



*Managed by the Association of European Border Regions by an Action Grant
(CCI2017CE160AT082) agreed with the Directorate General of Regional and Urban Policy,
European Commission. Financed by the European Union.*

b-solutions

SUB-GRANT CONTRACT

This Sub-Grant Contract [hereinafter 'the Contract'] is concluded between the following parties:

on the one part,

the **Association of European Border Regions (AEBR)**, with seat in Gronau (Germany)

Identification number in the EU Transparency Register: 684213919233-18

AGEG-AEBR-ARFE c/o EUREGIO

Enscheder Str. 362

D-48599 Gronau (Germany)

represented by Mr Martín Guillermo Ramírez, AEBR Secretary General

[hereinafter 'the Contracting Authority']

and

of the other part,

**European Grouping of Territorial Cooperation of the municipalities of Gorizia (I), Nova Gorica (Slo)
and Šempeter-Vrtojba (Slo)**

Public body, EGTC register at the Presidency of the Council of Ministers of the Italian Republic –
Department of the Regional affairs, n. 3, 15 september 2011

Fiscal Code: 91036160314

Via Cadorna 36, 34170 – Gorizia (Italia)

[hereinafter the 'Beneficiary']

The parties referred to above have agreed the following conditions (articles 1-14):



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Article 1 — Purpose

- 1.1 The purpose of this Contract is the award of a sub-grant by the Contracting Authority to finance the implementation of the pilot project entitled '*EGTC GO Cross-border Public Urban Mobility Pan*' ('the Project').
- 1.2 The Beneficiary shall implement the Project under its own responsibility and in accordance with the details of the Project as described and defined in Annex I and Annex II of this Contract, and amended by Annex V when appropriate, with a view to achieving the objectives laid down therein.
- 1.3 Where the Contracting Authority requires any amendments or modifications to the Project, such requirements are set out in Annex V of this Contract. Such amendments or modifications, when annexed to this Contract, are binding on the Beneficiary.
- 1.4 The Beneficiary shall be awarded the sub-grant on the terms and conditions set out in this Contract, including the Annexes I-V which the Beneficiary hereby declares it has noted and accepted as being incorporated into this Contract.
- 1.5 The Beneficiary accepts the sub-grant and undertakes to be responsible for carrying out the Project in accordance with the terms and conditions of this Contract.

Article 2 — Implementation period of the Project

- 2.1 This Contract shall enter into force on the 1st of August 2018 upon signature of both parties. Costs are eligible as of 1st of July 2018, in accordance with Article 9.
- 2.2 Implementation of the Project shall begin immediately after this Contract enters into force.
- 2.3 The implementation period of the Project is up to a *maximum* of 15 months from the date of this Contract entering into force and, regardless of the date of this Contract entering into force, shall terminate not later than the last day of October 2019.

Article 3 — Financing of the Project

Following the b-solutions Call for Proposals, the Contracting Authority undertakes to finance via a sub-grant up to a *maximum* amount of € 20,000, such sub-grant being provided to cover the eligible costs for the Project, as set out in Annex II. Based on Annex II, € 20,000 will be financed by the Contracting Authority.



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Article 4 — Reporting and payment arrangements

- 4.1 The Beneficiary must provide the Contracting Authority with all required information on the implementation of the Project. To that end, the Beneficiary must provide the Contracting Authority with a Final Report within 2 weeks after the end of the implementation period (deadline). The Final Report must be submitted using the template in Annex IV of this Contract.
- 4.2 The Beneficiary is also required to provide the Contracting Authority with one Progress Report, describing the progress of activities 6 months after the entry into force of the Contract.
- 4.3 Each report must provide a full account of all aspects of the Project's implementation for the period covered, including a financial report.
- 4.4 The Final Report and the Progress Report must be prepared in English, using the formats included in Annex III and IV.
- 4.5 Based on the approved budget (Annex II), the project will receive a sub-grant of € 20,000 paid in two instalments: a first payment of € 8,000 amounting to 40% of the total sub-grant awarded, to be paid by the Contracting Authority within 30 days of this Contract entering into force, and a final payment of € 12,000 amounting to 60% of the sub-grant awarded. The exact sum due in the final payment is subject to approval of the Final Report, including *inter alia*, approval of financial reports evidencing eligible costs incurred by the Beneficiary. The final payment shall be made to the Beneficiary within 30 days of approval of the Final Report. The exact timing of the two mentioned instalments depends on the receipt of the grant instalments to the Contracting Authority.
- 4.6 If the Beneficiary fails to supply the Contracting Authority with a Final Report by the deadline laid down in article 4.1 and fails to furnish an acceptable and sufficient written explanation of the reasons why it is unable to comply with this obligation, the Contracting Authority may terminate the Contract in accordance and recover the amounts already paid and not substantiated.

Article 5 — Liability

- 5.1 The Contracting Authority cannot under any circumstances or for any reason whatsoever be held liable for any damages or injury sustained by the Beneficiary or by the Beneficiary's staff or any third parties while the Project is being carried out or as a consequence of the Project. The Contracting Authority cannot therefore accept any claim for compensation or increases in payment in connection with such damages or injury.
- 5.2 The Beneficiary shall assume sole liability towards third parties, including liability for damage or injury of any kind sustained by them while the Project is being carried out or as a



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consequence of the Project. The Beneficiary shall discharge the Contracting Authority of all liability arising from any claim or project brought as a result of an infringement by the Beneficiary or the Beneficiary's employees or individuals for whom those employees are responsible of rules or regulations, or as a result of violation of a third party's rights.

Article 6 – Visibility

- 6.1 The Beneficiary must take all necessary steps to publicise the fact that the European Union has financed the Project.
- 6.2 In particular, the Beneficiary shall mention the Project and the European Union's financial contribution in the activities of the Project, and in any dealings with the media. It shall display the EU and the b-solutions logo (as included in the Info-email) wherever appropriate (e.g. banner, leaflets, publications, website).
- 6.3 Any notice or publication by the Beneficiary concerning the Project, including those given at a conference or seminar, must specify that the Project has received EU funding. Any publication by the Beneficiary, in whatever form and by whatever medium, including the internet, must include the following statement: "This document has been produced with the financial assistance of the European Union. The contents of this document are the sole responsibility of European Grouping of Territorial Cooperation of the Municipalities of Gorizia (I), Nova Gorica (SLO) and Šempeter-Vrtojba (SLO) and can under no circumstances be regarded as reflecting the position of the European Union."
- 6.4 The Beneficiary authorises the Contracting Authority and the European Commission to publish its name and address, place of registration, the project purpose, duration and location as well as the amount of the sub-grant. Furthermore, based on the Final Report of the Beneficiary, the Contracting Authority will elaborate a consolidated report (compendium) illustrating main findings and proposals derived from the Project in cooperation with the Commission services, and the Beneficiary hereby authorises the Contracting Authority or the European Commission to publish information about the Project and its implementation in such compendium.
- 6.5 The European Commission has established an EU-wide online professional network called '[Boosting EU Border Regions](#)', in order to facilitate and promote cross-border cooperation. The Beneficiary is required to publish a minimum of 4 posts about the Project during its implementation on said platform. Generally, the Beneficiary is strongly invited to regularly communicate about the Project and post any publications on 'Boosting EU Border Regions', as well as announcements regarding events and any other kind of information related to the Project.



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Article 7 – Amendment of the contract

Any modification to the Contract, including any modification to the activities, results or the budget of the Project as detailed in Annexes to this Contract, must be communicated in writing to the Contracting Authority in advance of any such modification. Such modification may only be made by the Beneficiary after the Contracting Authority has confirmed, in writing, its agreement.

Article 8 – Assignment

The Contract and the payments attached to it may not be assigned to a third party in any manner whatsoever without the prior written consent of the Contracting Authority.

Article 9 – Eligible costs

- 9.1 The eligibility of expenditure in every grant will be limited to the following items:
 - 9.1.1 travel and accommodation costs and corresponding per diems
 - 9.1.2 procurement of external services and expertise
 - 9.1.3 an overhead for indirect costs up to a maximum of 7% of the direct costs
- 9.2 Expenditure related to non-EU partners (neighbouring EFTA countries) is not eligible, even if it is paid by one of the EU partners (e.g. travel costs of staff of partner in EFTA paid by a partner in an EU country).
- 9.3 Expenditures with remuneration and related staff costs are not eligible.
- 9.4 The action cannot be simultaneously financed by other sources from the EU budget. Applications must include a declaration from applicants that the proposed action is not being financed under other schemes.
- 9.5 Eligible costs are costs actually incurred by the Beneficiary, which meet all the following criteria:
 - a) they are incurred during the implementation of the Project as specified in the sub-grant contract. This means that the costs shall relate to activities performed during the implementation period;
 - b) they are indicated in the overall budget for the Project (Annex II);
 - c) they are necessary for the implementation of the Project;
 - d) they are identifiable and verifiable, in particular being recorded in the accounting records of the Sub-Grant Beneficiary and determined according to the applicable accounting standards;



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- e) they comply with the requirements of applicable tax and social legislation.
- 9.6 The direct eligible costs include an overhead for indirect costs up to a maximum of 7% of the direct costs, which do not have to be justified. However, it is strongly recommend to keep all invoices for auditing purposes.
- 9.7 The applicant should explain which part of the action will be subcontracted (list of main activities to be carried out) as well as which activities will be undertaken by affiliated entities (if applicable).

Article 10 – Accounts and financial checks

- 10.1 The Beneficiary shall keep accurate and regular accounts of the implementation of the Project. This procedure may either be an integrated part of the Beneficiary's regular accounting procedure or an adjunct to it. The procedure shall be implemented in accordance with the accounting and bookkeeping policies and rules that apply in the country concerned. Accounts and expenditure relating to the Project must be easily identifiable and verifiable.
- 10.2 The Beneficiary shall allow the European Commission, the European Anti-Fraud Office, the European Court of Auditors and any external auditor authorised by European Commission to carry out verifications. Verifications may be executed by examining the documents and making copies thereof or by means of on-the-spot checks of the implementation of the Project and by conducting a full audit, if necessary, on the basis of supporting documents for the accounts, accounting documents and any other document relevant to the financing of the Project. These inspections may take place up to 7 years after the payment of the balance.
- 10.3 The following documents must be kept in original and sent in certified digital copies to the Contracting Authority to the email account b-solutions@aebr.eu, along with the final financial report:
- Proof of commitments such as contracts and order forms;
 - Proof of delivery of services such as approved reports, time sheets, transport tickets, proof of attending seminars, conferences and training courses etc;
 - Proof of purchase such as invoices and receipts;
 - Proof of payment such as bank statements, debit notices, proof of settlement by the contractor;
 - Proof that taxes and/or VAT that have been paid cannot actually be reclaimed;
 - For fuel expenses, a summary list of the distance(s) covered and requested refund (price per km) according to local practice.



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Article 11 – Procurement rules

If the implementation of a Project requires procurement by the Beneficiary, the contract must be awarded to the most economically advantageous tender (i.e., the tender offering the best price quality ratio), taking care to avoid any conflicts of interest.

Article 12 – Termination of the contract

In consultation with the European Commission, the Contracting Authority may terminate this Contract during the Implementation Period by giving a seven day notice and without paying compensation of any kind, in the following circumstances:

- a) where the Beneficiary fails, without justification, to fulfil any of the obligations incumbent on it and, after being given notice by letter to comply with those obligations, still fails to do so or to furnish a satisfactory explanation within 30 days of sending of the letter;
- b) where the Beneficiary is bankrupt or being wound up, is having its affairs administered by the courts, has entered into an arrangement with creditors, has suspended business activities, is the subject of proceedings concerning those matters or is in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- c) where the Contracting Authority has evidence on the Beneficiary or any related entity or person, of grave professional misconduct; this also applies to staff and agents of the Beneficiary;
- d) where the Contracting Authority has evidence on the Beneficiary or any related entity or person, of fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the European Union's financial interests; this also applies to staff and agents of the Beneficiary;
- e) where the Beneficiary changes legal personality, without informing the contracting authority;
- f) where the Beneficiary makes false or incomplete statements to obtain the sub-grant provided for in the Contract or provides reports that do not reflect reality;
- g) where the Beneficiary has not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which it is established;
- h) where the Contracting Authority has evidence on the Beneficiary or any related entity or person, of substantial errors, irregularities or fraud in the award procedure or the performance of the grant.



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Article 13 - Contact addresses

Any communication relating to this Contract shall be in writing, state the number and title of the Project and be sent to the following addresses:

For the Contracting Authority

Reports and request of amendment shall be sent to:

Association of European Border Regions (AEBR)

c/o WeWork

Eichhornstraße 3

Germany, Berlin, 10785

e-mail: b-solutions@aebr.eu

For the Beneficiary

European Grouping of Territorial Cooperation of the municipalities of Gorizia (I), Nova Gorica (SLO) and Šempeter-Vrtojba (SLO)

Via Cadorna 36

Italy, Gorizia, 34170

Mrs. Sandra Sodini

sandra.sodini@eu-go.eu

Article 14 — Annexes

The following documents are annexed to these Special Conditions and form an integral part of the Contract:

Annex I: Description of the Project including activities calendar (Approved application form)

Annex II: Budget for the Project

Annex III: Template for the Progress Report

Annex IV: Template for the Final Report

Annex V: Amendments or Modifications to the Project



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For the Beneficiary

Pierluigi Medeot

Vice President

For the Contracting Authority

Martín Guillermo Ramírez

AEER Secretary General



- 2 AGO. 2018

Berlin, 25 July 2018

