

Jems PROJECT Code....
Priority ...
Specific objective....

Subsidy contract
from IPA
No...../.....

The following subsidy contract between

Ministry of Development, Public Works and Administration
16 Libertatii Blvd., north side, 5th sector, Bucharest, Romania, tax registration
no.:.....

acting as Managing Authority for the Interreg IPA Romania - Serbia Programme,
hereinafter referred to as MA,

represented by

....., Minister of Development, Public Works and Administration

and

..... [Name and address, fiscal registration number],

represented by

hereinafter referred to as Lead Partner (LP)

is concluded on the basis of the approved application no. <Jems code>, having as
legal basis:

- Regulation (EU) 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, with subsequent modifications and amendments;
- Regulation (EU) 2021/1059 of the European Parliament and of the Council of 24 June 2021 on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments;
- Regulation (EU) 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;
- Regulation (EU) 2021 /1529 of the European Parliament and of the Council establishing the Instrument for Pre-accession Assistance (IPA III);
- Regulation (EU) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (recast);
- Commission Decision (EU) 2018/1520 of 9 October 2018 repealing Delegated Regulation (EU) No 1268/2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union;
- Commission Decision No. 5322/2022 approving the Interreg IPA Romania – Serbia Programme for 2021-2027 period;
- Financing Agreement signed between the European Commission, Republic of Serbia and Romania;

- National law and procedures on public procurement for the Romanian contracting authorities;

§ 1 Award of subsidy

- 1) The object of this contract is the award of IPA financing by the MA for the implementation of the [code and title of the project], herein referred to as “project”, according to the decision of the Monitoring Committee no..... on [date] in [place].
- 2) The LP receives funding on the basis of the provisions of the present contract and its annexes, which the LP declares to know and accept.
- 3) The LP accepts the funding and shall coordinate the implementation of the project in due time according to the provisions of the present contract and of the national and European legislation.

§ 2 Duration of the contract

- 1) The subsidy contract becomes effective on the date the last party signs.
- 2) The implementation of the project starts the day after the date when the contract becomes effective.
- 3) The implementation period of the project is months.
- 4) The subsidy contract ends in 5 years from the final payment to the Lead Partner, provided that all parties fulfilled their obligations.

§ 3 Budget of the project

- 1) The total budget of the operation is EUR <amount in figures> of which:
 - the total eligible value EUR (non-refundable financing and the contribution of the partner), respecting the Jems system calculation of the financial sources, out of which :
 - a) EUR IPA, representing maximum 85 % of total eligible value
 - b) EUR Romanian State Budget co-financing, representing 86,66% of non-IPA partner eligible budget (maximum 13 % of partner eligible budget) from the Romanian partner (s) budget
 - c) EUR Romanian partners own contribution, representing 13.34% of non-IPA partner eligible budget (minimum 2 % partner eligible budget) from the Romanian partner (s) budget
 - d) EUR Serbian partners own contribution, representing the difference between total partner eligible budget and its corresponding IPA funds from the Serbian partner (s) budget (but minimum 15% of the project budget)
 - the total non-eligible value is in amount of....., representing the total of non-eligible expenditure supported by the Lead Partner and partners.

§ 4 Value of the contract

- 1) The value of the present contract isEUR <amount in figures>/<amount in letters>, representing the maximum total IPA eligible value of the project according to Annex 2 - Approved application form and Annex 3 Approved Budget;
- 2) The MA will transfer the IPA funds on the basis of the authorised eligible expenditure requested in a Project Report (via the Jems system) with all the

adjustments in relation with the current and/or previous project report(s). MA will make the transfer of IPA in the limit of the existent balance at the date of project report approval by MA and in case of insufficient funds, the Lead Partner and its partners commit to support from their own budget the funds necessary for the implementation of the project, according to the approved Application and observing the provisions of the present contract and its annexes and of the European and national legislation in force.

3) The Lead Partner commits itself to support its own contribution and the non-eligible expenditures as well as to ensure the temporary availability of funds for the proper implementation of the project until they are reimbursed by the MA.

§ 5 Eligible Expenditures

1) Activities and related costs for the project are eligible if they have been incurred and paid from 1 January 2021 for all project partners, both Romanian and Serbian, provided they are necessary for the project and are stipulated in Annex 2 - Approved application form and Annex 3 - Approved Budget. For Serbian partners they may be claimed/paid from the programme after the date when the financing agreement between the participating countries and the European Commission was concluded.

2) The expenditures related to the project are eligible provided that they respect the provisions of Annex G to the Applicant's Guide - "List of eligible expenditures", including the methodologies for project preparation costs and for project closure costs, the applicable European and national legislation in force, that they are stipulated in Annex 2 -Approved Application Form and Annex 3 - Approved budget and provided that they comply with the terms and conditions stipulated in the present contract.

3) The lump sum of project preparation costs for all partners shall be included in the project preparation period of the Jems and will be transferred by MA as soon as the subsidy contract is signed. The Lead Partner shall transfer the received amounts to its partners, as foreseen in the Application Form/ project budget, within 5 working days as of cashing in the amounts from the MA.

§ 6 Advance payment and reimbursement of the expenditures

1. An advance may be granted from IPA funds, upon request of the Lead Partner, according to the relevant legislation, in an amount of maximum 15% from the value of the present contract and within the limits of the available IPA funds.

2. In order to receive the advance, the Lead Partner must send an advance request in original to the MA. This request shall stipulate the percentage and the bank account. The MA shall ensure the availability of funds advance payments on the basis of financial flows drafted on the basis of advance requests received.

3. After MA receives the advance payment request, it shall verify the request in maximum 15 days from the registration date at the MA level. The MA may suspend this deadline in case clarifications, modifications or other additional information are needed, data that must be provided by the partner in maximum 5 working days from the request. The deadline shall be recalculated from the date when the MA receives the requested information/clarifications/additional documents.

4. The MA shall transfer the advance to the Lead Partner in maximum 10 days from the date of the approval of the advance payment request. The payment date is considered to be the date when the payment is done from the MA account. The LP

transfers the received amounts to all partners within 5 working days as of cashing in the amounts from the MA and will make no deduction, retention or further specific charge from the amounts it receives.

5. The advance will be recovered by deducting 25% from the eligible value of the next project/partner reports from the financing source it was granted, until the advance is recovered in full.

6. The entire advance shall be recovered before or in the last project report. In this respect, in the last project report the percentage of deduction can/will be increased in order to fully recover the advance granted.

7. If the advance was not recovered before the final payment or before the contract is terminated, the amounts not recovered must be paid by the Lead Partner to the MA in 15 days from the receipt of the MA's notification. The Lead Partner has the obligation to send to the MA a copy of the payment order, in 5 working days from the paying date, in order to justify the transfer of the amounts.

8. In case Lead Partner/ Partner does not send the amounts to the MA in due time, the MA may charge penalties at the rate applied by the Central European Bank from the first working day from the month of the deadline date. The penalties are calculated to the value that has to be recovered. If the case, the final payment is done only after recovering the unduly paid amounts.

9. The LP has the possibility to submit project reports via the Jems system to the JS at any given time for one or more partners, provided that the amount claimed for reimbursement is not lower than 6,000 euro.

10. The minimum total amount each partner commits to spend and request for control by the half of the implementation period is provided below.

Month of implementation	Amounts to be requested for control		
	LP	P2	P3
Total of amounts requested for control at half of the implementation period (month N)	X	Y	Z
Partner's total budget			

11. In case the minimum total amounts requested for control are lower compared to the total amounts forecasted for the half of the implementation period, provided in para.10), the MA is entitled to decommit project funds, by reducing the original project budget and the corresponding IPA contribution, as follows:

- a) 5% reduction of the budget (excluding preparation and closure costs) for the partners who have requested amounts for control lower than 75% of the initial amounts included in the schedule for control requests.
- b) 10% reduction of the budget (excluding preparation and closure costs) for the partners who have requested amounts for control less than 50% of the initial amounts included in the schedule for control requests.

12. In case of a decision on reduction of the project's budget, the Lead Partner shall submit to the MA a revised budget, reflecting the decommitment, within two weeks following the receipt of MA's notification. In case of failure to respect the deadline, the reduction shall be applied proportionally to all budgetary lines. The modification of the contract in case of reduction at project level shall take the form of a decision of the representative of the Managing Authority signing the contract, which will be notified to the Lead Partner, and which becomes part of the contract.

13. The reduction shall be done without prejudice for partners' obligation to implement all the activities and achieve all the results, according to the approved application form.
14. In case of reduction, the Lead Partner together with the partners may decide to give up financing and properly notify the MA within two weeks following the receipt of MA's notification. In this case, the LP has the obligation to repay to the MA all the funds received.
15. A control system has been established both in Romania and Serbia in order to check the expenditure made by the project partners from each country. Therefore, each Partner has the obligation to ensure that its expenditures are checked and validated by a controller from the state on whose territory it is located, before the project report is submitted.
16. The LP and its partners must present all documents needed for validation of expenditure via Jems to the controllers and make sure that the partners which have incurred and paid expenditures present their documents, in order to be verified before LP is drafting and forwarding to JS the project report via Jems.
17. In case of clarifications requested from any of the control bodies, the LP/ project partners must answer in maximum 5 working days from the date of the clarification request. In case of failure to observe this deadline, the respective expenditure shall be postponed for decision in a subsequent report ("parked expenditure" in Jems).
18. In case partners decide not to externalize activities, as foreseen in the approved Application Form, and decide to implement them "in house", without requesting the reimbursement of the respective amounts from the Programme, the project budget shall be reduced automatically with the respective amounts. To this end the partners have the obligation of informing the MA in due time, through the LP, regarding the decision taken and request the reduction of the budget. The reduction of budget shall take the form of a decision of the representative of the Managing Authority signing the contract, which will be notified to the LP/partners, and which becomes part of the contract.
19. The Project reports submitted by the LP shall contain only validated expenditure and shall be accompanied by the Control Certificate issued by the Controllers of the Project Partners. The expenditures that were not validated by the controllers are deemed to be non-eligible for the programme and shall not be requested again for reimbursement, with the exception of the "parked expenditures" representing suspended amounts, and the amounts resulting from the approval of an appeal against Control (that shall be requested again in a subsequent partner report via Jems, where the appeal supporting documentation will be also uploaded).
20. At least every three months the LP shall submit project reports to the JS via the Jems. The instructions presented in the reporting models must be followed exactly. All reports must be submitted in English.
21. The final Project report has to be submitted to the JS via Jems at the latest within three months after the end date of the implementation period of the project. Not observing this deadline may result in not reimbursing the amounts. Also, the total amount of the final reimbursement is depending on the fulfilment of the project activities, outputs and results, assessment made based on the Procedure for financial corrections, available on the Programme website.
22. The funds are reimbursed only in Euro and will be transferred into a special bank account opened exclusively for the project, indicated by the LP. The LP transfers the received IPA amounts to all partners within 5 working days as of cashing in the amounts from the MA and will make no deduction, retention or further specific

charge from the IPA amounts it receives.

23. The expenditure incurred in a currency other than the euro will be automatically converted into euro, by the Jems system, by using the monthly accounting exchange rate of the Commission in the month during which that expenditure from the respective Partner report was first submitted via electronic system for verification to the controller. The exchange rate differences are non-eligible expenditures for the project. The exchange rate risk is borne by the Partner concerned.

24. For the Serbian project partners: If a Project Partner does not agree with the validated amount it has the possibility to submit an appeal to the NA. A commission is established by the NA for considering appeals against Serbian controllers decisions on ineligible expenditure (hereinafter "Appeals Commission"). The subject of appeal cannot be expenditures declared by controllers as ineligible due to the lack of supporting documents.

25. In order to continue to provide the necessary funds for the financing of the Programme, in the case of the unavailability of external funds as a result of partial reimbursement of interim payments by the European Commission, according to art.96 and art.97 Regulation (EU) 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, the Managing Authority has the obligation to provide from its own budget the amounts approved for payment for the Romanian Lead partners/partners, proportionally for that part of project implementation corresponding to Romanian partners.

26. The National Authority has the obligation to provide from national budget of the Republic of Serbia for the Serbian Lead partners/partners proportionally for that part of project implementation corresponding to Serbian partners.

27. The corresponding IPA amounts stipulated in para. (25 and 26) are transferred in euro by the Managing Authority to the Lead partners bank as mentioned in para. 22.

§ 7 Rights and duties of the parties

A. Lead Partner

In addition to the obligations of the LP already stated, the LP undertakes the following duties:

1) The LP guarantees that it is entitled to represent all partners participating in the project and that it established with the partners the division of the responsibilities regarding the implementation of the project in the form of agreements. To this end the LP has concluded a Partnership Agreement laying down its relations with all partners participating in the project and comprising inter alia provisions guaranteeing the sound management of the funds allocated, including the arrangements for recovering unduly paid amounts.

2) The LP is liable towards MA for implementing the project in a proper and timely manner according to the provisions of the present contract, of the application form approved by the Monitoring Committee and its annexes, of the Partnership

Agreement and of the national and European legislation in force. The LP shall also be liable towards MA for achieving the results and outputs stipulated in the contract and its annexes.

3) The LP guarantees furthermore that itself and all partners have complied with all legal requirements and that all necessary approvals for the proper implementation of the project have been obtained.

4) The LP ensures the implementation of the entire project and has to:

- a) assume responsibility for ensuring implementation of the entire project;
- b) ensure that expenditure presented by all partners incurred for implementing the project corresponds to the activities agreed between all partners and is in accordance with the provisions of the subsidy contract;
- c) inform the MA, within 5 working days from the occurrence of such circumstances, if one of the disbursement conditions ceases to be fulfilled, or circumstances arise which entitle the MA to reduce payment or to demand repayment of the subsidy wholly or in part;
- d) comply with the regulations referred to in the preamble to this contract as well as with relevant national and European legislation;
- e) know and observe the provisions of the Applicant Guide and of the present subsidy contract.
- f) observe and make sure that all partners observe the national and European legislation on state aid, equal opportunities, sustainable development, environmental protection;
- g) make sure and satisfy itself that all partners make all expenditure according to the programme relevant public procurement rules;
- h) ensure that all the partners select the final beneficiaries of the projects (target groups) by a transparent procedure;
- i) ensure that all changes regarding the partnership, activities or budget must have the approval of the Project's Steering Committee and of the MA/JS;
- j) present and ensure that the partners submit their expenditures to the controllers for verification via electronic system in maximum 15 working days after the end of the reporting period. This deadline is needed in order to allow for maximum 60 calendar days for verification of the expenditure before the deadline for submitting the project report (payment claim in accordance with art. 74 of Regulation 1060/2021). Requests for control not accompanied by appropriate supporting documents will not be taken into consideration.
- k) ensure that all partners concerned submit their contributions to the project report at least 15 calendar days before the deadline for submitting the project report via Jems to the JS;
- l) ensure that all partners have a separate accounting system or an adequate accounting code for all transactions relating to the operation; the accounting system must be in line with the national legislation;
- m) ensure that all partners have established at the level of their institution a set of anti-fraud measures;
- n) observe and make sure that all partners respect the provisions from the Visual Identity Manual (published on the programme website www.romania-serbia.net);
- o) observe and make sure that all partners respect the provisions of the Jems manual (published on the programme website www.romania-serbia.net and also at the following web address: <https://jems.interact.eu/manual>);
- p) ensure that all the procurement procedures to be launched in the project, including those of the project partners will be transmitted to the JS at least

- one day prior to be published on the website of the programme;
- q) accept to be included in the list of operations published on the programme website www.romania-serbia.net.
 - r) The LP makes sure that the controllers have verified the expenditure presented by the partners participating in the project.
 - s) The LP shall ensure that communication and visibility material realized by the project is made available upon request to programme bodies, Union institutions, bodies, offices or agencies and 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 Union, in accordance with point 2 from Annex IX of CPR Regulation 2021/1060.
- 5) When drafting the project report, LP is liable towards the MA for consolidating the information from all project partners requesting reimbursement of the expenditure, being responsible for collecting documents and information from every Partner and for including in the project report all control certificates available in Jems at the date of the project report submission. Irrespective of the time when partner reports are submitted via Jems, LP submits project report at least every three months , being responsible for collecting documents and information from every Partner regarding progress of activities/project.
- 6) LP is liable towards the MA for ensuring that all partners have a legal status throughout the implementation of the project, that they have the capacity to manage the project, that they observe the provisions from the Applicant's Guide. Moreover the LP is liable towards the MA for ensuring that partners fulfil their obligations regarding the implementation of the project. The LP is also liable towards the MA for all irregularities, even those committed by the project partners.
- 7) The LP must answer all written requests from the MA, JS or other bodies involved in the implementation of the Programme within the deadline stipulated in the respective request. The LP is responsible for gathering the information from all partners in due time.
- 8) The LP takes full responsibility for the damages caused to third parties from its own fault during the implementation of the project. MA has no responsibility for the damages caused to third parties as a result of executing the contract.
- 9) The LP must not receive or should have not receive money from other Programmes for the same project. The LP ensures that the project partners respect the same obligation.
- 10) Any results or rights related to the project, including author's rights and/or any other intellectual or industrial property rights, obtained from the implementation or as a result of the implementation of the contract, except the cases where such rights exist before the contract, shall represent the property of the LP and/ or partners, as the case may be. All projects results must be presented in English.
- 11) The LP must ensure that any Partner (including LP) cannot sell, mortgage or give up in any form or impose any other form of bank guarantee on the goods purchased from the financing throughout the entire validity period of the contract.
- 12) By exception from the provisions of the previous paragraph, the Lead Partner or any other project Partner may mortgage or impose other form of bank guarantee on the capital asset/s that represent/s the subject of financing throughout the entire validity period of the contract, provided the value of the credit obtained does not exceed the total value of the Partner's budget.
- 13) The Lead Partner has to inform the Managing Authority and present the following documents in maximum 10 working days from the signing of the contract:

- a. The evaluation of the asset (if the asset was already delivered), performed by a bank or independent evaluator.
 - b. A copy of the contract or, in case of mortgage a copy of the documents related to the registration of the mortgage in the relevant public registers.
- 14) The Managing Authority reserves the right not to agree with the mortgage or with other form of bank guarantee.
- 15) In case the bank/institution where the credit was obtained imposes on the project Partner to use its own account, then all the expenditures related to the project implementation must be performed from the respective account.
- 16) In case of projects comprising investment in infrastructure, the Lead Partner shall reimburse the MA the amounts received according to art. 65 of Regulation (EU) no. 1060/2021 if within 5 years of the final payment it is subject to any of the following:
- a) a change in ownership of an item of infrastructure which gives to a firm or a public body an undue advantage;
 - b) substantial change affecting its nature, objectives or implementation conditions which would result in undermining its original objectives.
- 17) The Lead Partner understands and agrees that the MA has delegated tasks to the JS, according to the Implementing Agreement concluded between the MA and the JS and therefore the Lead Partner agrees to cooperate with the JS in the same way as with the MA.
- 18) In duly justified cases, not imputable to the partners, when project partners are in impossibility of fulfilling their obligations according to the contract, they may request through the Lead Partner and with the written agreement of all partners, the suspension of the implementation period, for a clearly determined period of time. After verifying the conditions, the MA may approve, under its specific conditions, through a written decision of the representative of MA signing the contract, the suspension of the contract starting with the date indicated by the partners. The partners requesting the suspension of the implementation period has the obligation to inform MA in maximum 3 days from the date when he took notice of the situation, in any written form (including e-mail) and the Lead Partner has the obligation to submit all the relevant documents in maximum 5 working days, including the written agreement of all project partners. During the suspension period no activity shall be performed by any of the project partners.
- 19) As an exception to the previous paragraph, when the suspension of the contract could harm another partner (unaffected by the situation which would justify the suspension) by stopping his activities, LP, with previous agreement of all partners, may submit a request for prolongation of the implementation period for a period equal to the one for which the suspension would have been necessary, observing the Programme's provisions.
- 20) If the MA demands repayment of the IPA in accordance with this contract, the LP is liable to the MA for the total IPA that has been reimbursed to him.
- 21) The LP is at all times obliged to retain for audit purposes all files, documents and data about the project on customary data storage media in a safe and orderly manner. The LP guarantees that all project partners fulfil this duty.
- 22) During the implementation period of the project as well as after the end of the implementation period of the project, for a 5-year period from 31 December of the year in which the final payment by the managing authority to the partner is made, the LP has the obligation to preserve and to present, to the Joint Secretariat (within the Regional Office for Cross-Border Cooperation Timișoara, Romania), MA, Audit Authority (within the Romanian Court of Accounts), European Commission (EC),

European Court of Auditors and any other body designated to perform controls on the use of the financing, all project documents, including the inventory for the actives gained as a result of using the funds. The time period shall be interrupted either in the case of legal proceedings or by a duly justified request of the Commission. The documents must be properly archived. Also, the MA must be informed on the location of these documents.

23) The LP must implement the recommendations received after an audit/ control, otherwise the MA has the right to terminate the contract. The LP ensures that the project partners fulfil this obligation.

24) In case of lack of available funds at Programme level, the Partner has the obligation of ensuring from its own budget the necessary funds for implementing the operation according to the approved Application Form, the present contract and the national and European legislation in force. The MA shall notify the LP/ Partner regarding the lack of available funds.

25) The LP must notify the MA within 15 days following the finalization of implementation of a public procurement contract of any remaining funds/ savings at project level.

26) The LP must clearly specify in the notification the amounts of the remaining funds and if there is a need of re-using these within the project.

27) The LP and its partners must ensure the sustainability of the project results and, after the project's implementation period has ended, the following 5 years the LP has the obligation to submit annually a durability report (Annex 11).

28) The LP must operate in Jems all modifications (addendum and/or notification) approved for the project in maximum 5 days after MA's approval of such modification.

29) Any personal data will be processed solely for the purposes of the performance, management and monitoring of this Contract by the MA and may also be passed to the bodies authorized institutions/ departments in order to perform audit and control activities or any bodies/entities authorised by the MA. The Lead Partner and the Partners will have the right of access to their personal data and the right to rectify any such data.

30) The Lead Partner and the Partners shall limit access and use of personal data to that strictly necessary for the performance, management and monitoring of this Contract and shall adopt all appropriate technical and organisational security measures necessary to preserve the strictest confidentiality and limit access to this data.

31) The Lead Partner shall send, within 30 days from the receipt in the project account of the amounts included in the final reimbursement claim, the proof confirming the registration of the final payment in the accounts, for all project partners (excerpt from the accounting balance sheet/ journal of receipts and payments).

32) The LP should take every measure in order to avoid double counting of the project's outputs and/or results and to ensure consistency between the achievements reported by each partner, based on the corresponding relevant supporting documents.

33) For the project results which are measured during 1 year after project's implementation period has ended, the LP and its partners must take all the necessary measures for that measurement and reporting to be done accurately and in time.

B. Managing Authority

- 1) The MA shall make available the information regarding the official closure date of the Programme to the LP within 5 working days from the date of the receipt of the Commission's official notification in this respect.
- 2) The MA has the right to decide on the eligibility of expenditure included in the project reports.
- 3) The MA has the obligation to support the LP by providing necessary information and clarifications for the implementation of the project.
- 4) The MA has the obligation to reply to any written request from the LP in maximum 30 days from the date the MA receives the request.
- 5) In case of observations and/or reservations raised by the Commission on the description of the management and control system of the Interreg - IPA Romania – Serbia Programme or in case of a system error detected, the MA has the right to temporarily withhold payments to the projects. Payment suspension(s) shall be lifted as soon as observations and/or reservations raised by the Commission have been withdrawn and the MA has received sufficient evidence on the solution of the systemic error(s) detected.
- 6) The MA is entitled to verify and to control the proper use of funds by the LP or by project partners. The verifications to be carried out by the managing authority shall cover administrative, financial, technical and physical aspects of the project, as appropriate, including of 5 years after the final payment to the project. The MA shall be responsible for the control of the proper use of funds by the LP or by partners, in particular through preventing, detecting and correcting irregularities and recovering amounts unduly paid together with interest on late payments where appropriate.
- 7) The responsible auditing bodies of the EU and the two partner states and, within their responsibility, the Audit Authority from Romania and the group of auditors as well as the MA are entitled to audit the proper use of funds by the LP or by project partners or arrange for such an audit to be carried out by authorized persons.
- 8) MA is entitled to verify the sustainability of the project for a period of 5 years after the final payment to the project.
- 9) The MA shall authorize and reimburse to the LP all eligible expenditures approved for a project report submitted via Jems, as per the Control Certificates issued by controllers and own verifications.
- 10) The MA has the obligation to inform the LP regarding the reports, conclusions and recommendations made by the European Commission or Audit Authority that may affect the implementation of the present contract.
- 11) Additional obligatory deadlines to submit a project report via the electronic system may be set by the MA in order to avoid decommitment of IPA contribution at programme level. The additional deadlines shall be communicated at least 2 months in advance to the LP.
- 12) In case one of the obligations of the Lead Partner is not fulfilled, the MA may suspend the execution of the contract.
- 13) In case of suspending the contract, the MA shall notify the Lead Partner regarding this decision, duration of the suspension period, the proposed corrective measures and also the related financial measures. The MA shall also notify the Lead Partner if the suspension period is cancelled prior to the initially set deadline.
- 14) Subject to availability of funds, the Managing Authority shall pay the total due amount of eligible public expenditure no later than 80 days from the date of submission of the project report by the Lead Partner to the JS, in conformity with the deadline mentioned at the article 74 (1) of the Regulation (EU) no. 1060/2021.
- 15) The payment deadline mentioned in paragraph 14 may be interrupted by the

Managing Authority in accordance with the provisions of Article 74 (1) of the Regulation (EU) no. 1060/2021;

16) The payment deadline shall be resumed once the cases mentioned above have been solved.

17) The Managing Authority may issue instructions in accordance with the Programme rules for the purpose of implementation of the present contract, which shall be communicated to the partners and to the National Authority and posted on the Programme's website. The instructions shall enter into force from the date of their communication, will become part of the contract and are mandatory for the LP and partners.

18) The MA is entitled to publish data regarding the project in accordance with Article 49(3) of Regulation (EU) no. 1060/2021.

19) The Managing Authority may decommit/use the remaining funds following the finalization of public procurement procedures and/or public procurement contracts at project level, as per the provisions of art 7, part A, para. 25.

20) In case the project contribution to indicators is lower compared to the application form, the MA is entitled to decommit project funds by reducing the original project budget and the corresponding IPA contribution, according to the Programme specific procedure (Procedure for financial corrections to be applied to projects that do not/partially achieve the contribution to the indicators set in the subsidy contract under Interreg IPA Romania-Serbia Programme).

21) The MA and the JS analyses the progress and the deficiencies encountered in the implementation period of the project and will make suggestions to the project partners for their improvement.

§ 8 Publicity

1) The Lead Partner must inform and must ensure that all project partners inform the public, by means of the measures laid down in Regulation (EU) 2021/1059, Article 36, point 4, a)-e) and Annex IX of Regulation (EU) no. 1060/2021, about the assistance obtained from the Funds.

2) The Lead Partner and all project partners are responsible for the implementation of the information and publicity activities related to the non-reimbursable financial assistance received through the programme.

3) The Lead Partner must ensure and must satisfy itself that all project partners ensure transparency and accurate information to the mass media on the projects financed under the Programme.

4) All information and publicity actions developed by the project partners (including the Lead Partner) must observe the Visual Identity Manual (available on the programme website: www.romania-serbia.net or on request at the Joint Secretariat).

5) The rules stipulated in the Visual Identity Manual are mandatory for the Lead Partner and all partners.

6) The publications edited within a project financed under the Programme shall include the name of the project, Jems code and reference to the EU co-financing of the Programme, on the first and the last cover. The publications shall also contain contacts (persons, institution/organization, phone, fax, email and postal address) for the persons interested in finding out further details. The responsibility for the content of materials belongs solely to the Partner.

7) For all information and publicity actions developed by the project partners, the Lead Partner must ensure that they archive in a single place (hard copy and/or

electronically) the documents related to these activities (e.g.: information and publicity materials they produced: printed materials, audio-video materials).

8) The Lead Partner is responsible to inform the Joint Secretariat regarding the information and publicity measures taken in order to promote the projects financed under IPA.

9) By accepting the funding, the LP and its partners give their acceptance for their inclusion in the list of operations published in accordance with Article 49(3) of Regulation (EU) no. 1060/2021.

10) The LP shall ensure the proper means of communication between the project and the programme, including:

- a. participation, whenever requested, in LP trainings organized by the JS;
- b. participation, whenever requested, in other events organized by the Programme with the purpose of presenting/ discussing/ developing/ sharing project results and creating synergies with other projects and relevant organisations;
- c. providing a visible link on the project's website to the Programme website.

11) The competent structures within the MA, upon notification from the JS, verify compliance with the mandatory requirements regarding information and publicity measures contained in the Visual Identity Manual and the applicable European regulations, propose remedial actions and, where remedial actions have not been put into place, the managing authority shall apply measures, taking into account the principle of proportionality, by cancelling up to 2 % of the support from the funds.

§ 9 Confidentiality

1) With the exception of the situations foreseen at art. 7 A, para. 22 and art. 8, the Managing Authority and the Lead Partner undertake to preserve the confidentiality of any document, information or other material communicated to them in confidence until at least five years from the official closure of the Programme. The release of information to persons involved in implementing/ verifying/ controlling/ auditing the project shall be performed on confidential basis and shall cover the information that is necessary for implementing the project.

2) The data used for publicity purposes, for informing on and promoting the use of IPA funds, shall not be considered as having confidential status.

3) Notwithstanding the obligations set forth by this contract etc and its Annexes to it concerning providing the information and documents required by the authorized institutions/ departments in order to perform audit and control activities, the parties hereby undertake to preserve the confidential nature of the Personal Data, according to the provisions of Directive (EU) 2016/680 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data by competent authorities for the purposes of the prevention, investigation, detection or prosecution of criminal offences or the execution of criminal penalties, and on the free movement of such data, and repealing Council Framework Decision 2008/977/JHA of the Council and according to the provisions of the Regulation No 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);

4) The Managing Authority has the right to release information regarding the project at the request of public institutions, investigating the project.

- 5) The contracting party shall bear no responsibility for releasing information on the contract if:
 - a. the information was released with the written agreement of the other contracting party; or
 - b. the contracting party was legally forced to release the information.
- 6) Failing to observe the confidentiality obligation gives the damaged party the right to claim compensations from the damaging party.
- 7) The Lead Partner and the Partners shall not use confidential information for any aim other than fulfilling their obligations under this Contract unless otherwise agreed with the MA.

§ 10 Conflict of interests

- 1) In the present Contract, the conflict of interests represents any circumstances that have affected or may affect the execution of the contract by the parties in an objective and impartial manner. Such circumstances may result from reasons involving family, emotional life, economic interests, political or national affinities or any other shared interest with the recipient.
- 2) The parties take upon themselves to take all necessary measures in order to avoid any conflict of interests and to keep each other informed, in up to 5 (five) days from finding out, on any circumstances that have generated or may generate such a conflict. Any conflict of interests that arises during the implementation of the contract shall be immediately notified to the JS. The MA reserves the right to verify such circumstances and take the necessary measures, if the case.

§11 Irregularities and recovery of the funding

- 1) “Irregularity” according to the current Contract means any breach of Union law, or of national law relating to its application, resulting from an act or omission by LP, Partners or an economic operator involved in the implementation of the IPA Funds, which has, or would have, the effect of prejudicing the budget of the Union or the national budgets by charging an unjustified item of expenditure to the budget of the Union or the budgets these manage in their name and/or the budgets granting the related co-financing.
- 2) MA shall show zero tolerance to any suspected cases of fraud and shall take all necessary measures to prevent and correct such cases.
- 3) In case of irregularity, the MA shall impose to the Lead Partner all the necessary measures for the elimination or diminishing of the consequences on the implementation of the project.
- 4) MA may suspend or terminate the contract in case the partners fail to take the measures imposed.
- 5) In case an irregularity is confirmed, the LP is responsible for repaying to the MA the amount affected by the irregularity, even if the irregularity was committed by one of the partners. The amount to be repaid to the MA will be calculated taken into account all flat rates that were automatically granted according to the Programme rules.
- 6) The MA takes the decision for suspending/terminating the contract, after verifying the reasons presented by the LP and/or JS and the related documents.
- 7) In case the contract shall be terminated, the MA notifies the LP regarding this decision and the related financial measures. In this case, within 30 days from receiving such notification, the LP and / or partners shall fully return the amounts

specified in the notification, without deducting any bank charges.

8) For the irregularities committed by a Partner, the LP is entitled to request these amounts from the responsible Partner in order to be repaid to the MA. The Lead Partner has to inform the MA about the result of its repayment request, in due time. In specific cases, for irregularities discovered after payment of the final project report, the partners may repay the due amounts directly to the MA, notifying the LP about this option.

9) If the Lead Partner does not succeed in securing repayment of the unduly paid IPA contribution from the responsible partner(s), or if the MA does not succeed in securing repayment from the Lead Partner, then, in accordance with article 52 of the Regulation (EU) No. 2021/1059, the participating country to the Programme (Romania or Serbia) on whose territory the partner concerned is located shall reimburse the MA any amount unduly paid to that partner. The participating country to the Programme (Romania or Serbia) is then entitled to claim this amount from the partner concerned, pursuant to its national law.

10) Any extra payment done by the MA is considered unduly paid amount, and the LP has to repay the respective amounts within 30 days from the receipt date of such notification from the MA.

11) In case the irregularity is discovered before the final payment, the MA is entitled to diminish the amount to be reimbursed to the responsible Lead Partner and/or Partner with the debt of the concerned Lead Partner and/or Partner, starting with the next payment until the total recovery of the debt, to which the bank charges are added, if the case

12) If the irregularity resulting in an unduly paid amount is discovered after the final payment or if the debt was not entirely recovered, the MA shall notify the LP regarding the unduly paid amount, and the LP is obliged to repay the amount, within 30 days as of the receipt of the notification.

13) The LP shall pay the amount from the notification, including the bank charges, if the case. If the Lead Partner fails to repay that amount, the procedure presented under paragraph 9 shall apply.

14) The final payment will be made, within its deadline and in its entirety, only if all the recovery procedures of any known debts of the Lead Partner and/or concerned Partners are completed; otherwise, the final payment shall include only the amounts related to the partners not affected by the recovery procedures.

15) Starting with the 31st day as of the expiry of the deadlines stipulated at paragraphs 7,10,12 an interest rate bigger with one and a half points than the rate applied by the European Central Bank as in force on the first working day from the month of the deadline date shall be applied to the owed amounts.

16) In case the European Commission applies financial corrections to the Programme on the basis of extrapolation or flat rate, the Managing Authority may decide to cover these corrections from the projects' budgets concerned by the corrections by applying the same flat rate.

17) In case of observations and/or reservations raised by the Commission on the description of the Management and Control System of the Programme or in case of a system error detected, the MA has the right to temporarily withhold payments to a particular Partner (LP or B) or the project as a whole. Payment suspension(s) shall be lifted as soon as observations and/or reservations raised by the Commission have been withdrawn and the MA has received sufficient evidence on the solution of the systemic error(s) detected.

18) In the Republic of Serbia, all potential irregularities detected are to be firstly reported to the National Authority that executes the procedure for examining the

irregularity and takes the final decision, closes the irregularity case and reports to the relevant bodies, in line with the internal procedure.

19) In case the irregularity resulting in an unduly paid amount is discovered after the final payment or the debt was not entirely recovered by the Serbian Partner, the NA shall, after notification received by MA, notify the Serbian Partner on the unduly paid amount, and the Serbian Partner is obliged to return, within 30 days as of the receiving date of the notification, the amount, including bank charges to MA.

20) In the case that Serbian Partner failed to recover unduly paid amount, NA will launch recovery procedure and legal procedure for obtaining recovered amounts from respective Serbian Partner.

21) The debts shall be repaid in the same currency corresponding to the source from where they were paid by the MA.

§ 12 Assignment, legal succession

1) The Lead Partner cannot renounce totally or partially the rights and obligations resulted from the present contract unless it has the clear agreement of the MA and of the Monitoring Committee.

2) In case of legal succession, e.g. where the LP changes its legal form, the LP is obliged to transfer all duties under this contract to the legal successor. The LP shall notify the MA about any change with 15 working days beforehand.

§ 13 Amendment

1) Any modification to the present contract shall be done with the agreement of both parties, with the exception of notifications detailed in para.3 of this article and of the situations foreseen at Articles 6(12), 6(18), 7 A (18) - Lead Partner section and 7 B (17),(19),(20)- Managing Authority section of the present contract. For these exceptions, the Lead Partner will send to the MA a notification and/or the MA (if the case) will send the LP a Decision signed by its legal representative.

2) Any request for modification of the Subsidy Contract has to be justified and submitted by the LP to the Joint Secretariat in a written form. The Joint Secretariat will analyse the request and may request additional information and other clarifications and submits it for approval to the Managing Authority or the Monitoring Committee according to the type of the modification requested. The addenda to the Subsidy Contract have to be signed by both parties.

3) As an exception from the provisions of paragraph 1, the Lead Partner may operate the following changes, through a notification sent to the MA:

- a) Change of headquarter, bank account may be done and shall be forwarded to the MA within 15 days following the change of address, bank account;
- b) Change of the legal representative of the project partners shall be notified to the MA within 15 days following the change of the legal representative;
- c) Replacement of the project team members.

4) For the modification of the contract through addenda, these shall be sent to the JS, with minimum 67 working days before the addendum is intended to produce its effects. JS shall send it to the MA, after verification, in maximum 7 working days from its receipt from the Partner. If clarifications are needed, these shall be requested from the Lead Partner and the Lead Partner is obliged to answer in maximum 5 working days. Following the addendum approval, the JS shall inform the Lead Partner in 1 working day and LP will operate the changes in Jems in maximum 3 working days.

- 5) Notwithstanding the provisions of para. 4, the project implementation period and/ or the value of the grant for the projects contracted under this call for proposals may be increased¹ by decision of the Monitoring Committee, based on the proposal made by Managing Authority in consultation and National Authority, after careful consideration of the Lead Partners' justifications. The increase of the project implementation period and/ or the value of the grant shall be done before its finalization and in consideration of achieving the objective(s) of the project and its outputs and results.
- 6) Addenda become effective on the day of their signing by the last party.
- 7) Only from the moment the addenda enter into force and are operated by the LP in Jems or notifications are received by MA may the LP and Partner submit project reports for the activities effectively carried out/costs actually incurred that are subject to the stated addendum or notification.
- 8) Costs incurred prior to the entry into force of addenda or prior to the receipt of notifications by the MA is on the financial risk for the LP and Partner.
- 9) The LP agrees and understands that the MA has the right to refuse the signature of the addenda.
- 10) Modifications incurred in the respective national/ European applicable legislation with impact on the implementation of the contract, become effective from the date the respective legal act enters into force without being confirmed through addenda.
- 11) Modifications incurred in Annex 6, 7, 8, 11 become effective from the date the revised version is communicated to the partners and to the National Authority and posted on the Programme's website, without being confirmed through addenda.
- 12) The LP has the obligation to inform all partners about the approval by the MA of the addenda or any other contract modification within maximum 10 working days from its entry into force.
- 13) As an exception from the previous provisions any other changes must be duly justified and shall be subject to the Programme Monitoring Committee's approval (changes of partners, changes in budget lines over 50,000.00 euro, changes between Partner budgets, etc.) and will be operated by addenda to the present contract. In this case, the MA may decide to suspend the implementation of the project until the MC Decision.

§ 14 Termination

- 1) Any breach of the provisions of the present contract may result in the termination of the present contract and in the recovery of the financing, including any interest and/or related bank charges.
- 2) The MA is entitled to terminate this contract, after a previous conciliation procedure and to demand repayment of the amounts already paid for the following cases, but not limited to these:
 - a) The MA finds an inconsistency between the reality and the declarations of the LP in the application form, regarding the financing of the project from national or European public funds, or regarding the financing from other national or European Programmes; or
 - b) The MA or audit bodies find that the subsidy awarded has been partially or entirely misapplied for purposes other than those agreed upon herein,

¹ The new project implementation period and/ or the new grant value may exceed the maximum duration/ value, as specified in the current Applicant Guide.

- including 5 years after the final payment; or
 - c) the LP closes down; or
 - d) The MA finds that during the entire validity period of the contract, the LP or any project Partner wholly or partly sells or transfer in any form the right of property of the goods purchased from the financing, including under the conditions of article 65 from Regulation 1060/2021 a change in ownership of an item of infrastructure which gives to a firm or a public body an undue advantage; a substantial change affecting its nature, objectives or implementation conditions which would result in undermining its original objectives.);
 - e) The LP fails to observe the provisions of article 7 A paragraphs 11-14 of the present contract;
 - f) The MA decides that the project is ineligible, if during its implementation, including 5 years after the final payment modifications appear that affect the implementation conditions/ create for a third party an unjustified advantage, and the modification is the result of a change in the nature of the property/ ceasing/ change of the location of the project; or
 - g) The MA finds that, during the implementation period of the project, including 5 years after the final payment, the LP or any project Partner wholly or partly sells the project/goods purchased from the financing granted herein to a third party; or
 - h) The MA finds that the LP failed to notify the MA in the deadline on a case of conflict of interests or the necessary measures for ending such a situation were not taken; or
 - i) The MA finds that the Lead Partner made false declarations regarding the VAT eligibility and state aid.
 - j) the project has not been or cannot be fully implemented by carrying out the planned activities, the planned outputs and results or the project cannot or could not be realized in due time;
 - k) the LP has failed to submit within the deadlines required reports or proofs, or to supply necessary information, within the set deadline and has not justified these delays; or
 - l) the LP or the project partners has/have impeded or prevented the auditing or control; or the recommendations resulted from the audit missions are not observed; or
 - m) a fraud is discovered at the LP/ Partner level; or
 - n) the LP has failed to fulfil any other conditions or requirements stipulated in this contract; or
 - o) The LP fails to submit two project reports within the reporting deadlines; or
 - p) the LP fails to provide immediate information about circumstances that delay, hinder or make impossible the realization of the project, as well as about any circumstances that trigger a change of the reimbursement conditions and frameworks as laid down in this contract or which entitle the Managing Authority to reduce or demand repayment of the IPA contribution wholly or in part.
- 3) In case the outputs and results are not reached as mentioned in the approved Application Form, the MA has the right to decide the termination of the contract and to demand the repayment of already reimbursed funds, or to apply corrections according to Programme specific procedure (Procedure for financial corrections to be applied to projects).
- 4) In case the European Commission takes the decision of interrupting or totally

suspending the funds, the Managing Authority may terminate the contract.

5) If the European Commission fails to make the funds available, the MA is entitled to terminate this contract and any claim by the LP against the MA for whatever reason is excluded.

6) In case of decommitment according to art. 6(14), after the receipt of the notification from the LP regarding giving up financing, the MA shall proceed to the termination of the contract and recovery of all amounts paid as advance/ reimbursed.

7) In all cases where, if the MA exercises its right of termination, the LP is obliged to transfer to the MA all amounts received as advance/ reimbursement. The amounts must be repaid within 30 days following the date of the receipt by LP of such notification; the due date will be stated explicitly in the termination decision. In case of non-payment at the due date, penalties bigger with 1.5 (one and a half) point than the rate applied by the Central European Bank from the first working day from the month of the deadline date shall be applied to the owed amounts. These penalties will not be supported from the contract value (they are non-eligible expenditure).

8) If any of the circumstances stipulated at paragraph 2 appear before the entire amount of the subsidy is paid to the Lead Partner, the payments will cease and there will be no requests from the Lead Partner for the reimbursement of the remaining amount.

9) In the case of contracts signed based on virtual pre-contracting site visits, the correctness and conformity of the information and documents presented by the Lead Partner and the Partner(s) during the virtual pre-contracting visits shall be verified during the first monitoring on-site visit performed by the JS. If it is concluded that the information or the documents provided by the Partner during the virtual pre-contracting visits are inaccurate or are misrepresented, the payments will not be made and the Contract may be terminated.”

10) For all cases of contract breach, the Lead Partner is legally late.

§ 15 Force majeure and fortuitous event

1) Force majeure is any external even considered unforeseeable, absolutely invincible and inevitable, occurred after the conclusion of the present contract that prevents a party from performing any of its obligations. Force majeure, established under the law, exonerates the party in case of failure of performing the obligations under this Contract, in whole or in part, as long as they act only if the other party has been duly notified. It is not considered force majeure any event similar to those above which, without creating an impossibility of execution, determines one or the other party to perform its obligations with extremely high costs.

2) The party invoking force majeure shall notify the other party of the force majeure event, within five days from the date when the event occurred. The party invoking force majeure has the obligation to send to the other party the document stating the existence of force majeure, within 15 (fifteen) days from the date of its communication by the competent entity. The party invoking force majeure has the obligation to communicate the date of termination of the force majeure, within five (5) calendar days from its termination/it ceased to exist.

3) The responsible party will support all costs of the notification procedure.

4) The parties shall endeavour to take all necessary measures/to perform all necessary actions in order to limit the consequences of Force Majeure.

5) If the party invoking the force majeure does not properly notify the

commencement and termination of the force majeure according to the terms and conditions laid down in the present contract, it will not be exempted from its responsibility and will be held responsible for any loss caused by the lack of notice to the other party. The responsible party will support all related costs (if any) if the notification procedure is not observed.

6) The execution of the contract is suspended during the period of “force majeure” for the period the event exists.

7) In case of suspension according to para.6), the implementation period of the project shall be extended by a period equivalent to the length of suspension, without prejudice to any amendment to the Contract that may be necessary to adapt the project to the new implementing conditions.

8) In case the contract must be suspended from this reason on a period longer than three months, the Parties will meet within a period of ten (10) days before the three months period expires, to agree on how to continue, modify or terminate the Contract.

9) Fortuitous case does not exonerate the parties of their obligations foreseen in the contract.

§ 16 Correspondence

1) Any legally binding correspondence and any official notifications can be lawfully served at the following address:

- For the MA -.....[Name, address, telephone, fax, email address, fiscal registration number] (as MA)

- For the NA -.....[Name, address, telephone, fax, email address, fiscal registration number] (as NA)

- For the JS -.....[Name, address, telephone, fax, email address, fiscal registration number] (as JS)

- For the Lead Partner-[Name, address, telephone, fax, email address, fiscal registration number]

2) All correspondence between the MA and the LP shall be done through the JS, in English.

3) Any change of headquarters shall be forwarded to the other party of this contract within 15 days following the change of Address.

§ 17 Transparency

1. The present contract, including its annexes, together with the information and documents regarding its implementation represent public information according, respecting the exceptions foreseen by law and of those established by the present contract.

2. The following elements, as they are in the present contract and its annexes, including addenda, if the case, cannot be considered confidential:

a) The name of the project, full name of the Partner and of the partners, commencement and end date, contact information - at least an email address and a phone number - functional for the project team, place of implementation of the project - town, county, region and, if the project implements activities which are addressed to the public, the exact address and contact details for spaces dedicated to these activities in the project;

b) Total value of the non-refundable financing, the intensity of support expressed both as a concrete amount, and as a percentage of total eligible project cost

- and the amount of payments done;
- c) The dimension and characteristics of the target group and, case by case, the final partners of the project;
 - d) Information regarding the human resources of the project, namely: name, position, working time;
 - e) The estimated results of the project and the ones already achieved, including the ones corresponding to the objectives, as well as the ones corresponding to the activities, addressing the indicators selected;
 - f) Name of the suppliers, services providers and works enterprises contracted within the projects, as well as the object of the contract, its value and the amount of payments done;
 - g) Elements regarding the sustainability of the projects results and the durability of the infrastructure - information provided according to the contract and according to art.65 of Regulation 1060/2021.

§ 18 Protection of personal data

1. Personal Data collection, processing and storage shall be performed according to the provisions of the Regulation No 679/2016 for the purpose of project implementation and monitoring, fulfilment of its objectives, as well as statistical purpose.
2. Personal Data, as classified by Regulation No 679/2016, shall be processed in accordance with the legislation aforementioned throughout the contractual period, including during the period of monitoring and verification of the contractual objectives, for the purpose and the legal basis for which this contract was concluded.
3. The parties shall take appropriate technical and organizational actions, according to their own responsibilities and institutional competencies, in order to ensure a proper Personal Data security level, during their processing and re-processing, their transfer to third-parties and publishing on internal or external public sources.
4. The parties shall ensure, according to their own responsibilities and institutional competencies, all the technical and organizational conditions to preserve the confidentiality, integrity and availability of Personal Data.
5. The parties shall inform and notify each-other about any security breaches regarding the processing of Personal Data related to this contract, in order to be urgently adopted the required technical and organizational actions and to be notified the Romanian National Supervisory Authority for Personal Data Processing (ANSPCDCP), according to the obligations arising from the provisions of Regulation No 679/2016.
6. The parties, through their representatives assigned to process the Personal Data related to this contract and its possible addenda, shall keep records of the processing activities according to Article 30 of the Regulation No 679/2016.
7. Each partner has the obligation of obtaining and keeping the records of the acknowledgements of the persons which are part of the project's target group, as well as of all the persons involved in the implementation of the project whose Personal Data are being used (e.g project team members, external experts, guests to events, etc.), for the activities in their responsibility, for the attainment and implementation of the project's objectives.

§ 19 Data communication

1. The Lead Partner agrees that the documents and information mentioned in art.17, para.(2) referring to transparency will be provided by the MA/JS, in case the programme authorities receive a request in this sense, observing the provisions of the contract.

§ 20 Final provisions

1) In case a dispute arises between the MA and the LP, regarding the implementation of the present contract, a friendly conciliation shall be attempted. The competent legal authorities from Romania shall solve the dispute in case no mutual agreement can be reached.

2) Romanian law governs the present contract.

3) The present contract forces the parties to observe in all and with good faith every provision, according to the principle of the bindery legal force of the contract between parties.

4) If any provision in this contract proves to be wholly or partially ineffective, the parties to this contract undertake to replace it by an effective one which comes as close as possible to the purpose of the ineffective provision.

§ 21 Signatures

1) This Subsidy Contract is issued in two originals, in English language, one for the Lead Partner and one for the Joint Secretariat.

2) The following Annexes shall be deemed to form and be read and constituted as part of this contract:

Annex 1: Co-financing contract

Annex 2: Approved application form

Annex 3: Approved budget

Annex 4: Signed Partnership Agreement

Annex 5: Applicant`s Guide available on the Programme Website

<https://www.romania-serbia.net/section> Applicant`s guide

Annex 6: Public Procurement Procedure for all Serbian beneficiaries and Romanian private beneficiaries

Annex 7: Advance request template

Annex 8: Project report - HIT indicative template

Annex 9: Addendum template

Annex 10: First Level Control manual

Annex 11: Durability report

3) The contract and its Annexes are to be taken as mutually explanatory of one another. For the purposes of interpretation, the priority of the documents shall be in accordance with the following sequence:

- a) Any subsequent amendments of the contract and its Annexes made in accordance with the provisions of Article 13.
- b) Subsidy contract
- c) Co-financing contract
- d) Annexes to the Subsidy

Managing Authority
Legal representative:
Name:
Signature
Date

Lead Partner
Legal representative:
Name:
Signature
Date