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EEA GRANTS 2014-2021
PROGRAMME EDUCATION
GUIDANCE ON PARTNERSHIP
AGREEMENT
(May 2021)

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1. INTRODUCTION

This guidance document is a tool for beneficiaries of the EEA Grants 2014-2021 Programme CZ-EDUCATION and their partner(s) for concluding a partnership agreement. The beneficiary and their partner(s) can prepare and conclude their own partnership agreement or they can use a template provided by DZS which is available at <https://www.dzs.cz/en/program/eea-grants/projects-and-grants#downloads>. Please keep in mind that **any partnership agreement shall comply with mandatory requirements stated in the article 2 of this document**. Furthermore, at least a draft of the partnership agreement shall be submitted to DZS prior to the signature of the grant agreement which cannot be signed until the Partnership Agreement is verified by DZS.

In case of queries, please contact DZS consultants who will reply within 5 working days.

2. MANDATORY REQUIREMENTS OF THE PARTNERSHIP AGREEMENT

The Partnership Agreement has to comply with the Article 7.7 of the [Regulations](#) (Project partners and partnership agreements).

The Partnership Agreement shall be in English (if one of the parties to the agreement is an entity from the Donor States) and **shall contain the following**:

- a) provisions on the **roles and responsibilities of the parties**;
- b) provisions on the **financial arrangements between the parties**, including, but not limited to, which expenditure the project partners can get reimbursed from the project budget;
- c) **currency exchange rules** for such expenditure and its reimbursement;
- d) provision on the **ineligibility of indirect costs**;
- e) **provisions on audits** on the project partners;
- f) a detailed **budget**;¹
- g) provisions on **dispute resolution**;
- h) **project title and application number**;
- i) information about both parties:
 - name in national language and in English

¹ The detailed budget shall contain the budget categories as approved by DZS.

- full address including country;
- business ID and VAT number;
- organisation classification – see article 4.1. of this document;

j) **applicable rates** relevant for the Project partner.

During the preparation of the partnership agreement, you should keep in mind:

- that the eligibility of expenditures incurred by a project partner(s) is subject to the same limitation as would apply if the expenditures were incurred by the beneficiary (see the Articles 8.2 and 8.7 of the Regulations and [Pokyn NKM pro způsobilé výdaje](#));
- that the beneficiary shall entitle DZS, the National Focal Point and the Financial Mechanism Office, as well as the persons and organisations authorised by them, to an immediate access to any detailed information and documents, including those in an electronic version, related to project implementation, project results and the use of the grant. The right of access is granted for ten years, commencing on 1 January, following the approval of the Project final report, and lasting at least until 31 December 2030;
- that the creation and implementation of the relationship between the beneficiary and the partner(s) shall comply with the Czech national law and the European Union law on public procurement as well as Article 8.15 of the Regulation;
- that DZS will be granted the right to use the results of the project and visual documentation as will be stated in the grant agreement (e.g. to copy and reproduce the results; to authorise direct or indirect, temporary or permanent reproduction of the results by any means, in any form, in whole or in part; to authorise any display performance or communication to the public; to authorise any form of distribution of the results or copies of the results to the public; to modify the results).

3. SIGNATURE OF THE PARTNERSHIP AGREEMENT AND ITS SUBMISSION TO DZS

It is strongly recommended that the partnership agreement shall be signed by the legal representatives. Both parties shall sign the Agreement either by hand or using the qualified certificate for the electronic signature.

The beneficiary is required to submit at least the draft of the Partnership Agreement(s) to DZS via the online information system (<https://eea-app.dzs.cz/eea/>) as follows:

1. Open the Application
2. Choose “Attachments” in the left menu;

3. Click on “New”;
4. Choose “Partnership agreement” in the first field “Type”;
5. Click on “Vybrat soubor” and choose a scanned copy of the Agreement from your PC;
6. Click on the button “Save”.

In case you collaborate with more partners, repeat all the previous steps and upload all the Partnership Agreements.

7. To submit the partnership agreement(s) choose “Application” in the left menu;
8. Click on the button “Confirmation of receipt of the grant”.

The system will confirm the successful submission of the Partnership Agreement(s) in a notification.²

4. TEMPLATE OF THE PARTNERSHIP AGREEMENT

DZS provides a template of the partnership agreement at <https://www.dzs.cz/en/program/eea-grants/projects-and-grants#downloads>. This template is freely available and any modification of the template is allowed. However, after the modification, the Partnership Agreement still has to meet the requirements stated in the article 2 of this document.

In the template, the beneficiary is referred to as the Project Promoter and the partner as the Project Partner (collectively as the “Parties”).

Even if you do not want to modify the template, there are still some fields/parts which need to be filled in or elaborated based on the set up of a particular partnership.

In the template, you can find two types of fields:

- **Yellow fields:** the Parties shall fill in the fields according to the description written in the field.
- **Blue fields:** the Parties shall describe a requested process in detail (expected length is from several sentences up to a page) or they should choose from a given list or examples. Basic instructions are to be found right in the template, in the comments - **do not forget to delete all of them after you finalise the text.** Please also remove blue and yellow colours from the entire text of the Agreement.

² The detailed instruction how to submit the Partnership agreement and other documents you can find in the [Manuál pro práci s informačním systémem](#)

In the texts below, you can find the instructions on how to understand and fill in the blue fields.

4.1. Front page

Organisation classification: please see the list in the Results Reporting Guide, Annex VII – Organisation classification ([available here](#)) and choose one option from the right column appropriate for the beneficiary and one option appropriate for the partner.

4.2. Main roles and responsibilities of the Parties (article 3 of the template)

In the blue fields *in the table* you shall describe the task and responsibilities of the parties. Also, provide contact details of the contact person.

These provisions will vary depending on the precise involvement of the partner. The aim is to ensure that the parties are aware of what is expected of each other, by when and the corresponding costs/budgets.

They should include general provisions about the relations between the parties, but should also, to the extent possible, identify the main activities to be carried out (in particular by the partner), including any activities of the beneficiary that the partner is dependent on for the performance of its tasks.

This could take the form of a work plan with indicative timings and budgets associated to different activities. Where it is not possible to draw up a comprehensive work plan, a simple list of activities by the partner should be used. The list of activities that can be reviewed on a regular basis and modified, following a simplified procedure, would be beneficial.

The above provisions are only examples of provisions that can be included.

4.3. Financial management and payment arrangements (article 5 of the template)

The form of payments (Art. 5.1 – 5.6):

- **Choose an applicable type of payment:** advance payment, interim payment or payment of the final balance. You can choose one type of payment or a combination of different types of payment according to the needs of the project and the partnership. You shall think over if you will send the money to the partner in advance – advance payment, or once the partner realized the activity and deliver all the requested documents – interim payment, payment of the final balance.
- **Specify the (maximum) amount of payments:** how much will you send to the partner in advance, interim or balance payments?

- **Describe the off-set mechanism:** specify, how the partner is to claim the payments. Try to answer these questions: Do you need any request from the partner? If yes, shall the request be formalized (e.g. claim form)? Shall the partner provide you any document (such as proofs of incurred expenditures, certificates of attendance, work sheets etc.) to get the payment from you?
- **Set the deadlines by which the payment shall be made to the project partner:** e.g. number of working days from crediting of the advance payment from DZS to the beneficiary's bank account, monthly frequency, number of days since the project final report is approved by DZS or number of days from submitting the payment request or requested documents by project partner.

Examples:

a) advance payment(s)

The advance payment shall be made to project partner amounting to CZK 5 000, corresponding to 20 % of the project partner's budget as set up in the Annex I.

The payment will be made no later than 30 working days of crediting the advance payment from the Programme Operator to the Project Promoter's bank account.

b) interim payment(s).

The interim payment shall be paid based on Project Partner's claim with an overview of realized activities and used units.

The maximum of the interim payment shall correspond to the share of 60 % of the project partner's budget as set up in the Annex I.

Payment claim shall be submitted to the Project Promoter no later than on 10th January 2022.

The interim payments to the Project Partner shall be made within 30 working days from the receipt of the Partner's claim.

c) payment of the final balance.

The final balance shall be paid based on final project report approved by the Programme Operator

The payment will be made no later than 30 working days of the crediting of the final payment from the Programme Operator to the Projects Promoter's bank account.

The provisions of exchange rate rules (Art. 5.7)

You shall specify the currency in which the payments (between you and your partner) and partner's expenditures will be denominated. If the selected currency is other than EUR, please specify the exchange rate used to convert the unit costs/budget/expenditures related to the partner between EUR and the chosen currency.

Following information may help you with setting down this point:

- DZS will make all the payments in CZK to the beneficiary's bank account and the reporting currency of incurred expenditures to DZS will be CZK.
- DZS is not establishing any mandatory exchange rate for conversion between CZK, EUR, NOK, CHF, ISK.
- The beneficiary and the partner shall agree on the exchange rate considering a currency of the partner's bank account and the internal guidelines of your institution. This could be e.g.:
 - European Commission's official monthly accounting rate (<http://ec.europa.eu/budget/graphs/inforeuro.html>);
 - the conversion rate used in the Call for proposal³ (can be used only for conversion between EUR and CZK);
 - exchange rate as recorded by the European Central Bank valid on the concrete day;
 - and other (e.g. agreed fixed rate, exchange rate of national bank etc.).
- The same exchange rate or methodology should be used for all financial transactions stated in the Partnership Agreement and made during project.
- Please note, that the exchange rate risk is an integral part of the currency conversion and depends on the agreement between the beneficiary and the partners. If no party wish to bear the entire risk, it may be agreed to share it and cover any differences from sources other than the EEA grant (exchange losses are not eligible expenditure under the EEA Funds).

³ DZS will use this rate for conversion between EUR and CZK during the project reports assessment. The exchange rate valid for the 3rd Calls for proposals is 26 CZK/EUR.

4.4. Proof of expenditure and financial reporting (article 6 of the template)

Incurred costs (Article 6, point 2) in the template: It is possible to keep this article without any modification or to specify any other provisions concerning the proof of expenditure incurred by the partner. If you would like to add some provisions, the following information may help you.

Costs incurred by a beneficiary or a partner shall be supported by receipted invoices or, alternatively, by accounting documents of an equivalent probative value (Article 8.12.1 of the Regulation). It is also possible to accept an audit report or a report by a competent public officer as a sufficient proof of expenditure incurred for project partners whose primary location is outside the Beneficiary State (as per paragraphs 3 and 4 of Article 8.12.). These reports are intended to facilitate proof of expenditure; however, in the case of partnerships that do not involve significant expenditures on the partner's side, it is always possible (and may be simpler) to provide original documents as a proof (e.g. receipted invoices, payroll extracts, etc.). When this option is chosen, it is important to specify in advance, if these have to be translated into the beneficiary's national language or in English.

When the report option is used, please be aware that the cost of obtaining the report is considered eligible expenditure and should therefore be included in the budget allocation for the partner.

Please note that this does not mean necessarily that all the accounting documents (the proof of expenditure) are required to be submitted each time a payment claim is submitted. The Regulation does not require that 100 % of proof of expenditure is submitted to DZS. The Regulation requires DZS to set up systems and control mechanisms which ensure a sufficient level of control over the expenditure that is incurred by the beneficiary and the partner(s). If chosen, this option should be aligned to the proof of expenditure system that is applicable to the expenditure incurred by the beneficiary. The Regulation provides for an approach where it should be considered sufficient that the Partner can make available the original accounting documents (the proof of expenditure) when required to do so, e.g. in case of a monitoring visit or an audit. These aspects need to be regulated in the Partnership Agreement with as much detail as possible.

4.5. Ownership and use of the results (article 10 of the template)

Article 10, point 3) in the template: It is possible to keep this article without any modification. In addition, you can add provisions on the ownership of work, materials or other results produced under the project and the use thereof by the Parties.

4.6. Termination (article 13 of the template)

It is highly recommended to specify further provisions concerning the termination and its consequences.

You shall insert procedures and requirements for termination for convenience by either party and/or for breach of either party, in case this possibility is deemed appropriate (e.g. how to terminate the agreement, notice period, how the other party can respond).

It is highly recommended that the consequences of termination on the parties' obligations and on the disbursed share of the grant to the partner are outlined clearly and distinguish between different reasons giving rise to termination (for convenience, breach, termination of project contract, etc.). Given that the applicable law may not be a common national law of the parties, this will minimize uncertainties and disputes in cases where the agreement is terminated.

The examples of provisions, which you can use in the article 13, follow:

Termination of the Partnership Agreement shall not affect any rights or obligations of the Parties incurred prior to the date of the termination. That includes the obligation to provide outputs and documents related to project for the period of partnership.

No Party shall be responsible to any other Party for any indirect or consequential loss or similar damage such as, but not limited to, loss of profit, loss of revenue or loss of contracts, provided such damage was not caused by a will full act or by a breach of confidentiality.

The Party liability shall be limited to the project partner's budget as defined in the Annex I, provide such damage was not caused by a will full act or by a breach of confidentiality.

4.7. Annex I – Project budget

Please fill in only those rows which are relevant for the particular partner and delete the rows which are not relevant. Specify the currency in which the amounts will be allocated.

The grant allocation in the application form can serve as an indication; however, it is not binding. The amounts shall be agreed with the partner and shall follow the budget distribution draft in the Letter of intent (if relevant).

4.8. Annex II – Applicable rates

Please delete the budget categories which are not relevant for the particular partner.