

Agreement 2017-0

KONRAD-ADENAUER-STIFTUNG e.V.
Federal Republic of Germany
represented by
XXXXXXXXXX,
Deputy Director of the Department of
European and International Cooperation

„KAS“

and

**Masarykova univerzita, Mezinárodní politologický ústav Masarykovy univerzity
(MPU), Internationales Institut für Politikwissenschaft der Masaryk Universität,
Brno (Brünn) / Czech Republic**

represented by

Herr Dr. Mikulas Bek (Director)

„Partner“ -

hereby agree as follows:

Article 1

The KAS and **Masarykova univerzita, Mezinárodní politologický ústav Masarykovy univerzity (MPU), Internationales Institut für Politikwissenschaft der Masaryk Universität**, agree to cooperate within the framework of the KAS programme „VD Prog EU-Mitgliedsländer AA (EA0000000V)“, country project „VD Lpj Tschech. Republik (EA0400000V)“, subproject „VD Lpj Tschech. Republik MPU (EA0430000V)“.

On part of KAS, the cooperation is based on objectives which KAS strives to achieve in the context of its mandatory annual planning.

Masarykova univerzita, Mezinárodní politologický ústav Masarykovy univerzity (MPU), Internationales Institut für Politikwissenschaft der Masaryk Universität, agrees to support KAS in achieving these objectives.

Article 2

1. KAS will remit to Partner

a maximum amount of **45.000,00 EURO** for the **year 2017**.

Remittances shall be used exclusively to cover the expenses of measures shown on the expenditure schedule attached to this Agreement under Appendix 2.

2. Of said total remittance, an amount of 0,00 EURO will be withheld until released in writing by KAS. Partner shall not be entitled to claim such release. Expenditures contracted by Partner before such release will not be refunded.

Article 3

1. Following the execution of this Agreement, remittances as per Art. 2 Par. 1 will be paid by KAS in instalments corresponding to current requirements into an account in the Project country to be specified by Partner.
2. Instalments may be withheld until such time as remittances paid previously have been accounted for by Partner in conformance with the general terms and conditions (GTC) attached to this Agreement under Appendix 1.
3. Any revenues from interest accruing on KAS remittances, as well as any revenues from Project activities (e.g. sale of publications, decommissioned objects, project-related products, seminar or conference fees, etc.) shall be included in such accounts under the heading of revenues as defined in Art. 2 of the Partnership Agreement. Revenues accruing from KAS remittances may be spent on agreed project-related measures with the previous consent of KAS.

Article 4

1. Partner hereby undertakes to use any and all remittance funds efficiently, economically, and for Project-related purposes only.
2. Partner shall account for remittances received in conformance with the regulations laid down in the GTC, affirming at the same time that expenditures were necessary, and that the accounts presented tally with the books kept by Partner.

Only those expenditures shall be accounted for refunding that are shown in the expenditure schedule for the fiscal year in question, and have been demonstrably paid in that year.

3. KAS shall be entitled to investigate whether funds have been used in conformance with GTC regulations, or assign authorised agents for the same purpose.

Article 5

1. Cooperation between Partner and KAS shall be handled by a KAS employee nominated for the purpose.
2. Should KAS post an employee in the Project country for the purpose of the Project, Partner shall lend its support to the extent of its capabilities in creating whatever conditions are required for said employee to work successfully.

Article 6

Miscellaneous Agreements: - no additional Agreements -

Article 7

1. KAS shall be automatically released from its obligations of payment hereunder if, during the life of the Project, any circumstances preventing KAS from making the remittances laid down under Art.2 should arise.
2. Notwithstanding the above, the provisions laid down in Art. 4 above shall continue in force.

Article 8

This Agreement incorporates:

- the General Terms and Conditions (Appendix 1)
- the Expenditure Schedules (Appendix 2)

Should any of the clauses of this Agreement become void, the remaining clauses shall continue valid.

Any amendments to this Agreement shall be made in writing.

Article 9

The German text of this Agreement shall be binding for both its content and its interpretation. The performance of this Agreement shall be governed by the law of the Federal Republic of Germany. Any disputes arising from this Agreement shall be settled in the courts of the Federal Republic of Germany, specifically by the Bonn Landgericht.

Berlin, **13. Feb. 2017**

(City, Date)

KONRAD-ADENAUER-STIFTUNG e. V.

Brno (Brünn), **20-03-2017**

Masarykova univerzita, Mezinárodní
politologický ústav Masarykovy univerzity
(MPU), Internationales Institut für
Politikwissenschaft der Masaryk Universität,

Herr Dr. Mikulas Bek

Enclosures

General Terms and Conditions (GTC) for Project-funding Agreements between the Konrad Adenauer Stiftung (KAS) and Its Partner Organisations

1. Requests for Funds

The Partnership Agreement concluded between KAS and Partner specifies the amounts to be remitted to Partner on an annual basis. Funds will be released by KAS in instalments, depending on Partner's reports on cash in hand and funds required.

Partner shall present a report on funds required for measures scheduled under the Project to KAS's authorised employee

- for the second quarter together with the January accounts,
- for the third quarter together with the March accounts,
- for the fourth quarter together with the June accounts, and
- for the first quarter of the subsequent year together with the October accounts.

2. Use of Remittances

2.1 Partner shall manage remitted funds economically and efficiently in conformance with this Agreement. Remittances may be used only to finance expenditures included in the schedule of expenditures for the year in question. Should the sums actually expended on certain items exceed or fall short of the respective budgeted amounts within a fiscal year, individual items may be changed within the framework of the overall budget only if a change application has been submitted through KAS's authorised employee and has been approved in writing by KAS.

2.2 Specifically, the following expenditure categories shall be governed by the following regulations:

2.2.1 Expenditures on Education and Consultation Measures

• Education Programmes

For each event, an attendance list signed by all participants shall be presented. Programme staff members shall be identified on a separate list together with their respective functions. Both lists shall show the content, theme, venue, and duration of the event as well as the addresses of the persons involved.

The documentation of educational events requiring remittances in excess of € 2.500,00 shall include not only a seminar programme but also a report on and evaluation of the meeting.

Against a receipt, participants may be reimbursed for travelling expenses in the amount actually incurred. Flight expenses shall be reimbursed at the most economical rate, using any and all price advantages available. Should Partner order flight tickets for participants and programme staff, both the tickets in question as well as the relevant invoice of the travel agency shall be presented, with the latter showing the name, flight route, and ticket number of each traveller. Expenditures on board and lodging shall be documented by receipts, although flat-rate reimbursements conformable with customary local rates may be claimed in special well-documented cases. At KAS's request, Partner shall demonstrate that such rates are indeed conformable with local usage.

Mutatis mutandis, the above regulations for participants shall apply to the travel, board, and lodging expenses of programme staff members.

Programme staff members not employed by Partner may be remunerated for their services, for which purpose contracts shall be concluded specifying the amounts to be paid as well as the form and scope of related services.

The following items may be claimed under miscellaneous expenses:

- expenditures on programme preparation and follow-up as well as the cost of preparing and mailing seminar papers,
- rental charges for technical equipment and
- miscellaneous indispensable expenses including telecommunication charges, taxi, transport, and installation costs.

Accounts may show only such services as cannot be performed by the Partner Organisation itself.

• Information and Consultation Services

The procurement of publications, books, films, videos, radio programmes, television productions, multi-media programmes, consultation services, research activities, etc. supplied by third persons shall be covered by written contracts to be concluded before the commencement of relevant operations. Such contracts shall specify

the scope and completion date of the work to be performed, as well as the amount and due date of the relevant fee and/or price. Partner shall certify its acceptance of such work in its account documentation. A copy of all items produced by Partner shall be submitted to KAS together with the accounting documents. Procurement contracts shall be awarded by tender (see 'Expenditure on Acquisitions'). Furthermore, local service prices shall be similarly investigated, meaning that before the award of a service contract, three comparable quotations shall be procured if possible, and the process shall be described in an award memorandum or record.

2.2.2 Staff and Project Infrastructure

• Expenditures on Local Project Staff Salaries

The duration and scope of funding for local project staff salaries shall be laid down in an expenditure or staffing schedule, which shall show against each position the annual gross salary to be paid inclusive of all statutory and agreed benefits.

With each project staff member, a written employment contract shall be concluded specifying the form and scope of his/her duties, functions, salary, and social benefits. Salaries shall be paid in amounts conformable with local pay structures. That pay rates and social benefits are indeed conformable with local usage shall, if possible, be confirmed by the local diplomatic representative of Germany, the local Chamber of Commerce, or an auditing firm. Partner hereby undertakes to keep employment contracts or, alternatively, any other pay agreements entered into with members of the project staff available in orderly fashion, to be made available to KAS on request.

Staff members shall certify the total amount allocated by Partner towards the payment of their gross salary by their signature. Should it become necessary for Partner, for reasons laid down in applicable laws or collective agreements, to withhold or divert to third parties such payments without confirmation by the staff member in question, such retention or diversion shall be documented in writing. KAS shall be consulted about any changes envisaged.

Local staff occupying positions listed in the staffing schedule may attend project-related training or education courses in the partner country after due consultation with KAS's local representative. Training and education courses held outside the partner country may be attended only in well-documented exceptional cases.

• Travel Expenses

Travel expenses may be claimed only if not related to education or consultation measures. Whenever an expense schedule includes a budget item for the travel expenses of staff working on a subsidised project, expense accounts shall be created and maintained for each staff member, showing travel dates and destinations as well as the purpose of each trip. Travel expenses shall not exceed customary local rates and shall be documented. After an official trip, staff members shall sign a receipt for any travel expense reimbursements received. Air-travel expenses shall be reimbursed at the most economical rate and making use of all available price advantages only if the used ticket is presented together with the respective invoice.

• Day-to-day Business Expenses

Day-to-day business expenses may be claimed only inasmuch as they arise directly from agreed project activities.

Expenses which may be claimed include rental payments, cleaning charges, local rates and taxes, expendables, technical literature, newspapers, technical journals, and other day-to-day business expenses.

Taxes and insurance premiums relating to Project vehicles may be claimed within the limits set by local regulations.

Building and property insurance premiums may be claimed only if relevant insurances are required by law.

Any rental or leasing charges for which Partner wishes to claim reimbursement shall be covered by proper contracts, a copy of which shall be submitted to KAS.

Furthermore, service prices (maintenance contracts etc.) shall be similarly determined by an analysis of local conditions. Consequently, three comparable quotations shall be gathered if possible before a service contract is awarded, and a memorandum or record made of the transaction.

• Expenditures on Acquisitions

Only objects listed and quantified in the schedule of expenses shall be acquired.

Before an object is acquired, local prices shall be investigated. Whenever possible, comparable quotations shall be obtained in writing from no less than three different local enterprises, with the contract to be awarded to the most cost-effective supplier. Relevant decisions shall be documented. Acquisition documents shall cover the process of gathering and reviewing quotations, the award of the contract, the invoice, and proof that payment was due and/or made in the relevant year. Any object procured shall be registered by Partner in an inventory list. KAS shall be consulted in advance whenever objects are to be decommissioned; such events shall be documented in the inventory list. Any unforeseen loss of objects acquired with KAS funds shall be reported

immediately to KAS, together with the facts of the case (certified, if necessary, by the public authorities), and the loss shall be documented in the inventory list.

3. Conditions Applying to the Use of Objects and Property Acquired

In the absence of contractual provisions to the contrary, ownership of objects acquired with remittance funds as well as any related rights shall transfer to Partner. Partner hereby undertakes to use such objects exclusively for project-related activities, and to grant KAS at KAS's request priority in using said objects free of charge. Partner shall not be entitled to sell, rent, or lease said objects without having previously obtained KAS's written approval.

Should Partner fail to comply with the conditions laid down above, KAS shall be entitled to compensation equivalent to the market value of the object in question. The sum to be paid in compensation shall fall due at the time of Partner's default, bearing interest from that time onward at an annual rate of 5% above the lending rate currently applicable in conformance with Sect. 247 of the German Civil Code (BGB). (Sect. 247 BGB, lending rate: (1) The lending rate shall be 3.62 percent. On January 1 and July 1 of each year, the lending rate shall increase or decrease by the number of percentage points by which the reference rate has increased or decreased since the last change of the lending rate. The reference rate shall be the interest rate charged by the European Central Bank in its last main refinancing transaction before the first calendar day of the 6-month period in question. (2) Immediately following the dates specified in Sub-paragraph 1.2, current lending rates will be published by the Deutsche Bundesbank in the Federal Gazette.)

The above regulations may be waived after the terms specified below if

- no less than 15 years have elapsed since the acquisition or completion of real-estate objects subsidised by KAS with funds exceeding € 50,000 ;
- no less than five years have passed since the acquisition or completion of objects having a normal service life of one year or more at a cost of € 5,000 or more; or
- no less than two years have elapsed since the acquisition or completion of any miscellaneous object at a cost of between € 400 and € 5,000.

Any and all objects acquired or made at a cost of € 400 and more shall be included by Partner in an inventory list on the standard form provided by KAS.

4. Obligatory Reports by Partner

Partner's reports on the progress of the project shall describe related activities in the period covered by the report, focusing specifically on achievements, deviations from the original plan, and unusual factors influencing the implementation of individual measures.

Partner shall inform KAS without delay whenever

- funds have been received from third parties for a purpose subsidised by KAS, or funds remitted by KAS cannot be used within two months after receipt;
- a need for making essential changes in the global funding structure of the project arises; or,
- attachment, receivership, bankruptcy, or conciliation proceedings are instituted against Partner, or any other situation of considerable financial impact occurs.

5. Bookkeeping, Filing of Documents/Receipts, and Accounting

- 5.1 Partner shall keep books recording all remittance-related revenues and expenditures. Furthermore, receipts and other related documentation shall be kept on file in orderly fashion, and originals shall be submitted to KAS within the time limits specified in Sect. 5 Par. 2.

In those exceptional cases where original documents have to remain in the project country for legal reasons, photocopies or substitute documents may be submitted after consultation with KAS, in which instance copies of applicable legal regulations shall be submitted as well. In such cases, Partner shall keep the original documents on file in orderly fashion for a period of ten years after the presentation of related accounts, so as to facilitate audits by KAS.

- 5.2 Partner shall submit accounts on remittances received at monthly intervals. Accounts shall be submitted no later than two weeks after the end of each month. Annual accounts shall be submitted no later than one month after the end of a year. Final accounts for projects terminating within a calendar year shall be presented no later than one month after the conclusion of the project.

Together with any documentation required, accounts shall be handed over to KAS's authorised employee within the terms specified above.

Accounts shall itemise any and all revenues and expenditures pertaining to the subsidised project.

Exchanges of German into local currency shall be documented comprehensively by official receipts. Foreign-currency funds shall be procured in strict conformance with national foreign-exchange regulations. Exchange transactions shall be handled exclusively by banks or accredited money changers. Revenues and expenditures shall be shown analogously.

Expenditures shall be shown comprehensively in a structure following that of the expenditure schedule. Expenditure lists shall be countersigned both by Partner and KAS's representative. Any and all expenditures listed shall be documented. Documents shall be ordered as shown in the expenditure schedule, grouped together by item, and filed together with pertinent addition slips.

Receipts shall show clearly what amount was paid to what recipient at what time for specific services or goods. Whenever the purpose, form, and scope of the goods or services provided do not emerge clearly from a receipt, additional information shall be furnished.

Accounting documents shall specify the date of payment, as only payments made in a particular year may be included in the accounts for that year, and may be recognised as contractual expenditures.

Beneficiaries shall acknowledge payments by receipts. Payments made by bank transfer or cheque shall be documented by the bank handling the relevant transaction.

For its accounts, Partner shall use exclusively the forms provided by KAS for that purpose.

- 5.3 After all accounts for a particular year have been received from Partner, KAS will prepare an annual statement showing remittance-related revenues and expenditures in Euros. KAS will compute expenditures at a weighted average exchange rate extracted from all currency-exchange documents submitted that year. Balances carried over from the annual statement of the previous year will be valued at the previous year's average exchange rate.

Said annual statement will show the revenues and expenditures of the past year, the average exchange rate, and the annual balance. Furthermore, it will include an updated inventory list of the objects acquired with remittance funds, together with receipts documenting the transfer of ownership to Partner.

Partner will receive three copies of each annual statement, two of which shall be countersigned by Partner and returned to KAS's authorised employee.

- 5.4 KAS may at its discretion review the proper use of remittance funds by Partner and the success of project-related activities by conducting investigations on the spot. In addition, similar audits may be conducted by the remitter, the Federal Ministry for Economic Development and Co-operation (BMZ), and the Federal Court of Audit (BRH). Partner hereby undertakes to keep requisite documents ready for inspection, permit access to said documents as desired, and furnish any information required.

- 5.5 Should events occur that make it impossible for either party to proceed with the co-operative venture, Partner shall not thereby be relieved of its obligation to account for remittances received by the relevant date in conformance with the provisions of this Agreement.

6. Restitution of Remittances to KAS

KAS may demand the restitution of remittances by Partner if:

- Partner has obtained said remittances by incorrect or incomplete representations;
- Partner fails to use said remittances promptly after receipt, or for agreed project-related purposes;
- Partner fails to comply with any conditions agreed, or fails to do so within the terms specified; or if
- Partner fails to comply with its obligation to present requisite reports or proper accounting documents, or fails to do so within the terms specified.

Restitution claims shall fall due on the date of the relevant default; from that date onward, amounts shall bear interest at an annual rate 5% above the lending rate conforming to Sect. 247 of the German Civil Code (BGB) current at that time (see the regulations laid down in Sect. 3).

Expenditure schedule

Programme: VD Prog EU-Mitgliedsländer AA (EA0000000V)
Project: VD Lpj Tschech. Republik (EA0400000V)
Subproject (partner): VD Lpj Tschech. Republik MPU (EA0430000V)
Product number: EA0430000V

	Expenditures in EURO
Fiscal year	2017

1. Expenditures on education and consultation

1.1 Education measures (BM according to measure planning)	22.900,00
1.2 Information and consultation services (IB according to measure planning)	10.200,00

5. Staff and project infrastructure

5.1 Expenditure on salaries for local project staff	11.400,00
5.2 Expenditure on travel expenses for local project staff	0,00
5.3 Day-to-day business expenditures	500,00
5.4 Expenditure on purchase of equipment	0,00

Grand total	45.000,00
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Enclosures:

- (x) Itemised schedule of expenses on salaries for local project staff (staffing schedule)
- (x) Itemised schedule of travel expenses, day-to-day operational expenses and purchase of equipment

