



**To:**  
(?Lead Beneficiary organisation)

For the attention of (?Project Director),

**Interreg IVB North Sea Region programme**

**Contract**

**between the Managing Authority of the North Sea Region Programme  
2007 – 2013 represented by the Central Denmark Region and (?Lead  
Beneficiary organisation) as Lead Beneficiary of the project**

***Section A: Project and Beneficiaries***

**A1** On the (?dd month yyyy) (application receipt date), (?Lead Beneficiary organisation) has, as Lead Beneficiary and responsible for the project, applied for a grant for the project '(?name – acronym)' on behalf of a project partnership with participants from (?participating Member States resp. Norway).

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**Section B: Grant and Legal Setting**

**B1** The Steering Committee has decided to approve the project for a grant of ERDF-funding (European Regional Development Fund) / ERDF equivalent (for Norwegian led projects) according to the statutes of the programme.

**B2** It is hereby announced that the project named '(?name – acronym)' is granted assistance towards certified expenditure of eligible costs on the project up to the maximum level and as a proportion of expenditure incurred and paid as set out below:

	Eligible Expenditure	Grant up to	Grant Rate
ERDF	(?amount in full) Euro	(?amount in full) Euro	50%
(?if appl.:			
ERDF equivalent	?amount in full Euro	?amount in full Euro	??%
Total	(?amount in full) Euro	(?amount in full) Euro)	

Neither the North Sea Region Programme Secretariat (the Secretariat) nor the Central Denmark Region Accounts Department acting as the Certifying Authority in line with the Operational Programme for the North Sea Region Programme takes responsibility for any change in the exchange rate of Euro to any currency.

**B3** The grant is awarded exclusively to the project as described in the application and enclosures on condition of achieving the outputs detailed in the application form. The project is approved and the grant is offered according to priority (?area of intervention) of the North Sea Region Interreg IVB Operational Programme.

The grant of assistance is based on the approved project budget as described below. No deviations from the approved budget and spending targets per year can occur unless approved in writing by the Secretariat in accordance with North Sea Region Programme Fact Sheet No 12 on changes of budget.

**Table 13.1** (beneficiaries and sub-partners)

**Table 13.1 a** (sub-partners only)

## 13.2 (Annual budgets - beneficiaries and sub-partners)

**B4** (?Lead Beneficiary organisation) as the Lead Beneficiary is responsible for the full implementation of the entire project both content wise and financially.

The Lead Beneficiary is on behalf of the project partnership liable towards the Managing Authority for infringements of the obligations referred to in this Contract.

If the Managing Authority demands repayment of subsidy funds in accordance with this Contract, the relevant project beneficiary is liable for the amount of the grant in question. All repayments of funds will be made immediately on request of the Managing Authority or the Secretariat acting on its behalf and directed to the Central Denmark Region as Certifying Authority.

**B5** This grant is offered according to the decision of the EU Commission dated 3 October 2007. The use of the grant must comply with all terms and conditions explicitly set or referred to in this document, the Operational Programme and the Fact Sheets as well as EU and national regulations to secure correct and proper use of ERDF-/ ERDF equivalent-funds and decisions made by the Monitoring Committee.

### ***Section C: Project Specific Terms***

**C1** The project must be completed before (?end date specified in application) in accordance with the timetables, spending profile, activities and aims of the approved application.

No expenditure incurred before (?application receipt date) is eligible, except for the declared preparation costs that comply with the decision of the Monitoring Committee as described in Fact Sheet No 15.

**C2** The result of the project must be the output stated in the approved application. The output must be documented in periodic and activity reports as evidence for, or indication of, the progress and results and must be in correspondence with the budget of expenditure and the timetables set in the approved plans. A periodic report form with guidance will be sent by the Secretariat in due time. The periodic report with statement of accounts must be made at least semi-annually as for 31 March and 30 September and must be received in the Secretariat within 6 weeks from these dates.

**C3** 8 copies of the final project report documenting activities and results of the project must be sent to the Secretariat before 3 months after the completion date given in C1 in accordance with the guidance of the Secretariat. The guidance will be available in due time. This report must include a five-page summary. The report must be comparable in structure and contents with the plans proposed in the application.

**C4** The amount of the final grant cannot exceed 50% of the total eligible expenditure for any project beneficiary (? if appl.: and not ?% for the Norwegian beneficiary / ies).

**C5** All project results must be made available to the general public free of charge and no beneficiaries can claim private physical or intellectual ownership of project results.

**C6** The Lead Beneficiary must ensure that the European and national rules on public tender are followed for all contracts awarded within the project in line with the descriptions in Fact Sheet No 4 on public tendering.

**C7** No activities outside eligible area are eligible without prior approval of the Secretariat.

(?**C8** if appl.: The Norwegian grant share can not exceed ? Euro.; if not: “Not applicable”)

**C9** In cases where one or more of the beneficiary organisations e.g. universities are involved with economic activities as defined in section 3 of the “Community Framework for State Aid for Research and Development and Innovation (2006/C 323/01)” the non-economic activities in relation to this project must be clearly separated from other activities. Evidence of this separation can consist of annual financial statements of the universities/research organisations.

#### **Section D: General Terms**

**D1** It is required, that the accounting systems and accounting procedures for the project must be structured and transparent in compliance with the approved budget of the project and the requirements of Commission Regulation 1828/2006, Council Regulation 1083/2006 and Regulation 1080/2006 of the European Parliament and of the Council as well as all relevant national rules and regulations. The accounting systems must be able to provide detailed and complete summaries of all transactions. The accounting system must be based on supporting documents, which can be checked with the required details. Accounting evidence must be kept until the end of 2023 according to Council Regulations 1083/2006 Article 90.

**D2** The responsible audit bodies of the EU, the participating National Authorities, the Managing Authority and the Certifying Authority are entitled to audit the proper use of funds by the project beneficiaries or arrange for such an audit to be carried out by authorised persons. Beneficiaries must produce all documents required for the audit, provide the necessary information and give access to its business premises all in accordance with all relevant EU and National rules and regulations.

Beneficiaries are obliged to retain for audit purposes all files, documents and data about the project until the end of December 2023. Other, possibly longer, statutory retention periods are unaffected. The absence of such documentation is liable to render the expenditure ineligible.

**D3** In public statements (reports, publications, interviews, conferences, seminars etc.) it must be pointed out that the project has been co-funded by ERDF through the Interreg IVB North Sea Region Programme.

**D4** A project controller must be appointed from the start of the project. The project controller must be designated for audit of ERDF-/ERDF equivalent funds by the relevant national authority of the (?Lead Beneficiary country). In addition to this, similar Controllers' Statements must be in place for all project beneficiaries. This Contract will only be considered valid when the project controller towards the Secretariat has accepted to audit this project in writing and has forwarded evidence of designation from each of the involved controllers to the Secretariat. The template for a Controller's Statement will be sent to the Lead Beneficiary once it is available.

**D5** The Lead Beneficiary shall lay down the arrangements for its relations with the other project beneficiaries in a Partnership Agreement (see Fact sheet "Partnership Agreements"). The Partnership Agreement shall comprise, inter alia, provisions guaranteeing the sound financial management of the ERDF-/ERDF equivalent-funding awarded to the project, including arrangements for recovering amounts unduly paid. The provisions of this contract shall be part of the Partnership Agreement.

**D6** The Managing Authority and the Secretariat shall be authorised to publish, in whatever form and on or by whatever medium the following information:

- a) the name and a summary description of the project,
- b) the name of the Lead Beneficiary and the project beneficiaries,
- c) the address(es) of the project website(s) and/or other information on how the project can be contacted
- d) the purpose of the ERDF-/ERDF equivalent -funding,
- e) the amount of the ERDF-/ERDF equivalent -funding awarded and paid from the Operational Programme;
- f) the duration of the project,
- g) the geographical scope of the project,
- h) the activity reports including the final activity report.

### ***Section E: Expenditure Documentation and Disbursement Procedure***

**E1** Disbursement of the grant is subject to the condition that the financing resources from the EU have been transferred to the programme's account. In case of such delay, disbursement will be made as soon as the necessary funds are available.

**E2** The Lead Beneficiary must present a 6-monthly report on the expenditure and the state of activities in relation to approved plans on the authorised report form. Requests for the interim payment of ERDF-grant or ERDF-equivalent for Norwegian led projects must be made on the same form. Such requests must be controlled in accordance with the na-



tional regulation of the Lead Beneficiary country, unless otherwise decided by the European Commission or the Monitoring Committee. The compiled final report must be fully controlled in line with the national regulations of the Lead Beneficiary country and guidance issued by the Secretariat. In addition to this a final report for each beneficiary must be submitted as an attachment to the compiled final report. These reports must be controlled in accordance with the relevant national rules of each beneficiary.

**E3** On approval of each report with a claim for payment of ERDF-/ERDF equivalent grant the Secretariat will initiate the procedures for bank transfer on a paid expenditure basis.

**E4** The final instalment of 20 % will only be disbursed after the project's completion in accordance with the Operational Programme and the approved project application, after submission of the complete relevant documentation with a confirmation of its correctness by the Lead Beneficiary, and after the appropriate funds have been made available by the EU.

**E5** The Managing Authority is entitled, in whole or in part, to terminate this contract and/or demand repayment of funds already paid to the Lead Beneficiary, if in particular

- a) the project has not been or cannot be fully implemented or it has not been or cannot be implemented in due time,
- b) a precondition for the approval of the project (e.g. number of minimum of beneficiaries) is lost,
- c) the project did not achieve the outputs and results as planned in the approved application,
- d) the Lead Beneficiaries or project beneficiaries have obtained the ERDF-/ERDF equivalent funding through false or incomplete statements or provide reports that do not reflect reality,
- e) the Lead Beneficiary has failed to submit required reports or proofs, or to supply necessary information, provided that the Lead Beneficiary has received at least one written reminder setting a deadline and specifying the legal consequences of a failure to comply with requirements, and has failed to meet this deadline,
- f) the Lead Beneficiary has failed to immediately report events delaying or preventing the implementation of the project or any circumstances leading to its modification,
- g) the Lead Beneficiary or project beneficiaries have impeded or prevented controls, audits or evaluations,
- h) the Lead Beneficiary or project beneficiaries made it impossible to verify that the progress report is correct,
- i) the ERDF-/ERDF equivalent funding awarded has been applied for purposes other than those described in the application and enclosures,

- j) the Lead Beneficiary has become insolvent or bankruptcy proceedings have been instituted against the Lead Beneficiary before the project has been completed in line with this contract,
- k) the Lead Beneficiary or project beneficiaries have been convicted of an offence concerning professional conduct by a judgement which has the force or res judicata or are guilty of severe professional misconduct proven by any justified means,
- l) the Lead Beneficiary or project beneficiaries engage in any act of fraud or corruption.

In the event of a demand for repayment, the individual beneficiary will, in line with Regulation (EC) No 1080/2006, Article 17 & 20, repay the Lead Beneficiary any amount unduly paid in accordance with the agreement between them (the Partnership Agreement). If the Lead Beneficiary does not succeed in securing repayment from a beneficiary, the member state on whose territory the beneficiary concerned is located shall reimburse the amount unduly paid. With respect to reclaims of any amount repayable by the Lead Beneficiary, the Lead Beneficiary accepts enforcement of judgment in its entire property. Repayments must be carried out in line with the due day stated in the letter by which the Managing Authority or the Secretariat acting on its behalf requests the repayment. Any delay in effecting repayment shall give rise to interest on account of late payment starting on the due day and ending on the value day of actual repayment. In accordance with Council Regulation (EC) Nr. 1083/2006, Article 102 (2), the rate of such interest shall be one-and-a-half percentage points above the rate applied by the European Central Bank in its main refinancing operations on the first working day of the month in which the due date falls.

**E6** In case that any circumstance listed above occurs before the full amount of ERDF-/ERDF equivalent funding has been paid to the Lead Beneficiary, payments may be suspended by the Managing Authority and there shall be no claims of the Lead Beneficiary and the project beneficiaries to payment of the remaining amount.

**E7** The right of the Lead Beneficiary to terminate this contract by extraordinary notice of termination shall remain unaffected. In particular, the Lead Beneficiary shall be entitled to terminate this contract in case it has become definitely impossible for him to implement the project and to fulfil the obligations of this contract due to legal reasons or factual reasons the Lead Beneficiary has no impact on. Before exercising its right to terminate this contract, the Lead Beneficiary shall carefully examine with the Managing Authority and the Secretariat any possibilities to assign its duties under this contract to a project beneficiary.

### ***Section F: Deviations from Stipulated Plans and Conditions***

**F1** No amendment or variation to the requirements according to this Contract will be effective unless agreed in writing by the Secretariat.

**Section G: Signatures and concluding provisions**

**G1** This Contract is issued in two copies, one of which must be co-signed by the Lead Beneficiary and sent together with the designation evidence referred to in section D4 to and received by the Secretariat for the Contract to be considered valid.

**G2** Without prejudice to the applicable European law, legal disputes regarding the content of this contract shall be settled in a Danish court.

**G3** If any provision of this contract should be wholly or partly ineffective, the parties of this contract undertake to replace the ineffective provision by an effective one which comes as close as possible to the purpose of the ineffective provision.

Date: (?letterhead date)

Signatures of the Secretariat and the Central Denmark Region representing the Managing Authority.

Christian Byrith	/Lars Vildbrad
Head of Secretariat	Deputy Director
North Sea Region Programme	Central Denmark Region

**Acceptance of grant:**

As Lead Beneficiary of the project '(?name - acronym)' I hereby accept the grant on the conditions stated in this Contract. The Lead Beneficiary guarantees that it is entitled to represent the project beneficiaries participating in this project. The Lead Beneficiary guarantees furthermore that it has complied with all the relevant legal and other requirements under the law, which applies in the Lead Beneficiary country and project beneficiaries countries, and that all necessary approvals have been obtained.

The Lead Beneficiary guarantees that the project will not be match funded by other EU sources.

Date

**Authorised signature and stamp of Lead Beneficiary**