



Interreg



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NEXT MED

Partnership Agreement

[Title of the Project « Acronym »]

Template

Disclaimer

This Partnership Agreement serves only as a template. There is no guarantee and no liability for completeness, correctness and full compliance with EU, national law and any other relevant provisions. As a model form it may be modified and adjusted to the Project Partners' individual needs according to their legal and administrative framework. However, the Partnership Agreement shall avoid any contradiction to the rules set out in the call for proposals' documents.



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NEXT MED

Between

The [Full official name of the Lead Partner], address..... represented by..... hereinafter referred to as Lead Partner.

On one hand,

And

Add as many rows as the number of Partners

[Full official name of the Partner 1], address....., represented by.... hereinafter referred to as Partner 1

[Full official name of the Partner 2], address....., represented by.... hereinafter referred to as Partner 2

[Full official name of the Partner 3], address....., represented by.... hereinafter referred to as Partner 3

[Full official name of the Partner 4], address....., represented by.... hereinafter referred to as Partner 4

[Full official name of the Partner 5], address....., represented by.... hereinafter referred to as Partner 5

[Full official name of the Partner 6], address....., represented by.... hereinafter referred to as Partner 6

[Full official name of the Partner 7], address....., represented by.... hereinafter referred to as Partner 7

On

the

other

hand

Having regard to:

- Regulation (EU, EURATOM) No 1046/2018 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union;
- Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities financial interests;
- Regulation (EU) 2021/947 of the European Parliament and of the Council of 9 June 2021 establishing the Neighbourhood, Development and International Cooperation Instrument – Global Europe;
- Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund;
- 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;
- Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions;
- Interreg VI-B NEXT Mediterranean Sea Basin (NEXT MED) Programme Document approved by Commission Implementing Decision C(2022) 9543 of 12 December 2022;
- All manuals and guidelines issued by the Programme, in their latest version;

- Financing Agreements signed between the European Commission and the Mediterranean Partner Countries;
- Applicable national rules;
- Programme guidelines applicable to the Lead Partner and Partners;
- National rules and guidelines applicable to the Lead Partner and Partners and reported in the Document on Management and Control System;
- The Grant Contract and all its annexes, which will be signed between the Lead Partner and the Managing Authority.

The contracting parties have agreed as follows:

Article 1: Subject of the Agreement

This Partnership Agreement sets out the modalities of the relations among the Lead Partner and the partners of the project *<Project title, acronym and registration number>* and the responsibilities of each party to ensure proper management and a joint and effective implementation of that project, in accordance with the description contained in the Application Form and the rules and conditions laid down by the regulations and documents above mentioned.

This Partnership Agreement is part of the Grant Contract signed between the Managing Authority and the Lead Partner. In case of conflict between the provisions of this Agreement and those of the Grant Contract, the latter prevail.

Article 2: Definitions

For the purpose of this Agreement the following terms shall have the meaning here specified:

- a) MA: Managing Authority of the Interreg NEXT MED Programme;
- b) JS: Joint Secretariat of the Interreg NEXT MED Programme;
- c) Lead Partner: the project Lead Partner providing the leadership role and taking overall responsibility for the implementation of the project vis-à-vis the MA;
- d) Partner: project Partner organization directly involved in the implementation of the activities described in the Application Form.

Article 3: Entry into force and duration of the Partnership Agreement

This Partnership Agreement shall enter into force on the same date on which the Grant Contract, signed between the Lead Partner and the MA, enters into force. It shall remain in force until the Lead Partner has discharged in full their obligations toward the MA according to the Grant Contract and its annexes, i.e. five years from the payment of the final balance of the Programme by the MA to the Lead Partner.

Article 4: Objectives of the project

The Partners commit themselves to achieve the project objectives as outlined in the Application Form.

Article 5: Duration of the project

The duration of the implementation of the Project as stated in Article 2 of the Grant Contract is set to <.... > months. It starts on the same date specified in that article.

Article 6: Obligations of the partnership

The Lead Partner and the Partners commit themselves to ensure proper and timely implementation of the project established, according to the obligations between the Lead Partner and the MA.

In particular, in compliance with Article 4.3 of the Grant Contract the Lead Partner alone shall be accountable to the MA for the implementation of the project, but the Partners undertake that the conditions applicable to the Lead Partner under Articles 4, 6.6, 10.1, 11.2, 11.4, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22 and 24 shall also apply to them, and those applicable under Articles 4, 19, 20, 21, 22 to all subcontractors. In particular, the Lead Partner undertakes that the conditions applicable to it under Article 17 on the recovery procedure shall also apply to its Partners.

Article 7: Obligation of the Lead Partner

According to the Grant Contract, the Lead Partner is responsible for the overall coordination, management and implementation of the project. The Lead Partner shall assume the sole responsibility for the entire Project vis-à-vis the MA and shall fulfill all the obligations arising from the related Grant Contract and its annexes.

In addition to the obligations set out in the Grant Contract the Lead Partner is obliged, in particular:

- a. to appoint a Project Manager responsible for the overall coordination and implementation of the project, and, to appoint a Communication Manager, in charge of the visibility and publicity actions, and a Financial Manager in charge of financial monitoring, book keeping, financial reporting, distribution and verification of the EU funding to the Partners, as well as of implementing measure to ensure the eligibility of expenditures. The Financial Manager is expected to work in close cooperation with the Project Manager and the Partners in order to ensure a sound financial management. The Communication Manager is expected to work in close cooperation with the Project Manager and the Partners to ensure a sound implementation of the visibility and publicity actions;
- b. to ensure the start-up of the project and its compliance with the milestones set in the Application Form based on Partners' contribution;
- c. to guarantee the sound financial management of the funds allocated to the project;
- d. to ensure the recovery of amounts unduly paid according to the requirements of art. 52 of Regulation (EU) 2021/1059;

- e. to ensure that the expenditures included in the project accounts have been made for the purposes of implementing the project and correspond to the activities included in the approved and agreed budget among all Partners;
- f. to ensure that the expenditures included in the project accounts have been incurred during the Project implementation period as mentioned in Article 2 of the Grant Contract;
- g. to prepare and submit to the MA interim and final reports concerning the technical and financial implementation of the project according to art. 6 of the Grant Contract;
- h. to regularly communicate with the JS on relevant news and issues and timely report to it, especially in case of problems and delays in the implementation of the project, modifications of the budget, activities or Partners;
- i. to receive the payments from the MA and to transfer them to the Partners according to the agreed amounts and deadlines;
- j. to transmit to the Partners copies of all relevant documents concerning the project, in particular the signed Grant Contract and its annexes, any amendments to it approved by the MA, and the reports on the implementation of the Project and to keep them regularly informed of all relevant communication between the Lead Partner and the MA;
- k. to process and store personal data concerning partners in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 (GDPR - General Data Protection Regulation).

Article 8: Obligations of the Partners

Each Partner is responsible for carrying out the activities described in the work packages of the Application Form in close cooperation with all Partners and it commits itself to deliver the Project's expected results.

The Partners commit themselves to accept the technical, administrative and financial coordination of the Lead Partner in order to allow the latter to fulfil entirely its obligations to the MA as set out in the Grant Contract and its annexes. To this end, they authorise the Lead Partner to sign the contract with the MA and they entitle them to represent them towards the MA and the Joint Secretariat as far as the project implementation is concerned.

More specifically, each project Partner is obliged to:

- a. implement its part of the project according to the description of the Project in the Application Form and the requirements set in the Grant Contract;
- b. provide the Lead Partner with all the information and documents required for the coordination and regular monitoring of the technical and financial progress of the project;
- c. provide the Lead Partner with all the information and documents required for the preparation of the progress, interim and final reports concerning the part of the project under its responsibility;

- d. keep separate accounts or use an appropriate accounting system according to the national legislation through which expenditures and receipts relating to the project are easily identifiable and verifiable, in accordance with the indications of Article 16 of the Grant Contract;
- e. ensure that the expenditures have been incurred for the purpose of implementing the project and correspond to the activities agreed by the Partners as described in the Application Form;
- f. ensure that the expenditures included in the Project accounts have incurred during the project implementation period as mentioned in Article 2 of the Grant Contract;
- g. guarantee the sound financial management of the funds allocated to the part of the project implemented under their responsibility;
- h. repay to the lead partner any amounts unduly paid, according to the requirements of art. 52 of Regulation (EU) 2021/1059;
- i. timely submit to the Lead Partner the expenditure verification report for the part of the project implemented under their own responsibility,
- j. react promptly to any request of the Lead Partner, the MA, JS or Branch Offices, in particular concerning requests related to the coordination and implementation of the project;
- k. notify the Lead Partner immediately of any event that could prevent, jeopardise, lead to a termination of or temporary delay the implementation of the project;
- l. allow the European Commission, the European Anti-Fraud Office, the European Court of Auditors, the MA, the Audit Authority, and any external auditor carrying out verifications required by the Grant Contract, to verify, by examining the documents and to make copies thereof or by means of on-the-spot checks, the implementation of the project and conduct a full audit, if necessary, on the basis of supporting documents for the accounts, accounting documents and any other document relevant to the financing of the project. These inspections may take place up to five years after the payment of the Programme balance,
- m. comply with national regulations, where applicable,
- n. to reimburse the National Authority in the event it has paid back the Programme due to unsuccessful recoveries as referred in art. 52.4 of Reg. (EU) 1059/2021 or according to the provisions set in the Financing Agreement,
- o. *(include any other specific agreement among partners as the case may be, e.g. on the provision of financial guarantees, progress to be achieved for the transfer of the pre-financing, etc.)*
- p. _____,
- q. _____

Article 9: Project budget and eligible expenditures

The total project budget as detailed in the project Budget amounts to <... ..> EURO>. The total contribution of the NEXT MED Programme amounts to <...> (a maximum of 89% of the total project cost).

The Lead Partner and the Partners commit themselves to the respect of the list of eligible costs as described in Article 14 of the Grant Contract, and shall be held responsible for financial management of their budget. Any amendment of the project budget and financial plan shall be performed by the Lead Partner under prior agreement among the Partners.

Article 10: Co-financing of the project

The Lead Partner and the Partners will co-finance the project, as follows:

The Lead Partner undertakes to co-finance the implementation of the project with <... ..> EURO with its own resources. An amount of <... ..> EURO will be provided by the co-financer <... ..>.

Partner 1 undertakes to co-finance the implementation of the project with <... ..> EURO with its own resources. An amount of <... ..> EURO will be provided by the co-financer <... ..>.

Partner 2 undertakes to co-finance the implementation of the project with <... ..> EURO with its own resources. An amount of <... ..> EURO will be provided by the co-financer <... ..>.

Partner 3 undertakes to co-finance the implementation of the project with <... ..> EURO with its own resources. An amount of <... ..> EURO will be provided by the co-financer <... ..>.

Partner 4 undertakes to co-finance the implementation of the project with <... ..> EURO with its own resources. An amount of <... ..> EURO will be provided by the co-financer <... ..>.

The Lead Partner and the Partners shall follow the State Aid rules wherever applicable.

Article 11: Payment to the Partners

All contribution for the implementation of the Project will be transferred in Euro to the bank account of the Lead Partner as indicated in the Financial Identification Form.

The Lead Partner shall be responsible for the administrative and financial management of these funds. The Lead Partner takes responsibility for distributing the funds among the Partners as well as the pre-financing payment in accordance with their expenditures incurred in Project activities and on the basis of the requests for payment submitted by the Partners. The funds will be distributed by bank transfer within <30 calendar days (suggested)> from the date of receipt of the pre-financing/final balance of the grant, and in proportion to each partner's contribution to the implementation of activities¹. The final balance will be transferred in accordance with Article 7 of the Grant Contract.

The transfer of project funds from the Lead Partner to the different Partners is made via bank transfer to the accounts given by the Partners and officially communicated to the Lead Partner.

¹ The Lead Partner will agree with Partners on the amount or percentage that should be transferred to the latter, on the basis of activities to be carried out each year.

Any modifications of the bank account details of the Partner shall be timely notified to the Lead Partner.

In case the eligible costs related to the part of the project under the Partners' responsibility, at the end of the project, are different than the estimated costs, the Partner is reimbursed according to the amount approved by the MA for the respective part of the project.

Article 12: Verification of the expenditures

The Lead Partner and all Partners shall conduct the verification of the expenditures. An expenditure verification report is drawn up by an auditor/controller according to Programme instructions and national control system.

The report is annexed to any request for payment to be made in accordance with art 6, regardless of the amount of the Grant Contract or the type of Lead Partner, with the exception of the initial pre-financing payment. The Lead Partner and its Partners will have different auditors/controllers except in the case of partners with the same nationality **(in this case it shall be specified below which ones)**. In any event, the expenditures of every Partner will be always verified by an auditor/controller with a proper knowledge of the language and the legislation of the country.

The information concerning the reality and validity of actions and expenses eligible for funding provided by each Project Partner shall entail only its responsibility.

The Lead Partner and the Partners shall make all the necessary arrangements to ensure that the verification will be properly carried out and to provide auditors/controllers with any requested information on the Project, giving them access to accounting books, supporting documents and other documentation related to the Project.

Article 13: Monitoring and Reporting

Pursuant to article 6 of the Grant Contract, the Lead Partner shall provide the MA and the Joint Secretariat with all necessary reports relating to the implementation of the Project. These reports shall consist of a narrative and a financial section.

Every Partner shall provide the Lead Partner with their contribution to both the narrative and financial sections. The Partners commit themselves to meet the deadlines set by the Lead Partner for the submission of the reports. The Partners are also aware that failure to comply with this commitment may result in suspension of any further transfer of resources from the Lead Partner to the concerned Partners. However, the Lead Partner may ask the Partners additional information at any time.

Article 14: Procurement procedures

If the implementation of the Project requires procurement by the Lead Partner or the Partners, the contracts must be awarded according Article 58 of the Regulation (EU) no. 1059/2021, Annex II of the Financing

Agreements for MPC Countries, as well as the specific provisions for each country and type of Lead Partner and the mandatory instructions issued by MA as also reported in art. 15 of the Grant Contract.

Article 15: Keeping of documents

In accordance with Article 16.6 of the Grant Contract all project documents, in particular reports and supporting documents, as well as accounts, accounting documents and any other document relevant to the activities and/or the financing of the project shall be kept by the Partners for the period of five years from 31 December of the year in which the last payment by the MA to the Project is made, and in any case until any on-going audit, verification, appeal, litigation or pursuit of claim has been disposed of. ,.

The Lead Partner and the Partners commit themselves to appoint a person in charge of keeping the documents until the end of the above-mentioned period. The person in charge for the Lead Partner will be informed of the contact details of all the corresponding people in charge for the Partners who commit themselves to notify every change of person or of contact details.

Article 16: Ownership and use of results of the project

According to art. 22 of the Grant Contract, ownership of, and title and intellectual and industrial property rights to, the project's results, reports and other documents relating to it will be vested in the Lead Partner and its partners.

Article 17: Communication, publicity and dissemination of project results

In accordance with the Application Form, the Lead Partner and the Partners shall ensure the visibility of all activities and results, both towards its final beneficiaries and towards the general public. In particular, they shall ensure a proper and up-to-date information and appropriate visibility measures, e.g. by way of graphic charts, data bases, publications, etc.

The Lead Partner and the Partners undertake to follow the Guidelines for communication and visibility that have been published by the MA, and to provide any material useful to the publications at Programme level (brochures, videos, etc.) developed during the life cycle of the project. No websites, online platforms or other similar digital tools can be implemented without the explicit confirmation by the JS and MA.

Article 18: Recovery

The Lead Partner shall be responsible for the recovery of any unjustified or ineligible expenditure and for the reimbursement to the MA of the whole amount recovered according to art. 17 of the Grant Contract.

Moreover, where ineligible expenditures already covered by a payment are identified on receipt of the final report or following a control or an audit, the Lead Partner and the Partners commit themselves to follow the rules of Article 17 of the Grant Contract.

Where one partner fails to fulfill partially or entirely any of its obligations, including those under Article 6 of this Partnership Agreement, or commits a material error in the implementation of the Project's activities, the concerned partner shall promptly **within a deadline of <30 days> (suggested)** undertake to repay the Lead Partner the amounts unduly received or unused.

If a recovery is justified under the terms of the Grant Contract, the Lead Partner undertakes to repay the MA these amounts, within 45 days of the issuing of the debit note, the latter being the letter by which the MA requests the amount owed by the Lead Partner and/or by the partners, including bank charges incurred by the MA for the payment to the Lead Partner of the amounts which become due to the MA. Amounts to be repaid to the MA may be offset against amounts of any kind due to the relevant partner, after informing it accordingly.

For irregularities discovered after payment of the final balance, the concerned partners may repay the due amounts directly to the MA, notifying the Lead Partner about this option.

Pursuant to art. 52 of the Reg. (EU) 1059/2021, without prejudice to the prerogative of the MA, if necessary, the Member State or the partner country where the Lead Partner and/or the concerned partner is established may proceed to the recovery by any means from the respective Lead Partner and/or partner.

Article 19: Amendment of the Partnership Agreement

Any amendment to this Partnership Agreement must be set out in writing. An addendum must be signed by all Partners and subject to prior approval by the MA. This modification may not in any case relate to the nature of the project including its objectives and results, or to increasing the project budget. Changes of address, bank account and partners' auditors may simply be notified to the Lead Partner and to the MA.

Article 20: Changes to the Project's Partnership

The Partners agree to withdraw from the project only in case of exceptional and duly justified circumstances, for example in case of *force majeure*. Where a partner intends to withdraw from the Project, it shall officially send a written request to the Lead Partner.

The Lead Partner will immediately inform the MA and all Partners. The Lead Partner and the remaining Partners shall collaborate to find a rapid and efficient solution to ensure the further project implementation without any delay. Consequently, when a Partner withdraws from the project, the remaining Partners shall cover the contribution of the withdrawing Partner, either by assuming its tasks or by asking one or more new Partners to join the project partnership. Finally, the Lead Partner will send an explicative report to the MA including technical and financial information on the causes of the withdrawal and the identified solution, if any. The MA will review the report and inform the Monitoring Committee before its approval.

The Partner withdrawing from the Partnership has only right to the part of the Grant corresponding to the partial execution of the project activities and to the expenditures verified until its withdrawal, which shall be included in a final report, without prejudice of the Lead Partner's right to claim full or partial repayment of amounts

already paid, if the withdrawal is unjustified and if the withdrawing Partner has not executed the project activities in compliance with Programme Rules.

A Partner may be terminated from the Project, if the remaining members of the Partnership find and can demonstrate that the Partner to be terminated is not contributing effectively to the Project implementation.

Article 21: Dispute settlement

In case of dispute arising in the execution of this Partnership Agreement between the Lead Partner and the Partners or among the Partners themselves, all parties shall do everything possible to settle amicably this dispute. To this end, they shall communicate their positions in writing and any solution that they consider possible.

The Lead Partner shall immediately notify the JS and MA of any disputes arising during the Project implementation.

In case of failure to reach an amicable agreement, the dispute shall be submitted to the courts of the country of the Lead Partner and the applicable law is that of the country where the Lead Partner is established.

Article 22: Annexes

The following documents are annexed to the Partnership Agreement:

<.....>

Article 23: Working language

The working language of this Partnership agreement shall be [English / French]. This language is used during all the Project implementation period. Thus, all procedures, internal communication, communication with the MA and documents relating to the implementation of the Project will be in English [French]. In case of translation into another language, the English [French] version shall prevail.

Done in English [French] in 3 originals.



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NEXT MED

For the Lead Partner

Name and position of legal representative

Date, place and signature

Stamp

Partner 1

Name and position of legal representative

Date, place and signature

Stamp

For the Lead Partner

Name and position of legal representative

Date, place and signature

Stamp

Partner 2

Name and position of legal representative

Date, place and signature

Stamp

For the Lead Partner

Name and position of legal representative

Date, place and signature

Stamp

Partner 3

Name and position of legal representative

Date, place and signature

Stamp