



**Estonia – Russia
Cross Border Cooperation Programme
2014-2020**

Partnership Agreement

for the Implementation of the Project

ER53

**Narva and Slantsy riverside areas development for business and visiting environment
improvement Narva-Slantsy Leisure Cluster**

Preamble

Having regard to point 4.3 of the Estonia – Russia Cross Border Cooperation Programme 2014-2020 (hereinafter the Programme), approved by European Commission decision No C (2015) 9193 on 18 December 2015, the Lead Beneficiary shall sign the Partnership Agreement with beneficiary laying down provisions for distribution of tasks, responsibilities and Programme's financial contribution. Narva City Government, Department for City Development and Economy represented by Juri Saija, director, acting as the Lead Beneficiary, and Administration of Municipal Formation Slantsy Municipal District of Leningrad region represented by Marina Chistova, Acting Head of Administration, operating on the basis of the Charter of the Municipal Formation Slantsy Municipal District of Leningrad region, acting as the Beneficiary 2, (hereinafter the beneficiary), hereinafter together as the Parties, separately as the Party,

Sign the following Partnership Agreement for the implementation of the Project № ER53 entitled "Narva and Slantsy riverside areas development for business and visiting environment improvement/Narva-Slantsy Leisure Cluster" (hereinafter the Project), selected by the Joint Monitoring Committee of the Programme (hereinafter the JMC) on 20-21.06.2018 in Tartu and approved by the Administrative Act No 96 of the Managing Authority from 3 July 2018.

By signing this Partnership Agreement the Parties assure actions to achieving common outcomes and to reach the objectives as set in the Project approved by the JMC which is Annex 1 to this Partnership Agreement.

Article 1

Legal Framework

1. The Parties shall guarantee that the Project is implemented and managed in accordance with the following regulations and rules as well as the horizontal policies of the European Union and national legislation:
 - 1.1 Financing Agreement between the Government of the Russian Federation and the European Community on Financing and Implementing the Cross Border Cooperation Programme signed on 29 December 2016 (“Financing Agreement”);
 - 1.2 Respective country’s national rules applicable to the Lead Beneficiary and beneficiary of the Republic of Estonia and Russian Federation;
 - 1.3 European Union legal acts:
 - 1.3.1 Regulation (EC) No 232/2014 of the European Parliament and of the Council of 11 March 2014 (ENI Regulation);
 - 1.3.2 Council Regulation (EC, EURATOM) No 966/2012 on the Financial Regulation that is applicable to the general budget for the European Communities;
 - 1.3.3 Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection on the European Communities financial interests;
 - 1.3.4 Regulation No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union’s instruments for financing external actions;
 - 1.3.5 Commission Implementing Regulation No 897/2014 of 18 August 2014 laying down implementing rules for cross-border cooperation programmes financed under Regulation No 232/2014 of the European Parliament and of the Council laying down general provisions establishing a European Neighbourhood Instrument (hereinafter referred as Implementing Rules);
 - 1.3.6 Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).
 - 1.4 Estonia – Russia Cross Border Cooperation Joint Operational Programme 2014-2020;
 - 1.5 Call for Proposals Application Guidelines (hereinafter Call for proposals guidelines) under which the Project has been approved;
 - 1.6 Project Implementation Guidelines and annexes thereto.

Article 2

Subject of the Partnership Agreement

- 2.1 Subject of this Partnership Agreement is the organisation of partnership in order to implement the Project under the Programme, according to the established legal framework.

2.2 By the present Partnership Agreement, the Parties shall define the rules of procedure for the work to be carried out and the relations that shall govern them within the partnership set up in order to complete the Project.

Article 3 Data Protection

3.1 Any personal data will be processed solely for the purposes of the performance, management and monitoring of this Agreement by the Parties and may also be passed to the bodies charged with monitoring or inspection tasks under the law of the European Union, the Republic of Estonia or Russian Federation. The Parties have to undertake all measures to fulfil the requirements of EU General Data Protection Regulation and national legislation.

3.2 The Parties will have the right of access to their personal data and the right to rectify any such data. If the Parties have any queries concerning the processing of personal data, they shall address them to the Lead Beneficiary, who in case needed may turn to the Managing Authority of the Programme (hereinafter MA, Managing Authority). The parties will have right of recourse at any time to the European Data Protection Supervisor.

3.3 The Parties shall limit access and use of personal data to that strictly necessary for the performance, management and monitoring of this Agreement and shall adopt all appropriate technical and organisational security measures necessary to preserve the strictest confidentiality and limit access to their personal data.

Article 4 Duration of the Partnership Agreement

4.1 The Partnership Agreement shall enter into force in accordance with the national legislation of the Parties.

4.2 It shall remain in force until the Parties have discharged in full their obligations towards each other and towards the MA.

Article 5 Conflict of interest and good conduct

5.1 The Parties shall take all necessary measures to prevent or end any situation that could compromise the impartial and objective implementation of the Project. Such conflict of interests may arise in particular as a result of economic interest, political or national affinity, family or emotional ties, or any other relevant connection or shared interest.

5.2 In the event of such conflict of interest, the beneficiary shall immediately inform the Lead Beneficiary, which in turn inform the MA. The Parties shall immediately take all necessary steps to resolve such situation.

Article 6 Confidentiality

6.1 The Parties undertake to preserve the confidentiality of any information, notwithstanding its form, disclosed in writing or orally in relation to this Agreement and identified in writing as confidential until at least 5 years after the payment of the balance or according to time limit stipulated in national legislation.

6.2 The Parties shall not use confidential information for any aim other than fulfilling their obligations under this Partnership Agreement unless otherwise agreed with the MA and with the other Parties.

6.3 The European Commission and the National Authorities (hereinafter NAs) shall have access to all documents related to the Project and shall maintain the same level of confidentiality.

Article 7 Obligations

7.1 The Lead Beneficiary, hereby authorised by the beneficiary shall sign the Grant Contract with the MA and shall manage the funds in accordance with the details of this Partnership Agreement, the Grant Contract and the legal framework.

7.2 The Lead Beneficiary is responsible for:

7.2.1 signing the Partnership Agreement with the beneficiary defining rights and responsibilities of the Parties, the Partnership Agreement should in particular cover all obligations arising from the Grant Contract which are applicable to the Parties;

7.2.2 signing the Grant Contract with the MA;

7.2.3 ensuring co-financing as specified in the Grant Contract;

7.2.4 setting up and maintaining efficient and reliable Project implementation system (strategic, daily and financial management), i.e.: ensuring efficient use of the Project's resources; co-ordination of activities and tasks with the beneficiary and ensuring that these tasks are subsequently fulfilled; ensuring proper communication with the beneficiary and wider public;

7.2.5 representing the Project – the Lead Beneficiary serves as a contact point to the MA, JMC, the NAs, Audit Authority (hereinafter the "AA"), Control Contact Points (hereinafter "CCP"), Joint Technical Secretariat of the Programme (hereinafter JTS) and Branch Offices (hereinafter "BO") concerning the implementation of the Project and should ensure continuous communication between the JTS and the beneficiary;

7.2.6 progress of the Project as far as its financial and physical execution is concerned, and in particular, for ensuring the delivery of outputs and results in line with the Project;

7.2.7 establishing adequate monitoring and evaluation system of the Project that ensures timely delivery of Project outputs and results in a proper quality;

7.2.8 ensuring that the NAs, MA, JTS, JMC members, the CCP, Interreg Projects Supervision Unit of State Shared Service Centre of Estonia (hereinafter public officers), auditors as well as independent assessors authorised by the Programme authorities and representatives of the

European Commission can have access to all Project documents, relevant computer systems, premises and sites when carrying out monitoring or evaluation missions, on-the-spot checks and audits. Access should be granted on conditions of strict confidentiality with regard to third parties without prejudice to public law obligations to which they are subject;

7.2.9 timely and correct reporting in compliance with Article 8 of the Grant Contract;

7.2.10 requesting and receiving payments from the MA, and taking actions to forward the amounts due to the beneficiary according to Project Financial Agreement;

7.2.11 respecting and observing Programme rules and requirements, the EU, EURATOM, and / or applicable legislation of Estonia and Russia concerning financial management and controls, public procurement, rules on nationality and origin, information and publicity and state aid rules;

7.2.12 ensuring the correctness of the Project accounting system and documents. The Parties shall have separate accounting system or an adequate accounting code for the Project funds, Project income and expenditure. Lead Beneficiary may request further information, documentation and evidence from all the beneficiary to that effect;

7.2.13 ensuring that the beneficiary's income and expenditure is supported by invoices or documented by accounting documents understandable to third parties; has actually incurred by the beneficiary within the reporting period for activities described in the approved Project Application; and that the products or services have actually been delivered;

7.2.14 ensuring that the costs have been paid out by the time of submission of the reports to the public officer/auditor; as well as verify that the expenditures have been examined by public officer or auditor;

7.2.15 ensuring the maintenance of all documents related to the Project for five years from the date of payment of the balance to the Programme or until the date stipulated in the state aid rules (if applicable). As long as the balance payment date is unknown it is agreed that project level records and supporting documents need to be kept until at least end of 2030. The MA informs the Lead Beneficiary about the date of reception of the balance payment from EC;

7.2.16 implementation of the Project in accordance with the provisions of the Partnership Agreement;

7.2.17 repayment of the amounts to the MA unduly paid according to the Financial Correction Decision prepared on the basis of the Guidelines to Financial Corrections;

7.2.18 ensuring timely and proper closure of the Project;

7.2.19 ensuring that the provision regarding the selection and notification of the audit firm are followed, as stipulated in Articles 5.2 and 5.3 of the Grant Contract.

7.3 Beneficiary is responsible (legally and financially) for:

7.3.1 signing the Partnership Agreement with all partners defining rights and responsibilities of the Parties, the Partnership Agreement should in particular cover all obligations arising from the Grant Contract between the MA and the Lead Beneficiary which are applicable to the Project partners;

7.3.2 implementation of their part of activities in the Project and the provision of their active assistance to the Lead Beneficiary in efficient implementation of the Project in line with the requirements of the Project, the Programme and the Partnership Agreement;

7.3.3 bearing legal and financial responsibility for the activities they are implementing and for the share of the Project budget they receive;

7.3.4 establishing adequate monitoring and evaluation system of the Project that ensures timely delivery of Project outputs and results in a proper quality;

7.3.5 ensuring that the NAs, MA, JTS, JMC members, CCP, public officers, auditors as well as independent assessors authorised by the Programme authorities and representatives of the European Commission can have access to all Project documents, premises and sites when carrying out monitoring or evaluation missions, on-the-spot checks and audits. Access should be granted on conditions of strict confidentiality with regard to third parties without prejudice to public law obligations to which they are subject;

7.3.6 timely and correct reporting in compliance with Article 8 of the Grant Contract;

7.3.7 respecting and observing Programme rules and requirements, EU, EURATOM and national legislation concerning financial management and controls, public procurement rules in line with the legal status of the Beneficiary, rules on nationality and origin, information and publicity and state aid rules;

7.3.8 ensuring the correctness of the Project accounting system and documents. The Parties shall have separate accounting system or an adequate accounting code for the Project funds, income and expenditures. The beneficiary is allowed to use either accrual or cash-based accounting, and ensure that the audit can be correctly performed. Lead Beneficiary may request further information, documentation and evidence from the beneficiary to that effect;

7.3.9 ensuring that the beneficiary's income and expenditure is supported by invoices or documented by accounting documents understandable to third parties; has actually incurred been paid out by the beneficiary within the reporting period for activities described in the approved Project Application; and that the products or services have actually been delivered;

7.3.10 ensuring that the costs have been paid out by the time of submission of the reports to the public officer/auditor and verify that the expenditures have been examined by public officer or auditor;

7.3.11 ensuring the maintenance of all documents related to the project for five years from the date of payment of the balance to the Programme or until the date stipulated in the state aid rules (if applicable). As the date of the payment of the balance is not known, it is currently agreed that project level records and supporting documents need to be kept until at least end of 2030. The Lead Beneficiary informs the beneficiary about the date of reception of the balance payment from EC;

7.3.12 implementation of the Project in accordance with the provisions of the Partnership Agreement;

7.3.13 ensuring that the audit firm(s), which will carry out verifications referred to in Article 8 of the Grant Contract have been selected according to point 5.7.1.1 of the Implementation Guidelines and other Programme rules. The beneficiary shall immediately inform the Lead Beneficiary on the selection;

7.3.14 transfer the received but not used Programme amounts back to the MA, via the Lead Beneficiary.

Article 8 Rights

8.1 The beneficiary has the right to receive information from the Lead Beneficiary on the issues related to the management of the Project and the financial flows received from and transferred to the MA.

8.2 The Lead Beneficiary has the right to receive information and documentation from the beneficiary related to the activities and income and expenditures of the Project.

Article 9 Liability

9.1 Each Party shall be liable to the other Parties and shall indemnify and hold harmless such other Parties for and against any liabilities, damages and costs resulting from the non-compliance of its duties and obligations as set forth in this Partnership Agreement and its annexes.

9.2 No Party shall be held liable for not complying with obligations ensuing from this Partnership Agreement in case of force majeure as stipulated in the Grant Contract Article 17.8. In such a case, the Party involved must announce this immediately in writing to the other Parties.

Article 10 Organisational Structure of the Partnership

10.1 For the successful management of the partnership a Project Steering Group shall be set up within 2 weeks following the conclusion of the Grant Contract with the MA. The Project Steering Group shall be responsible for monitoring the implementation of the Project and approval of strategic decisions. The Project Steering Group shall be chaired by the representative of the Lead Beneficiary.

10.2 Members of the Steering Group shall include representatives of the Lead Beneficiary, beneficiary and any other organisation or individual deemed appropriate by the Parties. The Project Steering Group shall meet at least once in every Project Reporting Period during Partner Meetings or/and Skype meetings/conference. The MA, the NAs and JTS representatives shall have the right to attend the meetings, if relevant.

Article 11 Budgetary and financial management

11.1 The Lead Beneficiary is the responsible party to the MA for the sound financial management of the Project. Financial share of particular beneficiaries in the Project costs as well as the maximum amount of co-financing from the Programme funds for the beneficiary are established in the Project budget in the approved Application. The Lead Beneficiary shall transfer the amount due to the Beneficiary to the Beneficiary's bank account.

11.2 According to point 5.6 of the Implementation Guidelines, for the implementation of the Project, the Parties have chosen option 2 as a payment procedure;

11.3 Lead Beneficiary shall be responsible for an application for reallocation between budget lines and Project changes as defined in the Implementation Guidelines and the Grant Contract;

11.4 The flat rate for eligible indirect costs for the partner Narva City Government, Department for City Development and Economy is up to 1440 EUR (2,59 %) and for the partner Administration of Municipal Formation Slantsy Municipal District of Leningrad region is up to 1400 EUR (3,62%) as calculated according to point 2.5.6.2 of the Implementation Guidelines.

Article 12

Reports

12.1 Drafted interim reports with relevant attachments, including evidence documents on implemented activities and expenditures, where relevant, shall be submitted via electronic monitoring system (eMS) by each Beneficiary in accordance with the requirements stipulated for the Lead Beneficiary in the Grant Contract. Every Beneficiary must provide the Lead Beneficiary with the information needed to draw up the consolidated reports and other documents required by Programme management bodies.

12.2 The interim report(s) shall be provided by the Parties as specified in point 5.7.2 of the Implementation Guidelines, within 30 calendar days after the end of reporting period. The public officers/auditors check the interim reports within 60 calendar days from the date of receiving the interim reports (and provide their first set of questions and comments to the Beneficiary, if necessary).

12.3 The consolidated report shall be submitted to the JTS by the Lead Beneficiary within 30 calendar days after the expenditure verification report of all partners has been issued by the public officer/auditor. The final report shall be drafted and submitted within 3 months after end date of implementation of the Project.

12.4 The public officer/auditor, the JTS and the MA may ask the Beneficiaries complementary information on the reports if necessary. In this case the beneficiary is given a concrete time-frame for submitting this information. The time limit for approving the reports will start counting again as of the day of the receipt of this information.

12.5 The Lead Beneficiary shall send the beneficiary the e-version of each consolidated report and final report submitted to the Programme management bodies and keep the Partners informed of all relevant correspondence.

12.6 In default of reports or in the event of non-fulfilment of the rules concerning eligibility of expenditure, the Lead Beneficiary shall ask the Beneficiary concerned to redraft the submitted report in 14 days. The Lead Beneficiary shall use the official methods of correspondence with Partners to receive the answer to its requests. In case of repeated non-fulfilment, the Lead Beneficiary shall be entitled to deny the expenditure declared by the Beneficiary in 7 days. In that case, the Lead Beneficiary is obliged to inform the Beneficiary concerned on the denial of the expenditure declared and the motivation thereto; also, the MA/JTS shall be informed.

Article 13

Modification of the work plan and budget reallocation

13.1 Any request for changes of the Project including work plan, budget or other statements from the Grant Contract presented by the Lead Beneficiary to the MA/JTS shall be authorised by the beneficiary beforehand.

Article 14

Information and publicity measures

14.1 In applying information and publicity measures, the Parties have to follow the Communication and Visibility Guidelines for the Implementation of the Projects of the Programme.

14.2 The Parties take necessary steps to publicise the fact that the Programme has co-financed the Project.

14.3 Any notice or publication by the beneficiaries concerning the Project, including those given at conferences or seminars, shall specify that the Project has received Programme funding. Any publication by the beneficiaries in whatever form and by whatever medium, including the internet, shall include the disclaimer as specified in Annex 2 of the Communication and Visibility Guidelines for the Implementation of Projects of the Programme.

14.4 The beneficiary shall prior agree and send information on the planned publicity activities, events and publication of materials related to the Project implementation to the Lead Beneficiary.

14.5 The Parties agree that the NAs, MA, JTS, BOs, members of the JMC and the European Commission shall be authorised to publish, in whatever form and by whatever medium at least the information that is indicated in Article 44 of the Implementing Rules.¹

Article 15

Cooperation with third parties, delegation and outsourcing

15.1 In case of cooperation with third parties, including subcontractors, the beneficiary shall remain the sole responsible party to the Lead Beneficiary and the Programme management bodies concerning compliance with its obligations as set in this Partnership Agreement.

15.2 If the construction/ renovation works are planned in the Project, the beneficiary shall inform the Lead Beneficiary of the construction/renovation works in 1 week after the contract on construction/renovation works is signed within the Project, including the start date of the works. The Lead Beneficiary shall in turn inform the JTS about the started works within 2 weeks.

15.3 Cooperation with third parties including subcontractors shall be undertaken in accordance with appropriate EU and national regulations.

Article 16

Assignment, legal succession

16.1 Neither party is allowed to assign its duties and rights under this Partnership Agreement without the prior consent of the other Parties to this Partnership Agreement and the responsible Programme management bodies. The Parties to this Partnership Agreement are aware of the obligation whereupon the Lead Beneficiary is allowed to assign its duties and rights only after prior written consent of the MA and JMC.

¹ The information contains: beneficiary name (only legal entities; (no natural persons shall be named), project name, project summary, project implementation period, total eligible expenditure, EU co-financing rate; project postcode or other appropriate location indicator, geographical coverage, date of last update of the list of projects.

16.2 In the case of legal succession, the Party concerned is obliged to transfer all duties under this Agreement to the legal successor.

Article 17 **Ownership of purchased equipment/ investments**

17.1 Ownership of, and title and intellectual and industrial property rights to, the Project's results, reports and other documents relating to it shall be vested with the beneficiary and/or associate of the Project. It will be done on the basis of the mutual agreement at the latest by the end of the implementation of the Project.

17.2 According to the Article 39.3 of the Implementing Rules, any Project including an infrastructure component shall repay the Union contribution as well as the contribution of the Republic of Estonia and Russian Federation, if, within five years of the Project closure or within the period of time set out in state aid rules, where applicable, it is subject to a substantial change affecting its nature, objectives or implementation conditions which would result in undermining its original objectives. Sums unduly paid in respect of the Project shall be recovered by the MA in proportion to the period for which the requirement has not been fulfilled.

17.3 Without prejudice to Article 17.1, the Parties grant the NAs, MA, JTS, BOs, the members of the JMC and the European Commission, the right to use freely and as it sees fit, and in particular, to store, modify, translate, display, reproduce by any technical procedure, publish or communicate by any medium all documents deriving from the Project whatever their form, provided it does not thereby breach existing industrial and intellectual property rights.

17.4 The Republic of Estonia, the Russian Federation and the European Commission shall be entitled to use, publish or disclose to third parties any study produced in the framework of the Project.

17.5 The MA should be notified about changes of ownership of the Project results during implementation period of the Project and five years after completion of the Project.

17.6 The beneficiary shall ensure that it has all rights to use any pre-existing intellectual property rights necessary to implement the Project.

Article 18 **Obligations, delay, withdrawal from obligations**

18.1 In case of total or partial incompleteness of the obligation by the beneficiary, the Lead Beneficiary shall admonish the beneficiary to comply with the obligations. Lead Beneficiary shall make any effort to contact the beneficiary in resolving the difficulties including seeking the assistance of the Programme management bodies.

18.2 Should the non-fulfilment of obligations continue, the Lead Beneficiary, authorized by all remaining beneficiaries, may decide to exclude the Beneficiary concerned from the Project. The exclusion of the Beneficiary from the Project should be agreed by the remaining

beneficiaries before informing the MA. Where such agreement cannot be reached, the Lead Beneficiary must indicate this when submitting such changes for approval to the MA.

18.3 The excluded Beneficiary is obliged to refund to the Lead Beneficiary any Programme funds received which it cannot prove on the day of exclusion that they were used for the Project implementation according to the rules of eligibility of expenditure.

18.4 In case of non-fulfilment of a Beneficiary's obligation having financial consequences for the funding of the Project as a whole, Lead Beneficiary may demand recovery of funds unduly paid. Based on the claim sent by the Lead Beneficiary, the respective Beneficiary has to repay the requested amount.

18.5 The Parties agree not to withdraw from the Project unless there are unavoidable reasons for it. If this were nonetheless to happen, the parties shall try to cover the contribution of the withdrawing Beneficiary, either by assuming its tasks or by asking one or more new beneficiaries to join partnership.

18.6 In case there is unavoidable need for the Lead Beneficiary to withdraw from the Project, the Lead Beneficiary shall make efforts to transfer its contractual obligations and tasks to any other Beneficiary subject to agreement between all beneficiaries. The withdrawal of the Lead Beneficiary and assuming the responsibilities of the Lead Beneficiary by other Beneficiary must be prior approved by the MA and JMC.

18.7 In case none of the beneficiaries is ready, willing or able to take over the responsibilities of the Lead Beneficiary, efforts shall be made to find a new Lead Beneficiary outside the Project. In case new Lead Beneficiary is not found, the provisions of Article 25 of this Agreement may be applied.

Article 19

Demand for repayment by the Managing Authority

19.1 Should the MA in accordance with the provisions of the Article 24 of the Grant Contract demand repayment of grant already transferred, the Lead Beneficiary is obliged to transfer to the MA any amounts paid in excess to the respective Beneficiary. The repayment shall be effected as stipulated in the Guidelines to Financial Corrections.

19.2 In particular, payments made do not preclude the possibility for the MA to issue a financial correction decision following an expenditure verification report, an audit or further verification of the payment request.

19.3 If a verification reveals that the method used by the Lead Beneficiary or Beneficiaries to determine flat-rates is not compliant with the conditions established in the Grant Contract, the MA shall be entitled to reduce the final amount of the grant proportionately up to the amount of flat rate financing.

19.4 The NA of the Republic of Estonia or the European Commission is entitled to demand the repayment of the amount due to the MA from the Lead Beneficiary or Beneficiaries

established in the Republic of Estonia in case the abovementioned Lead Beneficiary or the beneficiary have not reimbursed the funds unduly spent to the MA.

19.5 Where the MA is unable to recover the debt from the beneficiary, which is a Public Entity established in the Russian Federation, the Russian NA shall provide the reimbursement of funds unduly spent in accordance with its national procedures on the basis of a complete file of the MA. Where the request of the MA did not succeed in recovery, the European Commission has the right to file such a request to the Russian NA.

The NA of the Russian Federation is entitled to demand the repayment of the amount due to the MA from the beneficiary, in case the abovementioned beneficiary has not reimbursed the funds unduly spent to the MA.

19.6 Without prejudice to the responsibility of the MA to recover funds unduly spent from any Beneficiary established in the Russian Federation, except for Public Entities, and after the MA has undertaken all possible measures to recover, the European Commission may proceed to the recoveries on behalf of the MA by any means, including by offsetting and by forced recovery before the competent courts.

19.7 The MA shall send to the Lead Beneficiary a Financial Correction Decision via eMS by which the MA requests the amount owed by the Lead Beneficiary or Beneficiary. If the usage of eMS is not possible or relevant, other channels should be used. The Lead Beneficiary will forward the reclamation decision to the respective Beneficiary, which has to repay the requested amount to the Lead Beneficiary and the Lead Beneficiary to the MA within 45 days of the issuing of the Financial Correction Decision.

Article 20

Disputes between partners

20.1 Should a dispute arise between beneficiaries, every Beneficiary shall be obliged to try to reach a settlement during 60 days.

20.2 The Parties may form a body consisting of the representatives of the project beneficiaries and representatives outside the project should there be a need, for solving the disputes.

20.3 Lead Beneficiary will inform the non-involved beneficiaries on the process and result of the dispute as soon as possible and may, on its own initiative or upon request of a Beneficiary, ask the MA/ NAs /JTS for advice.

20.4 Should a dispute be not settled between beneficiaries the matter will be finally decided in accordance with the jurisdiction of the Republic of Estonia or Russian Federation, depending on the country of the location of the Lead Beneficiary.

Article 21
Working and translation languages

21.1 The working languages of the partnership shall be Russian/English. Any official document of the Project shall be made available in English. Language of correspondence with the JTS, MA, other Programme authorities and the language of reports shall be English.

Article 22
Applicable law

22.1 This Partnership Agreement is governed by the law of the Republic of Estonia.

22.2 In the event of translation of this Partnership Agreement and its annexes, the English version shall prevail.

Article 23
Nullity

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

Article 24
Amendment of the Partnership Agreement

24.1 Proposals for changes in the Partnership Agreement should be agreed by the Parties before submission of such changes to the MA. Where such agreement cannot be reached, the Lead Beneficiary must indicate this when submitting changes for approval to the MA.

24.2 This Partnership Agreement shall only be amended in writing. The amendments shall be signed by all Parties involved. Lead Beneficiary shall submit the amended agreement to the MA as soon as possible, but not later than 15 working days after the amendment is signed by all the Parties involved.

24.3 Modifications to the Project shall be effective as alterations of this Partnership Agreement, without necessity to amend the Partnership Agreement itself.

Article 25
Right of Termination

25.1 If one of the beneficiaries decides to withdraw from the Project, the Lead Beneficiary shall take all the efforts to take over the obligations as well as the tasks or to find a new Beneficiary who would take over all the obligations as well as tasks of the withdrawn Beneficiary. If the new Beneficiary is found it shall become the Party of this agreement only after the approval by the MA.

25.2 If the new Beneficiary cannot be found and the remaining beneficiaries are not willing /able to take over the responsibilities as well as tasks of the withdrawn Beneficiary, the MA will take the decision whether to terminate or amend the Grant Contract.

25.3 In case of termination of the Grant Contract this Partnership Agreement is terminated automatically.

Article 26

Domicile

26.1 To the effect of this Partnership Agreement, the Parties shall irrevocably choose domicile at the address stated in the Application Form where any official notifications and direct invoices for the Project activities can be lawfully served.

26.2 Any change of Beneficiary's domicile shall be forwarded to the Lead Beneficiary immediately but in any case within 15 days following the change of address by registered mail.

Article 27

Concluding provisions

27.1 This Partnership Agreement has to be uploaded in the Programme's electronic monitoring system (eMS). The Beneficiary has to be provided with a copy should they so wish.

27.2 The Parties may add additional clauses to the Partnership Agreement. The Lead Beneficiary is obliged to notify the MA of such additional clauses beforehand.


27.3 The European Union as well as the national legislation of the Republic of Estonia and Russian Federation regulate the provisions that are not set in this Partnership Agreement.

27.4 Annexes to this Partnership Agreement are:

- 1) Latest Approved Full Project Application in eMS together with annexes.

Written in Narva [specify the town] on 11.10.2019 [specify date]

Lead Beneficiary
Name of the Beneficiary institution in English: Narva City Government, Department for City Development and Economy
Name of the Beneficiary institution in original language: Narva Linnavalitsus, Narva Linna Arenduse ja Ökoonomika Amet
Name of the authorised signatory, position: Juri Saija, Director
Address: Peetri 3-5, 20308, Narva, Estonia

Phone: +37235 99041	Fax: +37235 99042
e-mail address: areng@narva.ee	
registration number: 75029524	
Bank name: AS SEB Pank	
Bank code: EEUHEE2X	
Account number: EE831010220044797013	
Date, place and signature:	
	
11.10.2019 Narva	

Beneficiary 2	
Name of the Partner institution in English:	
Administration of Municipal Formation Slantsy Municipal District Leningrad region	
Name of the Partner institution in original language:	
Администрация муниципального образования Сланцевский муниципальный район Ленинградской области	
Name of the authorised signatory, position: Marina Chistova, Acting Head of Administration	
Address: Pochtovyi alley 3, 188560 Slantsy town, Leningrad region, Russian Federation	
Phone: +7 8137424201	Fax: +7 8137423291
e-mail address: slanmo@slanmo.ru	
Primary state registration number: 1054700454940	
Transfer must be made to the bank account of Federal Treasure	
Beneficiary: MEZREGIONALNOE OPERACIONNOE UFK	
Beneficiary Bank: CENTRAL BANK OF RUSSIAN FEDERATION MOSCOW RU (CBRFRUMM)	
Beneficiary Account: 40105978900000002901	
Beneficiary Bank Account: 001012621530	
Intermediary Bank: Societe Generale SA, Paris (SOGEFRPP)	
ИНН 4713008137 КПП 470701001	
Управление Федерального Казначейства по Ленинградской области (администрация Сланцевского муниципального района л/с 04453204510)	
р/сч. 40101810200000010022	
Отделение Ленинградское г.Санкт-Петербург	
БИК 044106001	
КБК 810 2 01 05010 13 0000 150	
ОКТМО 41642101	
Date, place and signature: 11.10.2019 Нарва	
Official stamp: 