

Subsidy Contract

for the implementation of the project

ID Number#, #ProjectAcronym#

Preamble

The following contract **between**

Région Hauts-de-France,

Hôtel de Région, 151, avenue du Président Hoover, 59555 LILLE Cedex, France

- acting as Managing Authority (MA) of the programme Interreg Europe

and

Name of Lead Partner

Address

- hereinafter referred to as Lead Partner (LP), for [project ID – project acronym – title from approved application form]

is concluded on the basis of the legal provisions indicated in article 1.1.

List of abbreviations:

Programme – Interreg Europe

AA –Audit Authority

EC - European Commission

ERDF – European Regional Development Fund

EU – European Union

JS - Joint Secretariat

LP - Lead Partner

MA - Managing Authority

PP - Project Partner (PPs – Project Partners)

Article 1: Legal framework and contractual basis

1. The following legal provisions and documents constitute the contractual basis of this subsidy contract and the legal framework for the implementation of the project [project Acronym - project name]:

- The European Structural and Investment Funds Regulations, Delegated and Implementing Acts for the 2021-2027 period, as further specified below;
- The Interreg Europe programme, approved by the European Commission on XXX (Decision No. XXX) setting the programme (hereinafter referred to as Interreg Europe programme);
- The laws of France applicable to this contractual relationship;

2. The following laws and documents constitute the legal framework applicable to the rights and obligations of the parties to this contract:

- Regulation (EU, Euratom) No 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 and any amendment, together with related Delegated or 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, GDPR);
- Articles 107 and 108 of the Treaty on the Functioning of the European Union, Commission Regulation (EU) No 1407/2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid, Regulation (EU) 2021/1237 of 23 July 2021 amending Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty; Delegated and Implementing acts, as well as all applicable decisions and rulings in the field of state aid;
- All other EU legislation and the underlying principles applicable to the LP and the PPs, including the legislation laying down provisions on competition and entry into the markets,

the protection of the environment, and the principles of sustainable development, equal opportunities, non-discrimination and equality between men and women;

- National rules applicable to the LP and its PPs and their activities;
- Project data, comprising all latest project documentation such as application form and all project information available in the electronic system (Interreg Europe Portal);
- All manuals, guidelines and any other documents relevant for project implementation (e.g. programme manual) in their latest version, as published on the programme website.

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

Article 2: Award of co-financing and general conditions

1. The purpose of the contract is the award of programme co-financing by the MA to finance the implementation of the project [project Acronym], in accordance with the decision of the Monitoring Committee of [insert date].

2. The LP accepts the awarded co-financing and assumes the responsibility to coordinate the implementation of the project, in due time, according to the provisions of the present contract.

3. The co-financing is awarded exclusively for the project as described by the latest version of the project data (in particular the approved application form) available in the programme's electronic system (Interreg Europe Portal) as referred to in Article 1 of this document.

4. The maximum co-financing from the ERDF and Norwegian fund (when applicable) is stipulated in the latest version of the application form available in the Interreg Europe Portal.

5. The actual ERDF co-financing and, if relevant, Norwegian co-financing will be calculated on the basis of reported eligible expenditure only. The total amount to be paid by the accounting body of the programme (on behalf of the MA) to the LP cannot exceed the maximum amounts of the respective ERDF and Norwegian co-financing approved.

6. Disbursement of the co-financing is subject to the condition that the EC and Norway make the funds available. In the case of non-availability of funds, the MA is entitled to terminate this contract or reduce the awarded amount of co-financing. In these cases, any legal claim by the LP or PPs against the MA is excluded. In such a case, the LP will be duly notified by the MA and guided on the respective steps to be taken.

7. In case of delays in the availability of funds, the MA can withhold payments until such a time as the funds are made available and cannot be held liable for delays in payments to the project. In this case, any claim by the LP or PPs against the MA is excluded.

8. Should it become evident that the project will not spend the maximum amount of programme co-financing awarded, the relevant programme body/ies may decide to reduce this amount accordingly, following the procedure as specified in the programme manual.

9. Should a project fail to respect the contractual arrangements on timeliness as indicated in the spending plan, budget absorption, visibility requirements and achievement of outputs and results, as set out in the project data, corrective measures may be put in place to ensure the project performance, as well as minimize the impact at programme level (e.g., adaptation of the project to the changed situation), as specified in the programme manual. The programme may also reduce the programme co-financing allocated to the project or, if necessary, stop the project by terminating the subsidy contract as determined in Article 12 of this document.

10. Programme co-financing payments not requested in time and in full as indicated in the spending plan included in the application form may be lost.

Article 3: Eligibility of expenditure

1. Expenditure which qualifies for co-financing from the programme consists exclusively of eligible expenditure. Rules for eligibility of project expenditure qualifying for co-financing from the programme are laid down in the programme manual.

2. To be co-financed by the programme, project expenditure has to comply with the methods for determining the costs of the project (real costs or simplified cost options) for each cost category as defined in the programme manual and project data.

3 The project must not make use of funds from other programmes co-financed by the EU to finance the eligible costs reported to the present project.

4. The eligibility period for costs incurred by the project is defined in the programme manual and the project data and must be respected by the project.

Article 4: Reporting obligations and payment

1. The LP is entitled to request payments from the MA by following the reporting procedures defined in the programme manual. Upon satisfactory completion of reporting, co-financing will be disbursed by the relevant programme body/ies to the bank account of the LP indicated in the project data. Co-financing will be disbursed in Euro (EUR, €). Any exchange rate risk for transfer to the partners will be borne by the LP.

2. The MA reserves the right not to accept – in part or in full – expenditure validated by controllers if – as a result of its own checks and/or controls or audits performed by another authority – the validation or the facts stated therein prove to be incorrect, or if the underlying activities or expenditure are not in line with the legal framework as set out in this subsidy contract.

3. The MA shall ensure that the project receives payments of the co-financing from the programme in time and in full. No deduction or retention of further specific charges which would reduce the amount of the payment shall be made without prejudice of the provisions outlined above in this article. Conversely, the ERDF contribution paid by the MA shall not exceed the share of ERDF resulting from the eligible amount verified by each responsible control authority, in compliance with the articles of this contract.

Article 5: Modifications to the project

Modifications in the project shall be introduced by the LP according to the rules and procedures stated in the programme manual. Where relevant, in order to come into effect, these modifications must be approved by the relevant programme body/ies.

Article 6: Document keeping, audit and evaluation

1. Programme bodies, national bodies as well as any relevant EU body are entitled to audit the use of funds by the LP and PPs or to arrange for such an audit to be carried out by authorised persons.

2. The LP and PPs must provide all documents required for the audit, as well as all necessary information, and give access to their business premises, as well as project-related locations.

3. The LP and PPs must also provide all necessary information and access to documents for the purpose of carrying out programme or project evaluations to any authorised evaluator.

4. The LP and PPs are obliged to ensure that all files, documents and data related to the project are retained for audit purposes. The documents shall be kept for at least a 5-year retention period from 31 December of the year in which the last payment by the MA to the project is made. Longer retention periods may apply in case of state aid or in accordance with national rules.
5. Should this subsidy contract be terminated, the rights and duties stipulated in this article shall, however, persist.
6. The MA has the right to withhold the payments to the LP until all required information and documentation has been delivered or made available otherwise in the required way.
7. The MA has the right to conduct sample checks in addition to the national financial control bodies' checks.
8. The MA, assisted by the joint secretariat, can at any moment request additional information and supporting documents from the LP and PPs, in order to perform its certifying tasks.
9. The MA has the right to suspend payments should the project become subject to controls or audits by the MA/JS, AA or relevant EU bodies until these controls or audits have been completed. Should the AA issue statements on the national control systems and identify problems of a systemic character, the MA has the right to suspend payments to the LP until the case has been resolved.

Article 7: Roles and responsibilities, liability

1. The LP undertakes to comply with the body of rules and regulations referred to in Article 1 of this subsidy contract (including any amendments made to these rules and regulations).
2. The LP shall assume all responsibilities laid down in the programme manual; in particular, the main responsibilities of the LP and the responsibilities after the project closure.
3. The LP shall make sure that the project implementation is in line with the work plan, the time schedule and the approved budget, as indicated in the project data.
4. The LP shall lay down the arrangements for its relations with the PPs and liabilities in a partnership agreement that fulfils the minimum requirements stipulated in the programme manual.
5. The LP informs the MA immediately about any circumstances that delay, hinder or make impossible the realisation of the project, as well as all circumstances that mean a change of the disbursement conditions, or which would entitle the MA to terminate this subsidy contract, to discontinue payments or to demand repayment of the co-financing, in full or in part.
6. The LP is responsible for providing the MA with any information required and requested in terms of the project, without delay.
7. The LP shall provide all other partners with a copy of the signed subsidy contract and shall ensure that the project partners comply with its provisions.

Article 8: Recoveries and unduly paid out funds

1. If any programme body, national body or any relevant EU body should discover any unduly paid out funds, or should the MA be notified of such cases, it shall demand repayment of the co-financing in whole or in part from the LP.
2. The LP shall ensure that, if applicable, the PP involved repays the LP any amounts unduly paid, in accordance with the partnership agreement and the programme manual. The amount to be repaid can be withdrawn from the next payment to the LP or, where applicable, remaining payments can be suspended. In the case of closed projects or upon request by the MA for ongoing projects, the LP is

obliged to transfer the unduly paid out funds to the MA, after having recovered it from the PP concerned, if applicable.

3. If the LP or a PP involved in this project fails to repay unduly paid funds in another project funded by the programme, the MA has the right to withdraw the corresponding funds relating to the LP or PP in question from any open payment in this project.

4. If despite their efforts, the LP does not succeed in securing repayment from the partner, or if the MA does not succeed in securing repayment from the LP, then, in accordance with article 52 of the Regulation (EU) No 2021/1059, the Member State or third country (Norway) on whose territory the PP concerned is located (or in case of an EGTC, is registered), shall reimburse the MA any amounts unduly paid to that PP. This Member State or third country (Norway) is then entitled to claim this amount from the PP concerned based on its national law.

Article 9: Information and communication, publicity and intellectual property rights

1. The LP shall ensure that the PPs comply with all publicity, communication and branding obligations according to the regulations listed in Article 1 of this document and as further specified in the programme manual.

2. The LP takes full responsibility for the content of any notice, publication or material developed by the LP, any of the PPs, or third parties on behalf of the LP or the PPs. Should a third-party claim compensation for damages (e.g., due to an infringement of intellectual property rights), the LP will indemnify the MA should the MA suffer any damage because of this claim

3. The MA is entitled to use the outputs of the project in order to guarantee a wide dissemination of the project deliverables and outputs, and to make them available to the public. The LP agrees that the outputs are forwarded by the MA to other programme authorities, as well as the countries participating in the programme, to use this material to showcase how the co-financing is used.

4. Any communication campaign, media appearance or other publicity of the project shall be communicated to the MA for potential website updates or showcases

5. In the spirit of cooperation and exchange, the LP and the PPs shall ensure that all the outputs and results produced as a result of the project are in the public interest and publicly available. The MA/JS and any other relevant programme, EU and national body can use them for information and communication purposes in the framework of the programme.

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

7. The LP shall inform the MA if there is any sensitive or confidential information, or any pre-existing intellectual property rights related to the project that must be respected.

8. The LP ensures that all PPs respect the legal notice and privacy policy of the programme website for hosting, maintaining, and editing the project's website, as described in the programme manual.

9. The LP authorises the MA to use communication and visibility material produced by the project to showcase how the co-financing is used. The LP furthermore authorises the relevant programme body/ies to forward this material to other programme bodies, programme promoters at national level, as well as Union institutions, bodies, offices or agencies. For this purpose, the LP ensures that a royalty-free, non-exclusive and irrevocable licence to use such material and any pre-existing rights attached to it is granted to the aforementioned Programme and Union bodies in accordance with Annex IX of (EU) 2021/ 1060 and further specified in the programme manual.

10. The MA shall be authorised to publish, in whatever form and on or by whatever medium, including the Internet, (parts of) the project data in order to fulfil its own reporting, communication and visibility obligations arising from the body of rules and regulations listed in Article 1. Personal data shall be processed in line with the GDPR (cf. Article 13 of this document).

Article 10: Assignment, legal succession

1. The MA is entitled at any time to assign its rights under the subsidy contract to third parties. Should the MA decide to do so, it will immediately inform the LP.
2. The LP is allowed to assign its duties and rights to third parties under the subsidy contract only after prior written consent from the MA.
3. In the event of legal succession, the LP shall transfer all rights and duties under this subsidy contract to its legal successor and shall inform the MA of this legal succession. The same shall apply in case of legal succession for one or more of the PPs.

Article 11: Complaints and litigation

1. The LP is entitled to file a formal complaint on behalf of the partnership against any act and/or decision by the JS/MA related to the execution of the subsidy contract.
2. This contract is governed by and construed in accordance with the laws of France, where the MA is located.
3. Should a dispute arise between the MA and the LP, amicable solutions shall be used prior to legal proceedings. The procedure to follow is laid down in the programme manual.
4. In case of litigation, the administrative tribunal of Lille shall be competent.
5. According to French law number 94-665 of the 4 August 1994, a French version of the contract has to be set. The English and French versions of the present contract are in force. The contracting parties will be able to invoke the provisions of the two versions.
6. In case of contradiction between the French and the English version, the common intention of the parties shall take precedence.

Article 12: Termination of the contract

1. The MA may terminate the co-financing contract and demand the repayment of programme co-financing, in full or in part, if:
 - a) the information the PPs were required to provide in the assessment and selection procedure, conditions phase or the implementation of the project was false or incomplete;
 - b) the LP fails to fulfil any condition or obligation resulting from the subsidy contract;
 - c) a partner becomes insolvent, is having its affairs administered by the courts, has entered into an arrangement with creditors, has suspended business activities, is the subject of bankruptcy proceedings, or proceedings concerning those matters, or is in any other analogous situation;
 - d) the partners, or any related person, have committed fraud or are involved in any illegal activity detrimental to the EU's financial interests;
 - e) the withdrawal of a project partner or a change in a project partner's status substantially affects the implementation of the project or puts into question the award decision;
 - f) the project has not been or cannot be fully implemented, or it has not been or cannot be implemented in due time;

- g) the project significantly failed to reach the objectives, results and outputs planned in the application form, unless duly justified;
- h) the LP has failed to submit required reports, proof or necessary information requested by the programme bodies within the set deadline, provided that the LP has received at least one written reminder setting the deadline and specifying the legal consequences of a failure to comply with the requirements;
- i) the programme co-financing has been partially or entirely applied for purposes other than those agreed upon;
- j) the LP has impeded or prevented the auditing of the project, or failed to retain the project documentation required for the audit;
- k) the LP has failed to immediately report events delaying or preventing the implementation of the project, or any circumstances leading to its modification;
- l) EU legislation and/or national legislation has been violated by the LP or a PP.

2. Upon termination of this contract by the MA, the LP shall receive a written notice with necessary instruction regarding the closure of the project. Where termination of the contract is based on paragraph 1 of this article, the MA may request full or partial repayment of amounts already paid from the programme co-financing, in proportion to the gravity of the irregularity in question, after allowing the LP to submit its clarification. The MA shall inform the LP by giving a minimum 30 day written notice and without paying compensation of any kind. At the end of the notice period, the MA will confirm the termination of the contract (unless new information provided during the notice period allows the MA to reconsider the termination of the contract).

3. In the case of force majeure; i.e., if exceptional circumstances make implementation of the project excessively difficult or dangerous, and if the subsidy contract can no longer be executed effectively and appropriately, the parties may terminate the subsidy contract by serving a minimum 30 -day written notice, without being required to pay indemnity. The MA may reimburse the unavoidable residual expenditures incurred during the notice period (but only for activities and expenditures that have been properly executed).

4. The LP shall be entitled to request payments from the programme only for the part of the project carried out and activities executed before the termination of the contract and submitted to the programme by the deadline indicated in the termination letter.

5. The contract may be terminated by written mutual agreement between the LP and MA.

6. Upon termination of the contract, the obligations of the LP which are still relevant (in particular those mentioned in articles 6, 7, 8, 9 and 10) continue to apply until the end of the period mentioned in article 6.4.

Article 13: Data management and data protection

1. Any personal data under the subsidy contract shall be processed by the MA/ JS or other relevant programme bodies in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural person with regard to the processing of personal data and on the free movement of such data (General Data Protection Regulation/ GDPR) and the terms and conditions of the Interreg Europe Portal.

2. In accordance with Article 4 of (EU) 1060/2021, the MA, other programme bodies and the Commission shall be allowed to process personal data where necessary for the purpose of carrying out their respective obligations under the body of rules and regulations referred to in Article 1, in particular for monitoring, reporting, communication, publication, evaluation, financial management, verifications and audits and, where applicable, for determining the eligibility of participants.

3. The MA may transfer project and /or personal data to relevant programme bodies and national authorities for the same purposes as listed in paragraph 2 of this article.

Final Provisions

1. The programme manual and the project data are considered as an integral part of the subsidy contract. In case the programme manual is modified, the latest version applies as soon as it is published on the programme website and the LP will be informed about this publication. Any substantial modification of the project data will be subject to a request for change submitted by the LP in the Interreg Europe Portal and approved by the JS on behalf of the MA.
2. This subsidy contract shall enter into force on the date the last of its two parties, MA or LP signs. In the case of project activities carried out in the phase after the day of the selection decision by the Monitoring Committee but before the entry into force of this subsidy contract as defined above, the provisions of this subsidy contract shall already apply to this phase of project implementation.
3. The execution period of this contract shall end when the obligations set forth in this contract are fulfilled both by the MA and the LP and the period mentioned in article 6.4 has expired.
4. If any provision in this subsidy contract should be wholly or partly ineffective, the parties to the subsidy contract undertake to replace the ineffective provision by an effective provision which comes as close as possible to the purpose of the ineffective provision.
5. Amendments to the present contract must be made in writing.
6. The Programme language is English. Therefore, all correspondence with the JS and MA authority under this contract must be in English and must be sent to the JS.

Annex 1 - Latest approved version of the application form available the Interreg Europe Portal.

Signatures

For the Managing Authority:

I hereby accept the content and provisions of the subsidy contract.

I also confirm to be officially entitled to sign this contract.

Name and surname of the signatory:.....

Function of the signatory :

Name of the organisation :

Signature

.....

Date

.....

For the Lead Partner:

I hereby accept the content and provisions of the subsidy contract.

I also confirm to be officially entitled to sign this contract.

Name and surname of the signatory :.....

Function of the signatory :

Name of the organisation :

Signature

.....

Date

.....