**PARTNERSHIP AGREEMENT**

**on implementation of the project“***<project title>***” of the European Economic Area Financial Mechanism Programme for 2014 – 2021 “Local Development, Poverty Reduction and Culture Cooperation”**

Rīga \_\_\_ \_\_\_\_\_\_\_\_\_ 20\_\_

*<****name****, address, registration number or VAT number of the institution*>, represented by its *<position, name, surname> who acts* on the basis of *<bylaws, statutes>* (hereinafter – Co-financing Beneficiary), on the one part, and

*<****name****, address, registration number or VAT number of the institution>*, represented by its *<position, name, surname> who acts* on the basis of *<bylaws, statutes>* (hereinafter – the Partner), on the other part, hereinafter collectively referred to as the Parties, and each individually as the Party,

on the grounds of:

* the provisions of the Cabinet Regulation No.700 of 24 November 2020 “General Regulations for the Implementation of the European Economic Area Financial Mechanism 2014 – 2021 programme “Local Development, Poverty Reduction and Cultural Cooperation” and the pre-defined projects”, Cabinet Regulation No.67 of 28 January 2021 “Implementation Regulation for the Open Call for project proposals “Support for the Creation of Professional Art And Cultural Products for Children and Youth” of the European Economic Area Financial Mechanism Programme for 2014 – 2021 “Local Development, Poverty Reduction and Cultural Cooperation”;
* project application “<*project title>*” (project No. \_\_\_\_\_\_\_\_\_\_\_\_\_) (hereinafter – the Project) for the open call for project proposals “Support for the Creation of Professional Art and Cultural Products for Children and Youth” of the European Economic Area Financial Mechanism (hereinafter – EEA Financial Mechanism) Programme “Local Development, Poverty Reduction and Cultural Cooperation”,
* *<dates and numbers of opinions/decisions>;*
* *<other laws and regulations, agreements, etc.>,*

conclude the following partnership agreement on the implementation of the Project of the open call “Support for the Creation of Professional Art and Cultural Products for Children and Youth” of the EEA Financial Mechanism Programme “Local Development, Poverty Reduction and Cultural Cooperation” (hereinafter – the Agreement):

1. **SUBJECT OF THE AGREEMENT**

This Agreement regulates the participation of the Partner and the cooperation of the Parties in the implementation of the Project of the open call “Support for the Creation of Professional Art and Cultural Products for Children and Youth” of the EEA Financial Mechanism Programme “Local Development, Poverty Reduction and Cultural Cooperation” (hereinafter – the Programme).

1. **RESPONSIBILITIES, OBLIGATIONS AND RIGHTS OF THE PARTNER**
   1. The Partner has the following responsibilities and obligations regarding the implementation of the supported activities of the Project:
      1. to ensure the implementation of the supported activities of the Project in accordance with the provisions of this Agreement, the provisions of the agreement concluded between the Co-financing Beneficiary and the Ministry of Culture of the Republic of Latvia as the Programme Partner (hereinafter – the Ministry as the Programme Partner), or the agreement on the allocation of funds for the implementation of the project Nr. \_\_\_“\_\_\_\_\_\_\_\_\_\_\_\_\_” of the EEA Financial Mechanism Programme for 2014 – 2021 “Local Development, Poverty Reduction and Cultural Cooperation” (hereinafter – the Project Agreement), with which a Project application form (Annex 1 of this Agreement) has been approved, and the provisions of the laws and regulations governing the Programme;
      2. to comply with all terms and conditions set forth in the Project and this Agreement with respect to the Partner;
      3. to inform the Co-financing Beneficiary about any circumstances that could negatively affect the implementation of the Project or this Agreement or could result in temporary or permanent termination of the Partner's participation in the Project;
      4. within the time limits defined by the Co-financing Beneficiary, to provide all the information, which is necessary for the preparation of reports and other documents related to provision of information to the Ministry as the Programme Partner or auditors on the implementation of the Project, including to submit copies of documents and justification documents related to the implementation of the Project, if applicable;
      5. within the time limits defined by the Co-financing Beneficiary, to submit to the Co-financing Beneficiary a expense report and an opinion *of an independent certified auditor who is qualified to perform statutory audits of accounting documents in accordance with International Standard on Related Services (ISRS) 4400, “Engagements to Perform Agreed-upon Procedures Regarding Financial Information” issued by International Federation of Accountants (IFAC), in accordance with the Annex 2 of this Agreement, certifying that the costs were incurred pursuant to the conditions for the implementation of the EEA Financial Mechanism Programme, national laws and regulations and accounting practice of the relevant country. Or shall submit a report issued by a competent and independent public official recognised by the authorities of the relevant state, responsible for budgetary and financial control in the body which caused the expenditure and which did not participate in the preparation of the financial statements, if this report certifies that the costs were incurred pursuant to the conditions for the implementation of the EEA Financial Mechanism Programme, national laws and regulations and accounting practice of the relevant country*;
      6. to implement all the activities within the scope of the competency of the Partner that would allow the Co-financing Beneficiary to fulfil the responsibilities set forth in the Project Agreement concluded with the Ministry as the Programme Partner;
      7. when carrying out a procurement and concluding supply or service contracts, to observe the principles of cost-effectiveness, economy and efficiency, the public procurement legal framework (if applicable), as well as the established requirements for the performance of feasibility research and ensure transparent, non-discriminatory purchase of goods and services;
      8. to immediately submit all the necessary information or documents upon the request of the Ministry as the Programme Partner, Ministry of Environmental Protection and Regional Development as the Programme Operator (hereinafter – Programme Operator), Ministry of Finance as the Audit Authority, Treasury of the Republic of Latvia as the Certifying Authority, the State Audit Office of the Republic of Latvia, Norwegian Ministry of Foreign Affairs, Office of the Auditor General of Norway, The European Free Trade Association Board of Auditors, Financial Mechanism Office or its authorized auditor, as well as to ensure the presence of the Partner during the audit. The Partner ensures free access to the premises of the Partner, technique, accounting and financial documents, other documents and information related to the Project, and Project implementation place to the institutions defined in this paragraph;
      9. to keep, for audit purposes, all materials and documents and data on their participation in the Project in paper format and on electronic data carriers in a secure and orderly manner throughout the Project implementation period and for at least 5 (five) years after approval of the final programme report;
      10. to ensure the publicity of the Project:
          1. to ensure the operative coordination of the publicity materials concerning the implementation of the supported activities under the responsibility of the Partner, with the Co-financing Beneficiary;
          2. to cooperate with the Co-financing Beneficiary in the publicity events planned in the Project, in accordance with the plan of the publicity events of the Project;
          3. *in accordance with the Paragraph 3.2. of the Annex 3 of the Regulation on the implementation of the EEA Financial Mechanism 2014 – 2021, the Partner shall provide information on their involvement and the outcome of their Project to the general public of Iceland, Liechtenstein or Norway and relevant stakeholders.* Information about the Project shall be available on the website of the Partner;
      11. to implement the supported activities of the Project:
          1. to ensure the delegation of the Partner's representative and his or her participation in the meetings of the Project monitoring group;
          2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
   2. Rights of the Partner:
      1. to receive, from the Co-financing Beneficiary, information related to its participation in the implementation of the supported activities of the Project.

*Supplemented with the necessary obligations and rights in accordance with the views of the Co-financing* *Beneficiary and the Partner, including information on rights of intellectual property and copyright, if applicable*

1. **RESPONSIBILITIES, OBLIGATIONS AND RIGHTS OF THE CO-FINANCING BENEFICIARY**
   1. The responsibility of the Co-financing Beneficiary, including the obligations and rights in the implementation of the Project, is determined by the Project Agreement on the implementation of the Project.
   2. Obligations of the Co-financing Beneficiary according to the Project Agreement:
      1. to provide the Partner with information related to its participation in the implementation of the supported activities of the Project;
      2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_;
      3. to ensure the publicity of the Project:
         1. to coordinate publicity materials concerning the implementation of the supported activities under the responsibility of the Partner, with the Partner;
         2. to cooperate with the Partner in the publicity events planned in the Project, in accordance with the plan of the publicity events of the Project;
         3. \_\_\_\_\_\_\_\_\_\_\_\_\_;
      4. to implement the supported activities of the Project:
         1. to invite the Partner to delegate a representative to participate in the Project monitoring group;
         2. to send the time frame for the implementation of the supported activities of the Project for approval;
         3. \_\_\_\_\_\_\_\_\_;
   3. Rights of the Co-financing Beneficiary:
      1. to receive, from the Partner, all the information regarding the implementation of the Project, which is necessary for the preparation of reports and other documents related to the provision of information to the Ministry as the Programme Partner and the entities carrying out the audit regarding the implementation of the Project;
      2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

*Supplemented with the necessary obligations and rights in accordance with the views of the Co-financing* *Beneficiary and the Partner*

1. **FINANCIAL CONDITIONS**
   1. The total Partner’s costs of the implementation of the supported activity *“title”* may not exceed EUR *<0,00>* (*amount in euros*, *expressed in words*) in the following budget items:
      1. \_\_\_\_\_\_\_\_\_\_\_\_\_:
         1. \_\_\_\_\_\_\_\_\_\_;
         2. \_\_\_\_\_\_\_\_\_\_;
      2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_:
         1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_;
         2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_;
   2. The Parties agree that, in addition to the costs specified in Sub-paragraph 4.1, the Co-financing Beneficiary shall cover the following cost items for the implementation of the supported activity *“title”* from the funds of the supported activities of the Project *“title”*:
      1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_;
      2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
2. **ELIGIBILITY OF COSTS**
   1. For the purposes of this Agreement, eligible costs are costs incurred by the Partner in accordance with the cost eligibility conditions which correspond to the amount of eligible costs specified in the Project Agreement and the specified period of cost eligibility.
   2. The Partner guarantees that all costs incurred in the Project are incurred in accordance with the requirements for the eligibility of costs of the EEA Financial Mechanism.
   3. The Partner undertakes to ensure the organisation of separate accounting in accordance with the requirements of the Programme.
   4. The amount of indirect costs of the Partner shall be calculated as a flat rate of 10% (ten percent) of direct staff remuneration costs.
3. **PAYMENTS**
   1. Based on the provisions of the Project Agreement and the provisions of this Agreement, the Co-financing Beneficiary shall make payments to the Partner in accordance with the procedures provided for in this Agreement.
   2. Payments covering the costs indicated in paragraph 4.1 of this Agreement shall be paid in the following order:
      1. The Co-financing Beneficiary shall transfer to the Partner, EUR *<0,00>* (*amount in euros*, *expressed in words*), to the Partner's account indicated in this Agreement no later than \_\_\_ business days before the start of the supported activity under the Partner's responsibility, in accordance with the mutually agreed Project implementation time frame;
      2. In the case that there is a positive difference between the funds transferred to the Partner (*<0,00>* (*amount in euros*, *expressed in words*)) and actual expenses incurred, the Partner shall transfer the remaining amount to the Co-financing Beneficiary’s account specified in this Agreement, after all payments have been made, but no later than \_\_\_ working days after the closing of the supported activity(-ies) managed by the Partner.
   3. The Partner shall only pay for the eligible costs indicated in this Agreement. In the event that the Partner has incurred any expenses that are not eligible under this Agreement, the Partner shall cover them from its own funds.
   4. The Co-financing Beneficiary and the Partner shall provide and indicate their bank accounts in this Agreement for payments concerning the implementation of the supported activities of the Project.
4. **CONDITIONS FOR CURRENCY CONVERSION AND REIMBURSEMENT PROCEDURE FOR CURRENCY CONVERSION EXPENSES**
   1. The financing is paid in euros.
   2. Currencies are converted into EUR according to the European Commission's monthly accounting exchange rate for the month[[1]](#footnote-1) in which these expenses are recorded.
   3. The Parties agree that if a situation requiring currency conversion arises and currency conversion costs are incurred, the Co-financing Beneficiary shall undertake to cover the currency conversion costs from its own funds.
5. **CONDITIONS FOR CARRYING OUT AUDITS AND INSPECTIONS**
   1. At the request of the Co-financing Beneficiary, the Partner shall ensure the provision and preparation of all information and documentation necessary for an audit or an inspection within the term specified.
   2. Within the within the time limits defined by the Co-financing Beneficiary, the Partner ensures the elimination of all deficiencies identified during inspections.
   3. If during an inspection it has been recognized that the Project expenses do not correspond to the conditions of the Project Agreement, they shall be considered as ineligible even if they have been approved in previous Project reports.
6. **DISPUTE RESOLUTION PROCEDURE**
   1. Disputes between the Parties related to the fulfilment of obligations under the Agreement shall be settled by agreement. The agreement shall be drafted in writing as an annex to this Agreement.
   2. In the case that the Parties cannot agree, disputes shall be resolved in accordance with the procedures specified in the laws and regulations in force in the Republic of Latvia.
   3. The Agreement is governed by the laws of the country of the Co-financing Beneficiary.
   4. Matters which are not covered by the Agreement shall be regulated by the law of the European Union.
   5. In the case of differences in interpretation, the English version of the Agreement shall prevail.
7. **LIABILITY OF THE PARTIES**
   1. The Parties shall be liable for the non-performance or improper performance of contractual obligations in accordance with the procedures and to the extent specified in the laws and regulations in force in the Republic of Latvia.
8. **CONTACTS**
   1. All communication related to this Agreement shall be made in writing, quoting the Project number and name, and using the following contact information:

Co-financing Beneficiary:

|  |  |
| --- | --- |
| Project manager: |  |
| Address: |  |
| Phone: |  |
| E-mail: |  |
| Website: |  |

Partner:

|  |  |
| --- | --- |
| Responsible official: |  |
| Address: |  |
| Phone: |  |
| E-mail: |  |
| Website: |  |

* 1. The Party whose contact information has changed shall immediately notify the other Party, which shall then attach a notice of the change of details to the Agreement.

1. **FORCE MAJEURE**
   1. The Parties shall be released from liability for partial or total non-compliance with the provisions of this Agreement in the event of force majeure, including but not limited to natural disasters, wars, strikes, epidemics, sabotage and acts of terrorism, and other conditions qualified as *force majeure* according to international standards, if the Agreement is not enforceable in whole or in part because of such conditions.
   2. The Party whose performance is hindered by the circumstances specified in Paragraph 12.1 of this Agreement is obliged to inform the other Party about it in writing within 5 (five) days. The Parties shall separately agree on the further performance of the Agreement in writing.
   3. If a Party has not been able to fulfil its obligations due to the circumstances specified in Paragraph 12.1 of this Agreement, but has not notified the other Party about it in accordance with the procedure specified in Paragraph 12.2 of this Agreement, it shall lose the right to refer to the said circumstances.
   4. The Parties shall agree on amendments to the Agreement while the circumstances and consequences referred to in Paragraph 12.1 of this Agreement are in effect.
2. **ENTRY INTO FORCE, DURATION AND AMENDMENTS OF THE AGREEMENT**
   1. This Agreement shall enter into force upon signing and shall remain in force until the Parties have completely fulfilled their obligations in respect to each other and until the Co-financing Beneficiary has fulfilled its obligations in respect to the Ministry.
   2. All changes to this Agreement shall be made in writing and shall become an integral part of this Agreement upon mutual signing.
3. **OTHER PROVISIONS**
   1. The Agreement with its annexes is drawn up in Latvian and English, in three copies with equal legal force; one copy has been issued to the Partner, and two copies – to the Co-financing Beneficiary.

*Supplemented, if necessary, with other conditions that are essential for the performance of the Agreement, incl. disclaims the conditions of use and copyright of the cultural product created within the framework of the Project, if applicable.*

**Annexed:**

1. Project application form of the Project “<*project title>*” (project No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_) on \_\_\_\_ pages.
2. *Other necessary documents.*

|  |  |
| --- | --- |
| **CO-FINANCING BENEFICIARY**  *<name>*  *<registered office>*  *<registration number>*  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  *<N. Surname>*  *<position>* | **PARTNER**:  *<name>*  *<registered office>*  *<registration number>*  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  *<N. Surname>*  *<position>* |
|  |  |
|  |  |

Annex 1 to Partnership Agreement

“On implementation of the project“*<project title>*”

of the European Economic Area Financial Mechanism

Programme for 2014 – 2021 “Local Development,

Poverty Reduction and Culture Cooperation””

**Title**

Annex 2 to Partnership Agreement

“On implementation of the project“*<project title>*”

of the European Economic Area Financial Mechanism

Programme for 2014 – 2021 “Local Development,

Poverty Reduction and Culture Cooperation””

**TEMPLATE FOR THE CERTIFICATION OF COSTS CLAIMED BY DONOR PROJECT PARTNER**

**(applicable only in the case of costs of a Partner which is registered in the Donor States)**

This is issued for the certification purposes as required by Article 8.12.4 of the Regulation on the implementation of the European Economic Are Mechanism 2014 – 2021 (the Regulation).

We confirm that procedures have been performed in order to provide assurance as to the relevance and conformity with the Regulation, national law and relevant national accounting practices of the costs claimed by donor project partner.

|  |  |
| --- | --- |
| **Project reference:** |  |
| **Project title:** |  |
| **Donor project partner:** |  |
| **Entity responsible for the certification:** |  |
| **Type of entity:** |  |
| **Start date of incurred expenditure:** |  |
| **End date of incurred expenditure:** |  |
| **Actual expenditure[[2]](#footnote-2) incurred this period:** |  |

The *[Auditor/Competent Public Officer]* hereby certifies that:

1. The costs claimed by the donor project partner are incurred in accordance with the Regulation on the EEA Financial Mechanism 2014 – 2021[[3]](#footnote-3).

2. The cost claimed are incurred in accordance with the relevant law and national accounting practices.

3. The *[Auditor[[4]](#footnote-4)/Competent Public Officer]* has not been involved in the preparation of the relevant financial statements and is independent of the donor project partner.

|  |  |  |
| --- | --- | --- |
|  | **For the Auditor/Competent Public**  **Officer** | **Optional second signature** |
| **Name** |  |  |
| **Signature** |  |  |
| **Position** |  |  |
| **Date** |  |  |

1. https://ec.europa.eu/info/funding-tenders/how-eu-funding-works/information-contractors-and-beneficiaries/exchange-rate-inforeuro\_lv [↑](#footnote-ref-1)
2. A breakdown of the costs certified should be provided as an annex [↑](#footnote-ref-2)
3. Provisions on eligibility of expenditures are started in chapter 8 of the Regulations [↑](#footnote-ref-3)
4. Auditor shall be qualified to carry out statutory audits of accounting documents [↑](#footnote-ref-4)