# **Project Partnership Agreement**

Having regard to:

Article 26 (1) a of Regulation (EU) 2021/1059 on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments;

the following agreement is hereby made between:

**Lead Partner** (hereinafter “LP”)

LAB University of Applied Sciences

Business ID: 2630644-6

Address: Mukkulankatu 19, 15210 Lahti, Finland

Contact person: xxxxxxx

Phone number: xxxxxx

Email: xxxxxx

**Project Partners** (hereinafter, jointly or separately, “PPs” or “PP”)

Public Institution for the Development of the Međimurje County REDEA

Business ID: 86547803101

Address: Bana Josipa Jelačića 22, HR – 40 000 Čakovec

Contact person:  xxxxx

Phone number:xxxxxxx

Email: xxxxxxxxxx

Regional Development Fund of Central Macedonia (RDFCM)

Business ID: 090187711

Address: Vasilissis Olgas 198, GR 54655 Thessaloniki

Contact person: xxxxxx

Phone number: xxxxxxx

Email:  xxxxxxx

Special Account for Research Funds of International Hellenic University

Business ID: 997015012

Address: 14th km Thessaloniki-N.Moudania, GR 57001 Thermi, Greece

Contact person: xxxxxx

Phone number:xxxxxxxx

Email: xxxxxxxxx

 Moravskoslezské Inovační Centrum Ostrava, A.S.

Business ID: CZ25379631

Address: Technologická 375/3, 708 00 Ostrava–Pustkovec,, Czech Republic

Contact person:xxxxxxx

Phone number: xxxxxxxxx

Email:  xxxxxxxx

The Finnish Society of Crafts and Design

Business ID: 0202299-1

Address: Annankatu 16 B 25, 00120 Helsinki

Contact person:  xxxxxxx

Phone number:  xxxxxxx

Email: xxxxxxxx

Wallonie Design

Business ID: BE 0875.955.035

Address: Rue Paradis 78, 4000 Liege, Belgium

Contact person: xxxxxx

Phone number xxxxxxxx

Email: xxxxxxxx

The Regional Council of Päijät-Häme

Business ID: 0215610-5

Address: Hämeenkatu 9 A, PL 50, 15111 Lahti

Contact person: xxxxxx

Phone number: xxxxxxx7

Email: xxxxxxx

The Official Chamber of Commerce, Industry, Services and Navigation of Spain

Business ID: ESQ2802216H

Address: Ribera del Loira 12 , Madrid 28042 Spain

Contact person: xxxxxx

Phone number: xxxxxxx

Email: xxxxxx

Podkarpackie Innovation Centre

Business ID: PL8133765154

Address: ul. Lenartowicza 4, 35-051 Rzeszów, Poland

Contact person: xxxxxx

Phone number:xxxxxx

Email: xxxxxxx

hereinafter, LP and PPs jointly referred to as “Partners” or “Partnership” and separately “Partner”

for the implementation of the Interreg Europe project “Design Collaboration for Sustainable Business”, acronym “DeCo”, project ID 02C0481 (hereinafter “Project”), approved by the Monitoring Committee of the Interreg Europe Programme on 12/12/2023.

**Abbreviations**

Programme – Interreg Europe Programme

EU – European Union

JS - Joint Secretariat

MA - Managing Authority

ERDF - European Regional Development Fund

#### Article 1: Legal Framework

#### 1.1 The following legal provisions and documents constitute the contractual basis of this partnership agreement (hereinafter “Partnership Agreement”) and the legal framework for the implementation of the Project:

* 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 setting the programme;
* The laws of the Partners’ countries applicable to this contractual relationship.

1.2 The following laws and documents constitute the legal framework applicable to the rights and obligations of the Partners:

* 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 repealing Council Regulation (EC, Euratom) No 966/2012, 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 equal opportunities between men and women;
* National rules applicable to the LP and the PPs and their activities;
* Project Data, comprising but not limited to latest Project documentation such as application form and all Project information available in the electronic system;
* the Subsidy Contract, concluded between the LP and the MA;
* All manuals, guidelines and any other documents relevant for implementation of the Project in their latest version, as published on the Programme website.

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

#### Article 2: Definitions

For the purposes of this Partnership Agreement, the following definitions apply:

* **Background**: any knowledge or material, including any intellectual property rights related thereto, that a Partner possesses before the Project or acquires or generates during the course of the Project but outside the Project context and that the Partner introduces to the Project to support the creation of the Foreground. No part of Background shall be regarded as Foreground.
* **Foreground**: any new knowledge or material generated in the Project and any intellectual property rights related thereto.
* **Project Data:** data comprising but not limited to all latest Project documentation such as latest approved application form and all Project information available in the electronic system (Interreg Europe Portal).

#### Article 3: Subject of the Partnership Agreement

3.1 This Partnership Agreement lays down the arrangements regulating the relations between the Partners, in order to ensure sound implementation of the Project as in the latest version of the Project Data, as well as in compliance with the conditions for support set out in the European Structural and Investment Funds Regulations, delegated and implementing acts, the Programme Manual, and the Subsidy Contract signed between the MA and the LP.

#### Article 4: Duration of the Partnership Agreement

4.1 This Partnership Agreement comes into force once it has been signed by all Partners, having retroactive effect from the start date of the Project, and under the condition that the Project is approved for co-financing by the Programme. However, if Project activities are carried out in the phase after the day of selection decision by the Monitoring Committee but before the start date of the Project, the provisions of this Partnership Agreement shall already apply to that phase.

4.2 This Partnership Agreement shall remain in force until the LP and PPs have completed in full their obligations under this Partnership Agreement towards each other, the MA and any relevant European body. However, obligations that due to their nature are intended to continue in force beyond the termination of this Partnership Agreement shall so survive.

#### Article 5: Roles and Duties in the Partnership

5.1 The LP of the Project:

* represents the Partners in the Project vis-à-vis the MA/JS as further detailed in the Subsidy Contract and the Programme Manual.
* is responsible for the overall coordination, management and implementation of the Project towards the MA.
* ensures timely start and implementation of the activities within the lifetime of the Project, in compliance with all obligations to the MA. The LP must notify the JS of any factors that may adversely affect implementation of the Project activities and/or financial plan.
* monitors the delivery of the agreed work plan setting out tasks to be undertaken as part of the Project, the role of the PPs in their implementation, and the Project budget.
* prepares and submits the Project progress reports, including supporting documents, according to the Programme Manual, and additional requested documents and/or information from MA/JS.
* addresses requests for Project modifications, after such modification has been accepted by the Steering Group in accordance with section 11 below, according to the Programme Manual.
* is, in general, the contact point representing the Partnership for any communication with the MA/JS or any other Programme body.
* provides the PPs with copies of all relevant Project documents, and reports on the implementation of the Project. The LP must regularly inform the PPs of all relevant communication between the LP and the MA/JS.
* provides the Steering Group with information reasonably required by the Steering Group to carry out its tasks.

5.2 Partners are responsible for carrying out specific Project activities in the manner and scope indicated in the Project Data (in particular in the latest approved application form). PPs commit themselves to undertake all steps necessary to support the LP in fulfilling its obligations as specified in the Subsidy Contract signed between the MA and the LP, as well as in this Partnership Agreement.

The Partners must:

* actively cooperate in the implementation of the Project, and implement the Project in accordance with the work plan, the schedule and the approved budget set out in the Project Data;
* cooperate in the staffing and/or financing of the Project in accordance with the Partnership Agreement;
* keep to other obligations based on this Partnership Agreement;
* comply with the Subsidy Contract and the body of rules and regulations referred to in Article 1 of the Subsidy Contract (including any amendments made to those rules and regulations).

The PPs must also:

* provide the LP with all the information and documents required for coordinating and regularly monitoring the technical and financial progress of the Project, and necessary in preparing the progress and final reports concerning the part of the Project that the PP is responsible for;
* provide any additional information related to reporting to the LP or MA/JS if requested, in due time;
* inform the LP of any change related to the name of their organisation, contact details, legal status or any other change concerning the PP organisation which may have an impact on the Project or on their eligibility to the Programme;
* inform the LP of any change in their contact person or the contact person’s contact details identified at the beginning of this Partnership Agreement;
* comply with any deadlines set by the Programme, the LP or agreed within the Partnership;
* notify the LP of any factors that may adversely affect implementation of the Project in accordance with the Project Data and lead to a deviation.

In particular, for the part of the Project for which it is responsible, each Partner must ensure:

* that it complies with the relevant rules concerning, inter alia, equal opportunities, protection of the environment, financial management, Project branding and visibility rules, procurement rules and State Aid;
* that its Project activities are implemented in accordance with the rules and procedures set out in the Programme Manual.

Each PP acknowledges and accepts the provisions of the Subsidy Contract.

#### Article 6: Financial Management of the Project

6.1 Each PP must:

* set up separate accounting records or use an appropriate accounting code for all transactions relating to the operation, ensuring that expenditure as well as the received national and Programme co-financing related to the Project, are clearly identified.
* strictly follow the EU eligibility rules as well as further eligibility rules set up by the Programme in the Programme Manual and, if applicable, national rules.
* be responsible for guaranteeing the sound financial management of Programme funds received and, in cases of recovery, for reimbursing the LP or relevant Programme body directly unduly paid Programme co-financing, in accordance with the rules and procedures set out in the Programme Manual. In the case of national contribution, the specific regulation of the country granting it applies.
* regularly and timely submit expenditures for verification to the designated controllers, according to the rules set at Programme and national level. Verified expenditures must be submitted through the Programme's electronic monitoring system (Interreg Europe Portal) to the LP immediately after verification.
* repay to the LP or the relevant Programme body any Programme co-financing received by it in excess in accordance with this Partnership Agreement and the Programme Manual;
* ensure that the expenses incurred are strictly related to the Project activities, in line with the Project Data.
* ensure that Programme requirements on eligibility of expenditure as stated in the Programme Manual and the Subsidy Contract are strictly respected.
* set up a physical and/or electronic archive where data, records and documents composing the audit trail are stored, in compliance with the requirements described in the Programme Manual.
* provide the LP with the information of the bank account to which the PP’s share of the Programme co-financing will be paid. The PP must immediately inform the LP of any change in its bank details.

6.2 The LP must:

* ensure that the expenditure presented by the PPs participating in the Project has been incurred for the purpose of implementing the Project and corresponds to the activities agreed with those PPs as specified in the Project Data.
* verify that the expenditure presented by the PPs participating in the Project has been validated by controllers, according to the rules set at Programme and national level.
* receive Programme co-financing for the entire Project and transfer it to the PPs participating in the Project without undue delay and in no case later than 60 calendar days after its receipt from the MA/JS.
* constantly monitor the spending of the Project budget foreseen for each PP and ensure that budget shifts are carried out within the limits and according to the rules as set out by the Programme in the Programme Manual.

6.3 The Partners agree to comply with the following reporting schedule:

|  |  |  |  |
| --- | --- | --- | --- |
| Progress report | Reporting period | Deadline for submission to the LP (from PP to LP) | Deadline for submission to the MA/JS (from LP to MA/JS) |
| PR1 | 1.4.2024-30.9.2024 | 9.12.2024 | 2.1.2025 |
| PR2 | 1.10.2024-31.3.2025 | 9.6.2025 | 1.7.2025 |
| PR3 | 1.4.2025-30.9.2025 | 8.12.2025 | 2.6.2026 |
| PR4 | 1.10.2025-31.3.2026Midterm Review | 8.6.2026 | 1.7.2026 |
| PR5 | 1.4.2026-30.9.2026 | 8.12.2026 | 2.1.2027 |
| PR6 | 1.10.2026-31.3.2027 | 8.6.2027 | 1.7.2027 |
| PR7 | 1.4.2027-30.9.2027 | 8.12.2027 | 2.1.2028 |
| PR8 | 1.10.2027-30.6.20286 months implementation + 3 months for final reporting | 8.6.2028 | 30.6.2028 |

The PP shall immediately inform the LP if the PP is going to be late for the above-mentioned schedule. Such notification to the LP shall, however, be made before the deadline set for the submission by the PP for the reporting period in question.

6.4 The actual Programme co-financing will be calculated on the basis of reported eligible expenditure only, and the total amount to be paid to the Partners cannot exceed the maximum amounts of the respective ERDF and Norwegian co-financing approved.

6.5 If a PP fails to inform the LP of any deviation from the Project Data, the LP is entitled to refuse to include in the Project progress report the costs of this PP that are connected to unjustified deviations and/or that result in an overspending of the approved budget of this PP. Similarly, if a PP fails to provide the necessary input for the preparation of the Project reports within the deadline agreed with the LP, the LP may submit to the Programme the joint progress report without the costs of this PP, in coordination with the MA/JS.

6.6 Programme co-financing payments not requested by each PP in time and in full as indicated in the Project Data may be lost for the PP concerned.

6.7 The payments to the PPs are subject to the MA making the Programme co-financing available to the LP. If the MA suspends payments, the LP will do so accordingly.

6.8 The Partners must provide access to the premises, documents and information, irrespective of the medium in which they are stored, for verifications by the MA, the JS, the AA, relevant national authorities, authorised representatives of the EC, the European Anti-Fraud Office (OLAF), the European Court of Auditors, the Group of Auditors and any external auditor authorised by these institutions or bodies. These verifications may take place up to 5 years from 31 December of the year of the last payment from the Programme to the LP or PP. The Partners must ensure that all original documents, or their certified copies, in line with the national legislation related to the implementation of the Project, are made available until the above final date of possible verifications, and until any on-going audit, verification, appeal, litigation or pursuit of claim has been completed.

6.9 A PP shall bear the exchange rate risk for payments made to it if its currency is other than euro.

6.10 The Partners agree that the total amount of the preparation costs lump sum of 17 500 € (ERDF 14 000 €) will remain with the LP and will not be distributed among the PPs.

#### Article 7: Recoveries

7.1 Should the MA, in accordance with the provisions of the respective Articles of the Subsidy Contract, demand repayment of Programme co-financing already transferred, each PP must transfer to the LP or relevant Programme body any amounts paid to them in excess, according to the rules and timeframe as set out by the Programme in the Programme Manual and recovery documents.

7.2 In such cases, the LP must immediately forward to the PPs the recovery documents received from the MA/JS and notify every PP of the amount repayable.

7.3 If the recovery concerns the LP alone, then the LP must not stop payments to the PPs.

7.4 If the MA deducts the amount to be repaid from the payment due to the LP, the PP which received the excess Programme co-financing concerned shall reimburse the amount at stake to the LP.

If the recovery amount has been deducted from the payment due to the LP, the LP shall have a right to deduct the respective amount from the PPs’ payment claims. In such case, the LP will primarily deduct the amount from the payment claim of the PP who received the excess Programme co-financing in question, but if the amount cannot be deducted (in full) from the payment claim of such PP, the amount will be deducted from the other Partners’ payment claims in proportion to their shares of the sum of total Programme co-financing granted to them. The PP who received the excess Programme co-financing in question must return to the LP any undue amounts received by it which could not be deducted from its own payment claim, and such returned amount shall be distributed among the other Partners to cover the deduction suffered by them.

7.5 Notwithstanding section 15.1 below, if a PP who has received unduly paid Programme co-financing, has become insolvent and the LP cannot therefore recover the unduly paid amount from said PP, the other Partners shall upon the LP’s request, each in proportion to its own share of the total Programme co-financing less the share of the insolvent PP, repay the amount unduly paid to the insolvent PP if the MA/JS demands payment from the LP despite the LP being unable to secure repayment from the insolvent PP. For the avoidance of doubt, the foregoing shall not affect the obligation of the insolvent PP to repay the excess Programme co-financing received by it. If the LP subsequently succeeds in recovering the undue amount or part of it from the insolvent PP, the amount will be shared between the Partners in proportion to the amount they have had to repay on behalf of the insolvent PP in accordance with this section 7.5.

#### Article 8: Modifications, Withdrawal and Termination

8.1 The LP and each PP agree not to withdraw from the Project unless there are unavoidable reasons for doing so. Should this nonetheless happen, the LP and the remaining PPs must find a solution in agreement with the rules and procedures as described in the Programme Manual.

8.2 The Steering Group may decide to remove a Partner from the Project if

* the Partner is in substantial breach of its obligations under this Partnership Agreement and has not rectified the breach within thirty (30) calendar days from the receipt of a written notice provided to it by the Steering Group;
* the Partner has become insolvent or enters into liquidation, loan arrangement, reorganisation proceedings or bankruptcy; or
* any change in the circumstances represented and warranted by the Partner in Article 16 takes place, the Partner breaches the representations and warranties made by it in Article 16, or the other Partners have justified grounds for suspecting an above-mentioned change or breach.

If the Steering Group decides to remove the Partner from the Project, the Partners shall also request modifications in accordance with the procedures outlined in the Programme Manual.

8.3 The Partner who leaves the Project (by withdrawing in accordance with Article 8.1 or due to its removal from the Project in accordance with Article 8.2) shall, within the limits specified in Article 15 of this Partnership Agreement, compensate the reasonable, justified additional costs incurred by the other Partners as a result of having to perform the leaving Partner’s tasks and additional measures necessary to fulfil the leaving Partner’s tasks due to the withdrawal or removal of the leaving Partner.

8.4 The LP can, if necessary, request modifications of the Project Data to the MA/JS or other relevant Programme body. Any modifications requested, including budget, Partnership and operational changes, must be agreed and authorised by the PPs beforehand, in accordance with the decision-taking modalities set out in Article 11 of this Partnership Agreement.

8.5 The Partners must strictly follow the provisions of the Programme Manual when requesting and/or implementing modifications in the Project.

#### Article 9: Information and Communication, Publicity and Branding

9.1 The Partners must comply with the EU publicity rules as well as the communication requirements outlined in the Programme Manual and provide any material developed during the lifetime of the Project that may be useful for publications at the Programme level. The Partners shall especially comply with the publicity, communication and branding obligations according to the regulations listed in Article 1 of the Subsidy Contract and as further specified in the Programme Manual.

9.2 The Partners shall ensure that any output and result produced as a result of the Project can be used by all interested parties and organisations and 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.

9.3 Moreover, the PPs will support the LP and play an active role in any actions organised by the Programme to disseminate and capitalise on the project results.

9.4 The Partners shall 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.

#### Article 10: Intellectual Property Rights, Confidentiality and Conflict of Interest

10.1 Each PP shall ensure that it has all rights to use any pre-existing intellectual property rights, if necessary for the implementation of the Project.

10.2 The Partners agree that the MA shall be entitled to use the outputs of the Project as set out in Article 9(3) of the Subsidy Contract. The MA shall also be entitled to forward such outputs to other Programme authorities, as well as the countries participating in the Programme, to use the outputs to showcase how the Programme co-financing is used.

10.3 The Partners authorise the MA to use communication and visibility material produced by the Project to showcase how the Programme co-financing is used. The Partners also authorise the relevant Programme body/ies to forward such material to other Programme bodies, Programme promoters at national level, as well as Union institutions, bodies, offices or agencies.

10.4 For the purposes mentioned in Article 10.3 above, each PP shall ensure that a royalty-free, non-exclusive and irrevocable license 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 Regulation (EU) No 2021/1060 and further specified in the Programme Manual.

10.5 The Partners authorise the MA to publish the Project Data (or parts thereof) as set out in Article 9(10) of the Subsidy Contract.

10.6 The Partners are obliged to take all necessary measures to avoid conflicts of interest, and to keep each other informed without delay on any circumstances that have generated or may generate such conflict.

10.7 The Partners are obliged to inform the relevant Programme bodies (and prior to that, the PP is obliged to immediately inform the LP) if there is any sensitive or confidential information, or any pre-existing intellectual property rights related to the Project that must be respected. This Article 10.7 does not affect the Partners’ obligation to make all results and outputs of the Project available to the public.

#### Article 11: Decision-making under the Partnership Agreement

11.1 The Steering Group shall be appointed for the Project. The Steering Group shall consist of representatives from each Partner (hereinafter “Steering Group Member”). Each Partner may appoint one Steering Group Member and a deputy. A Partner may change its Steering Group Member and/or deputy by providing the other Partners with a written notice (email sufficient). The chairperson of the Steering Group and his/her deputy will be decided in the first meeting of the Steering Group.

The Partners may decide to invite representatives of third parties to participate in the meetings of the Steering Group. Such third-party representatives shall not, however, have any right to vote in the meetings and shall only participate in advisory role.

11.2 The Steering Group shall meet at least twice a year. The Steering Group may decide to hold its meetings by videoconference or similar means or allow online participation in its meetings. The LP shall submit to the Steering Group the issues to be decided by the Steering Group and keep records of the meetings of the Steering Group.

11.3 The tasks of the Steering Group shall include

steering and providing guidance on the implementation of the Project;

deciding on changes to the Project (for the avoidance doubt, such change may also need an approval of the MA/JS according to the Programme Manual);

overall monitoring and evaluation of the progress of the Project and the achievement of its objectives;

financial management of the Project, including e.g., the monitoring of the spending;

identification of a breach by a Partner of its obligations under this Partnership Agreement;

* requesting for the addition of PPs or removal of PPs as set out in Article 8.2 above;
* other tasks assigned to the Steering Group in the Programme Manual.

11.4 The Steering Group shall have quorum when two-thirds (2/3) of the Steering Group Members (or their deputies) are present at the meeting. Each Steering Group Member shall have one vote, and the decisions shall be taken by a majority of two-thirds (2/3) of the votes cast.

11.5 A Partner who has been identified by the Steering Group as being in breach of its obligations under this Partnership Agreement shall not have a vote in the Steering Group meetings as long as the breach is not rectified by the Partner.

11.6 The Steering Group may not amend a Partner’s liabilities, obligations or rights without the affected Partner’s prior written consent. The foregoing shall not, however, prevent the Steering Group from taking decisions regarding the removal of the breaching Partner in accordance with Article 8.2 above without the breaching Partner’s consent.

11.7 Notwithstanding the foregoing, any decision taken by the Steering Group regarding budgetary changes shall be binding only if reduced to writing and signed by authorized representative of each of the Partners affected by such budgetary change.

11.8 Any changes to the Project must be made in accordance with the provisions of the Programme Manual. For the sake of clarity, any amendments to this Partnership Agreement shall be made in accordance with Article 18 of this Partnership Agreement.

#### Article 12: Third-party Contracts and Outsourcing

12.1 In the case of cooperation with third parties including but not limited to sub-contractors, with regard to the Project, the relevant Partner remains solely responsible towards the other Partners concerning compliance with its obligations as set out in the Programme Manual. Whenever it is relevant for other Partners, the Partner involving such third parties must inform the other Partners about the scope of such contracts and the names of the contracted parties.

**Article 13: Background and Foreground**

13.1 Background shall remain in the sole possession of the Partner that introduced it to the Project.

13.2 Foreground shall be owned by the Partner that has generated it. If such Foreground has been generated jointly by two or more Partners and the Partners’ contributions to the Foreground cannot be separated, the Partners who have generated such Foreground shall own it jointly, in proportion to their contribution to the jointly generated Foreground. The joint owners shall agree the terms regarding the jointly owned Foreground in a separate joint ownership agreement.

13.3 A Partner shall grant other Partners free-of-charge, non-exclusive access rights to such Background and Foreground that is necessary for the other Partners in the implementation of the Project. Access rights shall only remain in force for the duration of the Project and may only be used for the performance of own work in the Project. The Partner receiving access rights may not transfer or sublicense the access rights granted to it. The Partner granting the access rights may require the conclusion of a separate agreement before granting the access rights.

13.4 In addition to the access rights mentioned in Article 13.3 above, the Partners agree to grant each other and third parties such access rights to the Foreground as required by the Subsidy Contract and other provisions of this Partnership Agreement.

13.5 Each Partner shall be entitled to publish its own Foreground. A Partner may not include in its publication any other Partner’s Confidential Information (as defined in Article 14 below), and the publication may not prevent the other Partners from protecting their own Foreground with intellectual property rights. All theses produced in the Project shall be public documents.

13.6 Access rights to Foreground and Background granted under this Partnership Agreement to a Partner who leaves the Project (either due to its withdrawal in accordance with Article 8.1 or due to its removal from the Project in accordance with Article 8.2) shall cease immediately upon the termination of its participation. The access rights granted to the other Partners by the leaving Partner under this Partnership Agreement shall remain in force regardless of the termination of its participation.

**Article 14: Confidentiality**

14.1 "Confidential Information" shall mean all technical, commercial, financial, business and other information which is disclosed by a Partner (hereinafter the "Disclosing Partner") to another (hereinafter the "Receiving Partner") in connection with the Project, whether in written, oral or any other form, and which has been marked or otherwise expressly stated to be confidential at the time of disclosure by the Disclosing Partner.

14.2 The Receiving Partner shall hold the Confidential Information confidential and shall not publish or disclose the Confidential Information to any third party. The Receiving Partner shall not use the Confidential Information for any purpose other than for the fulfilment of its rights and obligations under this Partnership Agreement.

14.3 The foregoing obligations shall not apply to Confidential Information which

a) was in the public domain at the time of disclosure;

b) becomes a part of the public domain after disclosure otherwise than through act or omission by the Receiving Partner;

c) was in the possession of the Receiving Partner already at the time of disclosure;

d) was disclosed to the Receiving Partner by a third party;

e) was developed independently by the Receiving Partner without the use of the Disclosing Partner's Confidential Information; or

f) must be disclosed due to legislation, order of court or decision of a public authority.

14.4 The obligations set out in this Article 14 shall survive the expiration or termination of this Partnership Agreement and remain in force for a period of five (5) years from the date the Confidential Information in question was disclosed to the Receiving Partner.

**Article 15: Liability**

15.1 Should a PP not comply with its obligations, this PP shall be the sole responsible for damages and costs resulting from this non-compliance.

15.2 Any information or material provided to the PPs by the LP are provided on an “as is” basis, and no representation or warranty of any kind is made, given or implied (including without limitation as to the accuracy, fitness for a particular purpose or non-infringement of third-party rights). Any use of such information or material provided by the LP shall take place at the recipient PP’s own risk.

15.3 A Partner shall not be liable to any other Partner for any indirect or consequential damage.

 A Partner’s aggregate liability towards the other Partners collectively shall be limited to the Partner’s share of the Programme co-financing awarded to the Project.

15.4 The limitations of liability agreed in Article 15.3 above shall not apply to a Partner’s obligation (as set out in Article 7 of this Partnership Agreement) to repay unduly paid Programme co-financing received by such Partner.

15.5 Notwithstanding Article 15.3 above, if a Partner (hereinafter “Repaying Partner”) has repaid unduly paid Programme co-financing on behalf of the Partner who received such unduly paid Programme co-financing (hereinafter “Responsible Partner”), the Repaying Partner shall have the right to recover from the Responsible Partner the full amount it has repaid on behalf of the Responsible Partner (right of recourse).

15.6 Each PP represents and warrants that it has all the rights to use (including a right to sublicense) any pre-existing intellectual property rights to the extent needed by the LP and the PPs in order to fulfil their obligations under this Partnership Agreement and the Subsidy Contract.

 Each PP shall take full responsibility for any notice, publication or material developed by it (or third parties on its behalf) and the content thereof.

 Notwithstanding Article 15.3 of this Partnership Agreement, each PP shall indemnify and hold the LP harmless from any and all liabilities, damages, losses, costs and expenses resulting from any claims by third parties (including, without limitation, claims by the MA and third-party claims mentioned in Article 9(2) of the Subsidy Contract) arising from any acts or omissions by the PP or any information or material developed or provided by the PP. The limitations of liability agreed in Article 15.3 above shall not apply to PP’s liability in case of such third-party claims.

15.7 No Partner shall be liable to any other Partner if it is prevented from fulfilling its obligations under this Partnership Agreement due to force majeure. “Force majeure” shall mean an event that prevents or renders unreasonably difficult the fulfilment of a Partner’s obligations under this Partnership Agreement and that a Partner could not, within reason, have been able to foresee or avoid. Such events include wars, revolts, natural catastrophes, general interruptions in the distribution of energy, fires, strikes, embargoes, significant restrictions imposed on the Partner’s activities by state authorities or other equally significant and extraordinary reason beyond the control and without the fault or negligence of the Partners. A delay in subcontractor services due to the aforementioned reasons is also considered a force majeure. A Partner shall inform the other Partners of any force majeure cases without delay in writing.

**Article 16: Sanctions and Export Control**

16.1 The Partners shall comply with all applicable legislation of the European Union and the United States regarding sanctions and export control.

16.2 A Partner represents and warrants that it is not directly or indirectly subject to any international sanctions imposed by the European Union, the United States or the United Nations and does not intend to use, transmit or export the Background, Foreground or any other information or material received from another Partner in violation of the aforementioned sanctions. The Partner agrees to inform the other Partners without undue delay in case of any change in the foregoing circumstances.

#### Article 17: Assignment, Legal Succession

17.1 In case of legal succession, e.g. where the LP or any PP changes its legal form, the LP or PP is obliged to transfer all duties and obligations under this Partnership Agreement to its successor and shall inform the MA of such legal succession. Legal succession shall be formalised in a Project Data modification.

17.2 No Partner is entitled to assign its rights and/or obligations under this Partnership Agreement without the prior written consent of the other Partners and the approval of the MA.

#### Article 18: Amendment of the Partnership Agreement

18.1 Any amendments to this Partnership Agreement must be made in writing and signed by the Partners’ authorized representatives. However, a Partner may change its Contact Person identified at the beginning of this Partnership Agreement by providing the other Partners with a written notice (email sufficient).

18.2 If applicable in accordance with the rules and procedures as set out in the Programme Manual, the LP shall present the amended Partnership Agreement to the relevant Programme body without undue delay.

#### Article 19: Termination of the Subsidy Contract

19.1 The Partnership Agreement shall be automatically terminated as a consequence of termination of the Subsidy Contract. Following termination of the Partnership Agreement, the LP and PPs are still obliged to comply with all the requirements after Project closure, such as recoveries or document retention for audit and evaluation purposes.

**Article 20: Data Protection**

20.1 If a Partner processes personal data (as defined in the GDPR) under the Project, it shall comply with the applicable data protection legislation, including the GDPR and any national legislation concerning processing of personal data applicable to said Partner. The Partners involved in the processing of personal data shall, if required by the applicable data protection legislation or otherwise deemed necessary by the Partners, conclude a separate data processing, data sharing and/or joint controller agreement.

#### Article 21: Dispute Settlement

21.1 This Partnership Agreement shall be governed by and construed in accordance with the laws of Belgium, excluding its choice of law provisions.

21.2 In case of any dispute or controversy arising out of or in connection with this Partnership Agreement, the Partners concerned shall first try to settle it amicably. If the dispute cannot be settled amicably, the courts of Brussels, Belgium, shall have exclusive jurisdiction.

**Article 22: Final Provisions**

22.1 This Partnership Agreement is written in English. If this document and its annexes are translated into another language, the English version will be the binding one.

22.2 The annexes are considered to be an integral part of this Partnership Agreement. In case of conflicting clauses or interpretation thereof between this Partnership Agreement and its annexes, the order of priority shall be as follows:

1. the Subsidy Contract
2. this Partnership Agreement
3. budget for each cost category and detailed spending plan in its latest version
4. application form approved by the Programme (the latest version)

22.3 If any provision in this Partnership Agreement should be wholly or partly ineffective, the Partners undertake to replace the ineffective provision by an effective provision which comes as close as possible to the purpose of the ineffective provision.

##### List of annexes

* Annex 1 Application form approved by the Programme (the latest version)
* Annex 2 Subsidy Contract
* Annex 3 Budget for each cost category and detailed spending plan in its latest version

###### Signatures

All Partners must sign and date the Partnership Agreement.

Each Partner represents and warrants that its signatory is duly authorized to sign this Partnership Agreement.

This Partnership Agreement may be signed by using an electronic signature system. The electronic signature shall have the same force and effect as a handwritten signature.

**LAB University of Applied Sciences**

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Vice President for RDI

Date

**Public Institution for the Development of the Međimurje County REDEA**

xxxxxxxx

Director

Date

**Regional Development Fund of Central Macedonia (RDFCM)**

xxxxxxxxx

President of the Board, Governor of the Region of

Central Macedonia

Date

**Special Account for Research Funds of International Hellenic University**

xxxxxxx

Vice-President

Date

**Moravskoslezské Inovační Centrum Ostrava, A.S.**

xxxxxxxxx

Chairman of the board

Date

**The Finnish Society of Crafts and Design**

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CEO

Date

**Wallonie Design**

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Director

Date

**The Regional Council of Päijät-Häme**

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Director, Administration

Date

**The Official Chamber of Commerce, Industry, Services and Navigation of Spain**

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General Director

Date

**Podkarpackie Innovation Centre**

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CEO Proxy

Date Date