



"According to the original document" Annex III

PARTNERSHIP AGREEMENT
between the Lead Beneficiary and the Beneficiary
for the Joint Operational Programme Black Sea Basin 2014-2020

Having regard to:

Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument

Commission Implementing Regulation (EU) No 897/2014 of 18 August 2014 laying down specific provisions for the implementation of cross-border cooperation programmes financed under Regulation (EU) No 232/2014 of the European Parliament and the Council establishing a European Neighbourhood Instrument ("Regulation no 897/2014"),

The Joint Operational Programme Black Sea Basin 2014-2020, adopted by the European Commission through the Decision no. 9187/18.12.2015,

And on the basis of the decision of the Joint Monitoring Committee of the Joint Operational Programme Black Sea Basin 2014-2020 from 30.01.2018 to award a grant to the project,

Trader's Association of Thessaloniki, Morichovou Sq. 1, 54625, Thessaloniki, Greece, represented by PANTELIS FILIPPIDIS ("the Lead Beneficiary")

and

of the one part,

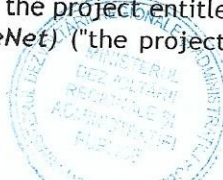
Asociația Obsteasca "Centrul de Consultanță în Afaceri", 23/9 Mitropolitul Petru Movila Street (office 03), MD-2004, Chisinau, Moldavia represented by ANOTOLIE PALADE ("the Beneficiary")

of the other part,

have agreed as follows:

ARTICLE 1 - PURPOSE OF THE PARTNERSHIP AGREEMENT AND GENERAL PROVISIONS

1.1 The purpose of this Partnership Agreement (hereinafter "the Agreement") is to define the rules of procedure for the joint implementation of the project entitled: « *Sustainable Agricultural Trade Network in Black Sea Basin* » (*AgriTradeNet*) ("the project") and the relations among the Lead Beneficiary and the Beneficiary.



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- 1.2 Where in this Agreement the 'MA' is mentioned this refers to *the Ministry of Regional Development and Public Administration*, which shall sign the Grant Contract with the Lead Beneficiary and shall provide the grant funding. The MA is not a party to this Agreement.
- 1.3 The Lead Beneficiary and the Beneficiary shall actively cooperate in the implementation of the project. In addition, they shall cooperate in the staffing and financing of the project. The Lead Beneficiary and the Beneficiary shall be legally and financially responsible for the activities that they are implementing and for the share of the Union funds that they receive. The specific obligations as well as the financial responsibilities of the Lead Beneficiary and of the Beneficiary are laid down in this Agreement.
- 1.4 The Lead Beneficiary and the Beneficiary shall implement the project under their own responsibility and in accordance with the Description of the project with a view to achieving the objectives laid down therein.
- 1.5 The Lead Beneficiary and the Beneficiary shall implement the project with the requisite care, efficiency, transparency and diligence, in line with best practice in the field concerned and in compliance with this Agreement.

For this purpose the Lead Beneficiary and the Beneficiary shall mobilize all the financial, human and material resources required for full implementation of the project as specified in the Description of the project.
- 1.6 The Beneficiary declares that it got acquainted with the joint operational programme and it has read the Guidelines for Grant Applicants and the Grant Contract and understands and accepts the obligations and contractual conditions stipulated therein.
- 1.7 The Beneficiary ensures that the ENI grant paid by the Lead Beneficiary is managed in accordance with the grant Contract and its annexes and this Agreement.
- 1.8 Any personal data will be processed solely for the purposes of the performance, management and monitoring of the Contract by the MA and may also be passed to the bodies in charge with monitoring or inspection tasks according to Article 33 of the Commission Implementing Regulation (EU) No 897/2014 of 18 August 2014 laying down specific provisions for the implementation of cross-border cooperation programmes financed under Regulation (EU) No 232/2014 of the European Parliament and the Council establishing a European Neighbourhood Instrument ("Regulation no 897/2014") or any bodies/entities authorised by the MA. The Beneficiary will have the right of access to their personal data and the right to rectify any such data. If the Beneficiary has any queries concerning the processing of personal data, it shall address them to the MA, through the Lead Beneficiary.
- 1.9 The Beneficiary shall limit access and use of personal data to that strictly necessary for the performance, management and monitoring of the Contract and shall adopt all appropriate technical and organisational security measures necessary to preserve the strictest confidentiality and limit access to this data.
- 1.10 The Beneficiary understands and agrees that the Managing Authority may delegate tasks related to monitoring of the project implementation to the Joint Technical Secretariat of the Programme ("the JTS"). The Beneficiary must answer all written requests from the Managing Authority/Joint Technical Secretariat, within the deadline stipulated in the respective request and must also support the MA/JTS in fulfilling their tasks, including on-site visits and other tasks related to the monitoring, evaluation and implementation of the Programme and the project.
- 1.11 The Beneficiary understand and agree that, for the sound implementation of the Contract and of this Agreement, the Managing Authority, either directly or through the Joint Technical Secretariat,



may issue mandatory instructions, guidelines, manuals, etc., in line with the provisions of the Contract.

- 1.12 The Beneficiary must use the control system established at national level for the verification of their expenditures.
- 1.13 The Beneficiary shall upload and validate data in the electronic system of the Programme in accordance with the MA/JTS instructions.
- 1.14 All references to days in the grant Contract and in this Agreement are to calendar days, except when it is not specified otherwise.

ARTICLE 2 - DURATION OF THE AGREEMENT

- 2.1 This Agreement shall enter into force on the date when the Grant Contract enters into force.
- 2.2 Implementation of the project shall begin on the date specified in the Grant Contract. The Lead Beneficiary shall inform the Beneficiary without delay about the signature of the Grant Contract and about the start date of the implementation of the project.
- 2.3 The project's implementation period is the one specified in the Grant Contract.
- 2.4 The validity period of this Agreement shall end five years from the date of payment of the balance for the Programme. MA will inform the Lead Beneficiary about this date.

ARTICLE 3 - PROJECT BUDGET

- 3.1 The total eligible cost of the project is estimated at **638 264, 88 EURO**.
- 3.2 The MA shall finance a maximum of **587 203, 66 EURO**, equivalent to 92% of the estimated total ENI eligible cost of the project>.
- 3.3 The Lead Beneficiary undertakes to co-finance the implementation of the project with **51061, 22 EURO**.
- 3.4 The Beneficiary undertakes to co-finance the implementation of the project with **<5 874, 82 EURO>**.

ARTICLE 4 - PAYMENT ARRANGEMENTS

- 4.1 The total ENI grant to be paid by the Lead Beneficiary to the Beneficiary is **67 560, 34 EUR**.
The Lead Beneficiary will pay the grant to the Beneficiary in the following manner:
 - **Pre-financing instalment:** **<27 024,14 EURO>** (40% of the ENI Grant foreseen for the implementation of the project as set out in Annex II);
 - **Interim instalment:** **<27 024, 14 EURO>** (maximum 40% of the ENI Grant foreseen for the implementation of the project as set out in Annex II) *and only if spent at least 80% of the previous instalement;*
 - **Final balance** (maximum 20% or the balance of the ENI Grant foreseen for the implementation of the project as set out in Annex II) **<13 512,06 EURO>** *and only if spent at least 80% of the previous instalement and 100% of the first instalement.*
- 4.2 The Lead Beneficiary shall make payments to the Beneficiary in euro.



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- 4.3 The Lead Beneficiary shall transfer the corresponding amounts of the Grant to the Beneficiary within 60 days as from the dates set out above, without making any deduction, retention or further specific charge.
- 4.4 If exceptional circumstances occur, the MA may retain the payment to the Lead Beneficiary or request the Lead Beneficiary to retain the payment to the Beneficiary.
- 4.5 The MA shall make each payment under the condition of availability of funds.
- 4.6 If the total accepted ENI costs of the part of the project implemented under the Beneficiary's responsibility at the end of the project are less than the estimated ENI cost as referred to in Article 4.1, the Beneficiary shall be limited to the amount approved by the MA for the respective part of the project.
- 4.7 In case of projects including an infrastructure, the Beneficiary must submit to the Lead Beneficiary, within 90 from the Contract signature, but no later than the submission of the individual interim report, the building permit and any other execution details, technical documentation, approved architectural and engineering drawings, consents, approvals, authorizations and agreements, following the issue of the building permit if requested by the national laws of the respective country.
- 4.8 In the absence of the documents mentioned in Article 4.7, the payment of the interim instalment will not be made and the Contract may be terminated in accordance with Article 17.

Expenditure verification report

- 4.9 The Beneficiary must provide the Lead Beneficiary with a report on the verification of the part of the project's expenditure, conforming to the instructions of the MA according to Article 1.11, produced by a controller appointed in accordance with the control system established at national level, to be attached to:

- any request for interim payment;
- any final report.

The controller examines whether the costs declared by the Beneficiary are real, accurately recorded and eligible, including necessary for the implementation of the project, in accordance with the Contract and this Agreement, as well as the revenue of the part of the project implemented under its responsibility and issues an expenditure verification report conforming to the instructions of the MA according to Article 1.11.

The Lead Beneficiary will submit to the MA the reports for expenditure verification with all the factual findings from all Beneficiaries' controllers involved in the project.

The expenditure verification report accompanying a request for payment of the final balance covers all expenditures not covered by any previous expenditure verification report.

Based on the expenditure verification report, conforming to the instructions of the MA according to Article 1.11, the Managing Authority determines the total amount of eligible expenditure and the amount of Managing Authority contribution, according to the provisions of Article 3.2.

The Beneficiary grants the controller all access rights necessary for the verification.

Suspension of the period for payments



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4.10 Without prejudice to Article 17, the MA may suspend the time-limits for payments by notifying the Lead Beneficiary that:

- a) the amount indicated in its request of payments is not due, or;
- b) proper supporting documents have not been supplied, or;
- c) the MA needs to request clarifications, modifications or additional information to the narrative or financial reports, or;
- d) the MA has doubts on the eligibility of expenditure and needs to carry out additional checks, including on-the-spot checks to make sure that the expenditure is eligible, or;
- e) it is necessary to verify whether presumed substantial errors, irregularities, fraud or corruption have occurred in the grant award procedure or the implementation of the project, or;
- f) it is necessary to verify whether the Lead Beneficiary and/or the Beneficiaries have breached any substantial obligations under the Contract.

The suspension of the time-limits for payments starts when the above notification is sent by the MA to the Lead Beneficiary. The Lead Beneficiary shall provide any requested information, clarification or document within the deadline stipulated in the request, but no more than 30 days of the request. The Beneficiary shall provide any information, clarification or document requested by the Lead Beneficiary within the deadline stipulated in the request, so that the Lead Beneficiary is able to submit the requested information, clarification or document to the MA within the deadline. The time-limit starts running again on the date on which the requested information, clarification or document is recorded by the MA.

If, notwithstanding the information, clarification or document provided by the Lead Beneficiary, the payment request is still inadmissible, or if the award procedure or the implementation of the grant proves to have been subject to substantial errors, irregularities, fraud, corruption or breach of obligations, then the MA may refuse to proceed further with payments and may, in the cases foreseen in Article 17, terminate accordingly the Contract.

In addition, the MA may also suspend fully or partially payments as a precautionary measure, with prior notice of the Lead Beneficiary, prior to, or instead of, terminating this Contract as provided for in Article 17.

Moreover, where the award procedure or performance of the Contract is vitiated by substantial errors or irregularities or by fraud or corruption attributable to the Lead Beneficiary and/or the Beneficiaries, the Managing Authority may refuse to make payments or may recover amounts already paid, in proportion to the seriousness of the errors, irregularities, fraud or corruption.

Rules for currency conversion

4.11 Reports shall be submitted in euro. For the purpose of reporting, conversion into euro shall be made using the monthly accounting exchange rate of the European Commission of the month during which the expenditure was submitted for verification in accordance with Article 4.9.



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In the event of an exceptional exchange-rate fluctuation, the MA and Lead Beneficiary shall consult each other with a view to amending the project in order to lessen the impact of such a fluctuation. Where necessary, the MA may take additional measures such as terminating the Contract.

ARTICLE 5 - OBLIGATION TO PROVIDE INFORMATION AND REPORTS

5.1 The Beneficiary must provide the MA/JTS with all required information on the implementation of the project, in the language of the Contract. To that end, the Beneficiary must draw up interim and final reports, progress reports and provide any other information requested by MA/JTS.

In exceptional circumstances, if the Beneficiary fails to supply the Lead Beneficiary with any of the reports by the deadline laid down in Article 5, it has to furnish an acceptable and sufficient written explanation of the reasons why it is unable to comply with this obligation.

5.2 The Lead Beneficiary shall keep the Beneficiary informed on a regular basis about all relevant communication with the MA regarding the approval of the reports and about all other essential issues linked to the project implementation.

5.3 If the Lead Beneficiary fails to provide any report or fails to provide any additional information requested by the MA within the set deadline without an acceptable and sufficient written explanation of the reasons, the MA may terminate the Contract according to Article 17.2 a) of the Contract.

Interim and final reports

5.4 The interim and final reports shall describe the implementation of the project according to the activities envisaged, difficulties encountered and measures taken to overcome problems, any changes introduced, as well as the level of achievement of its outputs (including the specification of the results that the outputs are related to) as measured by corresponding indicators. The level of detail in any report should match that of the Description of the project and of the Budget for the project. The Lead Beneficiary shall collect from the Beneficiaries all the necessary information and draw up consolidated interim and final reports. These reports shall:

- a) cover the project as a whole, regardless of which part of it is financed by the MA;
- b) consist of a narrative and a financial report;
- c) provide a full account of all aspects of the project's implementation for the period covered;
- d) include the outputs achieved by the project as measured by their corresponding indicators;
- e) propose any relevant measures necessary for performing the activities of the project, producing the intended results, achieving the purpose/s of the intervention;
- f) be drafted in the currency and language of this Contract;
- g) include any update on the communication plan according to Article 10;
- h) include a status of the procurement procedures and implementation of the contracts awarded under Article 9.

When submitting a payment request, the Lead Beneficiary shall ensure that all the Beneficiaries have the same reporting period.



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- 5.5 Additionally, the final report shall cover any period not covered by the interim report.
- 5.6 Reports shall be submitted together with the expenditure verification report as specified in Article 4.9, within 20 days after the end of the period, taking into account the following reporting periods at project level:
- a) in case of interim report:
- the interim reporting period is intended as the period elapsed until the part of the expenditure actually incurred and paid which is financed by the MA is at least 70 % of the previous payment;
 - within 90 days following the end of the reporting period specified above, the Lead Beneficiary shall present the interim report;
 - if half of the implementation period has elapsed and the part of the expenditure actually incurred which is financed by the MA is less than 70 % of the previous payment, the Lead Beneficiary shall present an interim report within 90 days following this period; the interim payment shall be reduced by the amount corresponding to the difference between the 70 % of the previous payment and the part of the expenditure actually incurred and paid which is financed by the MA. In this case, the following reporting period starts from the next day following the end of the period covered by this payment request;
 - the Lead Beneficiary may submit an interim report before the end of the half of the implementation period, if the part of the expenditure actually incurred which is financed by the MA is less than 70 % of the previous payment; the interim payment shall be reduced by the amount corresponding to the difference between the 70 % of the previous payment and the part of the expenditure actually incurred which is financed by the MA. In this case, the following reporting period starts anew from the end date of the period covered by this payment request;
- b) in case of final report:
- no later than six months after the implementation period as defined in Article 2, the Lead Beneficiary shall present a final report. If needed, this period may be reduced through the MA's instruction as provided for in Article 1.12.
- 5.7 The Beneficiary shall ensure that any information provided is complete, reliable and true and is substantiated by adequate supporting documents that can be checked and that the costs declared have been incurred and paid and can be considered as eligible in accordance to the Contract and this Agreement.
- 5.8 Approval of the reports by the MA shall not imply recognition of their regularity nor of the authenticity, completeness and correctness of the declarations and information do they contain.

Progress reports

- 5.9 The progress report, covering every 4 months of the implementation period of the project, shall be submitted within 30 days after the above period has elapsed, if there is an overlapping between the months when the progress report and the interim report or the final report is due, only the interim or the final report shall be submitted.

The progress reports shall be drawn up *mutatis mutandis* in accordance with Article 5.4, with the exception of the provisions related to financial report.



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Reports on sustainability

- 5.10 In case of a project including an infrastructure component, the Beneficiary shall provide the MA/JTS with all required information related to ensuring the sustainability of the project, as described in the Description of the project and in accordance with Article 13.2 of this Agreement.
- 5.11 In this respect, the Lead Beneficiary shall submit the reports for the five years following the project closure, within 30 days after the anniversary date of payment of the final balance for the project, starting with the year following the year of payment. The Beneficiary undertakes to provide the Lead Beneficiary with the report within 20 days.

Other information to be provided

- 5.12 The MA/JTS may request additional information at any time. The Lead Beneficiary shall provide this information within the deadline stipulated by the request, but not later than 30 days of the request. The Beneficiary undertakes to provide the Lead Beneficiary with all required information within the deadline stipulated by the request of the Lead Beneficiary.
- 5.13 The Beneficiary shall support the JTS/MA and EC in performing the results oriented missions at the level of the project/Programme, including, but not limited to, by providing/ensuring the provision of all the information required within the deadlines requested.
- 5.14 The Beneficiary shall inform the Lead Beneficiary on the upcoming major project events with sufficient time before, but not less than 15 working days prior to carrying out the event.

ARTICLE 6 - ROLE OF THE BENEFICIARY

6.1 The Beneficiary shall:

a) carry out the project jointly and severally vis-a-vis the MA taking all necessary measures to ensure that the project is implemented in accordance with the Contract, including the Description of the project in Annex I of the Contract, the Guidelines for Grant Applicants, the Programme and the EU and national legislation applicable and this Agreement.

To this purpose, the Beneficiary shall implement the project with transparency and diligence, in line with the principle of sound financial management and shall involve all the financial, human and material resources required for implementation of their part of the project as specified in the Description of the project;

b) be responsible for complying with any obligation incumbent on it from the Contract and this Agreement jointly or individually. In this respect, the Beneficiary shall be legally and financially responsible for the activities that it is implementing and for the share of the Union funds that it receives;

c) forward to the Lead Beneficiary the data needed to draw up the reports, financial statements and other information or documents required by the Contract and the Annexes thereto and this Agreement, as well as any information needed in the event of audits, checks, monitoring missions or evaluations, as described in Article 11;

d) ensure that all information to be provided and requests made are sent via the Lead Beneficiary to the MA/JTS, except for the cases where the MA/JTS sends requests directly to the Beneficiary; in these cases, the Beneficiary shall address directly to the MA/JTS, with copy to the Lead Beneficiary;

e) agree upon appropriate internal arrangements for the internal coordination and representation of the Beneficiary vis-a-vis the MA for any matter concerning the Contract and this Agreement, consistent with the provisions of the Contract and this Agreement and in compliance with the applicable legislation(s);



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f) Commits itself to support its own contribution and the non-eligible expenditures, as well as to ensure the temporary availability of funds for the proper implementation of the project between the payments from the programme.

ARTICLE 7 - LIABILITY

- 7.1 The Lead Beneficiary and the Beneficiary agree that one Party cannot under any circumstances or for any reason whatsoever be held liable for damage or injury sustained by the staff or property of the other Party while the project is being carried out or as a consequence of the project.
- 7.2 The MA cannot under any circumstances or for any reason whatsoever be held liable for damage or injury sustained by the staff or property of the Beneficiary while the project is being carried out or as a consequence of the project. The MA cannot accept any claim for compensation or increases in payment in connection with such damage or injury.
- 7.3 The Beneficiary shall assume sole liability towards third parties, including liability for damage or injury of any kind sustained by them while the project is being carried out or as a consequence of the project. The Beneficiary shall discharge the MA of all liability arising from any claim or action brought as a result of an infringement of rules or regulations by the Beneficiary or the Beneficiary's employees or individuals for whom those employees are responsible, or as a result of violation of a third party's rights. For the purpose of this Article 7 employees of the Beneficiary shall be considered third parties.

ARTICLE 8 - ELIGIBLE COSTS

Cost eligibility criteria

- 8.1 Eligible costs are actual costs incurred by the Beneficiary which meet all the following criteria:
- a) they are incurred during the implementation period of the project as specified in Article 2. In particular:
- (i) Costs relating to services and works shall relate to activities performed during the implementation period. Costs relating to supplies shall relate to delivery and installation of items during the implementation period. Signature of a contract, placing an order or entering into any commitment for expenditure within the implementation period for future delivery of services, works or supplies after expiry of the implementation period do not meet this requirement. Cash transfers between the Lead Beneficiary and/or the Beneficiaries may not be considered as costs incurred;
- (ii) Costs incurred should be paid before the submission of the final reports;
- (iii) An exception is made for costs relating to final reports, only for expenditure verification, audit and, if the case, final evaluation of the project, which may be incurred after the implementation period of the project;
- (iv) If it is not foreseen otherwise in the national legislation of the Lead Beneficiary and/or of the Beneficiaries, procedures to award contracts, as referred to in Article 9, may have been initiated and contracts may be concluded by the Lead Beneficiary and/or the Beneficiaries before the start of the implementation period of the project, provided the provisions of Article 9 have been respected;
- b) they are indicated in the estimated overall budget for the project;





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- c) they are necessary for the implementation of the project;
- d) they are identifiable and verifiable, in particular being recorded in the accounting records of the Lead Beneficiary and/or the Beneficiaries and determined according to the accounting standards and the usual cost accounting practices applicable to the Lead Beneficiary and/or the Beneficiaries;
- e) they comply with the requirements of applicable tax and social legislation;
- f) they are reasonable, justified and comply with the requirements of sound financial management, in particular regarding economy and efficiency, and with the visibility requirements;
- g) they are supported by invoices, proof of payment and/or documents of equivalent probative value;
- h) Notwithstanding letter (a) of paragraph 1, costs related to studies and documentation for projects including an infrastructure component are eligible even if they are incurred during the project preparation period which starts after the approval date of the Programme, respectively 18 December 2015.

Eligible direct costs

8.2 Subject to Article 8.1 and, where relevant, to the provisions of Article 9 being respected, the following direct costs of the Beneficiary shall be eligible:

- a) the cost of staff assigned to the project, under the following cumulative conditions:
 - they relate to the costs of activities which the Beneficiary would not carry out if the project was not undertaken;
 - they must not exceed those normally borne by the Beneficiary unless it is demonstrated that this is essential to carrying out the project;
 - they relate to actual gross salaries including social security charges and other remuneration-related costs;
- b) travel and subsistence costs for staff and other persons taking part in the project, provided they do not exceed neither i) the costs normally paid by the Beneficiary according to its national rules and regulations nor ii) the rates published by the Commission at the time of the mission;
- c) purchase (new) or rental costs for equipment and supplies specifically for the purposes of the project, provided they correspond to market prices;
- d) costs of consumables (other than office supplies) specifically purchased for the project;
- e) costs entailed by contracts awarded by the Beneficiary for the purposes of the project, provided the provisions of Article 9 are respected;
- f) costs deriving directly from the requirements of the Contract (such as information and visibility activities, evaluation specific to the project, expenditure verification, translation, reproduction).

Indirect costs



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- 8.3 The indirect costs for the project are those eligible costs which may not be identified as specific costs directly linked to the implementation of the project and may not be booked to it directly according to the conditions of eligibility in Article 8.1. However, they are incurred by the Beneficiary in connection with the eligible direct costs for the project. They may not include ineligible costs as referred to in Article 8.5 or costs already declared under another costs item or line of the budget of the Contract.

A fixed percentage of the total amount of direct eligible costs of the project, excluding costs incurred in relation to the provision of infrastructure and in accordance with the Budget for the project, may be claimed to cover indirect costs for the project provided that the rate is calculated on the basis of a fair, equitable and verifiable calculation method. The amount of indirect costs established before the signature of the Contract may not exceed the maximum ceiling in Article 3.3 of the Contract either in terms of the absolute value or the percentage stated therein at project level.

Flat-rate funding in respect of indirect costs does not need to be supported by accounting documents.

In kind contributions

- 8.4 Any contributions in kind do not represent actual expenditure and are not eligible costs.

Notwithstanding the above, if the Description of the project foresees contributions in kind, such contributions have to be provided.

Non-eligible costs

- 8.5 The following costs shall not be considered eligible:

- a) debts and debt service charges (interest);
- b) provisions for losses or liabilities;
- c) costs declared by the Beneficiary and financed by another project or programme from any other sources;
- d) purchases of land or buildings;
- e) exchange-rate losses;
- f) duties, taxes and charges, including VAT, except where non-recoverable under national legislation, unless otherwise provided in appropriate provisions negotiated with CBC partner countries and as identified in the related Financing Agreement;
- g) loans to third parties;
- h) fines, financial penalties and expenses of litigation;
- i) contributions in kind as defined in Article 14(1) of the Regulation no 897/2014.
- j) costs exceeding the threshold of 15% of the EU contribution established for activities outside the Programme eligible area;
- k) used purchased equipment.



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- 8.6 In case the project is not finalized during the eligibility period of expenditures, the Beneficiary shall ensure from its own budget the necessary funds for the finalization of the project.

ARTICLE 9 - PROCUREMENT RULES

- 9.1 If the Beneficiary has to conclude procurement contracts with contractors in order to carry out certain project activities, it shall respect the procurement rules set out in Regulation no 897/2014.
- 9.2 Contracting authorities or contracting entities (within the meaning of the Union legislation applicable to procurement procedures) in Member States, shall apply national laws, regulations and administrative provisions adopted in connection with Union legislation, as laid down in Article 52.1 of the Regulation no 897/2014.
- 9.3 In all other cases, the public or private beneficiaries shall apply the provisions set out in Articles 52.2 to 56 of the Regulation no 897/2014, supplemented by:
- a) in case of Beneficiaries established in a CBC Partner Country, the provisions of the Financing Agreement concluded by the respective CBC Partner Country with the European Commission. If no otherwise foreseen in the Financing Agreements, the provisions of the Procurement and grants for European Union external actions (PRAG) in force at the moment of the launch of the relevant procurement procedure by the Beneficiary, regarding the templates and details for the types of procedures, shall be applicable;
 - b) in case of Beneficiaries which are not contracting authorities or contracting entities (within the meaning of the Union legislation applicable to procurement procedures) established in a Member State, the provisions of the Procurement and grants for European Union external actions (PRAG) in force at the moment of the launch of the relevant procurement procedure by the Beneficiary, regarding the templates and details for the types of procedures, shall be applicable.

Notwithstanding the paragraph above, in case of Lead Beneficiaries / Beneficiaries required to use the Procurement and grants for European Union external actions (PRAG), for contracts not exceeding 60 000 euro, the provisions in force at the moment of the launch of the relevant procurement procedure by the Lead Beneficiary or the Beneficiaries, regarding the templates and details for the types of procedures, shall be applicable.

- 9.4 In all cases, the rules on nationality and origin set out in Articles 8 and 9 of Regulation (EU) No 236/2014 shall apply.
- 9.5 The Beneficiary shall ensure that the conditions applicable to it under Articles 7, 10, 11, 13, 14, 20 and 21 of this Agreement are also applicable to contractors awarded a procurement contract.

ARTICLE 10 - VISIBILITY AND TRANSPARENCY

- 10.1 The Beneficiary must take all necessary steps to publicise the fact that the European Union has financed or co-financed the project. Such measures must comply with the Communication and Visibility Manual for the Joint Operational Programme Black Sea Basin 2014-2020.
- 10.2 In particular, the Beneficiary shall mention the project and the European Union's financial contribution in information given to the final recipients of the project, in its internal and annual reports, and in any dealings with the media. It shall display the EU flag and the Programme logo wherever appropriate.



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- 10.3 Any notice or publication by the Beneficiary concerning the project, including those given at conferences or seminars must specify that the project has received EU funding. Any publication by the Beneficiary, in whatever form and by whatever medium, including the internet, must include the following statement: "This document has been produced with the financial assistance of the European Union. The contents of this document are the sole responsibility of < Beneficiary's name > and can in no way reflect the views of the Managing Authority or the European Union."
- 10.4 The Beneficiary shall publish the information on the project and the produced outputs and results, where available, on its and/or project's website.
- 10.5 The Beneficiary shall make public upon request and authorises the MA and the European Commission to make public and/or publish at least, but not limited at, its name and address, nationality, project name, project summary, the purpose of the grant, duration, project postcode or other appropriate location indicator, geographical coverage, the total eligible expenditure, the maximum amount of the grant and rate of funding of the project's costs, as laid down in the Article 3.2.

ARTICLE 11 - ACCOUNTS AND TECHNICAL AND FINANCIAL CHECKS

- 11.1 The Managing Authority and/or the Joint Technical Secretariat reserve the right to check, at any time, the conformity of the Programme funds' commitment and disbursement with the rules. In particular, MA and/or JTS verifies that services, supplies or works have been performed, delivered and/or installed and whether expenditure declared by the Beneficiary has been paid by them and that this complies with applicable law, Programme rules and conditions for support of the projects. Verifications shall include administrative verifications for each payment requested by beneficiaries and on-the-spot project verifications.

Accounts

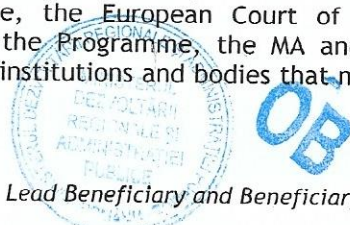
- 11.2 The Beneficiary shall keep accurate and regular accounts of the implementation of the project using an appropriate accounting and double-entry book-keeping system.

The accounts:

- a) may be an integrated part of or an adjunct to the Beneficiary's regular system;
 - b) shall comply with the accounting and bookkeeping policies and rules that apply in the country concerned;
 - c) shall enable revenue and expenditure relating to the project to be easily traced, identified and verified.
- 11.3 The Beneficiary shall ensure that any financial report as required under Article 5 can be properly and easily reconciled to the accounting and bookkeeping system and to the underlying accounting and other relevant records. For this purpose the Beneficiary shall prepare and keep appropriate reconciliations, supporting schedules, analyses and breakdowns for inspection and verification.

Right of access

- 11.4 The Beneficiary shall allow verifications to be carried out by the Audit Authority, the European Commission, the European Anti-Fraud Office, the European Court of Auditors, the relevant authorities in the countries participating in the Programme, the MA and any bodies / entities authorised by the MA or the above mentioned institutions and bodies that may exercise their power





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of control concerning premises, documents and information irrespective of the medium in which they are stored. The Beneficiary has to take all steps to facilitate their work.

The verifications described above shall also apply to the activities of contractors, subcontractors and any recipient of Union financing. To this end, the Beneficiary shall ensure, through contractual provisions and any other means at its disposal, that these persons are legally bound by the same obligations as the Beneficiary itself toward the Audit Authority, the European Commission, the European Anti-Fraud Office, the European Court of Auditors, the relevant authorities in the countries participating in the Programme, the Managing Authority and any bodies / entities authorised by the MA or the above mentioned institutions and bodies, and that its own documentation can remedy any shortcoming to the effective enforcement of the said obligations.

11.5 The Beneficiary shall allow the entities mentioned in Article 11.4 to:

- a) access the sites and locations at which the project is implemented;
- b) examine its accounting and information systems, documents and databases concerning the technical and financial management of the project;
- c) take copies of documents;
- d) carry out on the-spot-checks;
- e) conduct a full audit on the basis of all accounting documents and any other document relevant to the financing of the project.

11.6 Additionally the European Anti-Fraud Office shall be allowed to carry out on-the-spot checks and inspections in accordance with the procedures laid down by the European Union legislation for the protection of the financial interests of the European Union against fraud and other irregularities.

Where appropriate, the findings may lead to recovery by the MA.

11.7 Access given to agents of the Audit Authority, the European Commission, European Anti-Fraud Office and the European Court of Auditors, the relevant authorities in the countries participating in the Programme, the MA and to any bodies / entities authorised by the MA carrying out verifications as provided for by this Article as well as by Article 4.10 shall be on the basis of confidentiality with respect to third parties, without prejudice to the obligations of public law to which they are subject.

11.8 If an audit/control mission is carried out or commissioned by any entity mentioned in Article 11, in the course of the project, the Lead Beneficiary and the Beneficiary must provide each other with a copy of the audit/control report.

Record keeping

11.9 The Beneficiary shall keep all records, accounting and supporting documents related to the Contract and this Agreement for five years following the payment of the balance of the Programme, and in any case until any on-going audit, verification, appeal, litigation or pursuit of claim has been disposed of.

They shall be easily accessible and filed so as to facilitate their examination and the Beneficiary shall inform the MA of their precise location upon request.



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11.10 All the supporting documents shall be available in the original form and in electronic form if so requested.

11.11 In addition to the reports mentioned in Article 5, the documents referred to in this Article include, *inter alia*:

- a) Accounting records (computerised or manual) from the Lead Beneficiary and the Beneficiaries' accounting system such as general ledger, sub-ledgers and analytical accounting sheet, cash flow statement and payroll accounts, fixed assets registers and other relevant accounting information;
- b) Proof of procurement procedures such as tendering documents, bids from tenderers and evaluation reports;
- c) Proof of commitments such as contracts and order forms;
- d) Proof of delivery of services such as approved reports, studies, publications, time sheets, transport tickets, proof of attending seminars, conferences and training courses (including relevant documentation and material obtained, certificates), proof of organisation of meetings (invitations, agenda, minutes, list of participants) etc.;
- e) Proof of receipt of goods such as delivery slips from suppliers;
- f) Proof of completion of works, such as acceptance certificates;
- g) Proof of purchase such as invoices and receipts;
- h) Proof of payment such as bank statements, debit notices, proof of settlement by the contractor;
- i) Proof that taxes and/or VAT that have been paid cannot actually be reclaimed;
- j) For fuel and oil expenses, a summary list of the distance covered, the average consumption of the vehicles used, fuel costs and maintenance costs;
- k) Staff and payroll records such as contracts, salary statements, time sheets and any other documents related to the remuneration paid.

ARTICLE 12 - FINAL AMOUNT OF THE GRANT

Final amount

12.1 The grant may not exceed the maximum ceiling in Article 3.2 either in terms of the absolute value or the percentage stated therein.

If the eligible costs of the project at the end of the project are less than the estimated eligible costs as referred to in Article 3.1, the grant shall be limited to the amount obtained by applying the percentage laid down in Article 3.2 to the eligible costs of the project approved by the MA.

12.2 In addition and without prejudice to its right to terminate this Contract pursuant to Article 17, if the project is implemented poorly or partially - and therefore not in accordance with the Description of the project in Annex I - or late, the MA may, by a duly reasoned decision and after allowing the Lead Beneficiary to submit its observations, reduce the initial grant in line with the



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actual implementation of the project and in accordance with the terms of this Contract. This applies as well with regards to the visibility obligations set out in Article 10.

No profit

- 12.3 The grant may not produce a profit for the Beneficiary. Profit is defined as a surplus of the receipts over the eligible costs approved by the MA when the request for payment of the final balance is made.
- 12.4 The receipts to be taken into account are the consolidated receipts on the date on which the payment request for the final balance is made by the Lead Beneficiary that fall within one of the three following categories:
- a) revenue generated by the project;
 - b) financial contributions specifically assigned by the donors to the financing of the same eligible costs financed by the Contract. Any financial contribution that may be used by the Beneficiary to cover costs other than those eligible under the Contract or that are not due to the donor where unused at the end of the project are not to be considered as a receipt to be taken into account for the purpose of verifying whether the grant produces a profit for the Beneficiary;
 - c) interest produced by the prefinancing and interim payments received from the MA.
- 12.5 Any interest or equivalent benefits accruing from prefinancing and interim instalments paid by the Lead Beneficiary to the Beneficiary shall be mentioned in the interim and final reports. It shall be deducted from the payment of the final balance of the amounts due to the Beneficiary.
- ARTICLE 13 - SUSTAINABILITY, OWNERSHIP/USE OF RESULTS AND ASSETS**
- 13.1 The sustainability arrangements declared and assumed in the project are binding for the Beneficiary and shall be monitored and verified accordingly by the MA.
- 13.2 The MA is entitled to verify the sustainability of the project after the payment of the final balance, including by requesting relevant reports or other documents.
- 13.3 In case the project includes an infrastructure component, if, within five years of the project closure, the project is subject to a substantial change affecting its nature, objectives or implementation conditions which would result in undermining its original objectives, the Lead Beneficiary shall repay to the MA the ENI grant. Sums unduly paid in respect of the project shall be recovered by the MA in proportion to the period for which the requirement has not been fulfilled.
- 13.4 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 Beneficiary and the Beneficiaries. The Beneficiaries are responsible for the purposeful use of equipment after its receipt.
- 13.5 Without prejudice to Article 13.4, the Lead Beneficiary and the Beneficiary shall grant the MA, the National Authorities of the countries participating in the Programme and the European Commission the right to use freely and as they see fit, and in particular, to store, modify, translate, display, reproduce by any technical procedure, publish or communicate by any medium all documents



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deriving from the project whatever their form, provided it does not thereby breach existing industrial and intellectual property rights.

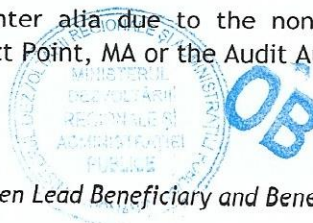
- 13.6 The Lead Beneficiary and the Beneficiary shall ensure that they have all rights to use any pre-existing intellectual property rights necessary to implement the Contract and this Agreement.

ARTICLE 14 - EVALUATION/MONITORING OF THE PROJECT

- 14.1 If the MA/JTS or the European Commission carries out an interim or ex post evaluation or a monitoring mission, the Beneficiary shall undertake to provide it and/or the persons authorised by it with any document or information which will assist with the evaluation or monitoring mission, and grant them the access rights described in Article 11.
- 14.2 If an evaluation/monitoring is carried out or commissioned by the Lead Beneficiary or the MA, by case, in the course of the project, the Lead Beneficiary must provide the Beneficiary with a copy of the evaluation/monitoring report.

ARTICLE 15 - AMENDMENT OF THE AGREEMENT AND PROVISIONS RELATED TO THE AMENDMENT OF THE CONTRACT

- 15.1 Any amendment to the Agreement must be set out in writing in an addendum, which shall be agreed between the Lead Beneficiary and the Beneficiary.
- 15.2 Any intent to modify the Partnership Agreement will be notified in writing to the Lead Beneficiary. As the Partnership Agreement is an annex to the grant contract, the Lead Beneficiary is responsible to inform the MA/JTS about the intended modifications and seek for its prior approval.
- 15.3 The amendment to the Contract, including the annexes thereto may not have the purpose or the effect of making changes to the Contract that would call into question the grant award decision or be contrary to the equal treatment of applicants. The maximum grant referred to in Article 3.2 may not be increased.
- 15.4 The Lead Beneficiary must seek for the agreement of the Beneficiary before initiating any modification of the Contract.
- 15.5 If an amendment is requested by the Beneficiary, it shall submit a duly justified request to the Lead Beneficiary in due time, so that the Lead Beneficiary is able to submit the request to the MA with 45 days before the date on which the amendment should enter into force. The request must be accompanied by all the supporting evidence needed for its appraisal.
- 15.6 Notwithstanding the provisions of Article 15.1, if the Beneficiary changes its address, its bank account or its auditor, or needs correction of material errors or inconsistencies between different parts of the project or minor changes to the Partnership Agreement, it shall notify the Lead Beneficiary immediately. However, the MA may oppose the Beneficiary's choice.
- 15.7 The MA reserves the right to require that the auditor referred to in Article 32.1 of the Regulation no 897/2014 be replaced if considerations which were unknown cast doubt on the auditor's independence or professional standards, inter alia due to the non-reliability of the submitted reports, if so detected by the Control Contact Point, MA or the Audit Authority.





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ARTICLE 16 - EXTENSION AND SUSPENSION

Extension

- 16.1 The Beneficiary must inform the Lead Beneficiary without delay of any circumstances likely to hamper or delay the implementation of the project and provide all the supporting evidence needed for its appraisal.

Suspension by the Beneficiary

- 16.2 The Beneficiary may suspend implementation of the project, or any part thereof, if exceptional circumstances, notably force majeure, make such implementation excessively difficult or dangerous. The Beneficiary must inform the Lead Beneficiary without delay, stating the nature, probable duration and foreseeable effects of the suspension.
- 16.3 The Lead Beneficiary or the MA may then terminate the Contract in accordance with Article 17.1. If the Contract is not terminated, the Beneficiary shall endeavour to minimise the time of its suspension and any possible damage and shall resume implementation once circumstances allow, informing the Lead Beneficiary accordingly.

Suspension by the Lead Beneficiary, including following the request of the MA

- 16.4 The Lead Beneficiary may request the Beneficiary, including following the request of the MA, to suspend implementation of the project, or any part thereof, if exceptional circumstances, notably force majeure, make such implementation excessively difficult or dangerous. To this purpose, the Lead Beneficiary shall inform the Beneficiary stating the nature and probable duration of the suspension.
- 16.5 The MA or the Lead Beneficiary may then terminate the Contract in accordance with Article 17.1. If the Contract is not terminated, the Beneficiary shall endeavour to minimise the time of its suspension and any possible damage and shall resume implementation once circumstances allow and after having obtained the approval of the Lead Beneficiary.
- 16.6 The Lead Beneficiary shall also suspend the implementation of the project, or any part thereof, if the MA suspends the Contract in case the MA has evidence that, or if, for objective and well justified reasons, the MA deems necessary to verify whether presumably:
- a) the grant award procedure or the implementation of the project have been subject to substantial errors, irregularities, fraud or corruption;
 - b) the Beneficiary has breached any substantial obligation under the Contract and this Agreement.
- 16.7 The Beneficiary shall provide to the Lead Beneficiary any information, clarification or document requested by the MA, in due time, so that the Lead Beneficiary is able to submit the information, clarification or document requested to the MA within the deadline stipulated in the request, but no more than 30 days of receipt of the requests sent by the MA. If, notwithstanding the information, clarification or document provided by the Beneficiary, the award procedure or the implementation of the grant proves to have been subject to substantial errors, irregularities, fraud, corruption or breach of obligations, then the MA may terminate the Contract according to Article 17.2 of the Contract.



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Force majeure

16.8 The term force majeure, as used herein, covers any unforeseeable events, not within the control of either party to the Contract and this Agreement and which by the exercise of due diligence neither party is able to overcome such as strikes, lock-outs or other industrial disturbances, acts of the public enemy, wars whether declared or not, blockades, insurrection, riots, epidemics, landslides, earthquakes, storms, lightning, floods, washouts, civil disturbances, explosion. A decision of the European Union to suspend the cooperation with the partner country is considered to be a case of force majeure when it implies suspending funding under the Contract and this Agreement.

Extension of the implementation period following a suspension

16.9 In case of suspension according to Articles 16.2, 16.4 and 16.6, the implementation period of the project may be extended by a period equivalent to the length of suspension, without prejudice to any amendment to the Contract that may be necessary to adapt the project to the new implementing conditions, after obtaining the prior written approval of the MA.

ARTICLE 17 - TERMINATION OF THE AGREEMENT

17.1 The termination of the Agreement is possible only with prior information of the MA.

17.2 This Agreement is automatically terminated, without any other formality, where the MA decides to terminate the Grant Contract, due to the reasons stipulated in Article 17 of the Contract.

ARTICLE 18 - ADMINISTRATIVE AND FINANCIAL PENALTIES

18.1 Without prejudice to the application of other remedies laid down in the Contract and in this Agreement, the Beneficiary who has made false declarations, was subject to fraud or corruption or was in serious breach of its contractual obligations may be excluded from all contracts and grants financed by the MA.

18.2 In addition or in alternative to the administrative sanctions laid down in Article 18.1, the Beneficiary may also be subject to financial penalties.

18.3 The MA shall apply the financial corrections required in connection with individual or systemic irregularities detected in the project. The financial corrections shall consist of cancelling all or part of the Union contribution to the project. The MA shall take into account the nature and gravity of the irregularities and the financial loss and shall apply a proportionate financial correction.

18.4 The criteria for establishing the level of financial correction to be applied and the criteria for applying flat rates or extrapolated financial correction are those adopted in accordance with Regulation (EU) No 1303/2013¹, in particular Article 144, as well as those contained in the Commission Decision of 19 December 2013².

¹ Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347, 20.12.2013, p. 320).

² Commission Decision of 19 December 2013 on the setting out and approval of the guidelines for determining financial corrections to be made by the Commission to expenditure financed by the Union under shared management for non-compliance with the rules on public procurement (C(2013)9527).



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- 18.5 The MA shall formally notify the Lead Beneficiary and/or the Beneficiaries concerned of any decision to apply such penalties.
- 18.6 In case the European Commission applies individual financial corrections to the Programme according to Article 72 of Regulation no 897/2014, the MA may decide to cancel part of the grant, in order to cover these corrections from the projects' budgets, concerned by the corrections.
- 18.7 In case the European Commission applies financial corrections to the Programme according to Article 72 of Regulation no 897/2014 and the financial corrections relate to systemic deficiencies in the programme management and control system, the MA may decide to cancel part of the grant, in order to cover these corrections from the project' budget, as follows:
- a) if the systemic deficiency concerns one specific country, the Beneficiary established in the respective country shall be responsible for reimbursing to the Programme accounts the amount identified as a result of the financial correction;
 - b) if the systemic deficiency concerns the whole system, each Beneficiary shall be responsible for reimbursing to the Programme accounts the amount representing the percentage of the financial correction applied to the expenditure incurred by the Beneficiary and declared by the MA to the European Commission at the date of the decision to apply the financial correction.
- 18.8 In case of a decision to cancel a part of the grant, the Lead Beneficiary shall submit to the MA a revised budget, within 14 days following the receipt of MA's notification. In case of failure to respect the deadline, the cancellation shall be applied proportionally to all budgetary lines. The modification of the contract in case of cancellation at project level shall take the form of a decision of the representative of the Managing Authority signing the contract, which will be notified to the Lead Beneficiary, and which becomes part of the Contract.
- 18.9 Subject to Article 61 and 62 of Regulation no 897/2014, the MA has the right to temporarily withhold payments to a particular beneficiary (Lead Beneficiary or Beneficiary) or the project as a whole. Payment suspension(s) shall be lifted as soon as observations and/or reservations raised by the Commission have been withdrawn and the MA has received sufficient evidence on the solution of the systemic error(s) detected.

ARTICLE 19 - RECOVERY

- 19.1 If recovery is justified under the terms of the Contract and this Agreement, including where the award procedure or performance of the Contract is vitiated by substantial errors or irregularities or by fraud or corruption attributable to the Beneficiary or if any amount is unduly paid to the Beneficiary or if any amount paid by the MA falls under the State aid rules, the Beneficiary undertakes to repay the Lead Beneficiary these amounts, within 30 days from the communication of the notification by the Lead Beneficiary, including bank charges incurred by the MA for the payment to the Lead Beneficiary of the amounts corresponding to the Beneficiary's budget, which become due to the MA.
- 19.2 Payments made do not preclude the possibility for the MA to issue a debit note to the Lead Beneficiary following an expenditure verification report, an audit or further verification of the payment request or any other type of verifications. In this case, the Beneficiary undertakes to repay the Lead Beneficiary the corresponding amounts, in accordance with Article 19.1.



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- 19.3 For the irregularities committed by a Beneficiary, the Lead Beneficiary is entitled to request these amounts from the responsible Beneficiary in order to be repaid to the MA. In specific cases, for irregularities discovered after payment of the final reimbursement claim, the Beneficiaries may repay the due amounts directly to the MA, notifying the Lead Beneficiary about this option.
- 19.4 If a verification reveals that the methods used by the Beneficiary to determine unit costs, lump sums or flat-rates are not compliant with the conditions established in the Contract and this Agreement and, therefore an undue payment has been made, the MA shall be entitled to recover from the Lead Beneficiary proportionately up to the amount of the unit costs, lump sums or flat rate financing. In this case, the Beneficiary undertakes to repay the Lead Beneficiary the corresponding amounts, in accordance with Article 19.1.
- 19.5 The Beneficiary undertakes to repay the Lead Beneficiary any amounts paid in excess of the final amount due by the Beneficiary, within 30 days from the communication of the notification by the Lead Beneficiary, including bank charges incurred by the MA for the payment to the Lead Beneficiary of the amounts which become due to the MA.
- 19.6 Without prejudice to the prerogative of the MA, if necessary, the Member State or the CBC partner country where the Beneficiary is established may proceed itself to the recovery by any means from the respective Beneficiary.
- 19.7 Without prejudice to the prerogative of the MA, if necessary, the European Union may, as donor, proceed itself to the recovery by any means from the respective Beneficiary.

Interest on late payments

- 19.8 Should the Beneficiary fail to make repayment within the deadline set, the Lead Beneficiary may increase the amounts due by adding interest of three and a half percentage points above the rate applied by the European Central Bank in its main refinancing operations on the first working day of the month in which the due date falls.

The default interest shall be incurred over the time which elapses between the date of the payment deadline set by the Lead Beneficiary, and the date on which payment is actually made. Any partial payments shall first cover the interest thus established.

Other provisions

- 19.9 Bank charges incurred by the repayment of amounts due to the Lead Beneficiary shall be borne entirely by the Beneficiary.

ARTICLE 20 - CONFLICT OF INTERESTS AND GOOD CONDUCT

- 20.1 For the purpose of the Contract and this Agreement, the conflict of interest shall mean any situation where there is a divergence between the fulfilment of responsibilities under the grant Contract and this Agreement by the Parties and the private interest of the persons involved in the Contract and in this Agreement, which may adversely affect the impartial and objective exercise of the functions of any person involved in the implementation/verification/control/audit of the Contract and this Agreement, for reasons involving family, emotional life, political or national affinity, economic interest or any other shared interest with another person.



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- 20.2 The Beneficiary shall prevent or end any situation that could compromise the impartial and objective performance of the Contract and of this Agreement. Any conflict of interests which may arise during performance of the Contract and of this Agreement must be notified in writing to the Lead Beneficiary without delay. The Beneficiary shall take appropriate actions to remedy any negative effects of the conflict of interest within 30 days from the notification of the Lead Beneficiary.
- 20.3 The Lead Beneficiary reserves the right to verify that the measures taken are appropriate and may require additional measures to be taken if necessary.
- 20.4 The Beneficiary shall ensure that its staff, including its management, is not placed in a situation which could give rise to conflict of interests. Without prejudice to its obligation under the Contract and this Agreement, the Beneficiary shall replace, immediately and without compensation from the Lead Beneficiary, any member of its staff in such a situation.
- 20.5 The Beneficiary shall respect human rights and applicable environmental legislation including multilateral environmental agreements, as well as internationally agreed core labour standards.

ARTICLE 21 - CONFIDENTIALITY

- 21.1 Subject to Article 11, the Lead Beneficiary and the Beneficiaries undertake to preserve the confidentiality of any information, notwithstanding its form, disclosed in writing or orally in relation to the implementation of the Contract and this Agreement and identified in writing as confidential until the end of the validity period of the Agreement as defined by Article 2.4 above.
- 21.2 As an exception from the rule provided in the previous paragraph, the data used for visibility purposes, for informing on and promoting the use of ENI funds, shall not be considered as having confidential status.
- 21.3 The Parties shall bare no responsibility for releasing information on the Contract and the Agreement if:
- a) the information was released with the written agreement of the other Party; or
 - b) the Party was legally forced to release the information.
- 21.4 The Lead Beneficiary and the Beneficiaries shall not use confidential information for any aim other than fulfilling their obligations under this Contract unless otherwise agreed with the MA.

ARTICLE 22 - ASSIGNMENT, LEGAL SUCCESSION AND CHANGES IN THE PARTNERSHIP

- 22.1 The Agreement and the payments attached to it may not be assigned to a third party in any manner whatsoever.
- 22.2 Being aware of the fact that all changes in the partnership must be set out in an addendum to the Grant Contract, the Lead Beneficiary and the Beneficiary agree not to withdraw from the project unless there are unavoidable reasons for it.
- 22.3 In case of legal succession, the Beneficiary is obliged to transfer all duties under this contract to the legal successor. The Beneficiary shall notify beforehand the Lead Beneficiary.



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- 22.4 In case another beneficiary withdraws from the project or is debarred from it, the Lead Beneficiary and the Beneficiary will undertake to find a rapid and efficient solution to ensure the further proper project implementation without any delay. Consequently, the Lead Beneficiary and the Beneficiaries will endeavour to cover the contribution of the withdrawing beneficiary, either by assuming its tasks by one or more of them or by asking one or more new participants to join the partnership, regarding the respective Programme provisions.
- 22.5 The provisions set in Article 11 shall remain applicable if the Beneficiary withdraws or is debarred from the project.

ARTICLE 23 - APPLICABLE LAW AND DISPUTE SETTLEMENT

- 23.1 This Agreement shall be governed by the law of Greece, which is the seat of the Lead Beneficiary.
- 23.2 The Lead Beneficiary and the Beneficiary shall do everything possible to settle amicably any dispute arising between them during implementation of this Agreement. To that end, they shall communicate their positions and any solution that they consider possible in writing, and meet each other at either's request.
- 23.3 In the event of failure to reach an amicable agreement, the dispute may by common agreement of the Parties be submitted to the conciliation of a commonly agreed arbitrator.
- 23.4 In the event of failure of the above procedures, each Party may submit the dispute to the courts of Thessaloniki, Greece.

ARTICLE 24 - OTHER PROVISIONS

No additional provisions

ARTICLE [25] - FINAL PROVISIONS

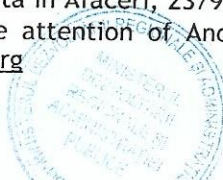
- 25.1 Any official communication relating to this contract must be in English language, in writing, state the number and title of the project and be sent to the following addresses:

For the Lead Beneficiary

Trader's Association of Thessaloniki, Morichovou Sq. 1, 54625, Thessaloniki, Greece, to the attention of PANTELIS FILIPPIDIS, tel. 0030-2310548876, 0030- 2310547887, FAX: 2310538263 e-mail: empsylth@otenet.gr

For the Beneficiary

Asociatia Obsteasca "Centrul de Consultanta in Afaceri, 23/9 Mitropolitul Petru Movila Street (office 03), MD-2004, Chisinau, Moldavia, to the attention of Anotolie Palade, tel. +37379922585, FAX +37322210089, e-mail: apalade@cca-ngo.org



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25.2 In the event of conflict between the provisions of the Agreement and those of the Grant Contract signed by the Lead Beneficiary with the MA, the provisions of the Grant Contract shall take precedence. The Agreement is an integral part of the Grant Contract and all the annexes.

Done in English in 3 originals, one original being for the MA, one for the Lead Beneficiary and one for the Beneficiary.

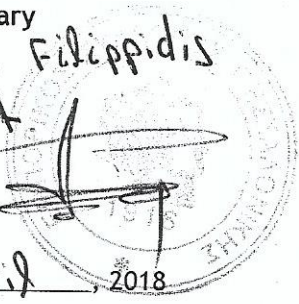
For the Lead Beneficiary

Name Pantelis Filippidis

Title President

Signature

Date 19 April, 2018



For the Beneficiary

Name Anatolie PALADE

Title President, Asociatia Obsteasca "Centrul de Consultanta in Afaceri"

Signature

Date 19 April, 2018

