



GRANT CONTRACT

TO SUPPORT THE IMPLEMENTATION OF SELECTED ACTIVITIES BASED ON THE CULTURAL DEVELOPEMENT STRATEGY MADE AVAILABLE IN THE FRAMEWORK OF THE EU FUNDED PROJECT EU4CULTURE

**GOETHE
INSTITUT**

Sprache · Kultur · Deutschland

between

Goethe-Institut e.V, represented by Goethe-Institut Filiale Romania, Adress: Bucharest, 010573, 1st district, Calea Dorobanți Str. 32 represented by Institute Director Mr. Joachim Umlauf.

and

Orhei City Hall

Str. Vasile Mahu, 160, Raionul Orhei, MD-3500,

VAT registration number: 1007601008007

Represented by the Mayor Cociu Tatiana.

– hereafter the "Beneficiary"

Goethe-Institut and the Beneficiary will also be collectively referred to as the "**Contract Parties**".

In accordance with applicable European Union law and the laws of the Federal Republic of Germany and under contract number 01/28.02.2024, the Contract Parties are entering into the following:

**GRANT CONTRACT TO SUPPORT THE IMPLEMENTATION OF SELECTED ACTIVITIES BASED ON
THE CULTURAL DEVELOPEMENT STRATEGY MADE AVAILABLE IN THE FRAMEWORK OF THE
EU-FUNDED PROJECT "EU4CULTURE"**

(hereafter "the Contract")

§ 1 Contract object

- (1) In accordance with the Contract and its Annexes, Goethe-Institut awards the Beneficiary with a grant of a maximum of

30 000 [EUR]

(in words: thirty thousand euros)

- (2) This grant is exclusively being provided on the basis of the project announcement (**Annex 1 – Restricted Call for Proposals**) and the Beneficiary's Expression of Interest and Proposal (**Annex 2 – Expression of Interest and the Proposal including updated Logical Framework Matrix (LFM)**), the budget and financial plan (**Annex 3 - Budget and financial plan**), and Self-declaration form (**Annex 4 - Self-Declaration**) for the project(s) indicated in the following (**purpose of the grant**):

EU4Culture: Promoting Culture and Creativity as an Engine for Economic Growth and Social Development in Eastern Partnership Countries	Grant to support the implementation of the selected activities based on the Cultural Development Strategy
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- (3) The Restricted **Call for Proposals** particularly specifies:
- a) The type of financing, such as maximum amount of the grant;
 - b) The expenditures estimated for individual measures;

- c) The specific activity plan, which is used to schedule milestones;
- d) The Beneficiary's reporting and record-keeping obligations.

(4) The provisions laid out in **§ 5 Eligible costs and procurement of items** must be followed.

(5) The following Annexes constitute an integral and binding part of the Contract:

Annex	Name
Annex 1	Restricted Call for Proposals
Annex 2	Expression of Interest and Proposal of the of the city/beneficiary, including updated Logical Framework Matrix (LFM)
Annex 3	Budget and financial plan
Annex 4	Self-Declaration
Annex 5	Final narrative report (template)
Annex 6	Updated budget and financial plan & Proof of Expenditure (template)
Annex 7	Guidelines for financial planning and reporting
Annex 8	Communication and visibility guidelines
Annex 9	Note on the processing of personal data in accordance with art. 13 and 14 general data protection regulation (GDPR)
Annex 10	General Data Protection Regulation (GDPR) - https://gdpr.eu/tag/gdpr/

§ 2 Eligibility period

The eligibility period is defined as 01. March 2024 to 15. December 2024. No right can be derived for continuation of the financial relationship beyond the eligibility period.

The eligibility period includes:

1. Implementation period: from 01. March 2024 to 31. October 2024
2. Reporting period: from 01. November 2024 to 15. December 2024

Reporting period is solely for reporting purposes, no implementation activities must take place during this period.

§ 3 Reservation of rights

Goethe-Institut reserves the right to reduce financial assistance or terminate the Contract in the event that the requisite financial assistance funds are not available at all or not available in full based on unforeseeable grounds which Goethe-Institut is not responsible for, especially if the European Commission does not make the funds available.

§ 4 Beneficiary's obligations

The Beneficiary must comply with the following provisions when making use of the grant.

- (1) The grant may only be used to meet the objective specified in the Contract including Annexes;
- (2) The grant must be used with efficiency and fiscal restraint;
- (3) The grant must not be used to build financial reserves;
- (4) Accounting and bookkeeping must comply with national regulations and must be structured in an expedient and easy-to-understand manner;
- (5) Receipts must contain the information and attachments customary in business transactions, and expenditure records must particularly include: payment recipient, reason and date of payment, indication of the project name [EU4Culture], proof of payment, act of delivery and acceptance and in the case of equipment purchase(s), the purpose of use;
- (6) Reports must be submitted by the arranged schedule according to §6 (9)
- (7) The Beneficiary must provide to Goethe-Institut main contact persons regarding the coordination of the Contract:
Main contact person (Project Manager): Mihai Gandrabura / e-mail address: cdlr.orhei@gmail.com
- (8) The Beneficiary must notify Goethe-Institut without any delay in form written, if circumstances which are relevant to the grant here change or cease to apply. Examples of such circumstances include:
 - a) Situations that constitute or are likely to give rise to a conflict of interest;
 - b) Double funding for the same project;
 - c) Cancellation / early termination of the project.
 - d) Substantial changes in the budget¹ or activity plan
 - e) Changes regarding the contact person.

- (9) For all publications made in relation to the project, the Beneficiary must indicate the project is being financed with EU funds in combination with the emblem of the European Union. Goethe-Institut will

¹ Variation exceeding 25% of the amount originally entered in relation to each concerned main budget heading of eligible costs.

provide the logo to the Beneficiary. The beneficiary will comply with the manual provided by Goethe-Institut (**Annex 8**)

- (10) Unless disclosure risks the Beneficiary's safety or harming its interests, Goethe-Institut as well as the European Commission may publish in any form and medium including on internet, the name and address of the beneficiary, the purpose and the amount of the grant.

§ 5 Eligible costs and procurement of items

- (1) Eligible project costs are those which:
- a. **Are related to the purpose of the grant and are necessary for project execution;**
 - b. **Are actually incurred by the Beneficiary;**
 - c. **Are incurred within the eligibility period;**
 - d. **Are explicitly named in the budget and financial plan;**
 - e. **Meet the requirements laid out in the applicable provisions of tax and social legislation;**
 - f. **Are reasonable and justified and also comply with the principle of sound financial management, in particular with regard to fiscal restraint and efficiency.**
- (2) For reasons of economy and efficiency and to support equal opportunity and transparency, construction, delivery and service commissions and concessions are in principle awarded on the basis of transparent and objective competition. In particular the contract award must be granted to the most economically advantageous tender, and the tender procedure must be verifiably documented on an ongoing basis. The terms and conditions of the national public procurement rules applicable to the Beneficiary must be applied. Standard commercial rebates must be leveraged and any conflict of interests must be avoided. Procured items must be used in line with the purpose of the grant during and beyond the eligibility period.
- (3) The purchase of any technical devices and equipment must be duly justified and directly linked to the project. The Beneficiary is obliged to make inventory of these purchased equipment. The purchased equipment may not be used for other purposes or sold to the third party.

§ 6 Payout and Reporting

- (1) The following payout regulation applies:
- Initial pre-financing payment of **85% of the grant** in amount of max. EUR 25 500 (in words: twenty-five thousand five hundred euro) will be paid no later than 10 (ten) working days after signing the Contract. The balance payment: **15% of the grant** in amount of max. EUR 4 500 (in words: four thousand five hundred euro) will be paid after submission of the final narrative and financial report (**Annex 5: Final narrative report**) and (**Annex 6: Updated**

budget and financial plan & Proof of Expenditure) no later than two months after the end of the eligibility period.

(2) The following reporting period applies:

- *Final narrative and financial reporting period: from 01. March 2024 to 15. December 2024*

(3) The Beneficiary must update and submit to Goethe-Institut the final report (**Annex 5: Final narrative report**) for the whole reporting period, with respect to project progress and milestones achieved; the updated budget and financial plan (**Annex 6 – Updated budget and financial plan & Proof of Expenditure**) including the actual costs incurred during a whole reporting period, an updated justification of cost items and the proof of expenditure i.e. numerical proof and list of receipts and all relevant supporting documents (time sheets, contracts, receipts, invoices, proof of payments, procurement documents etc.).

(4) With the submission of the final narrative and financial reports the beneficiary confirms that the expenditures which have been made were necessary, that efficiency and fiscal restraint have been exercised, and that the information is consistent with the books and the original receipts.

(5) The numerical proof of expenditure must itemize revenues and expenditures in timely chronological order and separated from each other on the basis of the structure in the proposal and/or budget and financial plan (**Annex 2: Expression of Interest and Proposal of the of the city/beneficiary, including updated Logical Framework Matrix (LFM) and Annex 3: Budget and financial plan**)), where expenditure and revenues incurred in national currency are to be reported in Euro according to the SAP currency exchange rate provided by Goethe-Institut as of as per the date of payment. Goethe-Institut will provide the beneficiary with the actual SAP currency exchange rate as of the date of payment. The provided exchange rate must be applied for all expenditures incurred for the whole grant amount. Evidence must include all revenues and expenditures associated with the grant object.

(6) At the request of Goethe-Institut, the Beneficiary will be required to grant unlimited accessibility to the original supporting and accounting documents or to send the electronic copies.

(7) If the payout is to be made in a local currency the total amount will be calculated according to the internal SAP currency exchange rate of Goethe-Institut as of the date of the payment of grant

(8) The payout will be performed as agreed to the following Beneficiary's account:

Account holder:	Primaria Municipiului Orhei
Account no. / IBAN:	MD63TRPDAC20000001093300
Routing code/BIC:	TREZMD2X
Financial institution:	MF Trezoreria de Stat

(9) At the end of the eligibility period, but no later than 15th of December 2024 the Beneficiary must submit the final narrative and financial report including the actual costs incurred during the period

and a proof of expenditure, i.e., numerical proof and list of receipts and all other relevant supporting documents (time sheets, contracts, receipts, invoices, proof of payments, procurement documents etc.) (**Annex 5 - Final narrative report, Annex 6: Updated budget and financial plan & Proof of Expenditure**)

- (10) Prior to the balance payment, an expenditure verification of the financial report will be performed by Goethe-Institut taking into account the updated budget & financial report & proof of expenditure (**Annex 6**) as to whether costs are real, accurate, suitably recorded and eligible in accordance with the terms of the Grant Contract.
- (11) If this audit yields any objections, Goethe-Institut may request additional information or documents and may suspend, terminate, or reclaim the grant for collection. To such extent, **§ 8 Suspension, reduction, and termination** of the grant and **§ 12 Contract termination** apply accordingly.
- (12) During the whole implementation period, the beneficiary must inform the EU4Culture on a monthly basis on progress and upcoming project activities using the email address of the National-Coordinator of the Republic of Moldova:

§ 7 Unexpended funds

If it becomes apparent during or after project execution that a portion of the grant is not needed or is no longer needed for the purpose of the grant, then unexpended funds must be returned to Goethe-Institut via the following account no later than 10 working days after the expenditure verification by Goethe Institut.

Account holder:	Goethe-Institut Bukarest
Account no. / IBAN:	RO50INGB0001000513980717
Routing code/BIC:	INGBROBU
Financial institution:	ING BANK

§ 8 Suspension, reduction, and termination of the grant

- (1) If Goethe-Institut discovers irregularities or the terms of the Contract have been breached by the Beneficiary, Goethe-Institut may suspend, reduce or request grant's repayment (in accordance with **§ 9 Repayment of the grant** and **§ 12 Contract termination**) at any time.
- (2) In the event of suspension, payments will be resumed as soon as the prerequisites named to the Beneficiary are met and Goethe-Institut has acquired knowledge thereof accordingly.

- (3) In the event there has been a reduction to payments, the payments will be adjusted accordingly. In the event that irregularities or Contract violations have been remedied such that contractual compliance is duly re-established, the reduction can be annulled and the grant can be paid out as originally agreed.
- (4) Before suspending, reducing, or terminating the grant, Goethe-Institut can provide the Beneficiary with an opportunity to state their position or can issue the Beneficiary a warning.
- (5) In the event that the agreed reporting deadlines are not met, the Goethe-Institut will request that this breach of the Contract be remedied within 14 Days. If there is no cure within 14 days, the Goethe-Institut is entitled to reduce payments.

§ 9 Repayment of the grant

- (1) At Goethe-Institut's request, the Beneficiary must repay the grant in whole or in part if
 - a) the preconditions for Contract conclusion have ceased to apply;
 - b) The Contract conclusion was performed based on the Beneficiary's information that was incorrect or incomplete, especially when the Contract Partner has presented a calculation that was incomplete, incorrect, or not in line with the document of Restricted Call for Proposals (**Annex 1**);
 - c) the Beneficiary breaches material contractual obligations;
 - d) funds are not being used or not being used duly or in line with the intended purpose;
 - e) contract conclusion was performed based on information of the Beneficiary that was incorrect or incomplete to a material extent;
 - f) the Beneficiary receives double funding for the same project;
 - g) the Beneficiary cannot duly substantiate claimed costs; or
 - h) costs which were duly evidenced by the Beneficiary prove to be ineligible.
- (2) The resulting reimbursement claim will be payable immediately, but no later than 10 working days upon the notification of its emergence by the Contract Parties via the usual communication channels and will be subject to an interest rate from that point onward in the amount of five percentage points over the base rate of the Deutsche Bundesbank.
- (3) The amount to be reimbursed is the amount in euros (in case of partial payments, their total amount in euros) indicated at the time of payment. In the event of reimbursement in a local currency, the amount in euros will be the amount yielded based on the SAP currency exchange rate of Goethe-Institut as per the date of the payout.

- (4) Deficits cannot be offset against the awarded grant for the following stage.

§ 10 Controlling, expenditure verification

- (1) During project implementation starting from 01. March 2024 and up to five years after the balance payment, Goethe-Institut can verify whether the Beneficiary is executing and/or has executed the project duly and is complying with and/or has complied with their obligations pursuant to the Contract. Such verification encompasses the accuracy and correctness of the Beneficiary's financial accounting and invoicing.
- (2) Goethe-Institut has the right to request books, receipts, and other relevant documents from the Beneficiary and also to audit or have third parties audit how the grant is being or was used via on-site audits. The European Commission has the same right. The Beneficiary will provide the necessary documentation, supply the necessary information, and - in the event of on-site audits - grant access to the sites and facilities of project execution for Goethe-Institut staff, to the European Commission, or to their representatives.
- (3) The Beneficiary must store all original documents - especially accounting and tax documents - for a period of five years counting from the date on the remaining balance is paid using any suitable medium - including digitized originals, provided that doing so is permitted by applicable national laws and is carried out in accordance with the corresponding legal provisions.
- (4) Goethe-Institut, the European Commission, and/or their representative will prepare an audit report.
- (5) After completion of the audit report, Goethe-Institut will inform the Beneficiary about the report's main findings. If the project has not yet been completed, then the Beneficiary must implement without delay Goethe-Institut's recommendations yielded from audit report findings and provide corresponding evidence to Goethe-Institut upon request.

§ 11 Contract modifications

- (1) Amendments and supplements to the Contract must be made in writing, duly substantiated and, as necessary, evidenced in records.
- (2) No amendment may have the objective of or result in the Contract being amended such that the decision to award the grant is called into question or the equal treatment of other applicants is violated.

- (3) Amendments will take effect as per the date agreed by the Contract Parties or, if no date has been specified, as per the date on which the amended Contract enters into force.

§ 12 Contract termination

- (1) The Beneficiary may terminate the Contract with due notice as per the end of a calendar month. Notification must be performed in writing. Notice of termination must state the reason for termination as well as the date on which the termination will take effect; the earliest date on which termination can take effect is as per the end of the following calendar month.
- (2) Goethe-Institut may terminate the Contract for good cause if one of the following termination grounds is met:
- a) There is a change in the legal, financial, technical, or organizational situation or ownership of the Beneficiary which is likely to significantly impair execution of the Contract or to call into question the decision to grant this financial aid;
 - b) The Beneficiary fails to implement the project(s) as agreed, i.e. poorly, incompletely, or late, or fails to fulfill any other material obligation under the Contract;
 - c) The Beneficiary or a person who holds unlimited liability for the Beneficiary's debts meets one of the situations referred to in Article 106 (1) (a) or (b) of the Financial Regulation²;
 - d) The Beneficiary or a party affiliated with the Beneficiary finds itself in one of the situations cited in Article 106 (1) (c) to (f) of the Financial Regulation, or falls within the scope of Article 106 (2) of the Financial Regulation.
 - e) Goethe-Institut has evidence that the Beneficiary or any affiliated party has been guilty of serious errors, irregularities, or fraud during the granting process or during Contract execution, including cases where the Beneficiary or the corresponding affiliated party has submitted misinformation or failed to provide requested information;
 - f) Goethe-Institut has evidence that the Beneficiary has committed system-related or recurrent errors, irregularities, fraud, or serious breach of duty in relation to other financial grants awarded to the Beneficiary via the European Union or Euratom under similar conditions and that the errors, irregularities, fraud or breach of duty in question have a material impact on the financial aid here; or
 - g) Goethe-Institut has requested that the Beneficiary terminate the participation of an affiliated institution because that institution has met a situation named in sub-clauses (e), (f), or (g) and

² Regulation (EU, Euratom) No. 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union.

the Beneficiary has failed to request a change with respect to the participation of the respective institution or failed to reassign that institution's tasks.

- (3) Termination for good cause will only be permissible if Goethe-Institut
 - a) in the cases under sub-clauses (2) (a) and (c) to (g) has communicated to the Beneficiary the intention to terminate as well as the reasons for termination and has provided the Beneficiary with the opportunity to state their position within a reasonable deadline of at least two weeks;
 - b) in the case of sub-clause (2) (b), has provided the Beneficiary with a reasonable deadline of at least two weeks to remedy such breach.
- (4) The Beneficiary must submit a request for residual balance payment within 60 calendar days after the date on which termination takes effect. Only costs incurred up to the date of termination and not reclaimed by Goethe-Institut will be taken into account. If Goethe-Institut does not receive a request for remaining balance payment within the cited period, then only the costs which have been listed in an approved implementation report and in an approved statement of account, as applicable, will be reimbursed and/or covered by the financial aid.
- (5) If Goethe-Institut terminates the Contract in accordance with sub-clause (2) here, then it may reclaim from the Beneficiary all or part of the financial aid amounts which have already been approved and paid out. In such case, the Beneficiary will not have a right to retention based on an approved amount having already been expended.

§ 13 Force Majeure

If one of the contractual partners is temporarily unable to provide the contractual obligations due to force majeure, the mutual obligations shall be suspended. This shall apply until the impediment to performance ceases to exist; subsequently, the affected performance shall be made up for within a reasonable period of time. Force majeure shall be deemed to exist if statutory or official orders in connection with the COVID 19 pandemic or war or sanctions make it temporarily impossible to provide the Action. In the event of force majeure, the Goethe-Institut shall be informed immediately and in writing, stating the reasons and the expected duration of the impediment. If the impediment to performance lasts so long that the objective of the project is seriously jeopardized, the contracting parties shall each be entitled to terminate the Contract with immediate effect according to § 12, provided that this has been announced in writing 3 weeks in advance and, unless the contracting partners have found a joint solution within this period; a claim for damages by the other contracting partner(s), for whatever legal reason, is excluded.

§ 14 Ownership and exploitation of results

The Beneficiary concedes to Goethe-Institut a non-exclusive, transferable, and perpetual exploitation right (including the requisite editing and reproduction rights) to reports, further documents relating to the Project, and all other work results, including computer programs, as are produced during project execution and financed in whole or in part under this Financial Aid Contract.

§ 15 Confidentiality

- (1) The Contract Parties must maintain confidentiality with respect to all confidential information and documents received during project execution and may only use such information and documents for ends other than fulfillment of contractual obligations with prior written consent from the other Contract Party. This obligation will apply for five years counting from the final balance payment date.
- (2) These confidentiality obligations will not apply if:
 - a) the disclosing party releases the other party from these obligations;
 - b) the respective confidential information or documents entered the public domain without any breach of confidentiality obligations;
 - c) the disclosure of the confidential information or documents is required by law.

§ 16 Data protection

- (1) The parties must comply with the requirements under the General Data Protection Regulation (GDPR) at all times. In particular, each party must verify whether data meets the definition of personal data under the GDPR.
- (2) When a party provides personal data, it must simultaneously name the information required under Art. 13 and Art. 14 GDPR as well as the legal foundation(s) for processing and permissible ends, including any potential further processing objectives. If a party does not explicitly communicate that its data contains personal data yet such data does indeed include personal data, then the party which has provided such data will indemnify and hold harmless the other party or parties with respect to all obligations, including damage compensation obligations, which arise from the processing of such data by the other party or parties.
- (3) If a party identifies a potential data protection violation or risks associated with the use of data, then that party will notify the data-providing party without delay such that the data-providing party can undertake measures to reinstate data protection.
- (4) Pursuant to Article 13 GDPR, the Beneficiary is made aware that the Goethe-Institut collects, processes and uses the personal data required to process this Contract for this purpose. The legal basis for the processing is Article 6 para. 1 lit. b) GDPR. Further details are contained in the

notice on the processing of personal data pursuant to Art. 13 and Art. 14 GDPR (**Annex 9 and Annex 10**).

§ 17 Liability

- (1) Goethe Institut cannot under any circumstances or for any reason be held liable for damage or injury sustained by the staff or property of the beneficiary while the action is being carried out or as a consequence of the action. Goethe-Institut cannot, therefore, accept any claim for compensation or increases in payment in connection with such damage or injury.
- (2) The beneficiary shall assume sole liability towards third parties, including liability for damage or injury of any kind sustained by them while the action is being carried out or as consequence of the action. The beneficiary shall discharge Goethe-Institut of all liability arising from any claim or action brought as a result of an infringement of rules or regulations by the beneficiary or beneficiary's employees or individuals for whom those employees are responsible for, or as a result of violation of a third party's rights. For the purpose of this Paragraph employees of the beneficiary shall be considered third parties.

§ 18 Miscellaneous

- (1) The potential invalidity of individual provisions in this Contract will not affect its validity in other respects. In such case, an invalid provision must be retroactively reinterpreted or supplemented such that its intended purpose is attained to the greatest possible extent. The same applies to filling any potential gaps in this Contract.
- (2) This financial aid does not constitute the foundation for any legal employment relationship with Goethe-Institut.

§ 19 Applicable law

The Contract Partners agree that the Contract will be subject to the laws of the Federal Republic of Germany as well as applicable European Union law, and that any disputes pursuant to this Contract will be brought before the civil court which holds jurisdiction over the head office of Goethe-Institut in Munich.

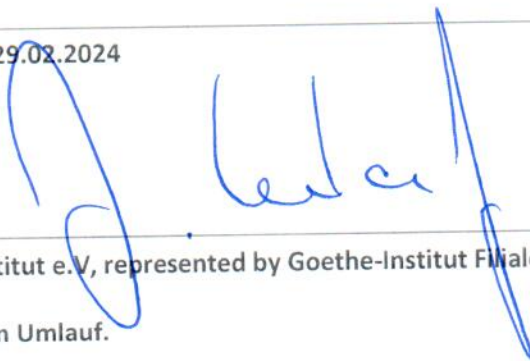
Orhei, 29.02.2024

Orhei Municipality, represented by the Mayor

Cociu Tatiana / Mihail GANDRABURA



Bucharest, 29.02.2024



Goethe-Institut e.V., represented by Goethe-Institut Filiale Romania, represented by Institute Director

Mr. Joachim Umlauf.

GOETHE-INSTITUT FILIALE ROMANIA

Legal Address: Romania, 010573 Bucharest

Calea Dorobanti Str., Nr. 32

Tel.: +40 21 3119762

+40 21 3119782

+40 21 3120231

info-bukarest@goethe.de

as representative of Goethe-Institute e.V. München