Interreg Programme
Danube Region

Co-funded by
the European Union

Partnership Agreement

Project Code: DRP0200367

Acronym: PilotInnCities

Disclaimer:

This document is a template providing minimal requirements for the Partnership Agreement. It cannot be modified with exception of the Article 5, which can be adapted by the partnership, and the relevant fields as referred "to be defined by the partnership" highlighted in grey. Further detailed provisions can be added by the partnership, if not contrasting with the programme rules and the Subsidy Contract.

Partnership Agreement

Having regard to:

Article 26 (1) a of Regulation (EU) 2021/1059;

the following agreement is hereby made between the

Lead Partner: Ministry of Industry and Trade of the Czech Republic, Na Františku 32, 11015 Prague 1, Czech Republic

and

Project Partner 2: Business and Investment Development Agency CzechInvest, Štěpánská 15, 12000 Prague, Czech Republic

Project Partner 3: Ministry of Investments, Regional Development and Informatization of the Slovak Republic, Pribinova 25, 81109 Bratislava, Slovakia

Project Partner 4: Association of Cities and Towns of Slovakia, Bezručova 9, 81109 Bratislava, Slovakia

Project Partner 5: Neumann János Nonprofit Ltd., Naphegy tér 8, 1016 Budapest, Hungary

Project Partner 6: HROD.net Community Development Nonprofit Ltd., Énekes utca 110, 6000 Kecskemét, Hungary

Project Partner 7: Digital Serbia Initiative, Bulevar Milutina Milankovića 11a, 11000 Belgrade, Serbia

Project Partner 8: Danube Engineering Hub Association, Alexandru Vlahuta 24, 100171 Ploiesti, Romania

Project Partner 9: Technical University of Civil Engineering Bucharest, Lacul Tei 122-124, 020396 Bucharest, Romania

Project Partner 10: EurA AG, Max-Eyth-Straße 2, 73479 Ellwangen, Germany

Project Partner 11: Zentrum für Digitale Entwicklung GmbH (Center for Digital Development), In der Waage 9, 73463 Westhausen, Germany

hereinafter jointly referred to as Project Participants,

for the implementation of the **DRP0200367 PilotInnCities, Pilot-based Innovation Ecosystems for Smart Cities**, approved by the Monitoring Committee of the Danube Region Programme,

on the basis of the legal provisions and documents as listed in Article 1.

Article 1: Legal framework

- The Danube Region Programme (hereinafter referred to as Programme), approved by the EC on 29 November (Decision No. C(2022) 8878)

- Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 together with related Delegated and Implementing Acts

- The European Structural and Investment Funds Regulations, Delegated and Implementing Acts for the 2021-2027 period, especially:

  - Regulation (EU) No. 2021/1060 of the European Parliament and of the Council of 24 June 2021, laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund, and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy, and repealing Council Regulation (EC) No 1303/2013, and any amendment;

  - Regulation (EU) No. 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund, and repealing Regulation (EC) No 1301/2013, and any amendment;

  - Regulation (EU) No. 2021/1059 of the European Parliament and of the Council of 24 June 2021 on specific provisions for the European territorial goal

(Interreg) supported by the European Regional Development Fund and external financing instruments, and repealing Regulation (EC) No 1299/2013, and any amendment;

- Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing directive 95/46/EC (General Data Protection Regulation, hereinafter referred to as GDPR);

- All other applicable EU legislation and underlying principles applicable to the Lead Partner (hereinafter referred to as LP) and its Project Partners (hereinafter referred to as PPs) including the legislation laying down provisions on public procurement, on competition, on state aid, on protection of the environment and on equal treatment between men and women;

- Financing Agreements (XXX), including date (XXX)

- National rules applicable to the LP and its PPs and their activities;

- Project data, comprising but not limited to latest project documentation such as the application form (hereinafter referred to as AF) and all project information available in the Programme electronic monitoring system;

- Subsidy contract, concluded between the LP of the project and the Managing Authority and Joint Secretariat (hereinafter referred to as MA/JS);

- All manuals, guidelines and any other documents relevant for project implementation (e.g. Programme manual and Call announcements) in their latest version as published on the Programme website.

Should the above-mentioned legal norms and documents, and any other documents or data of relevance for the contractual relationship be amended, the latest version shall apply.

Article 2: Definitions

1. **Lead Partner**: the project partner who takes the overall responsibility for the submission and the implementation of the entire project according to Article 23 (5) and in accordance with Article 26 of the Regulation (EU) 2021/1059.

2. **Project Partner:** any institution financially participating in the project and contributing to its implementation including the LP, as referred to in Article 23 (1)-(4) of Regulation (EU) 2021/1059 and identified in the approved AF. PP corresponds to the term "beneficiary" used in the European Structural and Investment Funds Regulations.

3. **Associated Strategic Partner:** (hereinafter referred to as ASP) any institution/body involved as observer in the project without financially contributing to it, as identified in the approved project AF and indicated in the Applicants Manual.

4. **Project**: Series of activities and tasks covered by this Partnership Agreement and described in the AF.

5. **Project data**: data comprising but not limited to latest project documentation such as AF and all project information available in the Programme electronic monitoring system.

6. **Project Part**: a set of activities undertaken by a single PP and presented by a PP's budget in the AF.

7. **Project Participants**: the LP and PPs, excluding ASPs.

Article 3: Subject of the Partnership Agreement

1. This Partnership Agreement lays down arrangements regulating the relations between the LP and all PPs in order to ensure a sound implementation of the transnational project DRP0200367 PilotInnCities as in the latest version of the approved AF, as well as in compliance with the conditions for support set out in the European Structural and Investment Funds Regulations, delegated and implementing acts, the Programme rules based thereon and the Subsidy Contract signed between the MA/JS and the LP.

2. The LP and all PPs commit themselves to jointly implementing the project in accordance with the latest version of the approved AF with the aim to reach the objectives of the project. This also includes the commitment to produce qualitative outputs and to achieve the results set in the AF.

3. The LP and all PPs declare to have carefully read and accepted the legal framework and other relevant norms affecting the project. In case the changes to the Subsidy Contract affect the Partnership Agreement, this document shall be adjusted accordingly.

4. The approved AF and the Subsidy Contract become an integral part of this Partnership Agreement after the approval of the project by the Monitoring Committee (hereinafter referred to as MC). The Project Participants shall fully respect the content and obligations set by the abovementioned documents and take full responsibility of keeping all regulations relevant to the implementation of the project.

Article 4: Partnership

1. All PPs entitle the LP to represent the PPs in the project. They commit themselves to undertake all steps necessary to support the LP in fulfilling its obligations as specified in the Subsidy Contract signed between the MA/JS and the LP as well as in this agreement.

2. Activities of the Project Participants as well as the role of each PP in the project are described in the AF.

Article 5: Operation and organisation of the Project Steering Committee

1. The Project Participants must set up a Project Steering Committee (hereinafter referred to as SCOM) in order to establish a clear decision making structure, where the following rules shall apply:

a) Composition of the Steering Committee

The SCOM is chaired by the LP and composed by one representative from each Project Participant (hereinafter referred to as "SCOM Members").

The SCOM Members representing the Project Participants shall be appointed in written form by the concerned partners, after a written request from the LP. Alternatively, the SCOM Members will be appointed by each Project Participant representative during the kick-off meeting, under a specific point of the agenda. In this case, the appointment has to be done in writing and shall be part of the minutes prepared in line with point e).

The SCOM Members have the right to be substituted in two ways:

a) by appointment of deputies; or

b) by sending substitutes to the meeting, informing the Chairperson of the SCOM not later than one working day before the meeting

Representatives of ASPs may participate in the SCOM in an advisory capacity.

b) Tasks

The SCOM shall oversee the effectiveness and quality of the implementation of the **PilotInnCities** project, in accordance with the following provisions:

- it shall periodically review progress made towards achieving the specific targets of the project;
- it shall examine the results of implementation, particularly the achievement of the targets value (outputs/results) stated in the AF on the basis of Partner Reports and other documents produced by the partners, either on a regular or on ad-hoc basis;
- it may propose any revision or examination of the project to make possible the achievement of the project objectives or to improve its management, including its financial management (e.g. redistribution of activities and budget across the partnership);
- it approves major changes requested for the implementation of the project activities (e.g. expulsion/substitution/sanctions of a PP for underperformance, modification of activities and outputs, etc.);
- it shall consider any relevant problem incurred during the implementation of the project and take decisions on how to solve these problems;

In case of dispute between PPs, good faith from all Project Participants will be presumed. Should a dispute arise between the partners, the affected Project Participants will endeavour to find a solution in an amicable way. In cases where the disputes cannot be solved by the partners, or by the intervention of the LP, then they shall be referred to the SCOM in order to reach a settlement.

c) Chairpersonship and meetings

The SCOM will be chaired by a representative of the LP or person entitled by the LP (the SCOM Chairperson). LP convenes the SCOM at least once every **6 months** generally in coincidence with the project meeting date.

The LP convenes the SCOM at least **15 working days** before the date proposed for the meeting by e-mail, together with the proposed agenda (drawn up by the LP) and all information about the issues to be discussed. If any urgent issues arise to be addressed urgently, the SCOM may be convened by the LP even with a shorter notice.

The SCOM Chairperson shall be responsible for the proper functioning of the SCOM and shall perform SCOM Chairperson's duties (e.g. declares the opening and closing of each meeting, directs the discussion, rules on points of order, accords the right to speak, announces the decisions and summarises them at the end of the meeting, etc.).

Participation in the SCOM meetings is mandatory for all Project Participants and any absence from meetings needs to be duly justified in advance to the LP (who then is in charge of communicating it to all the SCOM Members at the beginning of the meeting).

d) Decision making

The SCOM is legally convened when the majority (50%+1 member of the appointed members in line with point a.) of SCOM Members is present (**6**).

The general rule is that the decision making in the SCOM is by consensus among the SCOM Members present at the meeting (according to the principle "one partner, one vote").

If consensus cannot be reached, the SCOM will decide according to the majority rule. Majority means the highest number of votes. Votes cannot be delegated to other partners.

The LP, by its own initiative and/or under a well justified request of one or more of the SCOM Members, can initiate a written decision-making process via e-mail.

In this case the LP shall send the draft decision to the SCOM Members entitled to vote and shall fix a deadline, giving the addressees **at least 10** (or **at least 5**, in case of exceptional urgent cases) working days for the reply.

If an objection to the procedure or to the draft decision is raised, the matter shall be placed on the agenda of the next meeting of the SCOM.

If no objection to the procedure or to the draft decision has been received by the specified deadline, the decision is deemed to be taken by the SCOM.

e) Minutes

The LP shall send the minutes of the SCOM meeting reporting the decisions taken to the other members of the SCOM for comments not later than 10 working days after the date of the meeting.

If no written objections are raised from SCOM representatives within 10 working days after the minutes are received, the minutes are considered as approved.

If written objections are raised, the LP shall revise the minutes accordingly, decide on the final version and send it to the members of the SCOM.

In this last case, the final version is approved by the members of the SCOM in the following meeting of the SCOM according to the above mentioned rules (see point d).

f) Communication

Communication among the members of the SCOM shall be done by email. Any document to be sent to the members of the SCOM shall be transmitted by email.

All members of the SCOM shall communicate to the LP their email addresses and its eventual changes promptly.

g) Working language

Working language of the SCOM shall be English. This rule also applies to the official documents of the SCOM.

Article 6: Specific obligations and responsibilities of the Lead Partner

1. The LP shall assume the sole responsibility towards the MA/JS for the implementation, management and coordination of the entire project in accordance with the AF approved by the MC, and fulfil all obligations arising from the Subsidy Contract.
2. In addition, the LP of the project:
    a) is entitled to represent the PPs in the project, for instance the contact point representing the partnership for any communication with the MA/JS or any other Programme body;
    b) informs all PPs on the signature of the Subsidy Contract and provides the copy of the Subsidy Contract to all PPs;
    c) ensures timely commencement and implementation of the activities within the lifetime of the project, in compliance with all obligations to the MA/JS. The LP must notify the MA/JS of any factors that may adversely affect implementation of the project activities and/or financial plan;
    d) addresses requests for project modifications, according to the Implementation Manual;

e) provides the partners with copies of all relevant project documents, and reports on the implementation of the project.

f) keeps the PPs informed on a regular basis about all relevant communication between the LP and MA/JS;

g) informs the PPs about all essential issues connected to the project implementation without any delay;

h) monitors the delivery of the agreed work plan setting out tasks to be undertaken as part of the project, the role of the PPs in their implementation, and the project budget.

i) is responsible for the verification that the expenditure declared by the PPs has been incurred only for the purpose of implementing the project and corresponds to the activities agreed between the PPs as specified in the project data;

j) ensures that the expenditure presented by the PPs has been verified by a controller according to the rules set at Programme and national level;

k) prepares and submits the Applications for Reimbursement together with the Project Progress Reports (hereinafter referred to as PPRs), including supporting documents according to the Implementation Manual to the MA/JS by the deadlines given in the Subsidy Contract;

l) transfers the Interreg Funds to the PPs participating in the project according to each Application for Reimbursement approved by the MA/JS, within **20 working days**; No deduction, retention or any other specific charges can be made by the LP concerning the approved amount when transferring the contribution and no legal dispute between the LP and the PP concerned could be subject to any compensation from the approved amount;

m) constantly monitors the spending of the project budget for each PP, and ensure that budget shifts are carried out within the limits and according to the rules as set out by the Implementation Manual;

n) bears in case of irregularities the overall responsibility towards the MA/JS for the repayment of the amounts unduly paid;

o) agrees with the PPs before applying for budget reallocation between cost categories and/or project specific objectives not affecting amendment of the Subsidy Contract;

p) agrees with the PPs of the project before submission of any request for amendment of the Subsidy Contract to the MA/JS.

Article 7: Obligations of the Project Partners

1. The PPs shall respect all the rules and obligations set forth in the Subsidy Contract.
2. The PPs are responsible for:
   a) carrying out their own project part indicated in the project data and in the Programme documents;
   b) complying with any deadlines set by the Programme, the LP or agreed within the partnership;
   c) notifying the LP of any factors that may adversely affect implementation of the project in accordance with the project data;
3. The PPs must:
   a) commit themselves to undertake all steps necessary to support the LP in fulfilling its obligations as specified in the Subsidy Contract signed between the MA/JS and the LP, as well as in this agreement.
   b) comply with EU regulations and Programme level regulatory documents – as referred in Article 1 of the Subsidy Contract – and the relevant national legislation. Furthermore, each PP shall ensure that all necessary approvals (e.g. building permissions, environmental impact assessment statements) have been obtained.
   c) ensure that in case of funds granted under State aid, all necessary requirements provided for in the applicable EU, national and Programme rules, as recalled in Article 1 of the Subsidy Contract, are respected by the PPs concerned.
   d) respect the time schedule of the project, including the completion of the activities foreseen for each reporting period as agreed among the PPs and the financial performance in relation to the project implementation, and shall contribute to the achievement of outputs and results of the project.
   e) strictly follow the EU eligibility rules as well as further eligibility rules set up by the Programme in the Implementation Manual and, if applicable, national rules.

f) submit expenditures incurred and paid (with the exemption of simplified cost options) in the given reporting period for verification to the designated controllers, according to the rules set at Programme and national level. Verified expenditures must be submitted through the Programme electronic monitoring system to the LP immediately after verification.

g) be responsible for the sound financial management of the funds allocated to their project part, including the repayment of the contributions from the Interreg Funds unduly paid to the LP, and, where applicable, the repayment of the state co-financing to the relevant national body.

h) immediately inform the LP if costs are reduced or any of the disbursement conditions ceases to be fulfilled, or circumstances arise which entitle the MA/JS to reduce payment or to demand repayment of the Interreg Funds in whole or in part.

i) ensure that the expenses incurred are strictly related to the project activities, in line with the project data.

j) set up a physical and/or electronic archive where data, records and documents composing the audit trail are stored, in compliance with the requirements described in the Implementation Manual.

k) maintain either a separate accounting system or an adequate accounting code for all transactions relating to the project, ensuring that expenditure as well as the received Programme and (if relevant) national co-financing related to the project, are clearly identified.

l) provide on the partner's official website or social media sites, where such sites exist, a short description of the Interreg operation, proportionate to the level of support provided by an Interreg fund, including its aims and results, and highlighting the financial support from the Interreg fund;

4. The PPs shall support the LP to fulfil its tasks according to the Subsidy Contract. In particular, each PP shall:

a) provide the LP without any delay with any information needed to draw up the PPRs, to react on any request by the MA/JS, or provide with any further information needed by the LP;

b) inform the LP immediately about any circumstance that could lead to a temporary or final discontinuation of the project;

c) inform the LP before the submission of the first Application for Reimbursement on the details of the bank account where the contribution from the Interreg Funds of the given PP shall be transferred.

5. In accordance with the provisions of the Regulation (EU) 2016/679 (GDPR) in its valid version, the MA/JS is entitled to process personal data of the LP and all PPs, which are contained in the approved AF and which are acquired by the authorised representatives of the following bodies and authorities: national control bodies and bodies and authorities involved in audits carried out for the Programme, EC, auditing bodies of the European Union, the Audit Authority, or any other institution responsible for conducting audits or controls according to EU's or national laws. In addition, the MA/JS is entitled to process such data and to share them with other Programmes in order to implement their tasks linked to European anti-corruption policy and to make such data available to bodies and authorities for evaluation and monitoring purposes.

6. Furthermore, the Programme bodies may use the names and addresses of all PPs, the purpose and the amount of the subsidy in the framework of information and communication measures concerning the Programme as well as reporting to the EC.

7. If a PP fails to inform the LP of any deviation from the project data or for deviations that result in an overspending of the approved budget of the partner concerned, the LP is entitled not to include the costs of this partner in the PPR. Similarly, if a PP fails to provide the necessary input for the preparation of the PPRs within the deadline agreed with the LP, the LP may refuse to report the costs of this PP to the Programme, in agreement with the MA/JS.

Article 8: Reporting obligations of the PPs

1. Each Project Partner shall submit the Partner Report for validation of the expenditure to the responsible controller, selected or appointed according to national rules, online through the Programme electronic monitoring system. The deadline for submitting the Partner Report set by the responsible national controller shall be respected by the PP, in order to fulfil the reporting deadlines set in the Subsidy Contract.

2. The LP can only submit an Application for Reimbursement to the MA/JS by providing proof of progress of the project. Therefore, in order to provide adequate information on the progress of the project, each PP has to submit a Partner Report to their controller (or in case no costs reported then to the LP) online through the Programme electronic monitoring system consisting of an activity report describing the activities

carried out and their outputs and results during the reporting period and of a financial report presenting the financial progress and the expenditures spent by the PP on the project implementation in accordance with the approved Application Form.

3. The PPs have to respect the reporting deadlines of the Subsidy Contract, and ensure as much as possible that their Partner Report and Control Certificate is available for the LP in due time, within **75 calendar days**. Partner Reports not submitted through the Programme electronic monitoring system on time and Control Certificates not being available within the set deadline cannot be included in the PPR of the LP of the respective reporting period to be submitted to the MA/JS. Control certificates of a PP not issued in the given reporting period shall be included in the earliest possible next PPR following the reporting period concerned.

4. All expenditure shall be reported in Euro; therefore, the Partner Reports should be drawn up in Euro.

5. Expenditure incurred by PPs in a currency other than the Euro shall be converted into Euro by using the monthly accounting exchange rate of the European Commission[1] in the month during which expenditure was submitted for verification to the controller. This method shall be applicable to all PPs coming from the countries which have not adopted the euro as their currency. The exchange rate risk is borne by the PP concerned.

Article 9: Verification of expenditure

1. Each joint PPR submitted by the LP to the MA/JS must be accompanied by control certificates confirming the eligibility of expenditure at PP level, including LP, issued by national controllers as referred to in Article 46(3) of the Interreg Regulation, according to the system set up by each Partner State and in compliance with the requirements set by the legal framework listed in Article 1 of the Subsidy Contract. The PPs shall deliver all necessary documents in order to enable the LP to fulfil its obligations. To this end, the partnership may agree on internal rules and delivery procedures.

2. National controllers will base their work on the rules provided by each Partner State, if any, and/or the requirements set in the respective EU Regulations and in the Implementation Manual.

3. PPs from countries having a decentralised control system shall ensure that controllers have been selected in accordance with the system set up by each Partner State and

[1] **http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm**

they meet the requirements of qualification and independence presented in the Danube Control Guidelines, if the national rules require that the PPs are selecting the individual controller. Furthermore, these PPs acknowledge that the MA/JS reserves the right, after agreement with the national responsible institution, to require that the controller directly selected by a PP is replaced if considerations, which were unknown when the Subsidy Contract was signed, cast doubts on the controller's independence or professional standards.

Article 10: Audits

1. The European Commission, the European Anti-Fraud Office (OLAF), the European Court of Auditors (ECA) and, within their responsibility, the auditing bodies of the participating EU Member States or other national public auditing bodies as well as the Programme Audit Authority, the MA/JS are entitled to audit the proper use of funds by the LP or by its PPs or to arrange for such an audit to be carried out by authorised persons. The LP and PPs will be notified in due time about any audit to be carried out on their expenditure.

2. For audit purposes each PP shall:

   a) retain all files, documents and data about the project for a two-year period from 31st December following the submission of the accounts (by the Certifying Authority to the EC) in which the final expenditure of the completed project is included. The MA/JS will inform each LP individually about the beginning of the mentioned two-year period. The files, documents and data should be kept either in original and/or electronically;

   b) enable the responsible auditing bodies of the EU and of the Partner State concerned, as well as the Audit Authority, MA/JS and the Certifying Authority to audit the proper use of funds;

   c) give these authorities any information they request about the project;

   d) give them access to the accounting books and accounting documents and other documentation related to the project, as requested by the auditing bodies;

   e) give them access to business premises during the ordinary business hours and also beyond these hours by arrangement and allow them to carry out checks related to the project;

   f) provide the LP with any information needed related to such an audit without any delay.

3. Other possible longer statutory retention period – as might be stated by national law – remain unaffected.

4. Each PP shall promptly inform the LP about any audits that have been carried out by the bodies mentioned in § 8 (1) of this agreement.

Article 11: Information and Publicity, use of outputs and results

1. Any publicity measure undertaken by any of the PPs shall be conducted according to the Regulation (EU) No. 2021/1060, Regulation (EU) 2016/679 (GDPR), and the information and publicity guidelines included in the Implementation Manual, the Visual identity Manual for Projects and the Communication toolkit of the Programme.

2. Information and publicity measures will be coordinated among the PPs. Each PP is equally responsible to promote the fact that financing is provided from the Interreg funds within the framework of the Programme and to ensure the adequate promotion of the project.

3. The LP and PPs ensure that any outcome and result produced during project implementation can be used by all interested Project Participants and organisations and are in the public interest and publicly available. Moreover, the PPs will support the LP and play an active role in any actions organised by the Programme to disseminate and capitalise on project results.

4. The MA/JS, as well as the National Authorities of the Partner States of the Programme – including National Contact Points – reserve the right to use the outputs and results of the project for information and communication actions in respect of the Programme.

Article 12: Changes in the project and decommitment

1. The exhaustive list of the substantial changes in the project is regulated in the Subsidy Contract. These changes will lead to the modification of the Subsidy Contract to be requested by the LP. Based on the provisions of the Subsidy Contract further detailed rules describing each case of Subsidy Contract modification, as well as other project changes not requiring amendment of the Subsidy Contract are set in the Implementation Manual.

2. In case of changes in the partnership, the MA/JS is entitled to withdraw from the Subsidy Contract if the number of PPs falls below the minimum number of participants required by the Programme.

3. The LP can, if necessary, submit requests for modifications of the project data to the MA/JS or other relevant Programme body. Any modifications requested, including budget, partnership and operational changes, must be agreed and authorised by the PPs of the project beforehand, according to pre-agreed rules of procedure or other decision-making mechanism established in the partnership. The conditions and deadlines for requesting and/or implementing modifications in the project are established in the Implementation Manual.

4. The LP and each PP agree not to withdraw from the project unless there are unavoidable reasons for doing so. In case a Project Participant withdraws from the project or is debarred by the other Project Participants for not fulfilling the obligations set in this agreement, the remaining PPs will undertake to find a rapid and efficient solution to ensure the further proper project implementation without any delay. Consequently, the PPs will endeavour to cover the contribution of the withdrawn or debarred Project Participant, either by assuming its tasks by one or more of the present Project Participants or by asking one or more new participants to join the project partnership, pursuant to the respective Programme provisions.

5. The provisions set for audits in Article 10 remain applicable to the PP that backed out or was debarred from the project and this PP bears the overall financial responsibility for the activities completed including the responsibility for repayment of the amount unduly paid in line with Article 13.

6. In case MA/JS reduces the project budget and the corresponding contribution from the Interreg Funds – on the basis of the decision of the MC – the PPs shall bear the financial consequences together and agree on the distribution per partners of the amount decommitted from the project budget.

7. The LP and PPs must strictly follow the provisions of the Implementation Manual when requesting and/or implementing modifications in the project.

Article 13: Irregularities, withdrawal and repayment of the Interreg funds

1. If the MA/JS – based on the provisions of the Subsidy Contract – requests the repayment of the contribution from the Interreg Funds in full or in part from the LP due to irregularity or withdrawal from the Subsidy Contract, the LP shall call upon the PP(s) concerned in writing to repay the Interreg Funds unduly paid according to the request of the MA/JS.

2. The PP affected has to repay the requested Interreg Funds to the LP. In case the PP received state contribution to the project part, the corresponding state contribution shall be repaid to the responsible national body.

3. The PP has to respect the deadline given by the MA/JS to the LP for the repayment of Interreg Funds. The PP has to transfer the requested Interreg Funds to the LP at least **5 working days** before the deadline set by MA/JS for the LP.

4. In case of delay in the repayment to the MA/JS, the interest on late payment imposed by the MA/JS has to be repaid to the LP by the PP concerned.

5. If the LP does not succeed in securing repayment from PP or if the MA/JS does not succeed in securing repayment from the LP, the Partner State on whose territory the PP concerned is located shall reimburse any amounts unduly paid to that PP based on Article 52(3) of Regulation (EU) No 2021/1059 according to the request of the MA/JS.

   After the reimbursement made by the Partner State concerned, it holds the right to secure repayment from the PP located on its territory, if necessary through legal action.

Article 14: Intellectual property rights, confidentiality and conflict of interest

1. The LP and PPs must undertake to enforce all applicable national and EU law, including but not limited to laws on intellectual property rights, especially copyright, regarding any output produced as a result of project implementation.

2. The LP or PP shall ensure that it has all rights to use any pre-existing intellectual property rights, if necessary for the implementation of the project.

3. The result of the joint activities covered by the agreement concerning reports, documents, studies, electronic data and other outputs, are the joint property of the partnership, unless specifically agreed otherwise.

4. Ownership, title and industrial and intellectual property rights of the deliverables and outputs of the project and the reports and other documents relating to it shall be vested to the PPs to the extent allowed by the national regulation of the PP concerned.

5. The LP and PPs are obliged to take all necessary measures in order to avoid conflicts of interest, and to keep each other informed without delay on any circumstances that have generated or may generate such conflict.

6. The LP and PPs are obliged to inform the relevant Programme bodies if there is any sensitive or confidential information related to the project that shall not be published or made publicly available. This clause does not affect the LP and PPs obligation to make all results and outputs of the project available to the public.

Article 15: Cooperation with third parties, assignment, legal succession

1. In case of cooperation with third parties including but not limited to sub-contractors and in-house bodies with regard to the project, the relevant PP shall remain the sole responsible toward the LP concerning compliance with its obligations as set out in the Implementation Manual and in this agreement. PPs must inform each other about the scope of such contracts and the names of the contracted parties.

2. In the course of outsourcing, all PPs are obliged to follow national public procurement rules and other regulations set up at Programme level, and in case of PPs form non-EU Partner States the rules set out in the Financing Agreement for procurement procedures and shall take full responsibility for the proper application of these rules.

3. Should a PP not comply with its obligations, this PP shall be the sole responsible for damages and costs resulting from this non-compliance.

4. The Project Participants shall not have the right to assign their rights and obligations to third parties under this agreement without the prior consent of the LP and/or other PPs and of the MA/JS and the MC.

5. In case of legal succession, for instance when the Project Participant changes its legal form, the affected Project Participant is obliged to transfer all duties under this agreement to the legal successor. The PP shall notify the LP in written form within **10 working days**. The legal successor takes all responsibilities of the activity fulfilled by the legal predecessor and be financially responsible for any amount unduly paid to the legal predecessor.

Article 16: Language

The working language of the partnership shall be English. Any official internal document of the operation and all communication to the MA/JS shall be made available in English, being the official language of the Programme.

Article 17: Duration and right of termination

1. The present Partnership Agreement comes into force once it has been signed by the LP and each PP individually or by all PPs, and under the condition that the project is

approved for co-financing by the Programme. It remains in force until the LP and PPs have completed in full their obligations as defined in article 6 and 7 of this agreement towards the MA/JS and any relevant European body. It shall remain in force until the LP has discharged in full its obligations arising from the Subsidy Contract towards the MA/JS.

2. All relevant provisions of this agreement necessary for the fulfilment of the archiving and audit obligations shall remain in force until the period as referred to in Article 9(2) a).

3. If there is a non-resolved dispute between any of the PPs arising from the implementation of the project the Partnership Agreement shall remain in force until the case is settled by the competent body.

4. This agreement can be terminated by the consensual decision of the SCOM which also makes arrangement regarding the consequences of a premature termination.

Article 18: Applicable law and dispute settlement and

1. This agreement is governed by the **Czech law**, being the law of the country of the LP.

2. This Partnership Agreement is concluded in English. In case of a translation of this agreement and its annexes into another language than English, the English version shall prevail.

3. Disputes arising between PPs or between the LP and PPs concerning their contractual relationship and, more specifically, the interpretation, performance and termination of this agreement should be resolved amicably. Should this not be possible, the law of the country of the LP shall apply.

Article 19: Concluding provisions

1. Any amendments to this agreement shall be in written form signed by all Project Participants.

2. Amendments and supplements to the present agreement and any waiver of the requirement of the written form must be in done in writing. The LP shall notify the MA/JS of any amendment or supplement of the present agreement.

3. If any provision in this agreement is held to be wholly or partly ineffective, the remaining provisions remain binding for the Project Participants. In this case the

Project Participants undertake to replace the ineffective provision by an effective one which comes as close as possible to the purpose of the ineffective one.

4. The Project Participants commit themselves to take measures to ensure that all staff members carrying out the work respect the confidential nature of information regarded as such, and do not disseminate it, pass it on to third parties or use it without prior written consent of the LP and the PP that provided the information.

5. The Project Participants will make an effort to settle any disputes arising from this agreement out of the court. In case an agreement cannot be made in due time, the Project Participants herewith agree that the **Czech Republic** shall be the venue for all legal disputes arising from this contract.

6. **12** original copies will be made of this agreement; of which each party keeps one original and one original is attached to the AF for the MA/JS.

Signatures

Place, Date: Praha, 12. 06. 2023

Name of PP2: **Business and Investment Development Agency CzechInvest**

Name of legal representative: [redacted]

Signature: [redacted]

CZECHINVEST
AGENTURA PRO PODPORU PODNIKÁNÍ A INVESTIC CZECHINVEST
Štěpánská 15, 120 00 Praha 2 • 2 •

Stamp

Place, Date: Prague, June 15, 2023

Name of Lead Partner: **Ministry of Industry and Trade of the Czech Republic**

Name of legal representative: M[redacted]

Signature: [redacted]

MINISTERSTVO PRŮMYSLU A OBCHODU 42 PRAHA

Stamp

Place, Date: Bratislava, 15. 06. 2023

Name of PP3: **Ministry of Investments, Regional Development and Informatization of the Slovak Republic**

Name of legal representative: [redacted]

Signature: [redacted]

Ministerstvo investícií, regionálneho rozvoja a informatizácie Slovenskej republiky
Pribinova 25
811 09 Bratislava
IČO: 50 349 287
-4-

Stamp

15. 06. 2023

Place, Date: Prague, June 15, 2023

Name of Lead Partner: **Ministry of Industry and Trade of the Czech Republic**

Name of legal representative: [redacted]

Signature: [redacted]

MINISTERSTVO PRŮMYSLU A OBCHODU
42
PRAHA

Stamp

Interreg Programme
Danube Region

Co-funded by
the European Union

Place, Date: Bratislava, June 14, 2023

Name of PP4: **Association of Cities and Communities of Slovakia**

Name of legal representative: [redacted] Acting Director of the ZMOS Office

Signature: [redacted]

Združenie miest a obcí Slovenska
Bezručova 9, 811 09 Bratislava
IČO: 00584614 DIČ: 2020801904
tel. 02 5296 4243, 02 4870 0719

Stamp

Place, Date: Prague, June 15, 2023

Name of Lead Partner: **Ministry of Industry and Trade of the Czech Republic**

Name of legal representative: [redacted]

Signature: [redacted]

MINISTERSTVO PRŮMYSLU A OBCHODU
42
PRAHA

Stamp

Place, Date: Budapest, 24. 05. 2023.

Name of PP5: **Neumann János Nonprofit Ltd.**

Name of legal representative: [redacted]

Signature:

[redacted]

1016 Budapest, Naphegy tér 8.
Adószám: 18087138-2-41
4.

Stamp

Place, Date: Prague, June 15, 2023

Name of Lead Partner: **Ministry of Industry and Trade of the Czech Republic**

Name of legal representative: [redacted]

Signature:

[redacted]

MINISTERSTVO PRŮMYSLU A OBCHODU
42
PRAHA

Stamp

Place, Date: Kecskemét, 12. 06. 2023.

Name of PP6: **HROD.net Community Development Nonprofit Ltd.**

Name of legal representative: [redacted]

Signature [redacted]

HROD.net Közösségi
Fejlesztő Nonprofit Kft.
6000 Kecskemét, Énekes u. 110.
Adószám: 23110966-1-03
Banksz.: 52500109-11057295

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Place, Date: Prague, June 15, 2023

Name of Lead Partner: **Ministry of Industry and Trade of the Czech Republic**

Name of legal representative: [redacted]

Signature: [redacted]

MINISTERSTVO PRŮMYSLU A OBCHODU
42
PRAHA

Stamp

Place, Date: Belgrade, 08.06.2023.

Name of PP7: **Digital Serbia Initiative**

Name of legal representative: [redacted]

Signature: [redacted]

Stamp

Place, Date: Prague, June 15, 2023

Name of Lead Partner: **Ministry of Industry and Trade of the Czech Republic**

Name of legal representative [redacted]

Signature: [redacted]

Stamp

Place, Date: Ploiești, Romania, 9 June 2023

Name of PP8: **Danube Engineering Hub Association**

Name of legal representative: [redacted]

Signature: [redacted]

ASOCIAȚIA DANUBE ENGINEERING HUB CUI: 40911191 PLOIEȘTI - PRAHOVA

Stamp

Place, Date: Prague, June 15, 2023

Name of Lead Partner: **Ministry of Industry and Trade of the Czech Republic**

Name of legal representative: [redacted]

Signature: [redacted]

MINISTERSTVO PRŮMYSLU A OBCHODU 42 PRAHA

Stamp

Place, Date: **Bucharest, 31 may 2023**

Name of PP9: **Technical University of Civil Engineering Bucharest**

Name of legal representative: [redacted]

Signature: [redacted]



Stamp

Place, Date: Prague, June 15, 2023

Name of Lead Partner: **Ministry of Industry and Trade of the Czech Republic**

Name of legal representative: [redacted]

Signature: [redacted]



Stamp

Signatures

Place, Date: Ellwangen, 01.06.2023

Name of PP10: EurA AG

Name of legal representative: [redacted]

Signature: [redacted]

EurA AG
Max-Eyth-Straße 2
D-73479 Ellwangen
T +49 7961 9256-0
www.eura-ag.com

Stamp

Place, Date: Praha, June 15, 2023

Name of Lead Partner: Ministry of Industry and Trade of the Czech Republic

Name of legal representative: [redacted]

Signature: [redacted]

MINISTERSTVO PRŮMYSLU A OBCHODU
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PRAHA

Stamp

Place, Date: Westhausen, 02.06.2023

Name of PP11: **Zentrum für Digitale Entwicklung (Center for Digital Development)**

Name of legal representative: p.p.a. [redacted]

Signature: [redacted]

Zentrum für Digitale Entwicklung GmbH
In der Waage 9
73463 Westhausen
Tel.: +49 7363 9604-30
info@digitaleentwicklung.de
www.digitaleentwicklung.de

Stamp

Place, Date: Prague, June 15, 2023

Name of Lead Partner: **Ministry of Industry and Trade of the Czech Republic**

Name of legal representative: [redacted]

Signature: [redacted]

MINISTERSTVO PRŮMYSLU A OBCHODU
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Stamp

Annex 1

Abbreviations

Programme – Danube Region Programme
AF – Application Form
ASP – Associated Strategic Partner
EC - European Commission
EU – European Union
GDPR - General Data Protection Regulation
LP - Lead Partner
MA/JS - Managing Authority and Joint Secretariat
MC – Monitoring Committee
PP - Project Partner (PPs – Project Partners)
PPR – Project Progress Report
SCOM - Steering Committee