

Grant Contract

Grant Contract No. _____

on implementation of the Project [Project title]
_____;

in accordance with the decision of the Monitoring Committee Noof [dd.mm.yyyy], a copy of which constitutes Annex No. 1 to this Grant Contract, within the Interreg NEXT Poland – Ukraine 2021-2027 Programme

concluded by and between:

THE MINISTER OF DEVELOPMENT FUNDS AND REGIONAL POLICY of the Republic of Poland,

with its registered office in: ul. Wspólna 2/4, 00-926 Warsaw, Poland,

acting as Managing Authority for the Interreg NEXT Poland – Ukraine 2021-2027 Programme, hereinafter referred to as the 'Managing Authority',

represented by: [name, surname, function/position of the person representing the Managing Authority], based on the power of attorney No. _____ as of [dd.mm.yyyy]....., a copy of which constitutes Annex No. 2 to this Grant Contract as well as based on § 33(1)(2) of the Annex to the Ordinance of the Minister of Development Funds and Regional Policy of 14 January 2022 on the Personal Data Protection Policy at the Ministry of Development Funds and Regional Policy (Journal of Laws of the Ministry of Development Funds and Regional Policy, item 1),

and

[full official name of the Lead Partner] _____

with its registered office in: [full address]

[Lead Partner's identification details¹],

hereinafter referred to as 'the Lead Partner',

represented by: [name, surname, function/position of the person representing the Lead Partner]....., based on the **authorisation** No. _____ of [dd.mm.yyyy] (Legal Entities Form), Annex No. 3 to this Grant Contract,

hereinafter collectively referred to as 'the Parties',

The Parties have agreed as follows:

¹ Accordingly, the numbers: TIN (NIP) or equivalent or National Official Business Register Number (REGON), National Court Register (KRS) number (if the entity is subject to registration; or equivalent), VAT number (or equivalent), Ukrainian state registry legal entity identifier (EDRPOU code)

§ 1.

DEFINITIONS

For the purposes of this Grant Contract the terms listed below shall have the following meaning: :

Application Form - the application approved by the Monitoring Committee on [dd.mm.yyyy] for the co-financing of the implementation of the project numbered ... Data from the Application Form, together with all annexes necessary to carry out verification of the correct project implementation is available and updated in CST2021.

Co-financing - the European Union contribution to the eligible expenditure of a project granted by a Grant Contract.

Co-financing rate - the quotient of the project's co-financing value and the value of its total eligible expenditure, as stated in the Application Form, expressed as a whole percentage.

Conflict of interest - any situation where the impartial and objective performance of a person involved in the implementation of tasks related to the disbursement of European Union and Development Funds is or may be compromised for personal reasons.

Controller - a body or a person designated by each country according to art 46.3 of Interreg Regulation and responsible for the control on the territory of the country participating in the Programme.

CST2021 - a central ICT system, the development and operation of which is the responsibility of the Minister in charge of regional development. The system collects and stores data on implemented projects. It enables the Lead Partner and Project Partners to settle the implemented project.

CST2021 Beneficiary Manual - a manual for working with CST2021 system in which the implemented project is settled. The current CST2021 Beneficiary Manual is available on the Programme website.

De minimis aid - aid regulated by the de minimis Regulation.

De minimis Regulation - Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid (OJ EU L 352, 24.12.2013, p. 1, as amended).

Due Co-financing - a grant which the Managing Authority approves to the Lead Partner on the basis of eligible expenditure.

Durability - maintaining the investment for a period of five years from the day of the last payment to the Lead Partner by the Managing Authority. This rule applies to projects involving infrastructure and productive investments as laid down in Article 65 of the Regulation (EU) No 2021/1060. The following circumstances must not occur during the durability period:

- a) the cessation or relocation of production activities outside the NUTS 2 region in which the project has been supported,
- b) a change in the ownership of an item of infrastructure which gives an undue advantage to a company or a public body,

- c) a substantial change affecting the nature of the project, its objectives or the conditions for its implementation which would undermine the original objectives of the project.

Eligible expenditure – an expenditure or cost properly incurred by the Lead Partner or Project Partner in connection with the implementation of the project, i.e., in accordance with the Grant Contract, the provisions of the European Union and national law and the Programme Manual.

ERDF Regulation - Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund (OJ EU. L 231, 30.06.2021, p. 60, as amended).

Financial correction - the cancellation of all or part of the co-financing for a project or Programme as a result of irregularities or serious misconduct.

Financial Regulation - Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, () No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (OJ EU L 193, 30.07.2018, p.1).

Flat rate - form of simplified expenditure.

GBER - Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (OJ L 187, 26.06.2014, p. 1, as amended).

General Regulation - Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy (OJ EU L 231, 30.06.2021, p. 159, as amended).

Ineligible expenditure - any expenditure or cost that cannot be considered eligible expenditure.

Interreg Regulation - Regulation (EU) 2021/1059 of the European Parliament and of the Council of 24 June 2021 on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments (OJ EU L 231, 30.06.2021, p. 94).

Irregularity - any infringement of applicable law resulting from an act or omission by the Lead Partner or a Project Partner which has, or may have, a detrimental effect on the budget of the European Union by charging an unjustified item of expenditure to it.

Joint Secretariat - a body appointed by the Managing Authority in agreement with the countries participating in the Programme to assist the Managing Authority and the Monitoring Committee in performing their functions.

Lead Partner - an entity identified in the Application Form, which signs the Grant Contract and is responsible for the financial and substantial implementation of the project.

Lead Partner Bank Account - a bank account held by the Lead Partner in EUR, as indicated in the Financial Identification Form (Annex No. 4 to the Grant Contract), to which the co-financing is transferred.

Monitoring Committee - an independent body set up by the countries participating in the Programme in agreement with the Managing Authority to monitor the implementation of the Programme.

Partial progress report - an individual progress report that the Lead Partner and each Project Partner submit to the Controller according to the rules defined in the Programme Manual.

Partnership Agreement - an agreement that sets out the mutual rights and obligations of the Lead Partner and the Project Partners in the implementation of the project.

Payment claim for the project – a part of the progress report for the project that the Lead Partner submits to the Joint Secretariat (an exception is the first payment claim which appears as a stand-alone document), under the terms and conditions of the Programme Manual and the Contract.

Pre-financing payment – funds transferred by the Managing Authority to the Lead Partner's bank account for the purpose of implementation of the project.

Programme – The Interreg NEXT Poland – Ukraine 2021-2027 Programme approved by the European Commission decision No. C(2022) 8930 of 30th November 2022.

Programme bank account – a bank account held by the Managing Authority to which the European Commission transfers funds and on which all operations related to the Programme are carried out.

Programme documents - documents approved by the Managing Authority or the Monitoring Committee that are used during the Programme implementation.

Programme Manual (for Large Infrastructure Projects (LIPs) / regular projects / micro-projects) - a document approved by the Monitoring Committee of the Programme, which sets out the rules for the preparation, implementation, monitoring and settlement of the project (LIP / regular project / micro-project) as well as its durability. The current Programme Manual is available on the Programme website.

Programme website - www.pl-ua.eu.

Progress report for a project - a progress report that the Lead Partner submits to the Joint Secretariat under the terms and conditions stipulated in the Programme Manual and the Grant Contract.

Project – a series of activities implemented under the Grant Contract which aims to achieve the objectives set out in the Application Form for co-financing and the target values of the output and result indicators.

Project Partner - an entity indicated in the Application Form which participates in the project and is bound with the Lead Partner by a Partnership Agreement.

Reimbursement - payment of the co-financing due to the Lead Partner by the Managing Authority.

State aid - aid regulated by the GBER.

§ 2.

SUBJECT MATTER OF THE GRANT CONTRACT

1. The Grant Contract sets out the terms and conditions under which the Managing Authority shall pay the co-financing for the project and the Lead Partner shall implement it in accordance with the Application Form and the Monitoring Committee's decision.
2. The Grant Contract sets out the rights and obligations of the Parties with regard to the manner and conditions of implementation and monitoring of the project, including the application for co-financing and payment of co-financing, control and audit, information and publicity, and project management.
3. During project implementation and durability, the Lead Partner shall comply with:
 - 1) the binding provisions of the European Union and national law, in particular:
 - a) Interreg Regulation,
 - b) ERDF Regulation,
 - c) Financial Regulation,
 - d) General Regulation,
 - e) implementing regulations of the European Commission supplementing the General Regulation, the Interreg Regulation and the ERDF Regulation,
 - f) *De minimis* Regulation,²
 - g) GBER,
 - h) Regulation of the Minister of Development Funds and Regional Policy of 11 December 2022 on the granting of *de minimis* and state aid under the Interreg programmes for 2021-2027 (Journal of Laws of Republic of Poland pos. 2755, of 23.12.2022),
 - i) national and European Union *de minimis* and State aid regulations,
 - j) national and European Union personal data protection regulations,
 - k) national and European Union public procurement regulations,
 - l) national and European Union regulations governing the implementation of the principle of equal opportunities and non-discrimination, including accessibility for persons with disabilities and the principle of equality between women and men,
 - m) other, applicable national regulations (e.g., labour law, taxation, environmental protection, etc.),
 - 2) current Programme documents, in particular:
 - a) the [programme name] programme,
 - b) Programme Manual for LIPs / regular projects / micro-projects,
 - c) CST2021 Beneficiary Manual,

² The letters f-h are used in the case of projects in which the Lead Partner or the Project Partner awards State aid.

- 3) national and the European Union rules and guidelines, in particular:
 - a) Commission interpretative communication of 1 August 2006 on the Community law applicable to contract awards not or not fully subject to the provisions of the Public Procurement Directives (OJ EU C 179, 01.08.2006, p. 2),
 - b) Commission Decision C(2019)3452 final of 14 May 2019 laying down the guidelines for determining financial corrections to be made to expenditure financed by the Union for non-compliance with the applicable rules on public procurement.
4. The Lead Partner declares that they have familiarised themselves with the documents referred to in section 3 and acknowledges that the implementation of the project commenced prior to the conclusion of this Grant Contract shall be subject to verification referred to in § 9 and 10 of this Grant Contract.
5. The Lead Partner hereby confirms the accuracy of the data contained in the Grant Contract and in the Annexes which form an integral part thereof.
- 5a. The Lead Partner shall provide the Joint Secretariat with a completed Annex No. 4 – Financial Identification Form, by the time of the submission of the payment claim for a project at the latest.
6. The Lead Partner shall ensure that all the Project Partners are obliged to adhere to the binding provisions of the European Union and national law, current Programme documents and the national and European Union rules and guidelines as referred to in section 3.
7. The Grant Contract provides for the possibility of granting State aid in the project by the Lead Partner. The Lead Partner, in the Partnership Agreement, may formally transfer the powers and responsibilities relating to the provision of State aid to a Project Partner, who in turn may transfer them to another entity. However, it is the Lead Partner's responsibility to ensure provisions in the Partnership Agreement that guarantee the correctness of providing State aid³.
8. In the case of occurrence of State aid in the project, an obligation of transparency referred to in Article 9 of the GBER, it shall be implemented in Poland:
 - 1) in the case of aid awarded by the Lead Partner or Project Partner pursuant to Article 20a of the GBER,
 - 2) in the case of aid provided by the Managing Authority.
9. In the case of occurrence of *de minimis* or State aid, the Polish provisions shall apply to monitoring and information (including issuing certificates and reporting on granting the aid or informing on not granting the aid):
 - 1) in the case of aid provided by the Lead Partner or Project Partner pursuant to Article 20a of the GBER, Polish regulations,
 - 2) in the case of aid provided by the Managing Authority.

³ Only applicable to Polish partners.

10. To enable the implementation of rights and obligations that relate to the granting of State aid by Project Partners having registered office in Poland, the Managing Authority shall provide the Lead Partner with the reference number of the aid programme, i.e., SA.105830.

§ 3.

PARTNERSHIP AGREEMENT

1. The Lead Partner shall regulate in the Partnership Agreement the principles of cooperation with the Project Partners, in particular shall specify the tasks and obligations that arise from the implementation of the project.
2. An applicable template of the Partnership Agreement with the minimum scope of its provisions is annexed to the Programme Manual and available on the Programme website. The Partnership Agreement may contain additional provisions which the Lead Partner has agreed with the Project Partners in order to implement the project.
3. The Lead Partner shall submit to the Joint Secretariat a copy of the Partnership Agreement (certified as a true copy of the original) signed by the Parties not later than 60 days after conclusion of the Grant Contract.

§ 4.

PROJECT BUDGET

1. The Managing Authority awards a maximum co-financing of EUR (in words:) for the project implementation.
2. The co-financing rate for individual Project Partners amounts to:
 - 1) Lead Partner %;
 - 2) Project Partner No. 1 %;
 - 3) Project Partner No. 2 %;
3. Should aid be granted within the project, the following applies:
 - 1) State aid - its maximum amount is no more than: [EUR [amount of state aid] (in words: [amount of state aid in words] EUR). The amount of eligible expenditure and aid intensity for individual Project Partners is defined in the Annex No ,
 - 2) *de minimis* aid - its maximum amount for individual Project Partners who carry out tasks financed by the *de minimis aid* is specified in Annex No. ,
 - 3) for State and/or *de minimis* aid - reallocations of funds in the project budget must not affect the amount and use of the State and/or *de minimis* aid granted to individual Project Partners within the project.
4. The co-financing granted is intended to cover the eligible expenditure incurred in connection with the implementation of the project.
5. The Lead Partner, on behalf of itself and all Project Partners, undertakes to provide funding for the project in the amount of the difference between the total eligible expenditure of the project and the co-financing.

6. The project will pay real costs or flat rate in accordance with the Application Form and the Programme Manual.
7. Any ineligible or irregular expenditure shall be covered by the Lead Partner or Project Partners respectively and from their own resources.

§ 5.

PROJECT IMPLEMENTATION PERIOD

1. Date of the commencement of the technical and financial implementation of the project:
 - 1) [dd.mm.yyyy] [the day following the date of the last Party's signature],
 - 2) [dd.mm.yyyy]; [the first day of the month following the date on which the first pre-financing payment by the Managing Authority was made], not earlier than on [dd.mm.yyyy],
2. Date of completion of the technical and financial implementation of the project:
... [dd.mm.yyyy].

§ 6.

THE LEAD PARTNER'S LIABILITY

1. The Lead Partner shall be accountable to the Managing Authority for the correct and timely implementation of the entire project. It is also responsible for any action taken by the Project Partners or failure to take action by them which results in a breach of the obligations imposed by the Grant Contract and the Partnership Agreement.
2. The Lead Partner shall be solely responsible towards third parties for damages caused in connection with the implementation of the project. The Lead Partner shall waive all claims against the Managing Authority for damages caused by them or the Project Partners or any third party, in connection with the implementation of the project.
3. In the event that the Managing Authority, in accordance with the provisions of the agreement, requests the return of a part or the entire amount of the co-financing paid, the Lead Partner shall return the funds within the time limit and pursuant to the rules referred to in § 12. The Lead Partner shall be responsible for recovering the appropriate amount of co-financing from the relevant Project Partner.

§ 7.

OWNERSHIP

1. Ownership and other property rights that result from the project shall belong to the Lead Partner or Project Partners, respectively.
2. The Lead Partner undertakes to use the project products in a way which ensures that the project results will be widely disseminated and made available to the public, in accordance with the Application Form.

§ 8.

DETAILED OBLIGATIONS OF THE LEAD PARTNER

1. The Lead Partner shall ensure that there will be no double funding of eligible expenditure in the project as referred to in the Programme Manual.
2. The Lead Partner shall keep, under the conditions referred to in the Programme Manual, separate accounting records or shall use a separate accounting code for the implementation of the project which allows for the identification of each financial operation made under its part of the project. The above does not apply to costs settled as flat rate.
3. The Lead Partner shall present in their own partial progress report and in the progress report for a project only eligible expenditure and the expenditure which is in line with the Application Form current as of the date of incurring the expenditure.
4. The Lead Partner shall monitor the progress in achieving the target values of the output and result indicators, which are defined in the Application Form.
5. The Lead Partner shall regularly monitor the technical and financial implementation of the project and shall immediately inform the Joint Secretariat of any irregularities, circumstances delaying or preventing its full implementation as set out in the Application Form, or of any intention to discontinue the project.
6. The Lead Partner shall immediately inform the Joint Secretariat of circumstances that affect the reduction of the eligible expenditure of the project, in particular the potential possibility of VAT recovery⁴.
7. The Lead Partner shall inform the Joint Secretariat without delay of project savings, in particular those resulting from procurement procedures finalised by signing a contract with the contractor.
8. The Lead Partner shall prepare and carry out public procurement procedures and award the contract for the part of the project they are implementing, in accordance with the provisions of the European Union and national law and the Programme Manual rules, including the principle of competitiveness referred to in the Programme Manual, provided that the contract is awarded to the bidder who has submitted the most economically advantageous tender, while avoiding any conflict of interest.
9. The Lead Partner shall immediately inform the relevant controller of the conclusion of a procurement contract with a contractor, within the framework of the project implementation, and of any amendment to this contract.
10. The Lead Partner shall submit to the relevant controller the documents concerning the public procurement implemented under their part of the project immediately after the award of the public procurement contract.
11. The Lead Partner shall prepare and submit for verification by the relevant controller partial progress report and to the Joint Secretariat progress report for a project within the deadlines indicated in the Programme Manual.
12. The Lead Partner shall make documents available, correct errors in progress report for the project and provide necessary clarifications to the relevant controller or the Joint Secretariat within the time limits indicated by these institutions.

⁴ Applies to projects over EUR 5,000,000.

13. The Lead Partner shall cooperate with external controllers, auditors, evaluators and submits to checks or audits carried out by authorised national and European Union services as well as monitors the implementation of the recommendations of these audits or checks by the Project Partners.
14. The Lead Partner, having received co-financing from the Managing Authority, shall transfer an appropriate part of it to the other project partners in the amount resulting from the partial progress report, in accordance with the provisions of the Partnership Agreement, without undue delay and without deductions, subject to § 12(4).
15. The Lead Partner shall immediately inform the Joint Secretariat of any change in their legal status of or that of any of the Project Partners resulting in a failure to comply with the requirements set out in the programme.
16. The Lead Partner shall immediately inform the Joint Secretariat of the bankruptcy, liquidation or insolvency of any of the Project Partners, as well as of the discontinuation of the project by any of the Partners.
17. The Lead Partner shall keep the documents which relate to the implementation of the project in a manner that ensures their confidentiality and security. All documents shall be made available for five years from 31 December of the year in which the Managing Authority made the final balance payment to the Lead Partner. In the case of projects in which the Lead Partner or the Project Partner provides State aid, the provisions of section 21(1) shall also apply.
18. The Lead Partner shall, under pain of sanctions as indicated in § 17, be responsible for maintaining the durability of the project for five years from the date of the final balance payment to the Lead Partner by the Managing Authority and under terms and conditions which are specified in the provisions of the European Union legislation and the Programme Manual.
19. Should any of the Project Partners withdraw from the project, the Lead Partner shall ensure, for the part for which this partner was responsible, the contractual use of the project outputs and the durability of the project.
20. Should the Lead Partner fail to comply with their obligations to progress report, or to submit to inspection or to undergo an audit, the Managing Authority may, notwithstanding their right to terminate the Grant Contract in accordance with § 19, withhold payments to the project until the Lead Partner has complied with their obligations.
21. Should State and/or *de minimis* aid be granted within the project:
 - 1) the Lead Partner shall keep the documentation relating to the aid granted for the period of 10 years, counting from the date of granting thereof, in a manner ensuring confidentiality and security,
 - 2) it shall be the responsibility of the body which, in accordance with § 2(7), has the authority to grant the aid to verify the conditions of admissibility of the aid granted,
 - 3) the entity registered in Poland that applies for *de minimis* aid from the Managing Authority, shall attach the following documents to the application for aid:
 - a) copies of *de minimis* aid certificates issued by the entity granting the aid which has its registered office in Poland, or *de minimis* aid certificates in agriculture or

- fisheries, which it received in the year in which it applied for aid as well as within 2 preceding years, or statements of the amount of such aid received during that period, or statements of not receiving such aid during that period,
- b) a form which contains information necessary for granting *de minimis* aid.
- 4) the entity that applies for State aid shall attach to the application for aid a form that contains information on its economic activity and information on the State aid received.
- 5) the entity registered in Poland, which grants State aid, shall be obliged to:
- a) inform the beneficiary of the State aid in writing about the absence of the obligation to notify the European Commission and about the reference number assigned by the Commission,
- b) prepare and submit a report on State aid granted or information on not granting such aid,
- 6) the entity authorised to grant the aid and has its registered office in Poland:
- a) shall prepare and submit to the President of the Office of Competition and Consumer Protection a report on the aid granted or information on non-award of such aid in accordance with Article 32(1) of the Act of 30 April 2004 on the procedural issues concerning State aid (Journal of Laws of 2021, item 743, as amended),
- b) shall prepare and submit an updated report if the value of the granted aid shown in the report referred to in letter a) has changed.
- 7) the entity granting the aid shall prepare and submit an updated report if the value of the State aid granted has changed.
- 8) the provisions of points 5 to 7 shall apply accordingly to the preparation and submission of an updated report on the aid granted,
- 9) detailed information and the template documents on *de minimis* and State aid are available on the programme website.

§ 9.

VERIFICATION OF EXPENDITURE

1. The Lead Partner shall submit to the relevant controller partial progress report for the implementation of its own part of the project with attachments within the time limits and in accordance with the rules referred to in § 22 and the Programme Manual.
2. The Controller shall verify the partial progress report and the eligibility of the expenditure declared therein. This verification shall be carried out in accordance with the rules, guidelines or procedures established in the Member State concerned, taking into account the Programme rules.
3. The verification of the Lead Partner's expenditure shall be carried out on the basis of the data contained in the partial progress report and the documents provided by the Lead Partner.

4. If, during the verification of the partial progress report, the Controller finds that the national or European Union rules or project implementation rules referred to in the Programme Manual have been breached, they may consider the relevant expenditure in whole or in part as irregularly incurred and reduce the partial progress report accordingly. This shall also apply to expenditure incurred prior to signing the Grant Contract. In the case of expenditure incurred in breach of public procurement rules or without respecting the principle of competition, it shall be determined in accordance with the national rules or principles. If in a given Member State there are no rules or principles which determine the amount of expenditure incurred in violation of public procurement or principle of competition rules, the Controller shall apply the rates of financial correction specified in the Commission's decision referred to in § 2(3)(b).
5. The rules of procedure in the case of finding irregular expenditure are regulated by the Programme Manual or by national guidelines on the correction of expenditure and the imposition of financial corrections, if such guidelines exist in the Member State.
6. The Controller shall communicate to the Lead Partner the result of the verification of the partial progress report in accordance with the rules that are set out in the Programme Manual.

§ 10.

TRANSFER OF THE CO-FINANCING TO THE PROJECT

1. Co-financing for a project shall be paid in the form of a pre-financing payment or reimbursement on the basis of the payment claim for a project.
2. In the case of projects with pre-financing payment of co-financing, the payment claim for the project submitted in accordance with § 9 (1) shall include eligible expenditures which settle the pre-financing payments in accordance with section 4.
3. In the case of projects with pre-financing payment of co-financing, the first payment claim for a project shall be prepared by the Lead Partner on behalf of themselves and the Project Partners. It shall be submitted to the Joint Secretariat within the deadlines and in accordance with the rules referred to in § 22 and the Programme Manual.
4. The following form of co-financing payment shall apply to the project:

- 1) **Pre-financing payment** [to be chosen by the project]:

- a) **initial pre-financing payment** of up to EUR (in wordsEUR) from EU funds,

The Managing Authority shall make the payment after the submission of the correct documents, i.e.:

- i. the Partnership Agreement signed by all the Project Partners in accordance with § 3,
- ii. the current construction permit or its equivalent, if applicable,
- iii. the financial guarantee referred to in section 4, if applicable,

[for regular projects]

b) **first pre-financing interim payment** of up to EUR (in words..... EUR) from EU funds,

c) **second pre-financing interim payment** of up to EUR (in words: EUR) from EU funds,

d) **final balance payment** calculated as the difference between the initial and interim payments and the co-financing due.

[for LIPs]

b) **first pre-financing interim payment** of up to EUR (in words..... EUR) from EU funds,

c) **second pre-financing interim payment** of up to EUR (in words: EUR) from EU funds,

d) **third pre-financing interim payment** of up to EUR (in words: EUR) from EU funds,

e) **fourth pre-financing interim payment** of up to EUR (in words: EUR) from EU funds:

i. pre-financing payment in the amount of EUR (in words:) from EU funds.

f) **final balance payment** calculated as the difference between the initial and interim payments and the due co-financing.

2) **Reimbursement** [to be chosen by the project]:

A reimbursement of up to: EUR (in words EUR), in accordance with § 4(1), on the basis of the progress report for a project drawn up and submitted in accordance with the Programme Manual.

5. Any pre-financing payment to the Lead Partner, which is a non-governmental organisation and which, under the terms of the Grant Contract, amounts to more than EUR 1,000,000 shall be fully covered by a financial guarantee (bank guarantee or bill of exchange with an appropriate financial guarantee statement). The Lead Partner shall draw up the financial guarantee in accordance with the following provisions:

- 1) The Lead Partner shall submit a financial guarantee to the Managing Authority before submitting the payment claim.
- 2) The financial guarantee must be denominated in EUR in accordance with the template presented in the Programme Manual and, except when otherwise agreed by the Managing Authority, must be guaranteed by an approved bank or financial institution established in one of the European Union Member States.
- 3) The Lead Partner shall submit to the Managing Authority a financial guarantee for the progress report or the first payment claim for a project.
- 4) The pre-financing payment may be made upon receipt of a financial guarantee by the Managing Authority.

- 5) The guarantee shall remain in force until it is released by the Managing Authority after the total pre-financing payment provided for in the Grant Contract has been cleared or the final balance payment has been made in the project.
6. The Lead Partner shall draw up a progress report for a project on the basis of partial progress report . The progress report shall be prepared and submitted to the Joint Secretariat within the deadlines and in accordance with the rules referred to in § 22 and the Programme Manual.
7. The Joint Secretariat shall verify the progress report for a project on the basis of the data contained therein and the documents provided by the Lead Partner.
8. The Managing Authority shall pay the co-financing for the project, based on the approved payment claim for the project, from the Programme's bank account to the Lead Partner's bank account, subject to the availability of funds in the Programme account.
9. Payment for the project shall be made on the condition that a completed Annex 4 - the Lead Partner's bank account, as referred to in § 2(5), (5a) and § 16(2)(3), and the Partnership Agreement, as referred to in § 3(3), is provided.
10. In the case of projects with pre-financing payment of co-financing, the payment of co-financing to the project may be reduced by the amounts to be reimbursed in accordance with the rules set out in § 12.
11. The Lead Partner may additionally request in the Progress report for a project a reimbursement of expenditures included in the Progress report for a project and incurred from their own resources or those of their partners. The Lead Partner shall indicate the value of expenditures incurred from own resources. The total amount of payments cannot exceed the co-financing specified in § 4 item 1. The amounts of reimbursements paid during the implementation of the project reduce by the final balance payment for the project.
12. In the case of projects with a pre-financing form payment of co-financing, the Managing Authority shall pay the funds of the subsequent interim payments referred to in section 4(1) in full, if the cumulative co-financing due in the progress report for a project amounts to at least 70% of the cumulative pre-financing payments.
13. If the cumulative due co-financing in the progress report for a project is less than 70% of the cumulative pre-financing payments, the Managing Authority shall reduce the next pre-financing payment by the amount corresponding to the difference between the 70% threshold and the amount of cumulative due co-financing from the progress report for a project.
14. In the situation referred to in section 13, the Lead Partner may submit an additional progress report for a project in order to receive a reduced part of the interim payment.
15. Cumulative payments to the project cannot exceed the co-financing specified in § 4(1).
16. The Managing Authority shall pay the funds in EUR. The Lead Partner shall bear the exchange rate risk.

17. The Managing Authority shall pay the funds within 80 calendar days from the date of submission of the progress report for a project to the Joint Secretariat, subject to section 8. The Managing Authority may interrupt the above-mentioned deadline, of which the Lead Partner shall be informed with the reasons, if the information presented by the Lead Partner does not allow the Managing Authority to determine whether the amount is due, including:

- 1) relevant supporting documents have not been submitted,
or
- 2) clarifications, amendments or additional information to the progress report for a project are required,
or
- 3) there is a suspicion of irregularity, fraud, or corruption,
or
- 4) it has become necessary to verify whether the Lead Partner has breached any material obligations provided for in the Grant Contract,
or
- 5) an investigation has been launched because of possible irregularities affecting the expenditure concerned.

18. The suspension of the payment deadlines shall start as from the date of dispatch of the information to the Lead Partner referred to in section 17. The new deadlines shall begin as from the date of receipt of a correct progress report or a payment claim for a project. If, notwithstanding the information, clarifications or documents provided by the Lead Partner, the progress report or a payment claim for a project remains unacceptable or the use of the co-financing is affected by material errors, irregularities, fraud, corruption or breach of obligations, the Managing Authority may refuse to proceed with the payment of the co-financing and may terminate the Grant Contract in the cases provided for in §19.

19. Any interest on payments made by the Managing Authority to the Lead Partner shall not be due to the Managing Authority and may be used by the Lead Partner or by Project Partners. It is recommended to have an interest-free bank account.

20. In duly justified cases, in particular when liquidity in the Programme bank account is at risk, the Joint Secretariat may request the Lead Partner to submit an additional progress report for a project that covers a reporting period other than the standard one. In such a case, the Lead Partner shall submit a progress report for a project under the terms and conditions set out by the Joint Secretariat.

§ 11.

REDUCTION

1. If, prior to the approval of the progress report for a project, the Managing Authority finds that there is non-eligible expenditure, expenditure incurred incorrectly, or that the contractual provisions have been breached, it may reduce the amount of eligible

expenditure. In such a case the Joint Secretariat or the Managing Authority shall inform the Lead Partner about the arrangements that have been made.

2. If the Lead Partner does not agree with the findings of the Managing Authority referred to in section 1, they may raise objections in accordance with the procedure set out in § 20 sections 2-8.
3. Once the actions referred to in section 2 have been completed and the Managing Authority has confirmed the arrangements referred to in section 1, the Joint Secretariat shall reduce in the progress report for a project the value of eligible expenditure and the amount of due co-financing.

§ 12.

RECOVERY OF FUNDS

1. The Managing Authority shall recover funds which previously approved if it will identify the ineligible expenditure, expenditure incurred incorrectly, breach of Grant Contract provisions, or if co-financing has been paid unduly or in an excessive amount.
2. The recovery order referred to in section 1 shall be issued after the provisions set out in § 20 have been used up.
3. The Managing Authority may not recover an amount unduly paid that does not exceed EUR 250, in accordance with the rules laid down by the Managing Authority.
4. Where possible, the Joint Secretariat shall deduct the amount to be recovered from the next pre-financing payment or final balance payment.
5. The Joint Secretariat shall inform the Lead Partner about the reduction of the payment.
6. After reimbursement or in cases when offsetting of an amount unduly paid from the next payment is not possible, the Managing Authority shall issue a recovery order to the Lead Partner.
7. The Lead Partner shall return to the Managing Authority all amounts unduly paid exceeded the due co-financing for the project under terms and conditions indicated in the recovery order issued by the Managing Authority. Recovery order shall specify the amount to be return together with justification and indication the Project Partner to whom the return concerns, the deadline for the return and the bank account number the return should be made. In justified cases the Managing Authority may postpone the repayment deadline.
8. If there are any indications to recover the VAT eligible in the project, the part of the co-financing corresponding to all or part of the VAT declared in accordance with sections 1-6 shall be recovered.
9. Bank charges incurred by the repayment of amounts due to the Managing Authority shall be borne entirely by the Lead Partner.
10. If the Grant Contract is terminated for any reason, the guarantee securing the pre-financing payment referred to in § 10(5) may be used for payment by the Lead Partner the balance of the pre-financing payment or interim payment. The Guarantor shall not delay payment or make any objections for any reason whatever.

11. The Lead Partner shall set up in the Partnership Agreement a procedure of recovering the amounts unduly paid from the Project Partners. If the Lead Partner does not succeed in securing repayment from the Project Partners concerned, the Lead Partner shall inform the Managing Authority about this matter.

§ 13.

IMPOSING FINANCIAL CORRECTIONS

1. If, after the expenditure has been included in the progress report to the European Commission, the Managing Authority finds an irregularity, it may impose a financial correction. In such a case the Joint Secretariat or the Managing Authority shall inform the Lead Partner of the arrangements made. The Lead Partner shall not have the possibility to object to this decision according to the procedure defined in § 20 sections 2-8.
2. The value of the financial correction shall be equal to the amount of expenditure incurred incorrectly in the proportion corresponding to the amount of the co-financing.

§ 14.

INSPECTIONS, CONTROLS AND AUDITS

1. The Lead Partner shall be subject to inspections, controls and audits with regard to the correct implementation of the project as well as its durability. Controls, inspections and audits shall be carried out by entities authorised to carry out, in accordance with applicable national and the European Union rules and the current Programme documents, such controls, inspections and audits.
2. The Lead Partner shall make available all the documents related to the project implementation to the entities referred to in section 1 for the entire duration of their storing referred to in § 8(17) and (21)(1), and, if it is necessary in order to determine the eligibility of expenditures incurred under the project implementation, is also obliged to make available to the controlling institution the documents not directly related to the project implementation.
3. The Lead Partner shall take corrective action within the timeframes set out in the post-control recommendations that are issued during controls, inspections and audits.
4. The Lead Partner shall provide the entities that carry out the controls with information on the results of the previous controls, inspections and audits carried out, within the framework of the implemented project, by other authorised entities.

§ 15.

INFORMATION AND PROMOTION

1. The basis for the visibility, transparency and communication of the project is the project communication plan attached to the Application Form.
2. The Lead Partner shall implement at least the following actions from the project communication plan:

- 1) post a short description of the project, information about its objectives and results and about the financial support from the Programme on their official website or social media sites, if such sites exist,
 - 2) post information in a visible way about the support from the Programme in project documents and information materials for the general public or participants,
 - 3) place in public places:
 - a) permanent information boards or commemorative plaques which include the Programme logo. It shall do so immediately after the start of the technical and financial implementation of the project, which includes in-kind investments or purchase of equipment, or after the installation of the purchased equipment. This obligation applies to projects with a value over EUR 100,000,
 - or
 - b) at least one poster of minimum A3 size or a similar size electronic display with information about the project and support from the Programme - in other projects,
 - 4) organise an information event involving the Managing Authority and the European Commission, in the case of projects of strategic importance and projects whose total value exceeds EUR 5,000,000,
 - 5) use the Programme logo, which includes the symbol of the European Union, when carrying out activities with regard to visibility, transparency and communication,
 - 6) document the communication activities carried out under the project,
 - 7) provide the Joint Secretariat with information on planned and on-going activities with regard to visibility, transparency and communication of the project and completed milestones, including outputs and results.
3. The Lead Partner shall ensure that each Project Partner implements the activities described in section 2 as well as all other activities of the project communication plan as recommended in the Programme Manual.
 4. The Lead Partner shall ensure that all Project Partners undertake to make available to the Joint Secretariat, free of charge, existing photographic and audio-visual documentation of the project implementation as well as agree to use this documentation by the Managing Authority or the Joint Secretariat in their information and promotion activities. The transfer of such documentation shall take place under separate, royalty-free licence agreements.
 5. The obligation to make the documentation referred to in section 4 available free of charge shall also apply where such material is requested by the Union institutions, bodies of the European Union or its organisational units.
 6. If the Lead Partner or the Project Partners do not fulfil their obligations referred to in section 2 points 1-5, the Managing Authority shall reduce the co-financing for the partner concerned according to the rules laid down in the Programme Manual.

§ 16.

AMENDMENTS TO THE GRANT CONTRACT

1. Amendments to the Contract and its Annexes, which are an integral part thereof, may only be made, under pain of nullity, during the technical and financial implementation of the project as referred to in § 5 and in accordance with the rules referred to in the Programme Manual.
2. Amendments to the Grant Contract shall be subject to the following rules:
 - 1) all changes to the Grant Contract require concluding and signing an addendum to the Grant Contract under pain of nullity, subject to points 2) and 3),
 - 2) changes to the Annexes to the Grant Contract do not require concluding and signing an addendum to the Grant Contract, as long as they do not directly affect the content of the Grant Contract's provisions;
 - 3) changes to the Lead Partner's registered office address, changes to the Lead Partner's bank account and SWIFT or IBAN code, and changes to the name and address of the bank where the account is established do not require concluding and signing an addendum to the Grant Contract. They shall be notified by the Lead Partner to the Joint Secretariat. If the Lead Partner does not notify the Joint Secretariat about the change of their account, the Lead Partner shall be liable for all costs incurred as a consequence of the lack of such notification,
 - 4) The Lead Partner shall submit amendment requests to the Joint Secretariat within the deadlines set out in the Programme Manual. Failure to meet these deadlines may result in the amendment request being left unprocessed.

§ 17.

INADEQUATE PROJECT IMPLEMENTATION

1. If the target values of the product indicators specified in the Application Form have not been reached, the Managing Authority may:
 - 1) adequately reduce the value of the granted co-financing,
 - 2) demand the return of a part or the whole amount of the co-financing paid to the Lead Partner.
2. The Managing Authority may waive the sanctions referred to in section 1 if the Lead Partner:
 - 1) duly documents the reasons which were beyond their control and due to which they did not achieve the target values of the indicators declared in the Application Form, and
 - 2) demonstrates that it or the Project Partner(s) has/have made all efforts to achieve the target values of the indicators declared in the Application Form.
3. If the project's objective has been achieved but the Lead Partner or the Project Partner has not exercised due diligence during its implementation, the Managing Authority may claim reimbursement of part of the co-financing amount paid to the Lead Partner. The Managing Authority may then appropriately reduce the amounts in all budget categories of the project, which are related to activities carried out not in accordance with the co-financing application.

§ 18.

FAILURE TO MAINTAIN PROJECT DURABILITY

If the durability of the project is not maintained, the Lead Partner shall reimburse the co-financing received in accordance with § 12.

§ 19.

TERMINATION OF THE GRANT CONTRACT

1. The Managing Authority shall have the right to terminate the Grant Contract with one month's notice if the Lead Partner:
 - 1) received co-financing based on:
 - a) false or incomplete declarations or documents,
 - b) non-disclosure of information, despite the obligation to disclose it, with the aim of misappropriating or unlawfully retaining the grant received,
 - 2) while executing the Grant Contract, has not complied with the national or European Union regulations or the provisions of the documents referred to in § 2 section 3 points 2 - 3;
 - 3) has used all or part of the allocated co-financing for an improper purpose, or in breach of the European Union and national law, current programme documents and the national and the European Union rules and guidelines, or in breach of the contractual provisions, or has taken all or part of the allocated co-financing unduly or in excess,
 - 4) for reasons for which it is responsible:
 - a) has not commenced the technical and financial implementation of the project within months from the date referred to in § 5(1);
 - b) has not achieved the intended project objectives,
 - c) has not achieved the intended project outputs,
 - 5) is not able to complete the technical and financial implementation of the project within the time limit referred to in § 5(2), and if the delay exceeds months in relation to the activities planned in the Application Form,
 - 6) has ceased to implement the project or is executing the project in a manner inconsistent with the Grant Contract,
 - 7) has not submitted all the required progress reports for a project,
 - 8) refuses to submit to a control or audit by authorised institutions,
 - 9) has not remedied the irregularities identified within the specified period,
 - 10) has failed to submit the required information or documents despite a written request from the Managing Authority or other bodies entitled to carry out inspections, which specified the deadline and the legal consequences of failing to comply with the request of the Managing Authority or other bodies entitled to carry out checks,
 - 11) is not able to prove that the progress report for a project contain complete and true data and that the reported expenditure is eligible,

- 12) is in liquidation or subject to receivership or has suspended its business activities or is the subject to similar proceedings,
 - 13) has not informed the Managing Authority of such a change in its legal status or of any of the Project Partners, which results in their failure to comply with the requirements set out in the Programme,
 - 14) the Lead Partner or the Project Partner is subject to criminal proceedings for fraud of a corrupt nature to the detriment of the European Union's financial interests.
2. In the event of the Grant Contract termination for the reasons referred to in section 1, the Lead Partner shall return the co-financing paid in accordance with § 12.
 3. In the event when the European Commission does not provide the European Union funds for the Programme for reasons beyond the control of the Managing Authority, the Managing Authority reserves the right to terminate the Grant Contract. In this case, the Lead Partner is not entitled to any claim against the Managing Authority, for any reason whatsoever.
 4. In case of circumstances preventing the further performance of the obligations under the Grant Contract, it may be terminated by mutual consent of the Parties. The Lead Partner shall then be entitled to retain the co-financing received only for that part of the expenditure which corresponds to the properly executed part of the project. The Grant Contract may be terminated at a written request of the Lead Partner if the Lead Partner returns the co-financing granted in accordance with § 12, subject to § 17.
 5. Regardless of the reasons for termination of the Grant Contract, the Lead Partner shall submit the final progress report for a project by the date specified by the Managing Authority and shall be obliged to archive documents relating to its implementation within the period referred to in § 8(17).

§ 20.

RESERVATIONS/OBJECTIONS

1. The detailed rules which relate to reservations concerning the results of the controls referred to in Article 46 of the Interreg Regulation, if any, shall be governed by the national provisions indicated in the Programme Manual.
2. The Lead Partner shall have the right to object to the findings of the Managing Authority, other than those indicated in section 1, which result in termination, reduction of the co-financing rate or the need to recover funds paid by the Managing Authority under the Grant Contract.
3. The Lead Partner shall submit the reservations referred to in section 2 to the Managing Authority within 14 calendar days. The deadline runs from the day following the day of receiving the information from the Managing Authority by the Lead Partner.
4. Reservations which are submitted by the Lead Partner after the deadline indicated in section 3 or which do not meet the requirements referred to in section 2 will be left without examination. The Managing Authority shall inform the Lead Partner about leaving the reservations unprocessed within 7 calendar days. The deadline runs from the day following the day of receipt of the objections by the Managing Authority.

5. The Lead Partner may withdraw its objections at any time. Reservations that have been withdrawn shall be left unprocessed.
6. The Managing Authority shall consider the reservations referred to in section 2 within a time limit not exceeding 14 calendar days. This time limit runs from the day following the day on which the reservations have been received by the Managing Authority, subject to section 7.
7. The Managing Authority, in the course of examining the reservations, has the right to carry out additional activities or to require the submission of documents or additional explanations. In any such case, the time limit referred to in section 6 shall be interrupted and the Managing Authority shall immediately inform the Lead Partner thereof. Completion of the additional activities or actions shall resume the running of the deadline.
8. The Managing Authority shall inform the Lead Partner on the outcome of the examination of the reservations together with the reasons for its position. The Managing Authority's position is final.

§ 21.

PRINCIPLES FOR SHARING PERSONAL DATA

1. In connection with the implementation of the Project, for the purposes and under the conditions set out in Article 4 of the General Regulation, the Parties, the Joint Secretariat and the Controllers process personal data collected directly from data subjects and from ICT systems, including CST2021.
2. The Lead Partner is aware that it is the Controller, within the meaning of Article 4(7) of the GDPR⁵, in relation to personal data collected in connection with the implementation of the project, including, in particular, personal data provided to it by the Partners participating in the project.
3. The Lead Partner is responsible for the processing of personal data and its protection in accordance with personal data and privacy legislation, including in particular the GDPR⁶ and the regulations of the country of its registered office.
4. In connection with the project, the Lead Partner shall make the personal data collected available to the Managing Authority, the Joint Secretariat and the relevant Controller.
5. Sharing of personal data shall take place in writing on paper or electronically, using the method of communication agreed by the Parties as set out in § 24 of the Grant Contract, including the use of CST2021.
6. The scope of categories of personal data provided - as indicated in Attachment No. 5 to the Grant Contract - has been established taking into account the data minimisation principle referred to in Article 5(1)(c) of the GDPR. Changes to Attachment No. 5 do not require an addendum to the Grant Contract, but only the notification of their introduction together with the reasons for such changes.

⁵ 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, GDPR) (OJ EU L 119, 04.05.2016, p. 1, as amended).

⁶ Does not apply to non-EEA beneficiaries.

7. As a result of the Lead Partner's sharing of personal data, the institutions referred to in section 4 receiving these data shall become independent controllers of the shared data, separate from the Lead Partner.
8. The institutions referred to in section 4 may share data with other entities and bodies of the European Union to the extent necessary for the performance of tasks connected with the implementation of the Programme as provided for by law or by the Grant Contract.
9. The institutions referred to in section 4 shall not transfer the personal data provided to a third country and international organisation other than the European Union, subject to section 21.
10. The Lead Partner shall fulfil the information obligation referred to in Articles 13 and 14 of the GDPR towards the persons whose data it collects, including the partners involved in the Project. The Lead Partner shall fulfil the information obligation both on their own behalf and on behalf of the institutions referred to in section 4 to which they make the data available. The information obligation may be performed based on the form of information section constituting Annex No. 6 to the Grant Contract or any other form of information clause used by the Lead Partner, provided that it contains all the elements and information included in Annex No. 6. Changes to Annex No. 6 do not require an addendum to the Grant Contract, but only notification of their introduction with reasons for their introduction.
11. In the event of an incident suggesting the probability of a personal data breach as referred to in Article 33 of the GDPR with respect to personal data shared in connection with the Project and which affects the data flow in the CST2021 ICT system, or the occurrence of which at one Party will adversely affect the processing of data at the other Party, the Parties undertake to inform each other of such probable breach in order to clarify it and take remedial measures.
12. In the event of a personal data protection breach and information security events and incidents, each Party shall handle them in accordance with the applicable internal regulations. To communicate information related to events and incidents and breaches in the area of personal data protection in an efficient and timely manner, the Parties hereby establishing the following contact points:
 - 1) on the part of the Managing Authority: iod@mfiipr.gov.pl and sekretariatdwt@mfiipr.gov.pl,
 - 2) on the part of the Lead Partner:
13. The mutual information referred to in section 11 should concern at least the extent of the information referred to in Article 33(3) of the GDPR.
14. Each controller shall handle and report personal data protection breaches and notify affected persons/entities.
15. The Parties shall inform each other immediately, to the email addresses indicated in section 12, of the following situations arising in relation to the personal data provided, which may adversely affect their processing in connection with the implementation of the project:

- 1) any failure to comply with the controller's obligations, any breach of personal data confidentiality or misuse thereof,
 - 2) any actions or proceedings conducted, in particular by a supervisory authority, state offices, the police or a court.
16. The Parties undertake to inform each other of requests for the exercise of data subjects' rights under Articles 15-22 of the GDPR, in particular in relation to personal data uploaded to the CST2021, affecting the processing of the data made available by the other Parties under the Grant Contract, and, if necessary, to exchange information on the handling of requests related to Articles 15-22 of the GDPR. This obligation applies to requests that affect the limitation or impossibility of processing the data shared by the Grant Contract.
17. The Parties hereby declare that they have implemented appropriate technical and organisational measures to ensure an adequate level of security appropriate to the risks involved with the processing of personal data, as referred to in Article 32 of the GDPR.
18. Each Party shall be fully responsible for its data processing operations and for the proper implementation of the Grant Contract in accordance with its terms and conditions. Nevertheless, the Parties undertake to assist each other, as far as necessary, in the performance of their obligations under the Law and the Grant Contract, in particular those indicated in Articles 35 and 36 of the GDPR.
19. All data and information provided to the Party in connection with the performance of the Grant Contract, both during and after the termination of it, shall be treated as confidential and may only be used by the Party to perform its obligations under the Grant Contract.
20. In particular, all information relating to the infrastructure (including, *inter alia*, ICT) and the technical, technological, legal and organisational solutions of the devices, systems and ICT networks of the Managing Authority, obtained in connection with the conclusion and implementation of the Grant Contract, regardless of the form of recording, the method of transmission or obtaining and their source, shall be protected.
21. The Managing Authority or the Joint Secretariat may transfer data to the competent authority on the territory of Ukraine. Such transfer shall be made by means of a separate agreement, in accordance with the Commission Implementing Decision (EU) 2021/914 of 4 June 2021 on standard contractual clauses for the transfer of personal data to third countries pursuant to Regulation (EU) 2016/679 of the European Parliament and of the Council (OJ EU L 199, 07.06.2021, p. 31).

§ 22.

CENTRAL ICT SYSTEM (CST2021)

1. The Lead Partner shall settle the ongoing project in CST2021 and follow the current CST2021 Beneficiary Manual provided by the Managing Authority.
2. In CST2021, the Lead Partner shall:
 - 1) prepare and send to the relevant Controller partial payment requests from the implementation of their own part of the project,

- 2) record information about the payment schedule of the project,
 - 3) record information on planned and conducted procurement procedures, planned and awarded contracts, information on concluded contracts and selected contractors, and about the employees engaged in their own part of the project,
 - 4) correspond with the relevant Controller for their own part of the implemented project and provide the necessary information and documents upon request of the Controller.
3. In addition, the Lead Partner shall:
- 1) prepare and send a progress report for a project to the Joint Secretariat,
 - 2) maintain all correspondence with the Joint Secretariat and, where appropriate, with the Managing Authority in relation to the implemented project and provide upon request the Joint Secretariat and, where appropriate, the Managing Authority with the necessary information and documents,
 - 3) manage changes to the ongoing project.
4. The Lead Partner shall appoint persons authorised to act on their behalf in connection with the implementation of the project, hereinafter referred to as the 'authorised persons', including, the person(s) authorised to manage user rights on the Lead Partner's side, for the project in question. All actions in CST2021 by the authorised persons shall be treated in a legal sense as an action of the Lead Partner.
5. Persons authorised by the Lead Partner with a registered office on the territory of the Republic of Poland shall use a trusted profile or a qualified electronic signature verified by a valid qualified certificate to authenticate activities performed in CST2021. When, for technical reasons, the use of a trusted profile is not possible, authentication is performed using a non-qualified CST2021 certificate (authorisation code is sent to the e-mail address of a given authorised person).
6. Persons authorised by the Lead Partner not having a registered office on the territory of the Republic of Poland shall use a secure electronic signature verified by a valid CST2021 qualified certificate or a non-qualified CST2021 certificate (authorisation code is sent to the e-mail address of a given authorised person) to authenticate actions performed under CST2021.
7. Submission of documents in electronic form in CST2021 does not relieve the Lead Partner from the obligation to store them. The Lead Partner shall also keep the originals of documents from which electronic copies (e.g., scans, photos) have been created. The Lead Partner shall make available during on-the-spot checks carried out by authorised institutions both the original documents and their electronic versions.
8. All correspondence between the Lead Partner and the relevant Controller, the Joint Secretariat and the Managing Authority shall be carried out exclusively in CST2021, subject to section 9.
9. The following categories of matters cannot be the subject of communication exclusively in CST2021:

- 1) Grant Contract amendments requiring the conclusion of an addendum to the Grant Contract,
 - 2) on-site inspections of the project,
 - 3) recovery of funds from the Lead Partner,
 - 4) reservations and objections to the findings of the Managing Authority,
 - 5) termination or withdrawal from the Grant Contract.
10. The Lead Partner and the Managing Authority recognise the legal effectiveness of the communication and data exchange carried out via CST2021 without the possibility of questioning its effect.
 11. In justified situations, e.g., in case of failure of the CST2021, when the time of restoring the proper functioning of the system will not allow to submit a partial payment request or a progress report for a project on time, the Lead Partner shall submit the applications in paper version according to the template available on the Programme website. The Lead Partner undertakes to complete the data in CST2021 for the documents submitted in writing within 5 working days of receiving information about the failure recovery.
 12. Persons authorised by the Lead Partner shall comply with the Security Rules for information processed in CST2021.
 13. The Lead Partner shall immediately report to the Joint Secretariat any CST2021 failures that prevent or hinder work in the system, resulting in particular in the inability to send via CST2021 a partial payment request to the Controller or a progress report for a project to the Joint Secretariat.
 14. The Lead Partner is obliged to inform the Managing Authority of any unauthorised access to the Lead Partner's data in CST2021 system.
 15. A detailed description of the Lead Partner's responsibilities when using CST2021 system and the deadlines for tasks are set out in the current Programme Manual or CST2021 Beneficiary Manual available on the Programme website.

§ 23.

FINAL PROVISIONS

1. If any provision of the Grant Contract proves to be invalid, unenforceable or illegal, the Grant Contract shall be amended to replace or remove such invalid, unenforceable or illegal provision. The remaining provisions of the Grant Contract shall remain in force.
2. In matters not covered by the Grant Contract, the provisions set out in § 2(3) and not conflicting with them, as well as the relevant national legislation of the Managing Authority shall apply.
3. The Grant Contract shall enter into force on the date of its signature by the last of the Parties.
4. The Grant Contract shall remain in force until all the Lead Partner's obligations have been fulfilled, including those relating to the durability of the project and the archiving obligations described in § 8(17) and (21)(1).⁷

⁷ Applies to projects where state aid is granted.

5. The Grant Contract shall be drawn up in English and concluded electronically by affixing of qualified electronic signatures by both Parties on a single pdf document.
6. In particularly justified cases, if, due to technical or organisational problems, it is not possible for a Party or Parties to submit their statements of intent electronically, a Party or Parties may submit such statements in writing.
7. The provisions of sections (5) and (6) shall apply *mutatis mutandis* to the amendment of the Grant Contract in the form of an addendum.
8. The Lead Partner acknowledges that information on the contracted project, within the scope of Article 49(3) of the General Regulation, will be made public. The publication will take place by placing the list of selected and supported projects on the programme website as well as on the website of the minister responsible for regional development.

§ 24.

CORRESPONDENCE

1. All correspondence relating to the performance of the Grant Contract shall be handled using CST2021 subject to section 2.
2. With regard to the categories of cases referred to in § 22(9), correspondence shall be handled using CST2021 and one of the following forms of communication:
 - a) registered letter,
 - b) courier service,
 - c) ePUAP inbox.
3. Correspondence in paper form shall be forwarded to the following addresses:

Managing Authority

Ministry of Development Funds and Regional Policy

Territorial Cooperation Department (*PL. Departament Współpracy Terytorialnej*)

ul. Wspólna 2/4, 00-926 Warszawa, Poland

Lead Partner

[name]

[address]

Joint Secretariat

[programme name]

[Joint Secretariat's address]

4. Changes to the addresses referred to in section 1 do not require an amendment to the Grant Contract in the form of an annex.

§ 25.

GOVERNING LAW AND JURISDICTION

1. In the event of a dispute, the Grant Contract shall be governed by Polish law with respect to § 23(2).
2. The Parties shall seek an amicable settlement. Unless the Parties agree otherwise, the conciliation proceedings shall be conducted in Polish, with the participation of an interpreter if the Lead Partner is an entity of the [nationality of the Lead Partner] nationality.
3. If a dispute is not resolved by amicable negotiation, it shall be settled by the ordinary court having jurisdiction over the registered office of the Managing Authority.

§ 26.

ANNEXES

The following Annexes form an integral part of the Grant Contract:

1. Annex No. 1 - a copy of the Monitoring Committee's decision
2. Annex No. 2 - a copy of the authorisation/power of attorney for the person representing the Managing Authority
3. Annex No. 3 - Legal Entities Form
4. Annex No. 4 – Financial Identification Form
5. Annex No. 5 - scope of categories of shared personal data
6. Annex No. 6 - information section
7. [to be completed]

	In the name and on behalf of the Managing Authority	In the name and on behalf of the Lead Partner
Full name
Position
Signature and stamp [if applicable]
Place, date