions of the Subsidy contract, of the Application Form and its annexes approved by the Monitoring Committee, of the present Partnership Agreement (annexed to the Subsidy contract) and of the European and national legislation in force. The LB shall be responsible in front of the MA for the implementation of the obligations assumed in the Subsidy contract and in the Partnership Agreement, for the implementation of the project and for achieving the goals stipulated in the contract and its annexes.
- 3) The LB guarantees furthermore that itself and all beneficiaries have complied with all legal requirements and that all necessary approvals for the proper implementation of the project have been obtained.
- 4) The LB ensures the implementation of the entire project and has to:
  - a. assume responsibility for ensuring implementation of the entire project;
  - b. ensure that expenditure presented by all Project Beneficiaries has been incurred in implementing the project and corresponds to the activities agreed between all the Project Beneficiaries, and is in accordance with the provisions of the Subsidy contract;
  - c. inform the MA, within 5 working days from the occurrence of such circumstances, if one of the disbursement conditions ceases to be fulfilled, or circumstances arise which entitle the MA to reduce payment or to demand repayment of the subsidy wholly or in part;
  - d. comply with the regulations referred to in the preamble to this contract as well as with relevant European and national legislation;
  - e. know and observe the provisions of the Guide for Applicants (GfA) applicable to the Open Call for Proposals, paying special attention to the limitations (value, percentage, duration etc) referred to therein, of the Subsidy contract and Project Implementation Manual (published on the Programme website [www.interreg-rohu.eu](http://www.interreg-rohu.eu)). During the implementation/first level control/validation/verification process, the Project Implementation Manual in force at the specific time will apply;
  - f. observe and make sure that all Project Beneficiaries observe the European and national legislation on state aid, equal opportunities, sustainable development, environmental protection;
  - g. make and satisfy itself that all Project Beneficiaries make all expenditure according to the national laws on public procurement of the country on whose territory the beneficiary is located. The Romanian beneficiaries which are not stipulated as Contracting authority in the respective laws or in special laws regarding procurement should follow at least the general principles stated in the Programme' rules on eligibility of expenditure;
  - h. ensure that all the Project Beneficiaries select the final beneficiaries of the projects (target groups) by a transparent procedure;



- i. present its own expenditure, and ensure that the Project Beneficiaries present their expenditures, to the controllers for verification, in maximum 15 calendar days after the end of the reporting period, except for the final partner report, where the cut-off date is extended to 45 calendar days, so that the deadline for submitting the reimbursement claim to the JS will be met. Requests for first level control not accompanied by appropriate supporting documents will not be taken into consideration;
  - j. ensure that all Project Beneficiaries submit their contributions to the reimbursement claim at least 10 calendar days before the deadline for submitting the reimbursement claim to the JS;
  - k. ensure that all Project Beneficiaries have a proper analytical accounting system and the expenditure is properly registered; the accounting system must be in line with the national legislation;
  - l. observe and make sure that all Project Beneficiaries observe the provisions of the Visual Identity Manual (published on the Programme website [www.interreg-rohu.eu](http://www.interreg-rohu.eu)).
- 5) The LB ensures that the first level controllers have verified the expenditure presented by the Project Beneficiaries participating in the project.
- 6) When drafting the reimbursement claim, LB is liable towards the MA for consolidating the information from all Project Beneficiaries requesting reimbursement of the expenditure, being responsible for collecting documents and information from every project beneficiary. Irrespective of the time when reimbursement claims are submitted, LB submits for each reporting period consolidated project reports, being responsible for collecting documents and information from every project beneficiary.
- 7) LB is liable towards the MA for ensuring that all Project Beneficiaries have a legal status, that they have the capacity to manage the project, that they observe the provisions of the GfA. Moreover, the LB is liable towards the MA for ensuring that the Project Beneficiaries fulfil their obligations regarding the implementation of the project. The LB is also liable towards the MA for all irregularities, even those committed by the Project Beneficiaries.
- 8) The LB must answer all written requests from the MA, JS or other bodies involved in the implementation of the Programme within the deadline stipulated in the respective request. The LB is responsible for gathering the information from all project beneficiaries in due time.
- 9) The LB takes full responsibility for the damages caused to third parties from its own fault during the implementation of the project. The MA has no responsibility for the damages caused to third parties as a result of executing the contract.
- 10) The LB must not receive or have received money from other Programmes for the same project. The LB ensures that the Project Beneficiaries respect the same obligation.
- 11) Any results or rights related to the project, including author's rights and/or any other intellectual or industrial property rights, obtained from the implementation or as a result of the implementation of the contract, except the cases where such rights exist before the contract, shall represent the property of the LB and/ or of the project beneficiaries, according to the approved application form and the present agreement.
- 12) The LB cannot mortgage or impose any other form of bank guarantee on the goods purchased from the financing throughout the implementation period of the project and 5



years after the financial closure of the project.

- 13) In case of projects comprising investment in infrastructure or productive investment, the Lead Beneficiary shall reimburse the MA the amounts received if within 5 years after the financial closure of the project it is subject to any of the following:
- a) a cessation or relocation of a productive activity outside the Programme area;
  - b) a change in ownership of an item of infrastructure which gives to a firm or a public body an undue advantage;
  - c) a substantial change affecting its nature, objectives or implementation conditions which would result in undermining its original objectives.
- 14) The Lead Beneficiary understands and agrees that the MA has delegated tasks to the JS, according to the Framework Agreement concluded between the MA and the JS and therefore the Lead Beneficiary agrees to cooperate with the JS in the same way as with the MA.
- 15) In duly justified cases, not imputable to the beneficiaries, when a Project Beneficiary is in impossibility of fulfilling its obligations according to the contract, the beneficiary may request through the Lead Beneficiary and with the written agreement of all beneficiaries, the suspension of the implementation period, for a clearly determined period of time. After verifying the conditions, the MA may approve, under its specific conditions, through a written decision of the Head of MA signing the contract, the suspension of the contract starting with the date indicated by the beneficiary. The beneficiary requesting the suspension of the implementation period has the obligation to inform MA in maximum 3 working days from the date when he took notice of the situation, in any written form (including e-mail) and the Lead Beneficiary has the obligation to submit all the relevant documents in maximum 5 working days, including the written agreement of all Project Beneficiaries. During the suspension period no activity shall be performed by any of the Project Beneficiaries.
- 16) The LB has the obligation to inform the MA about any situation that may cause the termination or delay in the execution of the subsidy contract, within 5 working days from the date of acknowledgment of such a situation. In this case, the MA may decide the termination / suspension of the subsidy contract.
- 17) If the MA demands repayment of the ERDF in accordance with the Subsidy contract, the LB is liable to the MA for the total ERDF that has been reimbursed to him.
- 18) The LB 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. The LB guarantees that all of its Project Beneficiaries fulfil this duty.
- 19) During the implementation period of the project as well as after the end of the implementation period of the project, for a 3 years period after the official closure of the Interreg V-A Romania-Hungary Programme, the LB has the obligation to preserve and to present, to the Joint Secretariat (within the Regional Office for Cross-Border Cooperation Oradea for Romania-Hungary Border - BRECO, Romania), MA, Certifying Authority (within the Romanian Ministry of Regional Development and Public Administration), Audit Authority (within the Romanian Court of Accounts), European Commission (EC), European Court of Auditors and any other body designated to perform controls or audits on the use of the financing, all project documents, including the inventory for the actives gained as a result of using the funds. The time period shall be



interrupted either in the case of legal proceedings or by a duly justified request of the Commission. The documents must be properly archived. Also, the MA must be informed on the location of these documents.

- 20) In case of remaining funds/economies, the LB must notify the MA within 15 calendar days following the finalization of implementation of the public procurement contracts at project level.
- 21) The LB must clearly specify in the notification the amounts of the remaining funds and if there is a need of re-using these within the project.
- 22) The LB and the project beneficiaries must ensure the sustainability of the project results and, after the project's implementation period has ended, the following 5 years from the financial closure of the project the LB has the obligation to submit annually a sustainability report.
- 23) The LB must observe the recommendations received after an audit, control, otherwise the MA has the right to terminate the Subsidy contract. The LB ensures that the Project Beneficiaries fulfil this obligation.
- 24) In case that during project implementation or during up to 5 years after the financial closure of the project<sup>3</sup>, illegal State aid and/or illegal indirect State aid incidence is discovered, the MA may apply a correction up to 100% for the respective project, and the amounts paid to the beneficiaries shall be recovered in whole or in part, by the Managing Authority, together with interest calculated depending on the amounts involved and the time period in which they were available to beneficiaries, and adding penalties and debts from the date of grant award to the date of recovery.

#### **B. Project Beneficiaries (including the Lead Beneficiary where applicable)**

- 1) LB/PB implements the part of the project for which it is responsible, in due time, according to the descriptions of the (individual components) Application Form approved by the Monitoring Committee and other documents agreed between the MA and the LB.
- 2) The Project Beneficiary has the responsibility of implementing the project according to the provisions of the present Agreement, of the European and national legislation in force.
- 3) PB 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 in maximum 3 working days from the event causing the impossibility.
- 4) LB/PB does the utmost to obtain the necessary approvals, agreements and construction authorizations. The MA may request the above mentioned documents.
- 5) LB/PB observes the European and national legislation in general and especially on public procurement, state aid, equal opportunities, sustainable development and environmental protection.
- 6) LB/PB is responsible for its budget up to the amount it participates in the project.
- 7) LB/PB shall maintain a proper analytical accounting system; the accounting system must be in line with the national legislation.
- 8) The Project Beneficiary supports the Lead Beneficiary in drawing up project reports and

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<sup>3</sup> The date of the last financial transfer at project level



the final project report by providing the required data on time; drafts and submits to the Lead Beneficiary all necessary data for the reimbursement claims.

- 9) The Project Beneficiaries have the obligation to respond to any request of the Lead Beneficiary within the deadline stipulated in the respective requests.
- 10) Each Project Beneficiary is responsible for uploading in the electronic system the partner report and any other documents, including copies of each supporting document (bills, documents related to the procurement procedure, bank account statements etc.) in due time and signed by the legal representative of the beneficiary, bearing the mentions "according to the original" and also the project code.
- 11) The beneficiaries must present the documents related to the expenditures to the first level control in 15 calendar days from the end of the reporting period, according to the spending forecast attached. Exception is the final partner report, where the cut-off date is extended to 45 calendar days, so that the deadline for submitting the reimbursement claim to the JS will be met.
- 12) LB/PB cannot mortgage or impose any other form of bank guarantee on the goods purchased from the financing throughout the implementation period of the project and 5 years after the financial closure of the project.
- 13) Each Project Beneficiary must submit to the Lead Beneficiary any documents necessary for drafting specific documents requested by the MA/JS or other implementing bodies of the Programme.
- 14) The Project Beneficiary will produce all documents required for the audit, control or evaluation, provide necessary information and give access to its business premises. The Lead Beneficiary and the Project Beneficiary are at all times obliged to retain for audit and control purposes all files, documents and data about the project for 3 years after the official closure of the Interreg V-A Romania-Hungary Programme. The documents must be properly archived. Also, the MA must be informed on the location of these documents.
- 15) The Project Beneficiaries 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.
- 16) All Project Beneficiaries understand that the Managing Authority (MA) and the National Authority (NA) are entitled to verify and to control the proper use of funds by the LB or by Project Beneficiaries. The verifications to be carried out by the Managing Authority/National Authority shall cover administrative, financial, technical and physical aspects of projects, as appropriate. The MA and NA shall be responsible for the control of the proper use of funds by the LB or by beneficiaries, by preventing, detecting and correcting irregularities and recovering amounts unduly paid together with interest on late payments where appropriate.
- 17) The Project Beneficiaries understand and agree that the MA may delegate tasks to the JS, therefore JS may act in the name and on behalf of MA.
- 18) In case an irregularity is discovered, the Project Beneficiary is responsible to reimburse the ERDF amounts affected by the irregularity to the Lead Beneficiary, even if the irregularity was committed by a sub-contractor, in 20 calendar days from notification.