

Project Partnership Agreement 01/2017

Definitions and Abbreviations

For the purpose of this agreement, the following words and abbreviations shall have the following meanings:

Agreement means the project partnership agreement

Approval Decision means the approval decision of the contracting authority as indicated in the sub-grant contract

Application Form means the application form submitted together with any amendments to the application form which are approved by the programme authorities.

Lead Partner means: lead beneficiary

Programme means the STRONG Civil Society Organisations for Stronger Armenia Project

Programme Authorities means the managing authority

Programme Manual means the latest published version of the implementation manual

Project Partners means the project partners named in the application form, including the lead partner

Project means SGS/SGC-001-17; «Collaborative Governance Model of Policy making in Armenia» as described in the application form

Sub-grant the maximum co-financing allocated to the project in accordance with the application form

SGS/SGC-001-17; Collaborative Governance Model of Policy making in Armenia

For the implementation of the project SGS/SGC-001-17; «Collaborative Governance Model of Policy making in Armenia» approved by the evaluation committee, the following agreement shall be made between the partners of the project.

Article 1

Parties to the agreement

The parties to this agreement are the lead partner (a) and the project partner (b) as listed in the latest approved version of the application form.

a. «NGO Center» Civil Society Development NGO, Khorenatsi 6/1, Vanadzor, Armenia, Non Governmental Organization

b. «ARAZA» Benevolent NGO, Kievyan str. 7, room 94, 0028 Yerevan, Armenia, Non Governmental Organization

Article 2

Subject of the agreement

1. Subject of this agreement is the organisation of a partnership in order to implement the project SGS/SGC-001-17; Collaborative Governance Model of Policy making in Armenia, 211.060.03500 as indicated in the annexes. The annexes comprise:
 - the latest version of the application form approved by the programme (Annex I)
 - the sub-grant contract between the managing authority and the lead partner (Annex II),
 - Budget by budget line by partner, spending plan by partner, allocation of tasks and objectives, outputs and results by partner
2. The annexes - including all provisions they are based on and refer to - are considered to be an integral part of this agreement.

Article 3

Rights, obligations and responsibilities of the parties

Lead partner's rights, obligations and responsibilities

1. The lead partner will comply with all obligations deriving from the sub-grant contract and the implementation manual, and inter alia, ensure the transfer of the sub-grant to the project partners as quickly as possible and in full.
2. The lead partner will inform the partners on a regular basis about any relevant communication between the lead partner and the contracting authority.

3. Before submitting a request for change to the contracting authority, the lead partner shall obtain the approval of its partners on the changes proposed. The lead partner may set a deadline to the partners for this approval so that beyond this deadline the proposed changes are considered as approved by the partners.

Partners' rights, obligations and responsibilities

1. To be eligible as project partner under Programme.
2. All partners will do everything in their power to implement the project as defined in the present agreement and in line with the latest approved version of the application form.
3. All partners shall comply with the provisions of the sub-grant contract, the implementation manual, the Programme and the latest approved version of the application form.
4. All partners shall 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.

In addition, they shall fulfil the following obligations:

8. To nominate a project manager and a financial manager for the parts of the project for which it is responsible and give the lead partner the authority to represent the partner in the project;
9. To provide the lead partner with all the information, in the prescribed form, necessary to draw up the mandatory reports for the project as well as all other reports on activities, requests for payment and other documents or information requested by the contracting authority. The information so requested will be provided to the lead partner on time and complete;
10. All exchanges of information with the programme authorities shall follow the programme requirements.
11. To make the partner contributions available as foreseen in the latest approved version of the application form and this partnership agreement;
12. To actively encourage the involvement of the stakeholder groups in their regions, their participation in the project, and their cooperation with respect to disseminating the project results;
13. To react promptly to any request of the lead partner, of programme authorities and bodies involved in the programme implementation, in particular for what concerns requests related to the coordination, implementation and evaluation of the project;
14. To notify immediately the lead partner of any event that could lead to a temporary or final discontinuation or any other deviation of the project, as well as any change related to the name of the organisation, its contact details, legal status or any other change concerning the partner's legal entity which may have an impact on the project or on their eligibility to the programme.
15. To comply with the planned budget by budget line, spending plan by partner, allocation of tasks and objectives, outputs and results by partner and to notify the lead partner without delay of any event that may lead to a deviation.

Article 4

Eligibility of Expenditure

1. Each project partner can only report eligible expenditure. In order to be deemed eligible, the reported expenditure of each project partner shall:

- a. relate to activities and costs which are carried out, incurred, and paid from the date of the Approval Decision 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 programme rules. In the absence of rules set at EU or programme 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 project 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;
2. In case a project partner does not comply with the eligibility rules, the lead partner and/or the programme authorities may impose corrective measure which have to be implemented by the concerned 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 sub-grant.

Article 5

Decision-making under the agreement

1. Decisions with regard to the:
 - general project activities will be taken by «NGO Center» Civil Society Development NGO (e.g. the decision making body indicated in the application form)
 - individual activities of project partners will be taken by «ARAZA» Benevolent NGO (e.g. the decision making body indicated in the application form)
 - general project budget will be taken by «NGO Center» Civil Society Development NGO (e.g. the decision making body indicated in the application form)
 - individual budget of project partners will be taken by «ARAZA» Benevolent NGO (e.g. the decision making body indicated in the application form)
 - request for the exclusion and addition of partners will be taken by «NGO Center» Civil Society Development NGO (e.g. the decision making body indicated in the application form)
2. The decision will be taken by «NGO Center» Civil Society Development NGO, (e.g. *majority vote, 5/6 majority*)

Article 6

Financing of joint activities

1. The financing of joint activities are governed by the lead-partner-only principle. The lead 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 sub-grant. The arrangements for sharing costs between partners are defined between the involved partners:

- a. *amount of the project budget (54.680,44 Eur);*

- b. amount to be financed by the Contracting Authority(49.212 Eur);*
 - c. co-financing to be provided by the Lead Partner (4.176,76 Eur);*
 - d. co-financing to be provided by the Partner (1.291,28 Eur);*
 - e. Pre-financing of activities (the amount to be transferred by Lead Partner to the partners) together with the preliminary time schedule (12.912,81 Eur);*
2. All project partners and the lead partner are obliged to manage a separate analytical accounting system for the project purpose.

Article 7

Project and programme 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 are not successfully reached, the concerned project partner is responsible to follow the requested corrective measures by the programme authorities.
2. In case one or more project partner(s) fail 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 programme may reduce the sub-grant allocated to the project and, if necessary, stop the project by terminating the sub-grant contract. In such cases, the concerned project partner(s) will be liable in compliance with article 8 of this agreement.

Article 8

Liability

1. 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.
2. No project partner shall be held liable for not complying with its obligations as agreed upon this agreement and the relevant annexes should the non-compliance be caused by force majeure. In such a case, the partner involved must announce this immediately in writing to the other partners of the project.

Article 9

Audit rights, evaluation of the project / archiving of documents

1. The European Commission, the European Anti-Fraud Office, the European Court of Auditors and other programme 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. Each project partner will archive documents related to the project implementation.
4. Each project partner must ensure that all documents are kept either:
 - a. in their original form;
 - b. as certified true copies of the originals;
 - c. on commonly accepted data carriers including electronic versions of original documents
 - d. or documents existing as electronic version only.

Notwithstanding the foregoing, the archiving formats have to comply with national legal requirements.

5. The requirements 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.
2. Unless differently required by the managing authority, 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 programme authorities are not liable for any use that may be made of the information contained therein.
3. Each project partner agrees that the programme authorities shall be authorised to publish, in any form and by any means, including the Internet, the following information:
 - a. the name and contact details of the lead partner and of the project partners,
 - b. the project name,
 - c. a summary of the project activities,
 - d. the objectives of the project,
 - e. the project start and end date,
 - f. the amount of the sub-grant and the total budget of the project,
 - g. the geographical location of the project implementation,
 - h. progress reports including the final report
4. Unless the Lead Partner agrees or requests otherwise, the Partner shall take all necessary steps to publicise the fact that the European Union has financed or co-financed the Action. Such measures shall comply with the Communication and Visibility Manual for European Union External Actions that can be found at:

http://ec.europa.eu/europeaid/work/visibility/documents/communication_and_visibility_manual_en.pdf
or with any other guidelines agreed and presented by the Programme.
5. The Partner shall submit a communication plan for the approval of the Lead Partner and report on its implementation.

6. In particular, the Partner shall mention the Action and the European Union's financial contribution in information given to the final recipients of the Action, in its reports, and in any dealings with the media.
7. Any notice or publication by the Partner concerning the Action, including those given at conferences or seminars, shall specify that the Action has received European Union funding. Any publication by the Partner, in whatever form and by whatever medium, including the internet, shall 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 the project partner and can under no circumstances be regarded as reflecting the position of the European Union.'

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 lead partner and the project partners.
2. Notwithstanding the terms of Article 11.1, the results of the project have to be made available to the general public free of charge by the lead partner and project partners. The managing authority and any other relevant Programme stakeholder may reserve the right to use them for information and communication actions in respect of the programme. 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 lead partner and project partners to the managing authority in writing.
3. Any income generated by the intellectual property rights must be managed in compliance with the applicable EU, national and programme rules in the fields of net revenue and state aid.

Article 12

Cooperation with third parties, delegation legal succession and outsourcing

1. In case of cooperation with third parties including suppliers of good/services, the project partner concerned shall remain solely responsible to the lead partner concerning compliance with its obligations as set out in this project partnership agreement.
2. The lead partner shall be informed by the project partner about the subject and party of any contract concluded with a third party.
3. No project partner shall have the right to transfer its rights and obligations under this project partnership agreement without the prior consent of the other project participants and the responsible programme implementing bodies.
4. In cases of legal succession, the lead partner or concerned partner is obliged to transfer all duties under this partnership agreement to the legal successor.

5. Outsourcing to consultants or to suppliers of goods/service shall be undertaken in accordance with procedures set out in the public procurement rules applicable to the contracting partner and in compliance with the EU directives on public procurement.

Article 13

Duration and right of termination

1. The agreement will enter into force on the date on which it is signed. It will remain in force until complete fulfilment of the lead partner and partners' obligations under this project partnership agreement and the sub-grant contract. In particular, all relevant provisions necessary for the fulfilment of the archiving and audit obligations defined in article 9 of this agreement shall remain in force.

Article 14

Non-fulfilment of obligations and disputes

1. Should one of the project partners not fulfil its obligations, the lead partner shall contact the concerned partner and remind this partner to comply within a maximum of 15 days. The lead partner shall make any effort to contact the concerned partner(s) in order to solve the difficulties, including seeking the assistance of the managing authority of the programme.
2. Should the non-fulfilment of obligations continue, in spite of notifications as mentioned under point one of this article, the partnership may decide to exclude the concerned partner from the project. The managing authority shall be informed immediately by the lead partner if the partnership intends to exclude a partner from the project.
3. In case of non-fulfilment of a partner's obligation having financial consequences for the funding of the project as a whole, the lead partner may demand compensation to cover the sum involved.
4. In case of any disputes, even if regarded as such by only one of the 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. In case the partners do not reach an amicable settlement, the settlement will be adjudicated by the competent court in the district in which the lead partner has its registered office. The lead partner's registered office is located in Khorenatsi 6/1, Vanadzor, Armenia.

Article 15

Demand for repayment

1. Should the programme authorities in accordance with the provisions of the sub-grant contract demand repayment of all or part of the sub-grant already transferred, each partner concerned is obliged to reimburse its share of the sub-grant amount unduly received to the lead partner.
2. The lead partner shall, without delay, inform the concerned partner about any fund amount unduly paid due to an irregularity as soon as it is informed by the Managing Authority. It shall also forward, without delay, the letter by which the managing authority has asserted the recovery order and notify each partner of the amount to be repaid. This amount is due by the deadline indicated by the lead partner. 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 sub-grant contract (Article 14.3) and would be applied to each concerned partner.

Article 16

Amendment of the project partnership agreement, withdrawals

1. This agreement shall only be amended in writing by means of an amendment to that effect signed by all parties involved.
2. Modifications to the project (e.g. concerning activities, time schedule or budget) that have been approved by the programme authorities, in compliance with the procedure set in the implementation manual, can be carried out without amending the present agreement.
3. If one of the project partners withdraws from the partnership, the lead partner and the project partners shall endeavour to cover the contribution of the withdrawing project partner, proposing to the programme authorities either to reallocate the tasks of the withdrawn partner inside the partnership and/or to replace the withdrawn partner by one or more new project partners.

Article 17

Working language and contact details for communication purposes

1. The working language of this Partnership shall be English.
2. The English version of the partnership agreement is the binding one.
3. Any communication addressed to the Lead Partner shall be sent to the following address:

Organization Name: «NGO Center» Civil Society Development NGO

Contact person: Arpine Hakobyan

Address: Khorenatsi 6/1, Vanadzor, Armenia

E-mail: ngoc.csd.ngo@gmail.com; arp-hak@mail.ru

Phone: +374-91-64-33-17, +374-91-74-33-15

4. Any communication addressed to the Partner shall be sent to the following address:

Organization Name: «ARAZA» Benevolent NGO

Contact person: Tamara Abrahamyan

Address: Kievyan str. 7, room 94, 0028 Yerevan, Armenia

E-mail: araza.ngo@gmail.com

Phone: +374 10-22-70-97

Narrative and financial reports and payments

1. Request for Payment, Narrative and Financial Reports and Supporting Documentation (such as Expenditure Verification Report and copies of financial documents) shall be produced in support of Payment Request.

Payments will be made to the following bank account: *Araza BNGO, Beneficiary account: 1930000244330204 (euro), BENEFICIARY BANK: Converse Bank CJSC Yerevan, Armenia, SWIFT: COVBAM22, CORRESPONDENT BANK: COMMERZBANK AG, FRANKFURT AM MAIN, GERMANY, SWIFT: COBADEFF;* in accordance with the following schedule:

- The first tranche of 50% of the grant will be paid 15 days after the signature of the contract;
- The second tranche of 40% will be paid 15 days after the second quarterly report (six months cumulative) is accepted and spending of minimum 70% of previously received tranche is documented;
- The final tranche of 10% will be paid 30 days after the final acceptance by the NGO Center and Contracting Authority of the following:
 - Request for Payment;
 - Final Narrative and Financial Reports;
 - Supporting Documentation verifying project expenditures.

Final provisions

2. This agreement is governed by RA and Polish laws.
3. If any provision in this agreement should be wholly or partly ineffective, 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.

Signatures

The lead partner

Title of the institution: «NGO Center» Civil Society Development NGO

Place and date: Vanadzor, 02 October, 2017

Name and function of the signatory: Arpine Hakobyan, President

Signature/Stamp



The project partner

Title of the institution: «ARAZA» Benevolent NGO

Place and date: Vanadzor, 02 October, 2017

Name and function of the signatory: Tamara Abrahamyan, President

Signature/Stamp: