

COOPERATION AGREEMENT 7/2017

Project – Areas of Inspiration (InArt)

Cooperation Agreement (hereinafter referred to as the “Agreement”) is made between **Association for Nature Conservation - Machaon International** (“Machaon International”) as the grant provider and leading partner and National Institute of Folk Culture (“NULK”) as the grantee and the project partner in connection with the project 'Areas of Inspiration' within the European Commission programme "Creative Europe" /Culture sub-programme "Support to European Cooperation projects".

The undersigned:

Grant provider:

Association for Nature Conservation "Machaon International"

Kratka 1074/14, Poprad 05801, Slovakia

IČO (registration number): 42086973

duly represented in this matter by its Director Svetlana Belova

and

Grantee:

National Institute of Folk Culture (Národní ústav lidové kultury - NULK)

Zámek 672, 696 62 Straznice, Czech Republic

IČO (registration number): 00094927

duly represented in this matter by its director PhDr. Martin Šimša, Ph.D.

The undersigned are hereinafter jointly referred to as ‘Parties’ and individually also as ‘Party’.

Whereas:

Association for Nature Conservation "Machaon International" is a non-governmental organisation (NGO) established under the laws of the Slovak Republic in 2008. Its mission is to support protected areas in their role as guardians of nature and traditional culture and places of inspiration and admiration for people, and main area of expertise is to develop and to manage projects focused on conservation of nature and traditional culture providing adding value to local communities.

NULK is established by the Ministry of Culture of the Czech Republic, as the central facility for expert care of the traditional folk culture. Organizes care for traditional handicraft production, working on the valuation of outstanding producers of the title bearer of the tradition of folk crafts. It leads the list of Masterpieces of the National Intangible Cultural Heritage. The founder of the open-air Village Museum of Southeast Moravia in Strážnice. The organizer of the International Folklore Festival Straznice. All its activities are involved in the identification, documentation, presentation, preservation and development of traditional and folk culture in the Czech Republic.

"Areas of inspiration" project ("Project") aims to establish an international network of 'areas of inspiration', i.e. places with art residences in attractive natural and authentic European landscapes and to create conditions for long-term transnational mobility of artists and professionals into rural areas, for fostering cultural exchanges and diversity and enhancing local development in a sustainable direction.

NULK is the one of the partners of the Project in the Czech Republic and it will implement its planned activities in close cooperation with MAS Straznicko with political and financial support from state government. The European Commission co-finances the Project within the framework of Creative Europe Programme.

NULK is ready and willing to accept the grant from Machaon International for the activities in the Czech Republic and for cooperative actions in partner countries together with other project participants on the terms

and conditions set out herein. Therefore, the Parties hereto agree as follows:

I. Subject of the Cooperation Agreement

The Parties agree to jointly conduct a Project entitled 'Areas of Inspiration' on the basis of and during the term of this Agreement. The detailed description of the Project and responsibilities of all partners in individual Project Actions are presented in Annex 1 (Description of Project). The detailed budget of NULK and its obligations for co-financing the Project actions are presented in Annex 2 (Budget of the Project Activity implemented by NULK). Annex 1 and Annex 2 are indivisible part of the Agreement and the Parties are inextricably bound to them. A reference to the Agreement therefore implies a reference to its Annexes.

1.2. Annex 1 and Annex 2 officially approved by the European Commission and are part of the Contract between European Commission and Machaon Int. for the implementation of project "Areas of Inspiration".

II. Responsibilities of partners:

2.1. Machaon International agrees to provide payments of funds as specified in Article IV below. NULK hereby agrees to undertake activities according to Annex 1 solely financed from the grant of European Commission and other co-financing sources.

2.2. None of the funds provided pursuant to this Agreement may be used for any purpose other than those expressly set in this agreement.

III. Duration

3.1. This Agreement will come into effect on signature by both Parties

3.2. The implementation of the Project Actions shall begin on the June, 1, 2017.

3.3. The Project Action implementation period, as laid down in Annex 1, is 24 months.

3.4. The execution period of the Agreement shall end at the moment when final payment is paid by the Machaon International and at the latest 18 months from the end of implementation period indicated in art 3.3.

IV. Financing of the Project Actions

4.1. The total eligible cost of the project actions for NULK is 38,000.00 EUR.

4.2. Machaon International will finance a maximum of 12,600.00 EUR to bank account of NULK and cover 4000.00 EUR travel expences of participation of NULK representatives in project events, total **16,600.00 EUR**, equivalent of 44% of the estimated total eligible costs of the Project Actions specified in Article I, paragraph 1.1.

4.3. Payments shall be made by Machaon International to NULK in the following instalments:

First instalment of pre-financing within one calendar month from the date of signature of this Agreement by both Parties and receiving the First Payment from European Commission by Machaon International	EUR 9,800.00
Final Instalment within 10 days from the date of the approval of financial and contents report of the Project Implementation by the European Commission and/or after receiving of the Final Payment from European Commission by Machaon International	EUR 2,800.00

4.2 Payments shall be deposited into the bank account of the NULK with the details of which are as follows:

Bank name: Česká národní banka

Bank Adress. Na Příkopě 28 115 03 Praha 1

SWIFT code: CNBACZPP

V. Records, Information and Reports

5.1 NULK shall maintain clear, accurate and complete records in respect of the funds received for the implementation of the Project. The NULK's books and records shall be maintained in such a manner that the receipts and expenditures relating to the Project will be shown separately on such books and records in an easily accessible form.

5.2 NULK shall furnish, compile and make available at all times to Machaon International or its auditor any records or information, which either Machaon International or its auditors may reasonably request in respect of the funds received by NULK. Upon receipt of a request by email or any other form of written communication from Machaon International or its auditor, NULK shall, within ten working days, forward to Machaon International or its auditor such records or information as so requested.

5.3 NULK shall provide Machaon International with a financial and contents report on the use of the grant and co-financing sources one month after the end of each year of project implementation period during the duration of this Agreement. Reports should cover all Project Actions in total and spending of all eligible costs including co-financing, independently from the Actions financed by Machaon International. The templates of the reports will be provided by Machaon International.

5.4 Funds which remain unutilized after completion of grant activities shall be promptly returned by NULK to Machaon International, or to be otherwise disposed of in consultation with Machaon International.

VI. Eligible costs

6.1. To be eligible, costs must correspond to Project activities as defined in Article I of the Agreement. Eligible costs of the action are costs actually incurred by NULK and which meet the following criteria:

- they are incurred during the duration of the action as specified in the Article III of Agreement, with the exception of costs relating to the final reports and the report of factual findings of the final financial report;
- they are incurred in connection with the Project action (Annex 1) and are necessary for its implementation, and Project Budget (Annex 2). Any changes in Project Action and Project Budget should be previously approved by Machaon International;
- they are identifiable, verifiable and determined according to the accounting standards of the Czech Republic;
- they comply with the requirements of applicable tax and social legislation;
- they are reasonable, justified, and comply with the requirements of sound financial management, in particular regarding economy and efficiency;
- the incurred expenses may include indirect costs in maximum amount of 2,290.00EUR;
- contributions in-kind do not represent actual expenditure and are not eligible costs.

VII. General Provisions

7.1 This Agreement forms the entire Agreement between NULK and Machaon International, superseding the contents of any other negotiations and/or agreements, whether oral or in writing, pertaining to the subject of this Agreement.

7.2 NULK shall carry out all activities described with due diligence and efficiency. Subject to the express terms of this Agreement, it is understood that NULK shall have exclusive control over the administration and implementation of the activities referred to above in paragraph 1.1 and that Machaon International shall not interfere in the exercise of such control. However, both the quality of work and the progress being made toward successfully achieving the goals of such activities shall be subject to review by Machaon International. If at any

time Machaon International is not satisfied with the quality of work or the progress being made toward achieving such goals, Machaon International may in its discretion notify the grantee and agree on remediation measures or seek any other remedy as may be necessary.

7.3 Machaon International undertakes no responsibilities in respect of life, health, accident, travel or any other insurance coverage for any person which may be necessary or desirable for the purpose of this Agreement or for any personnel undertaking activities under this Agreement. Such responsibilities shall be borne by NULK.

7.4 The rights and obligations of NULK are limited to the terms and conditions of this Agreement and the amount of the grant received.

7.5 NULK shall be solely liable for claims by third parties arising from NULK's acts or omissions in the course of performing this Agreement and under no circumstances shall Machaon International be held liable for such claims by third parties.

7.6 NULK represents and warrants that none of the funds received under this Agreement directly or indirectly funds any activities related to terrorism, money laundering, fraud or corruption and that it is not involved in, either directly or indirectly, nor does it fund, either directly or indirectly, such activities. NULK shall inform Machaon International about any such activities if they happen.

7.7 This Agreement may be terminated by either party by giving thirty (30) days written notice to the other party, and NULK shall promptly return all provided funds to Machaon International.

7.8 NULK acknowledges that Machaon International and its representatives have made no actual or implied promise of funding except for the amounts specified in this Agreement. If any of the funds are returned to Machaon International or if this Agreement is rescinded, NULK acknowledges that Machaon International will have no further obligation to NULK as a result of such return or rescission.

7.9 No modification of or change in this Agreement, waiver of any of its provisions or additional contractual provisions shall be valid or enforceable unless approved in writing by the parties to this Agreement or their duly authorized representatives in the form of an Amendment Agreement duly signed by the parties hereto.

7.10 NULK shall take all necessary steps to publicize the fact that the European Union has financed or co-financed the Project Actions. Such measures shall comply with the Communication and Visibility Manual for EU-supported Actions laid down and published by the European Commission. NULK shall be obliged to credit European Union with support in any materials (brochures, leaflets, information boards, etc.) (the "Materials") related to the implementation of the activities referred to above in paragraph 1.1., according to Rules of European Union.

7.11 All disputes resulting from the Agreement shall be solved amicably if possible. This shall not prejudice the right of the Party who is of the opinion that the subject of the dispute is so urgent that no delay is possible to submit the dispute for settlement according to the procedure determined by laws of the Slovak Republic.

The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy or claim.

IN WITNESS WHEREOF, the undersigned, duly appointed representatives of Machaon International and of NULK, respectively, have on behalf of Machaon International and NULK signed the present Cooperation Agreement on the dates indicated below their respective signatures.

On behalf of **Machaon International**:

On behalf of **NULK**:

Name: Svetlana Belova
Title: Director

Name: Martin Simsa
Title: Director

Date: July, 25 , 2017

Date: July, 25, 2017

ANNEX 1. Description of Project Actions

The project aim is to establish an international network of 'areas of inspiration', i.e. places with art residences in very attractive natural and authentic European landscapes and to create conditions for long-term transnational mobility of artists and professionals into rural areas, for fostering cultural exchanges and diversity and enhancing local development in a sustainable direction. The project addresses the gap that there are not many art-residences in the new EU member states of Eastern Europe, so many attractive cultural spaces for creative people and their audiences are omitted and their potential underused. Luring creative people to such 'areas of inspiration' enriches quality of life, culture, environment and economy.

The established network of partners will provide room for capacity-building (new skills and know-how) of local cultural actors, improved visibility of individual areas also outside national borders and a basis for further networking with similar European regions which may wish to join the network as new 'areas of inspiration'. The project brings many new impulses to the existing cultural undertakings all partners are engaged in. All partners are local leaders in its own right and co-operation increases their capabilities to grow and be successful as facilitators and curators of culture in rural areas.

The project is built on two pillars. The first one is to learn from each other, support each other, to share experiences by joint study tours and trainings, exchange visits and joint photo exhibition and conference, shared website and communication to the world (e.g. participation in the world network of art residences).

The second pillar is to address local needs by a sort of micro-project which is in line with local priorities as well as joint goals shared in the project. Local partner will organize local events such as art symposia and fairs, cultural festivals and concerts as well as make investments in local infrastructure and people to build long-term capacity dealing with local cultural activities.

Two aspects have to be highlighted. First, by attracting creative people to rural areas, we make the areas more attractive for all (including young people who tend to think of moving to cities or Western Europe for better opportunities). This will happen by art and cultural professionals interacting with local communities and wider audiences (e.g. tourists) through participation in joint events (esp. festivals) and by engaging local children, youth and under-represented groups in art production through master classes and cultural education. Second, by receiving European funding, it is also recognition and opportunity to art-residences not only as spaces for work of artists and creative people, but to become leading cultural operators (areas of inspiration) important for tourism development and preservation of traditional cultural and natural values in each project area and partner country.

Communication activities

Each partner will inform artists about possibilities to take part in art events through in-country art-associations, personal contacts of art coordinators, social media and EU network of art residences. Each art action will be actively communicated to village residents (including vulnerable groups such as Roma) by local TV, radio and newsletters, banners Areas of Inspiration and festival announcements. Mass-media and relevant public (governmental) bodies will be invited to vernissages, position conference and opening ceremonies of the travelling exhibition in European cities.

All partners will participate in the creation of the web-site, photo-exhibition and catalogue Areas of Inspiration which will draw attention of authorities and the business sector towards the art-events with impact on social, cultural and economic development in the remote rural regions. In this way, awareness about the topic will be raised and new opportunities for further support from other donors and stakeholders created. Thanks to exhibition artists will get access to new international audiences.

All partners will actively contribute to ensure visibility of the action and the EU funding by major means: the EU logo will be duly placed on relevant information about the project: all publications, articles, social media, outdoor banners for Areas of Inspiration, and in all materials (press releases, festival and art actions announcements, training and conference programmes, exhibition stands, billboards, etc.) produced and disseminated during the project duration. The project presentations will take place at different conferences and meetings within and external to the current project; the project team will work

with media at both national and local levels as a matter of priority to promote the project and its outputs.

Plan of project actions and responsibilities of partners for their implementation

N°	Act vity (brief descript on)	From *	To*	County and Locat on	Name of the responsible organisat on
3	Plain Air and Folklore event 'Sheeps for the White Carpathians'	17.06.2017	23.06.2017	Czech and Slovak Republics, 6 villages of microregions Straznicko and Mijava	MAS Straznicko
1	Inception meeting "Areas of Inspiration"	22.06.2017	25.06.2017	Czech Republic, Straznice	NULK (logistic), Machaon (content)
2	Seminar (exzkurzia) 'Guardians of heritage'	24.06.2017	24.06.2017	Czech Republic, Straznice	NULK
7	Festival Straznice (Folklore performances, Plain Air event "Straznice - area of inspiration", 10 master-classes and fair)	23.06.2017	25.06.2017	Czech Republic, Straznice	NULK
5	5 Creative camps for children "ceramic world", 5 days each camp	10.07.2017	14.08.2017	Slovakia, Horka	Annogallery
14.1'	Networking meeting and land-art symposium preparatory workshop in Tustan	25.07.2017	31.07.2017	Ukraine, Urych	NGO "Tustan"
11.1'	Festival "Tu Stan!-2017" and Craft fair with 5 master-classes	05.08.2017	06.08.2017	Ukraine, Urych	NGO "Tustan"
6	Plain Air event 'Synevir - area of Inspiration'	11.08.2018	20.08.2018	Ukraine, Synevir National Park	EWS
4	Plain Air event, land-art symposium and art-photography workshop „Genius loci. Lahemaa. Viinistu“	14.08.2017	18.08.2017	Estonia, national park Lahemaa	Muusa Kapriis MTU
12	Study-tour to Italy	02.04.2018	08.04.2018	North Italy, Piedmont region	Machaon
9	Plain Air event and Festival 'Service Tree - Feeling of Straznicko spring'	17.04.2018	22.04.2018	Czech Republic, Tvarozna Lhota	MAS Straznicko
14.2'	Networking meeting MAS Straznicko, NULK, Machaon, Synevir NP	20.04.2018	22.04.2018	Czech Republic, Tvarozna Lhota	MAS Straznicko
10	Ceramic and painting art symposium 'Areas of Inspiration: Across the borders'. Raku and ceramic master-classes	12.07.2018	19.07.2018	Slovakia, Horka	Annogallery
11.2'	Land-Art symposium "TuStan: History and people"	25.07.2018	03.08.2018	Ukraine, Urych	NGO "Tustan"
11.3'	Festival "Tu Stan!-2018" and Craft fair with 5 master-classes	04.08.2018	05.08.2018	Ukraine, Urych	NGO "Tustan"
14.3'	Networking meeting/all partners	04.08.2018	05.08.2018	Ukraine, Urych	NGO "Tustan"
8	Enamel symposia 'Ganovce - Area of Inspiration' and Folklore performances	01.09.2018	08.09.2018	Slovakia, Ganovce village	Machaon
14.4'	Networking meeting/UA, CZ, EE partners	07.09.2018	08.09.2018	Slovakia, Ganovce village	Machaon
18	Web-site Areas of Inspiration promoting art-residence programmes and art-production	01.07.2017	30.09.2017	Austria	European Wilderness Society
15.1'	An exhibition "Areas of inspiration" creation (photo-banners, PR film and slideshow, exhibition-supporting catalogue of art-works).	15.09.2018	30.11.2018	Austria	European Wilderness Society
15.2'	Exhibitions arrangement in Brno	15.12.18	20.12.18	CZ – BRNO, to be confirmed	NULK (Brno)
15.3'	Exhibition arrangement in Uzhorod	10.01.19	20.01.19	UA/Lviv, to be confirmed	EWS
15.4'	Exhibition arrangement in Vienna	01.03.19	10.03.19	AU/Vienna, To be confirmed	EWS
15.5'	Exhibition arrangement in Bratislava	15.03.19	25.03.19	SK/Bratislava, To be confirmed	Machaon
15.6'	Exhibition arrangement in Frankfurt	01.04.19	10.04.19	DE, to be confirmed	EWS
16	Book Viinitsu in Art (1000)	01.09.17	01.09.18	Estonia, national park Lahemaa	Muusa Kapriis MTU
13'	Calendares with art-works / 6 x 300 copies, Newsletters, art-actions billboards, flyers, Development and construction of Outdoor banners 'Areas of Inspiration' / 7	06 17	12 18	SK, CZ, UA, EE	Each partner
17'	Project management	01.06.17	31.05.19	SK	Machaon
19	Final Conference "Areas of Inspiration" (Contemporary art - for conservation of nature, traditional culture and Rural Development")	17.05.2019	18.05.2019	Estonia, national park Lahemaa	Muusa Kapriis MTU
15.7'	Exhibition arrangement in Estonia	17.05.2019	31.05.2019	Estonia, national park Lahemaa	Muusa Kapriis MTU
14.5'	Networking meeting/all partners	19.05.2019	20.05.2019	Estonia, national park Lahemaa	Machaon

colors indicate on:

participate in actions organised by another partner

main responsibility of NULK

Annex 2. BUDGET OF THE ACTION implemented by NULK

Unit			# of units	Unit rate €	Costs €	z grantu	cofinancing
4	<i>Salaries</i>						
	Coordinator in NULK/ MARTIN SIMSA (festival a vystava)	den	70	70	4900	1800	3100
	coordinators of event, master-classes, festival:						
	Petra Hrbacova	den	20	60	1200	250	950
	Marketa Lukeseva	den	20	60	1200	250	950
	Petr Horehled/ Festival	den	20	60	1200	300	900
4.2.2.'	accountant in NULK/Alena Zezulova		15	60	900	400	500
4.3.1.'	Artists fees						
	Photographer (Professional photo and video)	contract			800		800
	Musicians	contract			2000		2000
	Web-master	contract			450		450
	Translation#interpretation costs	contract			700		700
	4 TOTAL SALARY				13350	3000	10350
	<i>Travel costs</i>						
	Transport costs						
3.1.2	transport for festival and plain air event (stretnuti ludi na letisku a pod.)				1440	600	840
	VIE-Tallinn-VIE	plain	3	200	600	600	
	Straznice-Tustan/Synevir/SK/VIE-Straznice	km	3000	0,22	660	590	70
	Accommodation costs						
3.2.1	accommodation for artists, musicians and craft masters 50 cl	pers/day	150	25	3750	700	3050
3.2.2	ubytovanie Inception meeting 23-25.06 13 cl + maliary 3 cl	pers/day	33	10	330	330	
	3. TOTAL Travel and subsistence costs				6780	2820	3960
1.2.1	Direct costs of the action						
1.3.2	Rent of buses for Festival organisation				2000		2000
1.4	Purchase of materials						
	materials for plain air even, master-classes/ and festival				1900	800	1100
	kiosks for fair, designing of fair areal				2500	2500	
	Easels (stojan pre malirov a vystavy)				1260	1260	
1.9	Catering						
1.9.1	catering for artists, craft masters, musicians, etc 50 cl 3 dni	pers/day	150	12,00	1800	500	1300
	Inception meeting participants, 3 dni	pers/day	45	15,00	675	675	
	Vernisaza vystavy projektu (BRNO) - obcerstveni a muzyka	pers/day			310	310	
	TOTAL direct costs/1				8 445	6 045	2 400
2.1	Production costs (printing costs)						
2.1.2	Calendares 'Straznice – area of inspiration'				450	450	
	Billboards, flyers, papers, posters, programmes, etc				2400		2400
2.2.3.1	Construction of baner Area of inspiration				285	285	
	TOTAL 2				3 135	735	2 400
5	INDIRECT COSTS				2290		2290
	TOTAL COSTS directly to account of NULK				34000	12600	21400
	Travel, subsistence and accommodation COST of participation of NULK team and artists in project events in common budget						
3.2.2	Accommodation costs/ Working visits to EE, UA, AU/ villages		20	20	400	400	
	accommodation costs / Working visits to AU and EU/ cities		10	40	400	400	
3.3.2	Subsistence costs/ Working visits to EE, UA, AU, CZ/villages		20	20	400	400	
3.3.3	Subsistence costs/ Working visits to EE, UA, AU, CZ/cities		10	40	400	400	
	Study-tour to Italy 1 person				1200	1200	
	Conference in Estonaa 2 pers	pers	2	600	1200	1200	
TOTAL	Travel COST of participation of NULK team and artists in project events in common budget				4000	4000	
	TOTAL costs for NULK in project				38000	16600	21400

