



Hungary-Slovakia  
Cross-border Co-operation  
Programme 2007-2013

**Building Partnership**

European Union  
European Regional Development Fund



# **Partnership Agreement**

**Project title: Hungarian – Slovak Investment in the Capacity  
for the Future**

**Acronym: HUSKI II**

**Registration number: HUSK/1101/1.5.1/0197**

**Cross-border Cooperation  
Programme Hungary-Slovakia 2007-2013**

**Partnership Agreement**

In regards to the ERDF Subsidy Contract, which is to be concluded between the National Development Agency acting as the Managing Authority Cross-Border Cooperation Operational Programme Hungary-Slovakia 2007 - 2013 and **West-Pannon Regional Development Company acting as the Lead Partner** and

having regard to

- COUNCIL REGULATION (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999;
- REGULATION (EC) No 1080/2006 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 5 July 2006 on the European Regional Development Fund and repealing Regulation (EC) No 1783/1999;
- COMMISSION REGULATION (EC) No 1828/2006 of 8 December 2006 setting out rules for the implementation of Council Regulation (EC) No 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and of Regulation (EC) No 1080/2006 of the European Parliament and of the Council on the European Regional Development Fund;
- Hungary-Slovakia Cross-Border Cooperation Programme 2007-2013 approved by the European Commission on 21 December, 2008, Decision No.
- The HUSK/1101 Call for Proposals within the Cross-border Cooperation Programme Hungary-Slovakia 2007-2013, launched on 23<sup>th</sup> June 2011
- The proposed project **HUSKI II.** as drafted in the application form submitted to the Programme;
- The Project Implementation Handbook laying down specific rules for the implementation of projects financed under the Programme.

the following has been agreed between

**West-Pannon Regional Development Company**, having its head office at Kőszegi u. 23, in Szombathely, VAT no or Fiscal code number 11512914-2-18, represented by Mr. Károly ILLYÉS, as Lead Partner (LP) of the Project called HUSKI II.

and

**Regional Development Agency Nitra** having its head office at Akademická 4, 949 01 in Nitra, VAT no or Fiscal code number 2021729270, represented by Mgr. Petra Klimo Zlatošová, as Project Partner n.2;

**Nitra Self-Governing Region** having its head office at Rázusova 2A, 949 01 in Nitra., VAT no or Fiscal code number 2021611999, represented by Doc. Ing. Milan Belica, PhD., as Project Partner n. 3;

**Regional Development Agency Hlohovec-Piešťany** having its head office at Jarmočná 3, 920 01 in Hlohovec, VAT no or Fiscal code number 202 20 80 247, represented by Ing. Stanislava Papánek, as Project Partner n. 4;

**Trnava Self-Governing Region** having its head office at Starohájska 10, 917 01 in Trnava , VAT no or Fiscal code number 2021628367, represented by Ing. Tibor Mikuš, PhD., as Project Partner n. 5;

**Central-Transdanubian Regional Development Agency** having its head office at Rákóczi u. 1. III.em. in Székesfehérvár, VAT no or Fiscal code number 18487459-2-07, represented by Mr. Tamás Molnár, as Project Partner n. 6;

for the implementation of the project **Hungarian – Slovak Investment in the Capacity for the Future** with acronym **HUSKI II**, approved by the Joint Monitoring Committee of the Operational Programme Hungary-Slovakia 2007 – 2013, launched on 29<sup>th</sup> March 2012.

The Parties convene and sign the followings,

### **Article 1 (Project Objectives)**

1. The project HUSKI II; shall contribute to the objectives set out in the Operational Programme. The project objectives are, in summary, to:
  - create a basis for sustainable and integrated development in the cross border area;
  - encourage, promote and support cross border cooperation among enterprises, organisations and institutions for strengthening the regional identity ;
  - specify the situation of the common border area in European context and identify the common cooperation fields and common interests in the system of the cross border region;
  - strengthen the high quality of the projects realized in the cross border region with intensifying the HR background of the project management organisations;
  - prepare for the next programming period (2014-2020).

### **Article 2 (Subject of the Partnership Agreement)**

1. The parties, through the present Partnership Agreement, define the rules of procedure for the work to be carried out and the relations that shall govern them in the partnership set up in order to implement the above-mentioned project. This Agreement shall also define their mutual responsibilities concerning the administrative and financial management of the Project.
2. The responsibilities are based on and refer to the Subsidy Contract, with its all provisions, forming an integral part of this Partnership Agreement. The Project Partners have to fully respect the content and obligations set by the abovementioned documents.

### **Article 3 (Duration of the Partnership Agreement)**

1. This Agreement is valid from the date of signature by all parties and enters into force from the day of the entry into force of the Subsidy Contract between the Managing Authority and the Lead Partner. It shall remain in force until the Lead Partner has discharged in full his obligations towards the Managing Authority, including the period of availability of documents for financial controls.
2. As indicated in the Subsidy Contract, the LP and its project partners must undertake to retain all documents and receipts pertaining to the project and the financing thereof in a safe and orderly fashion for the five years following the closure of the Programme (**at least by 31<sup>st</sup> December 2020**). Other possibly longer statutory retention periods, as might be stated by national law, remain unaffected. As a general rule, it is also possible to use suitable image and data media, if the reproduction thereof is complete, orderly, identical in terms of content, in complete conformity with the original and capable of auditing, and access thereto is assured at any time until the expiry of the retention period.
3. This Agreement shall also remain in force if there is any non-resolved dispute among the partners solved at local and substantive jurisdiction courts of the Slovak republic.

4. The breach of the obligations of this Partnership Agreement by one of the partners may lead to an early termination of his participation in the project. This termination has to be decided by consensus by all the other partners in a documented manner, provided that the eligibility rules of the call for proposals are kept with the remaining partners and the consequently initiated amendment of the Subsidy Contract is successful at the Managing Authority. However, the partner will be obliged by this Agreement for its whole duration with regard to the activities carried out and expenditure incurred until that moment.

#### **Article 4** **(Obligations of the Lead Partner)**

1. As a **general obligation** the Lead Partner shall:

- be responsible for the overall coordination, management and implementation of the project. The Lead Partner is the lead beneficiary of the ERDF grant and shall manage the funds in accordance with the details of this Partnership Agreement and the Subsidy Contract. The Lead Partner assumes responsibilities for the entire project vis-à-vis the JTS and Managing Authority as defined in the Subsidy Contract. The Lead Partner will sign the subsidy contract and its possible modifications on behalf of the partnership;
- inform all Project Partners on the signature of the Subsidy Contract, and provides a copy of it for all Project Partners;
- appoint a project manager who has the operational responsibility for the coordination and documentation of the overall project;
- guarantee the timely performance of the entire Project for its whole duration according to the work plan;
- represent Project Partners towards the Programme Management Bodies;
- inform Project Partners on the progress of the overall Project, in particular with reference to its objectives and results as set in the ERDF Subsidy Contract or any later addenda;
- inform Project Partners about any variation of the conditions at the basis of the present agreement or about any modification that could influence the performance of the Project, the information activity or the payment of financing;
- support Project Partners in implementing their obligations by giving them the correct information, indications and clarifications on the procedures, the forms and other relevant documents, ensures that the project partners receive every relevant information;
- ensures that project partners are involved in the decision making regarding to the project, and especially, agrees with all project partners beforehand on any request to the Joint Technical Secretariat /Managing Authority for amendment of the Subsidy Contract;
- react promptly to any request made by the Managing Authority and Joint Technical Secretariat;
- inform the partners on all important communication with the Managing Authority and/or JTS in due time;
- notify the partners and the Joint Technical Secretariat immediately of any event that could lead to a temporary or final discontinuation of the project or any other deviation of the implementation of the project;
- implement his individual component of the project accordingly;
- be liable towards the Managing Authority for the total amount of the subsidy. In case a partner fails to comply with its contractual obligations arising from this partnership agreement and/or the subsidy contract, the LP will launch the claim for reimbursement of unduly paid funds towards the partner. When amounts unduly paid to a partner cannot be recovered, the LP shall be responsible for reimbursing the amounts lost
- comply with EU and national legislation;
- inform the Joint Technical Secretariat/Managing Authority regarding any change or amendment of the present agreement.

2. As a **financial obligation** the Lead Partner shall:

- guarantee the sound financial management of the funds allocated for the implementation of the Project, including the separate set-up of the project accounting and the supporting documents storage system;
- guarantee the correct and timely transfer of funds without any delay (within 5 working days after receipt unless justified) to the Project Partner of his share of ERDF financing, when received onto his accounts;

- verify that expenditure incurred by Project Partners have been checked by national controllers prior they are forwarded to the Joint Technical Secretariat;
- carry out project level accounting;
- guarantee that the allocations of the expenditure incurred by Project Partners are in line with those foreseen in the Project budget;
- submit the Application for Reimbursement together with the Progress Report to the Joint Technical Secretariat for the deadline given in the Subsidy Contract;
- with previous agreement of the Project Partners, request the Managing Authority eventual authorization for any variation of the budget in time;
- ensure that no double funding or double reporting of shared costs takes place;
- review the appropriate spending of the EU funds by the partners, the condition of the partners' project according and the preparation of the required documents and records for the project closure;
- keeps track of project activities, the ERDF amounts received and their transfer to PP.

**3. As a reporting and monitoring obligation, the Lead Partner, shall:**

- prepare and submit to the JTS the periodic project progress reports, final report, application for reimbursement and any other documentation upon request;
- guarantee to the EU, national and regional bodies in charge the access to the place where the Project has been implemented and to the headquarters of all Project Partners in order to implement the foreseen on-the-spot checks with the right of inspection;
- guarantees the access to the databases and documents to all the representatives of the institutions in charge of the controls foreseen by the Operational Programme as well as to the bodies authorized to monitor the Project. All the documents will have to be kept during the Partnership Agreement duration in their original format or in a certified copy, faithful to the original in a commonly-used format. The Lead Partner must also guarantee the respect of the mentioned rules on the part of his Project Partners.
- to report in accordance with the existing legislation and national/regional guidelines if the project activities contain elements of State aid;
- the LP will keep a copy of all project documents prepared by the project partners or other bodies;
- guarantee the systematic collection and the safe storage of all the documentation regarding Project expenditure and activities.

## **Article 5 (Obligations of the Project Partners)**

1. Project partners are responsible for carrying out specific project activities to deliver outputs in the manner and scope as indicated in the Subsidy Contract.
2. According to the present Agreement the project partners are obliged to support the Lead Partner to fulfil its tasks according to the Subsidy Contract, in particular with the following:
  - appoint a contact person for the implementation of the parts of the Project under their responsibility and authorise the contact person to represent the project partner;
  - assure the implementation of the part of the Project they are responsible for in accordance with the ERDF Subsidy Contract and the project work plan or otherwise agreed;
  - guarantee a sound financial management of funds, including the separate project accounting and the documents storage system;
  - contribute to overall project aims according to their part undertaken with due care and motivation, completing their activities foreseen for each reporting period;
  - guarantee that reported costs have incurred for the performance of the operation and correspond to the activities agreed upon among Project Partners, so as to assure the correspondence between the activities and the financed operation;
  - cooperate with the Lead Partner for the effective implementation of the project, actively take part in decision making during the project;

- ensure the validation of reported costs by the designated national controllers, prior their forwarding to the Lead Partner according to the deadlines strictly linked to the requests for payment, reports and final report to be presented by the Lead Partner to the JTS;
  - present to the Lead Partner, using the forms provided the technical-financial progress reports certified by his national controllers, according to the deadlines set in Article 10.3 of this agreement for the submission of the requests for payment and the final executive report, including a copy (in paper or electronic version) of all supporting documents for expenditure and activities;
  - guarantee the timely performance of the Project according to the timeframes and deadlines of the subsidy contract and in particular that expected outputs are actually delivered;
  - to notify the Lead Partner immediately of any event that could lead to a temporary or final discontinuation of the project or any other deviation of the implementation of the project, including any variations to his part of Project budget or his Project work plan;
  - respect the national and Community legislation, with particular regard to the State aid rules, public procurement, and horizontal EU policies, i.e. environmental protection and improvement, sustainable development and the promotion of equal opportunities between men and women;
  - guarantee the systematic and safe collection of all the documentation regarding his part of Project expenditure and its transmission to the Lead Partner, as well as to guarantee the access to documents to all the representatives of the institutions in charge of controls and to the bodies authorized to monitor the Project. All the documents will have to be kept in their original format or in a certified copy, faithful to the original and in a commonly-used format; in a safe and orderly manner for a period of five years following the closure of the Programme (**at least by 31<sup>st</sup> December 2020**); other possibly longer statutory retention periods, as might be stated by national law, shall remain unaffected;
  - guarantee to the EU, national and regional responsible audit bodies the access to the places where the Project has been carried out and to his legal head office in order to allow the inspections necessary within the Project activity of control, make copies of original documents;
  - guarantee to the independent evaluators in charge the access to every document or information regarding the part of Project he is in charge of deemed to be necessary for their activity;
  - repay the Lead Partner the amounts unduly paid (ERDF);
  - inform Lead Partner of all changes about its details including bank details;
  - to respond immediately to any request of the JTS/ Managing Authority transmitted by the Lead Partner;
  - to report in accordance with the existing legislation and national/regional guidelines if the project activities contain elements of State aid;
  - to report payment of national co-financing to the Lead Partner;
  - shall not subcontract 100% of the activities from their part of the project;
  - to submit copies of the state co-financing contracts (maximum 10 calendar days from the signature) to the Lead Partner;
3. Project Partners agree to take all necessary steps enabling the Lead Partner to comply with its responsibilities as set out in the ERDF Subsidy Contract.
4. Project Partners agree to implement all activities as presented in the Subsidy Contract and contribute to the financial implementation of the project as planned.

## **Article 6**

### **(Organizational structure of the Partnership - Project Steering Committee)**

1. The Project Partners decide to set up a Project Steering Committee in order to guarantee an effective management of the Project. The Project Steering Committee is set up, composed of a representative of the Lead Partner and a representative of each Project Partner. This Committee will be responsible for monitoring the implementation of the project on behalf of the partnership. The Project Steering Committee meets periodically (at least twice per year) following the convening by the Lead Partner. The Lead Partner must initiate the project meeting upon request of any project partner.
2. As defined by the partnership, the Steering Committee shall:
  - a. Be responsible for monitoring the implementation of the project;
  - b. Decide on any budget changes;

- c. Be responsible for the settlement of any disputes among project participants (as stipulated in § 3 of this agreement);
- d. Have the possibility to set up sub-groups/ working groups to deal with specific tasks related to the project.

#### **Article 7** **(Relationships with third parties)**

1. In the case in which project partners sign cooperation agreements with third parties (including subcontractors) for a partial execution of their part of Project, Project Partners will continue to be responsible towards the Lead Partner for all the obligations arising from the present Agreement. Any contracts with third parties will have to be concluded without violation to EU, national and regional rules on competition and award of public contracts. No project partner shall have the right to transfer its rights and obligations to third parties. The Lead Partner shall be informed by the partner about the subject and party of any contract concluded with a third party.

#### **Article 8** **(Communication, publicity and dissemination of results)**

1. The Lead Partner and the partners shall jointly implement the communication and publicity activities in accordance with the ERDF Subsidy Contract to ensure adequate promotion of the project both towards potential beneficiaries and towards the general public. The information and publicity rules as specified in the EC Regulation No 1828/2006 and Publicity and Information Guidelines of the Programme shall be observed by all parties.
2. Each project partner shall point out in the framework of any publicity and information measures, including public procurement procedures, that the project is implemented with the financial assistance from the European Union through ERDF under the Cross-Border Cooperation Programme Hungary-Slovakia 2007–2013 and to ensure an adequate promotion of the project.
3. The partners agree that the results of the project will be available to any interested third party and to the general public free of charge. The project partners commit themselves to play an active role in any actions organized to capitalize on, disseminate and valorize these results.
4. The partners agree that the Lead Partner may provide the JTS/Managing Authority or other programme body to publish, in whatever form, unrestricted as far as data protection is concerned, and on or by whatever medium, including the internet, with the following information:
  - the name of the LP and its partners,
  - the purpose and project outputs ,
  - the amount granted and the proportion of the total eligible costs of the operation accounted for by the funding,
  - the geographical location of the project,
  - information and communication tools produced within the project,
  - any other information agreed with the LP.

#### **Article 9** **(Ownership – Use of Results)**

1. The parties undertake to enforce the applicable law on intellectual ownership and author rights, regarding any outcome that might be produced during the implementation of the project.
2. Unless formally stipulated otherwise by the parties, ownership of the results of the project, including industrial and intellectual property rights, and of the reports and other documents relating to it, shall be vested to the partners.

3. Without prejudice to the previous paragraph, the beneficiary grants the JTS and the Managing Authority the right to make free use of the results of the project, provided it does not thereby breach its confidentiality obligations or existing industrial and intellectual property rights.
4. The Lead Partner and its partners agree that owners of the project outputs/deliverables are the following:
  - Regional Development Agency Hlohovec-Piešťany is the owner of the promotion devices and of the Slovak leaflets, but every partner can use it for reaching the aim of the project.
  - Central-Transdanubian Regional Development Agency is the owner of the Hungarian leaflets, but every partner can use it for reaching the aim of the project.
  - West-Pannon Regional Development Company is the owner of the project website, but every partner can use it for reaching the aim of the project.
  - Trnava Self-Governing region is the owner of the promotion video, but every partner can use it for reaching the aim of the project.
5. The Lead Partner and its partners commit to establish and maintain an inventory of all fixed assets acquired, built or improved under the ERDF grant;
6. In case of purchase costs co-financed, the owners shall not alter the nature and the activities at least within five years from operation completion (final eligibility date of expenditures for the project).
7. The goods, investments or any project deliverables which ownership is not agreed upon in paragraph 4 and 5 will be the property of the LP after project closure.

#### **Article 10** **(Reporting, monitoring and evaluation)**

1. The Lead Partner has overall responsibility for monitoring the actions undertaken by the project partners on an on-going basis.
2. The Lead Partner is responsible for submitting project progress reports and the final report to the JTS.

Each project partner commits to providing the Lead Partner with the information needed to draw up project progress and final reports and other specific documents required by the JTS. The reporting periods for the entire project will be laid down in the Subsidy Contract (Article 4, paragraph 13). Each project partner has to submit the Statement of Expenditure for the reporting period by the deadlines specified in the Subsidy Contract.

<b>Reporting Period</b>	<b>Validated expenditure to be submitted to the Lead partner</b>
01.02.2013-31.05.2013	31.08.2013
01.06.2013-30.09.2013	31.12.2013
01.10.2013-31.01.2014	01.04.2014

3. The Lead Partner must send each partner copies of the reports submitted to the Managing Authority.

#### **Article 11** **(Financial management)**

1. The Lead Partner shall be responsible for the administrative and financial management of the funds and for distributing the funds between the project partners in accordance with their validated expenditure incurred for project actions effectively carried out by bank transfer within five working days unless justified. No deduction, retention or further specific charges shall be made.



2. The ERDF funds shall be transferred to the bank accounts listed in the Annex 1 of this agreement.

## **Article 12 (Confidentiality)**

1. The parties agree that any information that they obtain during the implementation of the project is confidential, provided that one project partner or the Project Steering Committee explicitly requests such in case there is an acknowledgeable interest on behalf of the requesting party and it is compatible to the transparency principle. The same applies, without the explicit request of one of the project partners, to all documentation classified as "confidential".

## **Article 13 (Modifications, withdrawals, disputes and legal succession)**

1. Any modification to the present agreement shall be attached to it as an addendum and signed by all parties. It has to be previously agreed by all parties or the Project Steering Committee.
2. The partners agree not to withdraw from the project unless there are unavoidable reasons for it. If this were nonetheless to happen, the other partners shall cover the contribution of the withdrawing partner either by assuming its tasks and budget (only partners from the same side of the border) or by asking one or more third parties to join the partnership, with the previous authorization of the Managing Authority. The partner withdrawing the project will continue being obliged by the present Partnership Agreement until its termination for the activities and expenses carried out while participating in the project.
3. In case of any dispute between partners, the project partners are obliged to work towards an amicable settlement. Each and any legal disputes that may result from or in connection with this present Partnership Agreement, including such over the validity of this present Partnership Agreement itself will be finally decided in accordance with the jurisdiction of the Slovak republic. The disputes will be settled at the competent court from the Slovak republic.
4. In case of legal succession, e.g. when the partner changes its legal form, all duties under this contract are transferred to the legal successor. The partner shall notify beforehand the MA of the Programme through the JTS, should a legal succession occur.

## **Article 14 (Recovery of unjustified expenditure)**

1. In the event of unduly received ERDF funds, either due by the breach of any obligation or due to the declaration of ineligibility or irregularity after a financial control by an authorized body, each cosignatory of the present agreement undertakes to reimburse the Lead Partner within 30 calendar days following the notification.
2. In the event of total or partial incompleteness of the obligations of any of the project partners or in the event of the material errors in the effective execution of project activities, each cosignatory member of the present Partnership Agreement/ undertakes to reimburse the Lead Partner any funds that have been unduly received, within 30 calendar days following the notification.
3. The LP has the right of termination of the Partnership Agreement if termination of the ERDF Subsidy Contract is put into force by the Managing Authority. The partners shall repay the funds as defined in the LP's request.

**Article 15**  
**(Liability and Force Majeure)**

1. This Partnership Agreement is governed by the law of the Slovak republic. Each partner, including the Lead Partner, shall be liable to the other partners and shall indemnify for any damages or costs resulting from the non-compliance of its contractual duties as set forth in this contract.
2. No party shall be held liable for not complying with the obligations ensuring from this agreement 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 operation.

**Article 16**  
**(Working Language)**

1. The working language of the partnership governed by this agreement will be English . In case of the translation of any document into another language, the English version shall be the binding one.

**Article 17**  
**Termination of the agreement**

1. This Partnership Agreement is terminated in case the subsidy contract terminates, especially due to the following:
  - the final report of the project is approved and the balance of verified project costs are paid for each Partner
  - termination of the ERDF Subsidy Contract is put into force by the Managing Authority
  - serious breach of the provisions of the subsidy contract or the present agreement
  - the implementation of the project becomes impossible for any reason
  - the partners decide to withdraw from the implementation of the project (in such a case the transferred funds and statutory interest will be paid back)
  - force majeure

**Article 18**  
**(Concluding provisions)**

1. This Partnership Agreement is done in 12 originals, of which 2 is received by each of the contracting parties.
2. In case of discrepancies between the Subsidy Contract and this Partnership Agreement, the Subsidy Contract shall prevail.
3. This Partnership Agreement can only be changed by means of a written amendment that is signed by all project partners. Modifications to the project (work plan, budget-etc.) that are approved by the Joint Monitoring Committee shall be effective as alterations of this Partnership Agreement, also without adherence to this formal requirement.
4. The partners signing this agreement have fully understood and accepted the contents of the subsidy contract and undertake the activities and responsibilities in the meaning as included therein.

**West-Pannon Regional Development Company**

vr

Signature of the representative: Mr. Károly Illés

Szombathely, 25.02.2013

Place, date and stamp

**Regional Development Agency Nitra**

vr

Signature of the representative: Mrs. Petra Klimo Zlatošová

Nitra, 24.01.2013

Place, date and stamp

**Nitra Self-Governing Region**

vr

Signature of the representative: Mr. Milan Belica

Nitra, 28.01.2013

Place, date and stamp

**Regional Development Agency Hlohovec-Piešťany**

vr

Signature of the representative: Mrs. Stanislava Papánek

Hlohovec, 31.01.2013

Place, date and stamp

**Trnava Self-Governing Region**

vr

Signature of the representative: Mr. Tibor Mikuš

Trnava, 15.02.2013

Place, date and stamp

**Central-Transdanubian Regional Development Agency**

vr

Signature of the representative: Mr. Tamás Molnár

Székesfehérvár, 26.02.2013

Place, date and stamp