

**Partnership Agreement**

between the Lead Partner and its Project

Partners for the implementation of the Project

< Project title, acronym, ID XXX>

**Interreg VI-A Latvia-Lithuania Programme 2021 – 2027**

###### Preamble

Having regard to:

Point (a) of Article 26 (1) of Regulation (EU) 2021/1059 of the European Parliament and of the Council of 24 June 2021 on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments

the following Agreement (hereinafter – Partnership agreement) is hereby made between the Lead Partner (LP) of the Project and the Project Partners (PPs) as listed in the Project data for the implementation of the Interreg VI-A Latvia – Lithuania Programme 2021- 2027 (Programme) Project [Project ID, title of the Project and acronym] (Project), approved by the Monitoring Committee of the Programme on [date].

Abbreviations

Programme – VI-A Latvia-Lithuania Programme 2021-2027

AF – Application Form

EC – European Commission

EU – European Union

JEMS – Joint Electronic Monitoring System

JS – Joint Secretariat

LP – Lead Partner

MA – Managing Authority

PP – Project Partner (PPs – Project Partners)

###### **Articles**

#### Article 1: Legal framework

* 1. The following legal provisions and documents constitute the contractual basis of this Partnership Agreement and the legal framework for the implementation of the Project:
		1. the European Structural and Investment Funds Regulations, Delegated and Implementing Acts for the 2021-2027 period, as further specified below;
		2. Interreg VI-A Latvia–Lithuania Programme 2021–2027 CCI 2021TC16RFCB026 document approved by the European Commission (EC) on 4 October 2022 (Decision No. C(2022)7183);
		3. the laws of the PP's countries applicable to this contractual relationship.
	2. The following laws and documents constitute the legal framework applicable to the rights and obligations of the parties to the Partnership Agreement:
		1. Regulation (EU, Euratom) No. 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No. 1296/2013, (EU) No. 1301/2013, (EU) No. 1303/2013, (EU) No. 1304/2013, (EU) No. 1309/2013, (EU) No. 1316/2013, (EU) No. 223/2014, (EU) No. 283/2014, and Decision No. 541/2014/EU and repealing Regulation (EU, Euratom) No. 966/2012 together with related Delegated or Implementing Acts;
		2. the European Structural and Investment Funds Regulations, Delegated and Implementing Acts for the 2021-2027 period, especially:
			1. Regulation (EU) No. 2021/1060 of the European Parliament and of the Council of 24 June 2021, laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund, and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy, and repealing Council Regulation (EC) No 1303/2013, and any amendment;
			2. Regulation (EU) No. 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund, and repealing Regulation (EC) No 1301/2013, and any amendment;
			3. Regulation (EU) No. 2021/1059 of the European Parliament and of the Council of 24 June 2021 on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments, and repealing Regulation (EC) No 1299/2013, and any amendment;
		3. Regulation (EU) No. 2016/679 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, GDPR);
		4. Articles 107 and 108 of the Treaty on the Functioning of the European Union, Commission Regulation (EU) No. 1407/2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid, Regulation (EU) 2021/1237 of 23 July 2021 amending Regulation (EU) No. 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty; Delegated and Implementing acts, as well as all applicable decisions and rulings in the field of state aid;
		5. All other EU legislation and the underlying principles applicable to the LP and the PPs, including the legislation laying down provisions on competition and entry into the markets, the protection of the environment, and equal opportunities between men and women;
		6. National rules applicable to the LP and its PPs and their activities;
		7. Project data, comprising but not limited to the latest Project documentation such as Application Form (AF) and all Project information available in the Joint Electronic Monitoring System (JEMS);
		8. the Subsidy Contract No <indicate number> concluded between the LP of the Project and the Managing Authority (MA) on <indicate a date of last contracting party signature>;
		9. all manuals, guidelines, and any other documents relevant to the Project implementation (e.g., Programme Manual, Communication guidelines, Guidance for JEMS, etc.) in their latest version, as published on the Programme website [www.latlit.eu](http://www.latlit.eu) or handed over to the LP directly during the Project implementation.
	3. Should the above-mentioned legal norms and documents, and any other documents or data of relevance for the contractual relationship be amended, the latest version shall apply.

#### Article 2: Definitions

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

* 1. Project Partner (PP) - any institution financially participating in the Project and contributing to its implementation, as identified in the approved AF. It corresponds to the term “beneficiary” used in the European Structural and Investment Funds Regulations;
	2. Lead Partner - the PP designated by all PPs and who assumes responsibility for ensuring the implementation of the entire Project according to Article 23 (5) and point (b) of Article 26 (1) of Regulation (EU) No. 2021/1059;
	3. Project data - data comprising but not limited to the latest Project documentation such as AF and all Project information available in the JEMS.

#### Article 3: Subject of the Partnership Agreement

* 1. Partnership Agreement lays down the arrangements regulating the relations between the LP and all the PPs, to ensure sound implementation of the Project as in the latest version of the Project data, as well as in compliance with the conditions for support set out in the European Structural and Investment Funds Regulations, delegated and implementing acts, the Programme Manual based thereon, and the Subsidy Contract signed between the MA and the LP.
	2. The Subsidy Contract, including annexes and amendments, is considered to be an integral part of the Partnership Agreement. The Subsidy Contract and any Addendum(s) to the Subsidy Contract shall be attached to the Partnership Agreement as an annex.

#### Article 4: Duration of the Partnership Agreement

* 1. The Partnership Agreement comes into force once it has been signed by the LP and each PP individually or by all PPs, and under the condition that the Project is approved for co-financing by the Programme. It remains in force until the LP and PPs have completed in full their obligations as further defined in Article 6 of Partnership Agreement towards the MA and any relevant European body.

#### Article 5: Roles and duties in the partnership

* 1. The LP of the Project:
		1. is entitled to represent the PPs in project implementation issues;
		2. is responsible towards the MA for the overall coordination, management, and implementation of the Project;
		3. ensures timely commencement and implementation of the activities within the lifetime of the Project, in compliance with all obligations to the MA. The LP must notify the JS of any factors that may adversely affect the implementation of the Project activities and/or the financial plan;
		4. monitors the delivery of the agreed work plan setting out tasks to be undertaken as part of the Project, the role of the PPs in their implementation, and the Project budget;
		5. prepares and submits the Project progress reports, including supporting documents, according to section 6.3 “Project reports and payments” of the Programme Manual, and additional requested documents and/or information from the JS and the MA;
		6. addresses requests for Project modifications, according to section 6.2 “Project changes” of the Programme Manual;
		7. is, in general, the contact point representing the partnership for any communication with the JS/MA or any other of the Programme bodies;
		8. provides the PPs with copies of all relevant Project documents, and reports on the implementation of the Project. The LP must regularly inform the PPs of all relevant communication between the LP and the JS/MA;
		9. carries out any other tasks agreed upon with the PPs.
	2. PPs are the bodies responsible for carrying out specific Project activities in the manner and scope indicated in the Project data. PPs commit themselves to undertake all steps necessary to support the LP in fulfilling its obligations as specified in Article 7 of the Subsidy Contract signed between the MA and the LP, as well as in Partnership Agreement.
	3. The PPs must:
		1. comply with rules and regulations referred to in Article 1 of the Partnership Agreement, as well as relevant national regulations and all other rules applicable to the PPs;
		2. implement the Project in line with the work plan, the time schedule, and the approved budget, as indicated in the Project data;
		3. actively cooperate with the LP and PPs in the implementation of the Project;
		4. cooperate in the staffing and/or financing of the Project in accordance with the Partnership Agreement;
		5. keep to other obligations based on Partnership Agreement;
		6. provide the LP with all the information and documents required for coordinating and regularly monitoring the technical and financial progress of the Project; and necessary in preparing the Project progress and final reports concerning the part of the Project that the PP is responsible for;
		7. provide any additional information related to reporting to the LP or JS/MA, if requested, in due time.
	4. The PPs are responsible for:
		1. carrying out the specific activities set out in the Project data;
		2. complying with any deadlines set by the Programme, the LP, or agreed within the partnership;
		3. notifying the LP of any factors that may adversely affect the implementation of the Project in accordance with the Project data.
	5. In particular, for the part of the Project for which it is responsible, each PP must ensure:
		1. that it complies with relevant rules concerning, inter alia, equal opportunities, protection of the environment, financial management, branding, public procurement, and State Aid;
		2. it is implemented according to the rules and procedures set in the Programme Manual.

#### Article 6: Financial management of the Project

* 1. Each PP must:
		1. set up separate accounts or adequate bookkeeping systems for the financial settlement of the Project, ensuring that expenditure and revenues, as well as the received national and Programme co-financing related to the Project, are clearly identified;
		2. strictly follow the EU eligibility rules on expenditure set up by the Programme in chapter 7 of the Programme Manual and national rules, if applicable;
		3. be responsible for guaranteeing the sound financial management of Programme funds received and, in cases of recovery, for reimbursing the LP or relevant Programme body directly for unduly paid Programme funds, in accordance with the rules and procedures set in section 7.7 “Irregularities and recovery of expenditure” of the Programme Manual;
		4. regularly, according to section 6.3 “Project reporting and payments” of the Programme Manual, submit expenditures for verification to the designated National control, according to the rules set at Programme and national level. Verified expenditures are available in the JEMS for the LP immediately after verification;
		5. return to the LP or any relevant Programme body any amounts of Programme co-financing unduly paid concerning their participation in the Project, in accordance with the rules and procedures set in section 7.7 “Irregularities and recovery of expenditure” of the Programme Manual. In the case of national co-financing, the specific regulation of the country granting it applies;
		6. ensure that the expenses incurred are strictly related to the Project activities, in line with the Project data;
		7. set up a physical and/or electronic archive where data, records and documents composing the audit trail are stored, in compliance with the requirements described in the Programme Manual.
	2. Furthermore, the LP must:
		1. ensure that the expenditure presented by the PPs participating in the Project has been incurred for the purpose of implementing the Project, and corresponds to the activities agreed between those PPs as specified in the Project data;
		2. verify that the expenditure presented by the PPs participating in the Project has been validated by the National control, according to the rules set at Programme and national level;
		3. transfer relevant portions of ERDF co-financing to the PPs’ bank accounts within \_\_\_\_\_\_working days of its receipt from the MA (but not exceeding one month);
		4. constantly monitor the spending of the Project budget foreseen for each PP, and ensure that budget reallocations are carried out within the limits and according to the rules as set out by the Programme in section 6.2 “Project changes” of the Programme Manual;
	3. If a PP fails to inform the LP of any change from the Project data, the LP is then entitled to refuse to include in the Project Progress Report the costs of this PP that are connected to such changes and/or that result in overspending of the approved budget of this PP.
	4. In case a PP ascertains that it will be behind schedule with its contribution to the Project Progress Report, the PP shall immediately inform the LP via email; such information must not be submitted later than the actual deadline for submission of the given Partner Progress Report to National Control. The PP concerned and the LP, supported by the other PPs to Partnership Agreement, shall make any effort to jointly sort out the problem causing the default. If necessary, the LP shall submit a request for postponement of the deadline for submission of the Project Progress Report to the JS/MA. In case a PP does not comply with the requirement to inform via e-mail the LP and does not sort out any problem causing the default, the LP shall be entitled to exclude the Partner Progress Report in the relevant reporting period.
	5. The PPs must provide access to the premises, documents and information, irrespective of the medium in which they are stored, for controls or audits by the MA, the JS, the Audit Authority, relevant national authorities, authorised representatives of the EC, the European Anti-Fraud Office, the European Court of Auditors, the Group of Auditors and any external auditor authorised by these institutions or bodies. These controls or audits may take place up to 5 years from 31 December of the year of the last payment from the Programme to the LP. The PPs must ensure that all original documents, or their certified copies, in line with the national legislation related to the implementation of the Project, are made available until the above final date of possible verifications, and until any ongoing audit, verification, appeal, litigation or pursuit of claim has been completed.

#### Article 7: Recoveries

* 1. Should the MA, in accordance with the provisions of the Articles 8 of the Subsidy Contract, demand repayment of Programme funds already transferred, each PP must transfer to the LP any amounts paid to them in excess, according to the rules as set out by the Programme in section 7.7 “Irregularities and recovery of expenditure” of the Programme Manual and recovery documents.
	2. In such cases, the LP must immediately forward to the PPs the recovery documents received from the MA, by which the MA has asserted the repayment claim, and notify every PP of the amount repayable.
	3. If the recovery concerns the LP alone, then the LP must not stop payments to the other PPs.

#### Article 8: Modifications, withdrawal from obligations

* 1. The LP and each PP agree not to withdraw from the Project unless there are unavoidable reasons for doing so. Should this nonetheless happen, the LP and the remaining PPs must find a solution in agreement with the rules and procedures as described in section 6.2 “Project changes” of the Programme Manual.
	2. Should a PP fail to comply with its obligations under this Partnership Agreement, the partnership may decide as a last resort to remove this PP from the Project and request modifications as outlined in section 6.2 “Project changes” of the Programme Manual.
	3. The LP can, if necessary, request modifications of the Project data to the JS/MA. Any modifications requested, including a budget, partnership and operational changes, must be agreed upon and authorised by the PPs beforehand, according to pre-agreed rules of procedure or other decision-making mechanism established in the partnership.
	4. The LP and PPs must strictly follow the provisions of the Programme Manual when requesting and/or implementing modifications in the Project.

#### Article 9: Information and communication, publicity and branding

* 1. The LP and the PPs must comply with the EU publicity rules as well as the communication requirements outlined in section 6.4 “Publicity requirements” of the Programme Manual, and provide any material developed/produced during the lifetime of the Project that may be useful to publications at the Programme level.
	2. The LP and PPs ensure that any outcome and result produced during Project implementation can be used by all interested parties and organisations, and are in the public interest and publicly available. Moreover, the PPs will support the LP and play an active role in any actions organised by the Programme to disseminate and capitalise on Project results.

#### Article 10: Intellectual property rights, confidentiality and conflict of interest

* 1. The LP and PPs must undertake to enforce all applicable national and EU laws, including but not limited to laws on intellectual property rights, especially copyright, regarding any output produced as a result of Project implementation.
	2. The LP or PP shall ensure that it has all rights to use any pre-existing intellectual property rights, if necessary for the implementation of the Project.
	3. The result of the joint activities covered by the Partnership Agreement concerning reports, documents, studies, electronic data, and other outputs, are the joint property of the partnership unless specifically agreed otherwise.
	4. The LP and PPs are obliged to take all necessary measures to avoid conflicts of interest and to keep each other informed without delay on any circumstances that have generated or may generate such conflict.
	5. The LP and PPs are obliged to inform via email the JS/MA if there is any sensitive or confidential information related to the Project that may not be published or made publicly available. This clause does not affect the LP and PPs obligation to make all results and outputs of the Project available to the public.
	6. The LP and the PPs commit to ensuring that all staff members involved in the implementation of the Project respect the confidential nature of information, and do not disseminate it, pass it on to third parties or use it without the prior written consent of the organisation that provided the information.

#### Article 11: Dispute settlement

* 1. Disputes arising between PPs or between the LP and PP(s) concerning their contractual relationship and, more specifically, the interpretation, performance, and termination of Partnership Agreement should strive to be resolved amicably. Should this not be possible, the laws and regulations of the country of the LP shall apply.
	2. The MA/JS are not parties in the Agreement or in the disputes that may arise between the contracting LP/PPs or towards third parties.

#### Article 12: Third party contracts, liability, and outsourcing

* 1. In the case of cooperation with third parties including but not limited to sub-contractors and in-house bodies, regarding the Project the relevant PP remains solely responsible towards the other PPs concerning compliance with its obligations as set out in the Programme Manual. PPs must inform each other about the scope of such contracts and the names of the contracted parties.
	2. Should a PP not comply with its obligations, this PP must be solely responsible for damages and costs resulting from this non-compliance.

#### Article 13: Assignment, legal succession

* 1. In the case of legal succession, e.g., where the LP or any PP changes its legal form, the LP or PP is obliged to transfer all duties and obligations under Partnership Agreement to its successor according to the rules as set out in section 6.2 “Project changes” of the Programme Manual.

#### Article 14: Amendment of the Partnership Agreement

* 1. Amendments to the Partnership Agreement must be properly documented. In accordance with the rules and procedures as set out in section 6.2 “Project changes” of the Programme Manual, the LP presents the amended Partnership Agreement to the JS/MA without undue delay by uploading it via JEMS.

#### Article 15: Termination

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

**Article 16: Final Provisions**

* 1. The Partnership Agreement is written in English. If this document and its annexes are translated into another language, the English version will be the binding one.
	2. Should conflicting clauses or the interpretation thereof between Partnership Agreement and the Subsidy Contract arise, the Subsidy Contract takes precedence.
	3. If any provision in this Partnership Agreement should be wholly or partly ineffective, the parties to the Partnership Agreement undertake to replace the ineffective provision with an effective provision that comes as close as possible to the purpose of the ineffective provision.
	4. Amendments and supplements to the Partnership Agreement must be in written form. Consequently, any changes to the present Agreement will only be effective if they have been agreed on in writing.
	5. The MA/JS cannot be held responsible for the content of the articles. This responsibility belongs to the LP, as described in Article 26 (1) a of Regulation (EU) 2021/1059.

**Article 17: Signatures**

* 1. All PPs must sign and date the Partnership Agreement. The same rules shall apply to any amendments or annexes to Partnership Agreement that may be made.
	2. The Partnership Agreement shall enter into force on the date when the last PP signs the Partnership Agreement.

**Lead Partner:**

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| *Name* |  |

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| *Title* |  |

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| *Signature*  |  |

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| *Place, date* |  |

## **Project Partner 2:**

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| *Name* |  |

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| --- | --- |
| *Title* |  |

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| *Signature*  |  |

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| *Place, date* |  |

*[more Project Partners to be added accordingly if needed*

*Optional:* DOCUMENT IS SIGNED WITH SECURE ELECTRONIC SIGNATURE AND CONTAINS A TIME STAMP