

EUROPEAN
U R B A N
INITIATIVE

Project Partnership Agreement

Template

TEMPLATE



Co-funded by
the European Union



Région
Hauts-de-France

Partnership Agreement
for the implementation of the project
[INDEX, ACRONYM and TITLE of the project]
Within the EUI-IA Initiative

Main Urban Authority / Delivery Partner 1	
Delivery Partner 2	
Delivery Partner 3	
Delivery Partner 4	
Delivery Partner 5	
Delivery Partner X	

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DISCLAIMER

THIS DOCUMENT IS A **MODEL AGREEMENT** BETWEEN THE MAIN URBAN AUTHORITY AND THE OTHER PROJECT PARTNERS OF A EUI-IA PROJECT. IT SERVES AS AN EXAMPLE ONLY. IT MUST BE NEGOTIATED BETWEEN PROJECT PARTNERS AND TAILORED TO THE PARTNERSHIP INDIVIDUAL NEEDS.

THE PARTNERSHIP AGREEMENT SIGNED BETWEEN ALL THE PROJECT PARTNERS SHALL CONTAIN ALL DUTIES AND RESPONSIBILITIES OF EACH PROJECT PARTNER BEFORE, DURING AND AFTER THE PROJECT IMPLEMENTATION.

THE PROVISIONS OF THIS AGREEMENT APPLY TO ALL **PROJECT PARTNERS**: DELIVERY PARTNERS AND TRANSFER PARTNERS. WHENEVER PROVISIONS ARE ONLY APPLICABLE TO ONE OF THESE CATEGORIES OF PARTNERS, EITHER **DELIVERY PARTNERS** OR **TRANSFER PARTNERS** ARE SPECIFICALLY MENTIONNED.

THIS PARTNERSHIP AGREEMENT HAS TO BE FORMALLY AMENDED WHENEVER A CHANGE OCCURS IN THE COMPOSITION OF THE PARTNERSHIP. ANY AMENDMENT TO THE PARTNERSHIP AGREEMENT DURING PROJECT IMPLEMENTATION SHALL BE SHARED WITH THE INITIATIVE AUTHORITIES.

THE CONTRACTUAL RELATIONSHIP WITH TRANSFER PARTNERS HAS TO BE FORMALIZED AT THE LATEST DURING PROJECT IMPLEMENTATION. THE FORMAT IS AT THE DISCRETION OF THE PARTNERSHIP. PLEASE NOTE THAT AN AMENDMENT MODEL FOR TRANSFER PARTNERS INTEGRATION IS AVAILABLE AS ANNEX N°4, AND IN CASE OF USE, MUST BE TAILORED TO THE PARTNERSHIP SPECIFICITIES.

THE INITIATIVE AUTHORITIES CANNOT BE HELD LIABLE FOR THE CONTENT NOR FOR THE USE OF THIS MODEL. THE PARTNERSHIP REMAINS FULLY RESPONSIBLE FOR THE CONTENT OF THE PROJECT PARTNERSHIP AGREEMENT WHICH CANNOT CONTAIN ANY PROVISION CONTRARY TO THE SUBSIDY CONTRACT.

Having regard to the legal framework and obligations and responsibilities set out in the articles 1 and 8 of the Subsidy Contract signed between the Entrusted Entity and [Name of the Main Urban Authority] acting as Main Urban Authority of the project [INDEX, ACRONYM and TITLE of the project].

The following Agreement shall be made between:

[full Name and address of the Main Urban Authority],
Hereinafter referred to as the Main Urban Authority,
Represented by: [name of the legal representative],

And [full Name and address of the Delivery Partner 2 Institution],
Represented by: [name of the legal representative]

And [full Name and address of the Delivery Partner 3 Institution],
Represented by: [name of the legal representative]

And [full Name and address of the Delivery Partner 4 Institution],
Represented by: [name of the legal representative]

And [full Name and address of the Delivery Partner 5 Institution],
Represented by: [name of the legal representative]

And [full Name and address of the Delivery Partner X Institution],
Represented by: [name of the legal representative]

Hereinafter referred to as the Parties.

For the implementation of the EUI-IA project [INDEX, ACRONYM and TITLE of the project], approved by the Selection Committee on [Date], the following Agreement shall be made between the Project Partners, and the Parties have agreed as follows:

CHAPTER 1 - GENERAL PROVISIONS

ARTICLE 1. LEGAL FRAMEWORK AND DEFINITIONS

1. For the purpose of this Agreement, the legal framework as set out in the article 1 of the Subsidy Contract should apply.
2. For the purpose of this Agreement, the following words shall have the following meanings:

Agreement: Project Partnership Agreement.

Application Form: the Application Form as set out in Annex 1 of this Agreement together with any amendments to the Application Form which are approved by the Initiative Authorities.

Approval Decision: the approval decision of the Selection Committee as indicated in the Subsidy Contract.

Initiative: the European Urban Initiative.

Initiative Authorities: the Entrusted Entity, the Permanent Secretariat, the European Commission, and the Accounting Function.

Main Urban Authority: the main responsible entity for the overall project implementation and management. It bears the entire financial and juridical responsibility vis-à-vis the Entrusted Entity.

Partnership Agreement: Agreement signed between all the Project Partners containing all duties and responsibilities of each Project Partner before, during and after the project implementation.

Project: [INDEX, ACRONYM, TITLE] as described in the latest valid version of the Application Form.

Project Partners: Entities named in the Application Form as project stakeholders having a dedicated budget. They include:

- the Main Urban Authority, Associated Urban Authorities and **Delivery Partners** having an active role and responsibilities in the implementation of the project
- **Transfer Partners**, being Urban Authorities joining the Partnership in the course of project implementation, to foster the adaptability of the tested solution to other urban contexts in the EU.

Subsidy: the maximum ERDF co-financing allocated to the project in accordance with the Application Form.

Subsidy Contract: Contract signed between the Entrusted Entity and the Main Urban Authority, specifying the conditions upon which the Entrusted Entity transfers the subsidy for the project implementation to the Main Urban Authority (on behalf of all Project Partners).

EUI-IA Guidance: the latest published version of the EUI-IA Guidance, complemented by the thematic factsheets.

ARTICLE 2. SCOPE OF THE AGREEMENT

1. The Parties to this Agreement are the Main Urban Authority and the Project Partners as above-mentioned and listed in the latest approved version of the Application Form.
2. This Agreement is firstly concluded between the Main Urban Authority and the Delivery Partners during the project Initiation Phase. Transfer Partners are integrated into the Project Partnership at the latest 12 months after the start of the Implementation phase. This new contractual relationship must be formalized by all Project Partners.
3. The subject of this Agreement is to lay down arrangements and establish cooperation principles and rules of procedure which regulate the rights and responsibilities among the Parties of the Partnership for the successful implementation of the project [**INDEX, ACRONYM and TITLE of the project**], as indicated in the Annexes. The Annexes - including all provisions that are based on and refer to - are considered to be an integral part of this Agreement:
 - **Annex 1** – the latest version of the Application Form approved by the Initiative,
 - **Annex 2** – the signed Subsidy Contract between the Entrusted Entity and the Main Urban Authority,
 - **Annex 3** – Lump sums division,
 - **Annex 4** – Transfer Partners Integration Amendment.
4. The Main Urban Authority and all Project Partners commit themselves in jointly implementing the project in accordance with the distribution of tasks as set in the Subsidy Contract and in the Application Form, with the aim to reach the project main objectives and results.
5. The terms and conditions herein are acknowledged and accepted by all Parties. The Main Urban Authority and the Project Partners are obliged to respect all rules and fulfil all obligations set forth in the present Agreement, the Subsidy Contract, the latest approved version of the Application Form, and the conditions and/ or recommendations under which the Initiative grants subsidies to the selected project.

ARTICLE 3. DURATION OF THE AGREEMENT

1. The Agreement will enter into force between the Main Urban Authorities and the Delivery Partners on the date on which it is signed by the last of the Parties.
2. The Agreement will remain in force until complete fulfilment of the Main Urban Authority and Project Partners' obligations under this Agreement and the Subsidy Contract. In particular, all relevant provisions necessary for the fulfilment of the archiving and audit obligations defined in this Agreement shall remain in force until the end of the period referred to in article 9.4 of the present Agreement.
3. If there is a non-resolved dispute between any of the Project Partners arising from the implementation of the project, the Partnership Agreement shall remain in force until the case is settled by the competent body.

4. The Agreement can be terminated prematurely by means of a decision taken by the [Decision making body], which also makes arrangements regarding the consequences of such premature termination. Should the Subsidy Contract terminate, the present Agreement would terminate equally.

ARTICLE 4. DECISION-MAKING UNDER THE AGREEMENT

1. Decisions with regard to the:
 - general project activities will be taken by [...] (e.g. the decision making body indicated in the Application Form)
 - individual activities of Project Partners will be taken by [...] (e.g. the decision making body indicated in the Application Form)
 - general project budget will be taken by [...] (e.g. the decision making body indicated in the Application Form)
 - individual budget of Project Partners will be taken by [...] (e.g. the decision making body indicated in the Application Form)
 - request for the exclusion and addition of Project Partners will be taken by [...] (e.g. the decision making body indicated in the Application Form)
2. The decision-making process will be organised as follow: [...] (e.g. majority vote, 5/6 majority)

CHAPTER 2 – PROJECT PARTNERS OBLIGATIONS

ARTICLE 5. GENERAL OBLIGATIONS OF THE PARTIES

5.1. Obligations of the Main Urban Authority

- (a) The Main Urban Authority will comply with all obligations deriving from the Subsidy Contract and the EUI-IA Guidance, and is in charge of the overall coordination, management and implementation of the project.
- (b) The Main Urban Authority guarantees that it is entitled to represent the Project Partners participating in the project towards the Entrusted Entity and other Initiative Authorities. It shall sign the Subsidy Contract on behalf of all Project Partners and provide them with a copy thereof.
- (c) The Main Urban Authority guarantees that all Project Partners have complied with all legal requirements, and that all necessary approvals for the proper implementation of the project have been obtained.

- (d) The Main Urban Authority ensures that it is not in one of the situations of exclusion provided for in Regulation (EU, EURATOM) N°2018/1046, and ensures that its representatives and the Project Partners are not in a situation of exclusion either. The Main Urban Authority undertakes throughout the duration of the Subsidy Contract to inform the Entrusted Entity without delay if it becomes aware that one of the Project Partners is in any of the situations of exclusion and take the appropriate measures to exclude the Project Partner from the project.
- (e) The Main Urban Authority assumes sole responsibility for the entire project towards the Entrusted Entity. It will ensure the timely commencement of the project, and the implementation of the entire project within the time schedule in compliance with all obligations to the Entrusted Entity. Likewise, it shall ensure that all activities foreseen within the project are carried out respecting the Annex 1 to this Agreement, all relevant EU and national legislations, and are in line with the EUI-IA Guidance.
- (f) It shall notify the Entrusted Entity of any factors that may adversely affect (delay, hinder or make impossible) the implementation of the project activities and/or financial plan, as well as all circumstances that may cause minor changes, technical adjustments, and major changes to the approved Application Form.
- (g) The Main Urban Authority shall be the beneficiary of the ERDF grant and shall manage the funds in accordance with the details of this Agreement. Inter alia, it shall ensure their timely onward transfer to the Project Partners, within [Timeframe to be defined by the Partnership].
- (h) The Main Urban Authority shall be responsible for the administrative and sound financial management of the funds, including regarding the arrangements for recovering amounts unduly paid. It shall also be responsible for verifying that the expenditure declared by the Project Partners has been incurred only for the purpose of implementing the project, and that it corresponds to the activities agreed between the Project Partners in the frame of the approved Application Form and in accordance with the Subsidy Contract.
- (i) The Main Urban Authority is responsible for implementing and delivering project transfer activities and bears the responsibility for the identification and selection of the Transfer Partners. Once Transfer Partners are selected and approved by the Initiative, the contractual relationship of the extended project Partnership must be formalized to integrate the Transfer Partners to the existing Partnership and to specify related duties and responsibilities.
- (j) Before submitting a Request for Change, the Main Urban Authority shall obtain the approval of its Project Partners on the changes proposed. The Main Urban Authority may set a deadline to the Project Partners for this approval so that beyond this deadline the proposed changes are considered as approved by the Project Partners.

- (k) The Main Urban Authority shall keep the Project Partners informed on a regular basis about all relevant communication between itself and the Entrusted Entity and shall inform the Project Partners about all essential issues connected to project implementation.
- (l) Any other tasks agreed with the Project Partners.

5.2. Obligations of the Project Partners

Each Project Partner shall:

- (a) undertake all actions necessary for full, timely and smooth implementation of its part of the project, in line with the latest approved version of the Application Form, and as set out in the project Work Plan or otherwise agreed, and in accordance with the description of tasks in the Subsidy Contract.
- (b) take all necessary steps enabling the Main Urban Authority to comply with its responsibilities as stipulated in the Subsidy Contract.
- (c) comply with the provisions of the Subsidy Contract, the EUI-IA Guidance, and the latest approved version of the Application Form.
- (d) comply with the statutory rules under European law, national statutory regulations, orders, decrees, and rulings, permits and exemptions which are relevant for the performance of the present Agreement, specifically with respect to their own portion of the project. This includes inter alia rules on public procurement, State aid, publicity, further rules on environmental protection and equal opportunities.
- (e) ensure that neither itself nor its representatives are in one of the situations of exclusion provided for in Regulation (EU, EURATOM) N°2018/1046. The Project Partners undertake throughout the duration of the Subsidy Contract to inform the Main Urban Authority without delay if it becomes aware that its Partner Organization is in any of the situations of exclusion.
- (f) nominate a project manager and a financial manager for the parts of the project for which it is responsible and give the Main Urban Authority the authority to represent the Project Partner in the project.
- (g) provide the Main Urban Authority/ Initiative Authorities/ other bodies involved in the Initiative implementation, with all the requested information. This includes those necessary for project coordination, monitoring, implementation, and evaluation, and for reporting purposes, audit or requests for payment. The information so requested will be provided on time and complete.

- (h) notify immediately the Main Urban Authority of any event or relevant circumstances that could lead to a temporary or final discontinuation or any other deviation of the project, or adversely affect implementation of the project in accordance with the Application Form Work Plan (correctness, timeliness, effectiveness, or completeness of the actions). It shall also inform the Main Urban Authority of any change related to the name of the organisation, contact details, legal status or any other change concerning the Project Partner's legal entity which may have an impact on the project or on their eligibility to the Initiative.
- (i) make the Project Partner contributions available as foreseen in the latest approved version of the Application Form and this Agreement.
- (j) comply with the planned budget by cost category, spending plan by Project Partner, allocation of tasks and objectives, outputs and results by Project Partner as indicated in the Application Form and to notify the Main Urban Authority without delay of any event that may lead to a deviation.
- (k) actively encourage the involvement of the stakeholder groups, their participation in the project, and their cooperation with respect to disseminating the project results.

ARTICLE 6. PROJECT AND INITIATIVE PERFORMANCE

1. In case a Project Partner does not successfully reach one or more expected objectives, outputs, or results as set out in the Application Form, the concerned Project Partner is responsible to follow the requested corrective measures by the Initiative Authorities.
2. In case one or more Project Partner(s) fail(s) to respect the contractual arrangements on delivery in time, delivery to budget and delivery of outputs as defined in the Annexes of this Agreement, the Initiative may reduce the subsidy allocated to the project and, if necessary, stop the project by terminating the Subsidy Contract. In such cases, the concerned Project Partner(s) will be liable in compliance with the article 13 of this Agreement.
3. Subsidy payments not requested by each Project Partner in time and in full may be lost for the concerned Project Partner.

ARTICLE 7. ELIGIBILITY OF EXPENDITURE

1. Each Delivery Partner can only report eligible expenditure. In order to be deemed eligible, the reported expenditure of each Delivery Partner shall:
 - (a) relate to activities and costs which are carried out, incurred, and paid from the date of the project start date to the project end date as indicated in the Application Form;

- (b) relate to activities set out in the Application Form which are necessary for carrying out the project and achieving the project's objectives, outputs and results, and are included in the budget of the Application Form;
 - (c) be reasonable, justified, and comply with the applicable EU and Initiative rules. In the absence of rules set at EU or Initiative level or in areas that are not precisely regulated, national or institutional rules in accordance with the principles of sound financial management apply;
 - (d) be incurred and paid out by the Delivery Partner and be substantiated by proper evidence allowing identification and checking;
 - (e) be identifiable, verifiable, plausible, determined in accordance with the relevant accounting principles, and recorded in a separate accounting system or with an adequate accounting code;
 - (f) be verified by a First Level Control in accordance with Regulation (EU) no 2021/1060, article 74.
2. In case a Delivery Partner does not comply with the eligibility rules, the Main Urban Authority and/or the Initiative Authorities may impose corrective measures which have to be implemented by the concerned Delivery Partner. Those corrective measures can lead to the exclusion of any ineligible expenditure and to the request for repayment of all or part of the concerned subsidy.
 3. By derogation to article 7.1 (a) to (e) above, simplified costs options may be indicated in the EUI-IA Guidance and must be applied accordingly by each Project Partner. Notably, the Transfer Partners whose budget exclusively takes the form of a lump sum, do not need to document that their expenditures have been incurred nor to demonstrate they correspond to reality. Nevertheless, outputs-based controls can be carried out to check the evidence of transfer outputs delivery.

ARTICLE 8. MANAGEMENT OF THE ADVANCE PAYMENT, LUMP SUMS, AND FINANCING OF JOINT ACTIVITIES

1. The management of the advance payment shall be arranged between Project Partners as follows: [concrete details on how the management of the advance payment will be arranged are to be included here.]
2. As part of the lump sums granted to the project, the preparation costs will be covered by a lump sum of EUR 25 000 per project, the Initiation Phase costs are covered by a lump sum of EUR 75 000 per project, and the administrative closure costs are covered by a lump sum of EUR 20 000 per project. The corresponding ERDF amounts, respectively maximum EUR 20 000, EUR 60 000, and EUR 16 000 will be paid to Main Urban Authority, who will be responsible to distribute them among the Delivery Partners in accordance with Annex 3 (Lump sums division).

3. The budget of each Transfer Partner takes the form of an output-based lump sum amounting to EUR 150 000. The corresponding ERDF of EUR 120 000 is paid to the Main Urban Authority who is responsible to release it to each Transfer Partner in accordance with the modalities of the EUI-IA Guidance: 30% to be reported in Financial Claim 1 and accepted provided the Partnership Agreement with the Transfer Partners is signed and provided to the Permanent Secretariat, and 70% reported in Financial Claim 2 and accepted provided Transfer Partners' pre-defined and outputs are completed and submitted to the Permanent Secretariat. Should a Transfer Partner drop out during the implementation period or not deliver the requested outputs, this Partner is not entitled to claim the release of the lump sum (in whole or in part). This does not affect the release of the lump sum to the other Transfer Partners.
4. The financing of joint activities is governed by the contracting-Partner-only principle. The contracting Partner is the only one that budgets, contracts, actually pays, ensures verification and reports 100% of the cost item of joint benefit and receives the related ERDF. The arrangements for sharing costs between the Main Urban Authority and Delivery Partners are defined between the Main Urban Authority and involved Delivery Partners. [If applicable, concrete details on how the procedures and individual shares of shared costs for each partner can be included here.]

ARTICLE 9. AUDIT RIGHTS, EVALUATION OF THE PROJECT AND ARCHIVING OF DOCUMENTS

1. The European Commission, the European Anti-Fraud Office, the European Court of Auditors, or other Initiative Authorities are entitled to audit the proper use of funds by the Project Partners or arrange for such an audit to be carried out by authorised persons.
2. Each Project Partners will produce all documents required for the audit, provide necessary information and give access to their business premises.
3. In accordance with Regulation (EU) 2021/1060 Articles 44 and 45, each Project Partner undertakes to provide independent experts or bodies carrying out any project evaluation with any document or information necessary to assist the evaluation.
4. Each Project Partner will archive documents related to the project implementation until 31 December 2035. This period shall be longer if there are on-going audits, appeals, litigation or pursuit of claims concerning the Subsidy Contract. In such cases, the Project Partners shall keep the documents until such audits, appeals, litigation or pursuit of claims are closed. Other possibly longer statutory retention periods, as might be stated by national law, remain unaffected.
5. Each Project Partner must ensure that all documents are kept either:
 - b. in their original form;
 - c. as certified true copies of the originals;
 - d. on commonly accepted data carriers including electronic versions of original documents;

- e. or documents existing as electronic version only.
Notwithstanding the foregoing, the archiving formats have to comply with national legal requirements.
6. The requirements as indicated in points (4) and (5) also apply to any Project Partner which leaves the Partnership before the end of the project.

ARTICLE 10. COMMUNICATION AND PUBLICITY

1. Each Project Partner will implement a communication and dissemination plan that ensures adequate promotion of the project and its results towards potential target groups, project stakeholders and the general public in compliance with the Annex IX of Regulation (EU) No 2021/1060, the Subsidy Contract (article 12) and the EUI-IA Guidance. Particular attention shall be paid by beneficiaries to the visibility of the EU funding: any communication or publication related to EUI-IA projects made by beneficiaries, including at conferences, seminars or in any information or promotional materials, shall indicate European Union support and shall display the European Union emblem. When displayed in association with another logo, the European Union emblem must have appropriate prominence.
2. The Project Partners shall produce their communication material for local stakeholders and citizens in their own language.
3. Unless differently required by the Entrusted Entity, any notice or publication in relation to the project, made in any form and by any means, including the Internet, must state that it only reflects the author's views and that the Initiative Authorities are not liable for any use that may be made of the information contained therein.
4. Each Project Partner agrees that the Initiative Authorities shall be authorised to publish, in any form and by any means, including the Internet, the following information:
 - the name and contact details of the Main Urban Authority and of the Project Partners,
 - the project title,
 - a summary of the project activities,
 - the objectives of the project and the subsidy,
 - the project start and end date,
 - the amount of the subsidy and the total budget of the project,
 - the geographical location of the project implementation,

ARTICLE 11. INTELLECTUAL PROPERTY RIGHTS

1. All intellectual property, outputs and results (whether tangible or intangible) that derive from the project will be the property of the Main Urban Authority and the Project Partners.
2. Notwithstanding the terms of article 11.1 above, the results of the project have to be made available to the general public free of charge by the Main Urban Authority and Project Partners. The Entrusted Entity and any other Initiative Authority may reserve the right to use all the results for information and communication actions in respect of the Initiative. If there are pre-existing intellectual and industrial property rights which are made available to the project, these will be fully respected provided that they are notified by the Main Urban Authority and Project Partners to the Entrusted Entity in writing.
3. Any income generated by the intellectual property rights must be managed in compliance with the applicable EU, national and Initiative rules.

[If applicable, concrete details on how the project will handle and agree upon the intellectual property rights for the project's outputs and results can be included here.]

CHAPTER 3 - RESPONSABILITY, LIABILITY FOR UNFULFILLED OBLIGATIONS AND REPAYMENT

ARTICLE 12. RESPONSIBILITIES OF THE PARTIES

1. The Main Urban Authority solely assumes responsibility for the entire project as defined in the Subsidy Contract towards the Entrusted Entity. It is liable for infringements of obligations under this Agreement by the Project Partners in the same way as for its own conduct.
2. Each Project Partner is directly and exclusively responsible to the Main Urban Authority for the due implementation of its respective project part, and for the proper fulfilment of its obligations as set out in this Agreement and in the Application Form.
3. In case a Project Partner does not comply with its obligations as agreed upon in this Agreement and the relevant Annexes, the concerned Project Partner shall be the sole responsible for any liabilities, damages and costs, resulting from the non-compliance.

4. In specific cases of cooperation with third Parties (e.g. concluding sub-contracts) including suppliers of good/services, the Project Partner concerned shall remain solely responsible to the Main Urban Authority concerning compliance with its obligations as set out in this Agreement. The Main Urban Authority shall be informed by the Project Partner about the subject and party of any contract concluded with a third party. Any contracts with third Parties will have to be concluded in accordance with EU and national legislation, including procedures set out in the public procurement rules applicable to the contracting Partner.
5. In case of irregularities the Main Urban Authority bears the overall responsibility towards the Entrusted Entity for the repayment of the amounts unduly paid. If the irregularity is committed by another Project Partner, the concerned organization shall repay to the Main Urban Authority the amounts unduly paid. When amounts unduly paid to a Project Partner cannot be recovered due to negligence of the Main Urban Authority, the latter shall remain responsible for the repayment.

ARTICLE 13. NON-FULFILMENT OF OBLIGATIONS AND LIABILITY

1. Should one of the Project Partners not fulfil its obligations, the Main Urban Authority shall warn the concerned Project Partner and remind this Project Partner to comply within a maximum of [DAYS]. The Main Urban Authority shall make any effort to contact the concerned Project Partner(s) in order to solve the difficulties, including seeking the assistance of the Entrusted Entity of the Initiative. The Project Partners undertake to find a rapid and efficient solution.
2. Should the non-fulfilment of obligations continue, in spite of notifications as mentioned under article 13.1 above, the Main Urban Authorities may decide to exclude/replace the concerned Project Partner, with approval of the other Project Partners. The Entrusted Entity shall be informed and consulted immediately by the Main Urban Authority of such a decision.
3. In case of non-fulfilment of a Project Partner's obligations having financial consequences for the funding of the project as a whole, the Main Urban Authority may demand compensation to cover the sum involved.
4. Each Project Partner shall be liable to the other Project Partners and shall indemnify for any damages or costs resulting from the non-compliance of its contractual duties as set forth in this Agreement and the relevant Annexes.
5. No Project Partner shall be held liable for not complying with its obligations as agreed upon this Agreement, should the non-compliance be caused by *force majeure*. In such a case, the Project Partner involved must announce this immediately in writing to the other Project Partners of the project. The *force majeure* is any unpredictable and insurmountable event, occurred after the signing of the present Agreement and that prevents the total or the partial execution of the Agreement (e.g. wars, natural calamities, general strikes, insurrections, revolts, epidemics, earthquakes, floods and

other similar events that cannot be attributed to any party of / bonded by the Agreement). The *force majeure* exonerates the Parties of the responsibility for not executing partially or totally the obligations stipulated in the Agreement during the period they appear and only if the events were properly notified. It is not considered as being *force majeure* any event similar to those presented above, that, without creating an impossibility of execution, makes the execution of the obligations very difficult for one of the Parties.

ARTICLE 14. REPAYMENT OF FUNDS

1. Should the Entrusted Entity, in accordance with the provisions of the Subsidy Contract, demand repayment from the Main Urban Authority of all or part of the subsidy already transferred, each Project Partner concerned by the irregularity resulting in the repayment, is obliged to reimburse its share of the subsidy amount unduly received to the Main Urban Authority.
2. The Main Urban Authority shall, without delay, inform the concerned Project Partner about any ERDF amount unduly paid due to an irregularity as soon as it is informed by the Entrusted Entity. It shall also forward, without delay, the letter by which the Entrusted Entity has asserted the recovery order and notify each Project Partner of the amount to be repaid. This amount is due by the deadline indicated by the Main Urban Authority.
3. In case the amount to be recovered shall be subject to interest, the interest rate will be determined in accordance with the provisions of the Subsidy Contract (article 16.5) and would be applied to each concerned Project Partner.

CHAPTER 4 – CONCLUDING PROVISIONS

ARTICLE 15. DELEGATION AND LEGAL SUCCESSION

1. No Project Partner shall have the right to transfer its rights and obligations under this Agreement without the prior consent of the other Project Partners and the responsible Initiative implementing bodies.
2. In cases of legal succession (e.g. when the beneficiary changes its legal form), the Main Urban Authority or the concerned Project Partner is obliged to transfer all duties under this Agreement to the legal successor. The Main Urban Authority shall be notified by the concerned Project Partner in written form and shall notify the Entrusted Entity according to the provisions set out in the Subsidy Contract.

ARTICLE 16. CHANGES IN THE PARTNERSHIP

1. The Project Partners agree not to back out of the project unless they have unavoidable reasons to do so, being aware of the fact that all changes in the Partnership need an approval of the relevant Initiative Authorities.
2. The Main Urban Authority informs the Entrusted Entity as soon as changes in the Partnership are foreseeable. Changes in the Partnership require a duly justified formal request for change from the Main Urban Authority and enter into force only after the approval by the relevant Initiative Authorities. However, once approved, they are valid retrospectively starting from the date when the written request was submitted. When required, an amendment to the present Agreement may be issued.
3. In case a Delivery Partner withdraws from the project or is excluded from it during project implementation, the remaining Delivery Partners shall undertake to find a rapid and efficient solution to ensure proper project implementation without any delay. Consequently, the Delivery Partners shall endeavor to cover the contribution of the withdrawing Delivery Partner, either by assuming its tasks by one or more of the remaining Delivery Partners or by involving a new Delivery Partner in the Partnership in line with the respective provisions.
4. In case a Transfer Partner withdraws from the Project or is excluded from it during project implementation, the Main Urban Authority must consult the Entrusted Entity and potentially identify a new Transfer Partner for replacement.
5. The provisions set for audits in article 9 of the present Agreement remain applicable to the Project Partner that backed out of the project or was excluded from the project.

ARTICLE 17. AMENDMENT OF THE AGREEMENT AND PROJECT MODIFICATION

1. This Agreement shall only be amended in writing by means of an amendment to that effect signed by all Parties involved. The Main Urban Authority shall notify and share a scanned copy with the Entrusted Entity any amendment or supplement to the present Agreement.
2. Modifications to the project that have been approved by the relevant Initiative Authorities, in compliance with the procedure set in the EUI-IA Guidance, can be carried out without amending the present Agreement, unless directly related to the composition of the Partnership.

ARTICLE 18. DISPUTE SETTLEMENT

1. In case of any disputes (even if regarded as such by only one of the Project Partners), which may arise owing to a further agreement or an actual action which is wholly or

partly subject to the present Agreement, the Project Partners shall first work towards an amicable settlement.

2. In case the Project Partners do not reach an amicable settlement, the settlement will be adjudicated by the competent court in the district in which the Main Urban Authority has its registered office. The Main Urban Authority's registered office being located in [address], the Parties herewith agree that [name and address of the forum] shall have competence to rule in all legal disputes arising from this Agreement.

ARTICLE 19. FINAL PROVISIONS


1. The working languages of this Partnership are [languages to be defined by the Partnership]. The present Agreement is concluded in [...] language. An [...] translation of the Agreement is made available when the Transfer Partners are integrated into the Partnership. Translation is the responsibility of the Main Urban Authority.
2. This Agreement is governed by [...] law, being the law of the country where the Main Urban Authority is located.
3. In case of discrepancies between the Subsidy Contract and this Agreement, the provisions of the Subsidy Contract shall prevail.
4. If any provision in this Agreement should be wholly or partly ineffective, all other provisions remain binding, and the Parties to this Agreement undertake to replace the ineffective provision by an effective provision which comes as close as possible to the purpose of the ineffective provision.
5. The present Agreement is done in [number of Project Participants signing the Partnership Agreement] originals of which each Party keeps one original. Each one must be countersigned by every Project Partner. A scanned copy shall be transmitted to the Entrusted Entity.
6. The Parties signing the Agreement have fully understood and accepted the contents of the Subsidy Contract and undertake the activities and responsibilities in the meaning as included therein.

SIGNATURES

Place, Date:

Name of Main Urban Authority:

Name and function of legal responsible:



Stamp

Signature:

Place, Date:

Name of Project Partner X:

Name and function of legal responsible:



Stamp

Signature:

[...Other Delivery Partners signatures]

Project Partnership Agreement

Annex 4 - Transfer Partners Integration Amendment

Template

ANNEX 4 - TRANSFER PARTNERS INTEGRATION AMENDMENT

to the Partnership Agreement Of

[INDEX, ACRONYM and TITLE of the project]

Within the EUI-IA Initiative

Main Urban Authority / Project Partner 1	
Delivery Partner 2	
Delivery Partner 3	
Delivery Partner 4	
Delivery Partner 5	
Delivery Partner X	
Transfer Partner 1	
Transfer Partner 2	
Transfer Partner 3	

ARTICLE 1. OBJECT OF THE AMENDMENT

1. In accordance with the provisions of the Subsidy Contract, of the EUI-IA Guidance and of the Partnership Agreement signed on [Date], which is the subject of this amendment, Transfer Partners are included in the Partnership of the Project [INDEX, ACRONYM and TITLE of the project]. The tasks of the Transfer Partners and the tasks of the Main Urban Authority and Delivery Partners in relation to the Transfer Partners are presented in the EUI-IA Guidance. This amendment formalizes the integration of the Transfer Partners to the Partnership Agreement and specifies the Project Partners duties and responsibilities in that respect.
2. This Amendment to the Partnership Agreement has validity only provided it is signed by all Parties involved: the signatories of the initial Partnership Agreement (Main Urban Authority and Delivery Partners) and the new signatories of this Amendment (Transfer Partners).
3. All parties to the present Agreement either agree to integrate the following entities, or to be integrated as Transfer Partners within the Partnership:
 - [full Name and address of the Transfer Partner 1 Institution], [Country]
Represented by: [name of the legal representative]
 - [full Name and address of the Transfer Partner 2 Institution], [Country]
Represented by: [name of the legal representative]
 - [full Name and address of the Transfer Partner 3 Institution], [Country]
Represented by: [name of the legal representative]
4. Considering the transnational nature of the Partnership, the Partnership Agreement and the present Amendment are translated and signed in the following language(s): [.....]

ARTICLE 2. DURATION OF THE AMENDMENT

The Amendment enters into force on the date on which it is signed by the last of the Parties (including both Main Urban Authority/ Delivery Partners and Transfer Partners), and until the end of any contractual obligations as fixed in the article 3.2 of the Partnership Agreement.

ARTICLE 3. RESPONSIBILITIES OF THE PARTIES

1. The provisions of the Partnership Agreement remain applicable in full to all Project Partners, including the Transfer Partners. The present Amendment is without effect on

any of the Project Partners duties and responsibilities set and agreed in the Partnership Agreement.

2. Additional rules foreseen under the articles 4 and 5 of the present Amendment are specifically applicable to the Main Urban Authority in relation to Transfer Partners and to Transfer Partners.

ARTICLE 4. ADDITIONAL PROVISIONS APPLICABLE TO THE MAIN URBAN AUTHORITY IN RELATION TO TRANSFER PARTNERS

1. Following the selection of the Transfer Partners, the Main Urban Authority is responsible for formalizing the contractual relationship between the Transfer Partners and the rest of the project Partnership and revising the relevant sections of the Application Form accordingly, notably the Partnership section (integration of the new Transfer Partners) and the Transfer Work Package (detailed workplan).
2. The Main Urban Authority is responsible for leading the Work Package Transfer and can appoint (a) dedicated Delivery Partner(s) to support implementation and facilitation of the transfer activities: [name the relevant Delivery Partner(s) if applicable].
3. The Main Urban Authority is responsible for delivering the following transfer-related output: the EUI - Innovative Solution Model.

ARTICLE 5. ADDITIONAL PROVISIONS STRICTLY APPLICABLE TO THE TRANSFER PARTNERS

1. The management of the advance payment for Transfer Partners shall be arranged as follows: [concrete details on how the management of the advance payment will be arranged are to be included here.]
2. Transfer Partners can cover from their allocated budget the following costs: staff costs related to the involvement in the Partnership; travel costs related to the participation in the site visits (travel, food, accommodation); preparation of the Transfer Capacity Survey; preparation of the Replication Feasibility and Opportunity Study; preparation of the investment documentation (if relevant); implementation of the small-scale pilot investments (if relevant); organization of the local visit (if relevant). [list other types of costs to be added if relevant and in line with the logic of the transfer cooperation presented in the EUI-IA Guidance]
3. Each Transfer Partner is responsible for delivering the following compulsory outputs: (1) Transfer Capacity Surveys at the beginning and at the end of the Work Package Transfer, and (2) a Replication Feasibility and Opportunity Study.

SIGNATURES

Place, Date:

Name of Main Urban Authority:

Name and function of legal responsible:



Stamp

Signature:

Place, Date:

Name of the **Transfer Partner**:

Name and function of legal responsible:



Stamp

Signature:

[...Other Transfer Partners signatures]

Place, Date:

Name of the **Delivery Partner**:

Name and function of legal responsible:



Stamp

Signature:

[...Other Delivery Partners signatures]

TEMPLATE



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