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Prot. n. 1712

Cagliari, 07.11.2019

**United Nations Development Programme, Jordan
Country Office**

Sara Ferrer Olivella, Resident Representative

sara.ferrer.olivella@undp.org

Nedal Alouran, Head of Environment and Climate
Change

nedal.alouran@undp.org

Subject: ENI CBC MED – Call for Standard Projects – Transmission of the signed Grant Contract.

Reference number A_B.4.4_0229 - Acronym: MED4EBM

Dear Madame/Sir,

Please find here enclosed a copy of the Grant Contract countersigned by the MA Director.

Best regards,

Silvia Cubadda

Programme Officer



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Gran Contract identification
number

53/1563

OF 04.10.2019

Grant Contract

A_B.4.4_0229 MED4EBM





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ENI CBC MED PROGRAMME 2014- 2020

GRANT CONTRACT

(the "Contract")

The Autonomous Region of Sardinia (*Regione Autonoma della Sardegna*) acting as Managing Authority of the ENI CBC Mediterranean Sea Basin Programme (MA), represented by Mrs Elisabetta Neroni, Via Bacaredda 184 09127 Cagliari – Italia

of the one part,

and

United Nations Development Programme, Jordan Country Office
P.O.Box 941631 Ishaq Al Edwan Street -Building no. 16 Amman - 11194 Jordan
Official registration number (and/or VAT): 017010756
acting as Lead Beneficiary, represented by Mrs Sara Ferrer Olivella

of the other part,

(as the Parties)

have agreed as follows:

Preamble

The Lead Beneficiary ensures that the project is implemented and managed in accordance with the valid EU regulations as well as the horizontal policies of the European Union, Programme rules and relevant national legislation.

The provisions of this Grant Contract (hereinafter the Contract) will be based on the following legal framework:

- Regulation (EU, EURATOM) No 1046/2018 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union;
- Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities financial interests;
- ENI Regulation (EC) No 232/2014 of the European Parliament and of the Council 11 March 2014 establishing a European Neighbourhood Instrument;
- ENI Common Implementing Rules (Regulation (EC) No 236/2014) laying down common rules and procedures for the implementation of the Union's instruments for financing external Projects;
- ENI CBC Implementing Rules (Regulation (EC) No 897/2014) of 18 August 2014 laying down specific provisions for the implementation of cross-border cooperation programmes financed under Regulation (EU) No 232/2014 of the European Parliament and the Council establishing a European Neighbourhood Instrument;



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- Regulation (EU) No 1407/2013 of the European Commission 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;
- ENI CBC Mediterranean Sea Basin Joint Operational Programme approved by the European Commission on 17/12/2015 (Decision No. C(2015) 9133), and its annexes;
- All manuals and guidelines issued by the Programme, in their latest version;
- Financing Agreements signed between the European Commission and the Mediterranean Partner Countries;
- National rules and guidelines applicable to the LB and Partners.

Article 1 – Purpose

- 1.1 The purpose of this Contract is the award of a grant by the Managing Authority (the MA) for the implementation of the Project entitled: *“Mediterranean Forum For Applied Ecosystem-Based Management– MED4EBM, A_B.4.4_0229”*, (the Project) described in Annex I – Project description.
- 1.2 This Contract is signed in accordance with the decision of the Joint Monitoring Committee (the JMC) of the ENI CBC Sea Basin 2014-2020 (the Programme) of 29/01/2019 to award a grant to the project.
- 1.3 The Lead Beneficiary (the LB) and the MA are the only parties (the Parties) to this Contract.
- 1.4 This Contract and the payments attached to it may not be assigned to a third party in any manner whatsoever.
- 1.5 The LB shall be awarded the grant on the terms and conditions set out in this Contract and the annexes, which the LB hereby declares it has noted and accepted.
- 1.6 The LB accepts the grant and undertakes to carry out the Project under its own responsibility, in accordance with the description as laid down in Annex I.
- 1.7 The language of the present Contract is English. In case of a translation of this Contract entirely or in some part or Annexes into another language than English, the English version prevails.

Article 2 - Implementation period of the Project

- 2.1 This Contract shall enter into force on the date when the last of the two Parties signs.
- 2.2 Implementation of the Project shall begin on the day following that on which the second of the two Parties signs.
- 2.3 The Project's implementation period, as laid down in Annex I is *36 months*, and can be modified according to articles 9, 10 and 11;
- 2.4 The execution period of this Contract shall end at the moment when the final balance is paid by the MA and in any case at the latest 12 months as from the end of the implementation period as stipulated in art 2.3 above.



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Article 3 - Financing the Project

- 3.1 The total eligible cost of the Project is estimated at **EUR 3.310.237,60**, as set out in the Budget of the Project, annexed to this Contract (Annex II).
- 3.2 The MA undertakes to finance a maximum of **EUR 2.979.213,84**, equivalent to 90% of the estimated total eligible cost of the Project specified in paragraph 3.1. The final amount of the MA's contribution shall be established in accordance with Article 8.
- 3.3 In accordance with Article 14, **7%** of the final amount of direct eligible costs of the Project established may be claimed as indirect costs.

Article 4 - General Obligations and liabilities

4.1. The LB shall implement the Project with the requisite care, efficiency, transparency and diligence, in line with the principle of sound financial management and with the best practice in the field concerned and in compliance with this Contract. For this purpose, the Lead Beneficiary shall mobilise all the financial, human and material resources required for full implementation of the Project.

4.2. The LB shall act in partnership with other bodies identified in the Description of the Project (the "partners"). It may subcontract a limited portion of the Project. The bulk of the Project must, however, be undertaken by the LB and its partners.

Partners take part in the project implementation, and the costs they incur are eligible in the same way as those incurred by the LB.

4.3. The LB alone shall be accountable to the MA for the implementation of the project. It shall undertake that the conditions applicable to it under Articles 4.1, 4.2, 4.5, 4.7, 4.8, 6.6, 8, 9.3, 10.1, 11.2, 11.4, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 24 shall also apply to its partners, subgrantees (if applicable), and those applicable under Articles 4.5, 16.4, 19, 20, 21, 22 and 24 to all its subcontractors. In particular, the LB should undertake that the conditions applicable to it under Article 17 on the recovery procedure shall also apply to its partners.

4.4. The MA cannot under any circumstances or for any reason whatsoever be held liable for damage or injury sustained by the staff or property of the LB and its partners while the project is being carried out or as a consequence of the project. The MA cannot, therefore, accept any claim for compensation or increases in payment in connection with such damage or injury.

4.5. The LB 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 consequence of the Project. The LB shall discharge the MA of all liability arising from any claim or project brought as a result of an infringement of rules or regulations by the LB or the LB employees or individuals for whom those employees are responsible, or as a result of violation of a third party's rights. For the purpose of this Article, employees of the LB shall be considered third parties.

4.6. The LB ensures that, in case of aid granted under the *de minimis regime*, the LB itself and its partners will comply with the provisions of Regulation EU 1407/2013 and the provisions of the Euro-Mediterranean Agreements between the European Union and Jordan, Tunisia and Egypt for the whole duration of the project and will ensure their compliance, as the case may be, by those organisations benefiting of project activities, outputs or sub-grants.



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4.7 The LB and its partners understand and agree that, for the sound implementation of the Contract, the MA may issue mandatory guidelines, manuals, instructions etc., in line with the provisions of the Contract.

Article 5 – Roles and responsibilities

The LB shall:

- a. monitor that the Project is implemented in accordance with this Contract and ensure coordination with all partners in the implementation of the Project, in accordance with the provisions set in the Partnership Agreement;
- b. be the intermediary for all communications between the partners and the MA;
- c. be responsible for supplying all documents and information to the MA which may be required under this Contract, in particular in relation to the periodic reports and the Requests for payment. Where information from the partners is required, the LB shall be responsible for obtaining, verifying and consolidating this information before passing it on to the MA. Any information given, as well as any request made by the LB to the MA, shall be deemed to have been agreed with partners;
- d. inform the MA of any event likely to affect or delay the implementation of the Project;
- e. inform the MA of any change in the legal, financial, technical, organisational or ownership situation of any of the partners, as well as, of any change in the name, address or legal representative of any of the partners;
- f. be responsible in the event of audits, checks, monitoring or evaluations, as described in Article 16 for providing all the necessary documents, including copies of the most relevant supporting documents and signed copies of any Contract concluded for the implementation of the Project;
- g. make the appropriate arrangements for providing the financial guarantee, when requested, in accordance with Article 7 paragraph 2;
- h. establish the payment requests in accordance with Article 7 paragraph 2 of the Contract;
- i. be the sole recipient, on behalf of all of the Partners, of the payments of the MA. The LB shall ensure that the appropriate payments are then made to the Partners without unjustified delay, in accordance with the conditions and the deadlines set in the Partnership Agreement and notify the MA within 30 days about the bank transfers. The MA reserves the right to recover the sums unduly retained by the LB and transfer them to Partners;
- j. not delegate any, or part of, these tasks to the Partners or other entities.

Article 6 - Reporting

6.1 The LB must draw up periodic reports, as detailed in paragraph 6.3, in the language of this Contract. These reports shall consist of a narrative and a financial section according to the model provided by the MA and shall be submitted via the electronic monitoring system of the Programme. They shall cover the project as a whole, regardless of which part of it is financed by the MA. Each report must provide a full account of all aspects of the project's implementation for the period covered.



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Progress reports have exclusively the aim to monitor the state of play of the project, while Interim and final reports are submitted, together with the payments request, in order to obtain the pre-financing installments or final balance.

6.2. Additionally the final report shall:

- a. cover any period not covered by the previous reports;
- b. include the proofs of the transfers of ownership as referred to in Article 22.6.

6.3 Periodic reports shall be produced according to the following deadlines:

Type of the report	Months covered by the report	Deadline for submission
Communication on project starting	0-3	Within three months after the signature of the Contract
Progress Report	0-6	10 working days after the end of the reporting period
Interim Report	0 - 12	Within two months after the end of the reporting period
Progress Report	13-18	10 working days after the end of the reporting period
Interim Report	13 - 24	Within two months after the end of the reporting period
Progress Report	25-30	10 working days after the end of the reporting period
Project Final Report	25-36	Within three months after the end of the reporting period

6.4. If the LB fails to provide any report or fails to provide any additional information requested by the MA within the set deadlines without an acceptable and written explanation of the reasons, the MA may apply penalties referred to in Article 12 or may terminate this Contract according to Article 11.

6.5 The MA may request additional information at any time. The LB shall provide this information within 15 working days of request.

6.6. All project expenditure shall be examined by the auditors appointed by the LB and partners, according to the control systems established at national level and to the requirements as laid down in article 32 of the Reg. (EU) 897/2014.

The auditors shall verify whether the costs declared by the LB and the partners and the revenue of the project are real, accurately recorded and eligible in accordance with this contract and issue the expenditure verification report, drafted according to the model and instructions provided by the MA. The LB and the beneficiaries will use the template of contract with the auditors provided by the MA.

Moreover, a consolidated report, including the results of the verifications carried out by all auditors, shall be drafted by the auditor of the LB. The LB and the partners shall grant the auditors all access rights necessary for the verification under the same conditions than the ones mentioned in Art. 16.4.

All expenditures verification reports shall be uploaded to the electronic monitoring system together with each Request for Payment. A copy of the reports shall be submitted to the Control Contact Points, in order to allow them to carry out checks, as the case may be.



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6.7 The MA and the AA reserve the right to require that the auditors be replaced if considerations which were unknown when the Contract was signed cast doubt on the auditor's independence, if their professional standards do not meet the requirements set by the said article, or if substantial errors are detected in reports previously submitted that cast a reasonable doubt of the reports' reliability. The participation of the auditors in the training courses organised by the MA, will be considered as mandatory requirement.

Article 7 - Payment arrangements

7.1 Payments shall be made according to the following procedure:

- A first pre-financing instalment of **EUR 1.191.685,54**, corresponding to 40% of the total ENI contribution (as specified in Article 3.2) shall be paid to the LB within 30 working days, as from the date of reception by the MA of the signed Contract. The signed Contract serves as payment request.
- A second instalment of **EUR 893.764,15**, corresponding to 30% of the total ENI contribution (as specified in Article 3.2);
- A third instalment of **EUR 595.842,77**, corresponding to 20% of the total ENI contribution as specified in Article 3.2);
- The final payment of **EUR 297.921,38**, corresponding to 10% of the total ENI contribution as specified in Article 3.2.

If the project has spent less than 70% of the last pre-financing and/or 100% of any previous pre-financing(s), the amount of the further pre-financing will be reduced by deducting the related amount of unspent resources.

If the amount of the accepted expenditure is below the previous pre-financing, the amount of the further pre-financing will be reduced by deducting the not-accepted expenditures.

Further instalments and balance payments will be made upon submission of the annual payment request and the attached Interim or Final Report, as detailed in article 6, within 45 days of receipt of the payment request by the MA. The deadline may be extended, if necessary for the assessment of the request as specified below in article 7.4.

7.2 The payment request shall be drafted using the model provided by the MA and shall be accompanied by:

- a) the Interim or Final report in line with Article 6;
- b) with the exception of the first pre-financing, a consolidated expenditure verification report, and individual ones for each partner, produced by the project auditors according to Art. 6.6.

7.3 The MA shall make payments, under the condition of availability of EU funds, to the bank account communicated by the LB, which allows the identification of the funds paid for the implementation of the project. The MA shall make payments only in EURO.

Payment shall imply a clearance of pre-financing received, but shall not imply recognition of the regularity or of the authenticity, completeness and correctness of the declarations and information provided.

7.4 Suspension of the period for payments



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Without prejudice to Article 10, the deadlines for payments may be suspended by the MA by notifying the LB that:

- a) the amount indicated in its request of payments is not due, or;
- b) proper supporting documents have not been supplied, or;
- c) the MA needs clarifications, modifications or additional information to the reports, or;
- d) the MA has doubts on the eligibility of expenditure and it is necessary to carry out additional checks, including on-the-spot checks to make sure that the expenditure is eligible, or;
- e) it is necessary to verify whether presumed substantial errors, suspicion of fraud or corruption have occurred in the grant award procedure or the implementation of the Project, or;
- f) it is necessary to verify whether the LB and its Partners have breached any substantial obligations under this Contract.

The suspension of the deadlines for payments starts when the above notification is sent to the LB. The LB shall provide any requested information, clarification or document within 30 days from the date of the request. The deadline starts running again on the date on which a correctly formulated request for payment and / or the required additional documents or information are recorded.

If, notwithstanding the information, clarification or document provided by the LB, the payment request is still inadmissible, or if the award procedure or the implementation of the grant proves to have been subject to substantial errors, fraud, or breach of obligations, then the MA may refuse to proceed further with payments and may, in the cases foreseen in Article 11, terminate accordingly this Contract.

In addition, the MA may also suspend payments as a precautionary measure without prior notice, prior to, or instead of, terminating this Contract as provided for in Article 11.

7.5 Interest on late payment

If the MA pays the LB after the time limit, it shall pay default interest at the rate applied by the European Central Bank to its main refinancing transactions in euro, as published in the Official Journal of the European Union, C series, on the first day of the month in which the deadline expired, plus three and a half percentage points. The default interest shall be incurred over the time which elapses between the date of the payment deadline set by the MA, and the date on which payment is actually made. Any partial payments shall first cover the interest thus established.

By way of exception, when the interest calculated in accordance with this provision is lower than or equal to EUR 200,00 it will be paid to the LB only upon demand submitted within two months of receiving late payment.

The default interest is not considered as income for the purposes of Article 18. The first paragraph does not apply if the LB is a public body representing a European Union Member State, including regional and local government authorities, as well as bodies governed by public law, according to article 2.1(4) of the Directive 2014/24 of the European Parliament and of the Council of 26 February 2014 on public procurement.

7.6 Rules for currency conversion



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Financial Reports shall be submitted in EURO, and may be drawn from financial statements denominated in other currencies, on the basis of the LB and partners applicable legislation and accounting standards.

In such case and for the purpose of reporting, conversion into EURO shall be made, in accordance with article 67 of the Implementing Rules as specified in par. 4.8.3 of the JOP, using the monthly official accounting exchange rate of the European Commission for the month during which the expenditure was submitted for examination to the auditors for its verification at each payment claim.

Article 8 — Final amount of the grant

The grant may not exceed the maximum ceiling in Article 3.2 either in terms of the absolute value or the percentage stated therein.

If the eligible costs of the project at its end are less than the estimated eligible costs as referred to in Article 3.1, the grant shall be limited to the amount obtained by applying the percentage laid down in Article 3.2 to the eligible costs of the project approved by the MA.

In addition and without prejudice to its right to terminate this Contract pursuant to Article 11, the final amount of the grant by be reduced if provisions of articles 12 and 13 apply.

Article 9 — Amendment of the contract

9.1. This Contract and its annexes can be modified during its execution period. Any amendment shall be set out in writing.

9.2. The amendment may not have the purpose or the effect of making changes to this Contract that would call into question the Grant Award decision or be contrary to the equal treatment of beneficiaries and shall be compliant with the Programme Rules and with the provisions of the Grant Contract itself. The maximum grant referred to in Article 3.2 may not be increased.

The main types of amendments to the Grant Contract shall be referred to the following aspects:

- Budget
- Duration
- Partnership
- Activities, outputs, results and indicators.

9.3. An amendment is considered as minor if the changes of Budget, Partnership and Activities do not affect the basic purpose of the project and the financial impact is limited to a transfer between the Budget Lines within the same cost category (including cancellation or introduction of a Budget Line), or a transfer between cost categories and/or among partners, involving a variation of 20% or less of the amount originally entered (or as modified by addendum). The LB may amend the Budget, the Description of the Project, or the partners' data, and inform the MA accordingly, in writing and at the latest in the next report, provided that admission and award criteria are respected.

Under no circumstances the maximum fixed percentage of the administrative costs and the contingency reserve may be modified by a minor amendment to this Contract.

A maximum of one minor amendment per year is allowed under this Contract, except in case of special circumstances duly substantiated by the LB and accepted by the MA.



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Changes of name, address, bank account, legal form or legal representative of the LB and/or partners, are considered as minor amendments.

However, in duly substantiated circumstances, the MA may oppose the LB's choice.

9.4 A change to the duration of the project implementation period, and any other substantial modifications to the Budget (with a financial impact higher than the one indicated in article 9.3), Partnership and Activities outputs, results and indicators, not affecting the basic purpose of the project, are considered as major amendments which shall be subject to the approval by the Joint Monitoring Committee and the MA upon submission of a duly justified request by the LB. Only one major amendment is allowed during the implementation period of the project, unless there are special circumstances duly substantiated and accepted by the MA upon approval by the JMC.

The request shall be submitted at least 30 days before the date on which the amendment should enter into force, unless there are special circumstances duly substantiated and accepted by the MA upon approval by the JMC.

The requests for the extension of the project's implementation period as laid down in Article 2 shall be accompanied by all the supporting evidence and submitted at least 60 days before the closing date. Requests received after these deadlines may be rejected. The maximum extension to the project duration is 6 months, unless the provisions of Article 10 paragraph 5 apply. The latest end date of project implementation will be 31st December 2022, as stipulated in the ENI CBC Implementing Rules.

The limitations and deadlines set in this paragraph may be amended when Article 10 par. 4 (force majeure) applies, or in case of exceptional circumstances duly substantiated and accepted by MA upon approval of the Joint Monitoring Committee. Under no circumstances, however, the criteria for the grant award shall be modified by a major amendment. An addendum to the Grant Contract will be signed with the LB in order to allow the major modifications to enter into force.

9.5 After the signature of the Grant Contract, the MA may require to the LB minor adjustments or corrections to the Annex I – Description of the project and Annex II – Budget of the project, without affecting the limitations set in paragraphs 9.3 and 9.4.

Article 10 – Suspension

10.1. Suspension by the LB

The LB may suspend implementation of the project, or any part thereof, if exceptional circumstances, notably of force majeure, make such implementation excessively difficult or dangerous. The LB shall inform the MA and the concerned national authority without delay, stating the nature, probable duration and foreseeable effects of the suspension.

The LB or the MA may then terminate this Contract in accordance with Article 11. If the Contract is not terminated, the LB shall endeavour to minimise the time of its suspension and any possible damage and shall resume implementation once circumstances allow, informing the MA accordingly.

10.2. Suspension by the MA

The MA, after prior information to the Joint Monitoring Committee, may request the LB to suspend the implementation of the Project, or any part thereof, if exceptional circumstances, notably of force majeure,



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make such implementation excessively difficult or dangerous. To this purpose, the MA shall inform the LB stating the nature and probable duration of the suspension.

10.3. The LB or the MA may then terminate this Contract in accordance with Article 11. If the Contract is not terminated, the LB shall endeavour to minimise the time of its suspension and any possible damage and shall resume implementation once circumstances allow and after having obtained the approval of the MA.

The MA may also suspend this Contract or the participation of a Partner in this Contract if the MA has evidence that, or if, for objective and well justified reasons, the MA deems necessary to verify whether presumably:

- a) the grant award procedure or the implementation of the Project have been subject to substantial errors and/or irregularities, suspicion of fraud or corruption;
- b) the Partners have breached any substantial obligation under this Contract.

The LB shall provide any requested information, clarification or document within 30 days of receipt of the requests sent by the MA. If, notwithstanding the information, clarification or document provided by the LB, the award procedure or the implementation of the grant proves to have been subject to substantial errors and/or irregularities, suspicion of fraud, corruption, or breach of obligations, then the MA may terminate this Contract according to Article 12(2).

10.4. Force majeure

Force majeure means any situation or event that:

- prevents either party from fulfilling their obligations under the Contract;
- was unforeseeable, exceptional situation and beyond the parties' control;
- was not due to error or negligence on their part (or on the part of third parties involved in the Project), and proves to be inevitable in spite of exercising all due diligence¹.

Any situation constituting force majeure must be formally notified to the other party without delay, stating the nature, likely duration and foreseeable effects.

The parties must immediately take all the necessary steps to limit any damage due to force majeure and do their best to resume implementation of the Project as soon as possible.

Force majeure can NOT be used to justify situations caused by the LB's or a partner's negligence or by events that could reasonably have been anticipated.

The following cases are explicitly NOT considered force majeure:

- default of a service, defect in equipment or material or delays in making them available — unless they stem directly from a relevant case of force majeure;
- labour disputes or strikes;
- financial difficulties.

10.5 Extension of the implementation period following a suspension

¹ Examples (force majeure): An earthquake, terrorist attack or volcanic eruption; delay in delivering equipment due to floods in the region/country.

Examples (not force majeure): machine malfunctions, robberies; a subcontractor building a test site went bankrupt.





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In case of suspension according to Articles 10.1, 10.2 and 10.4, the implementation period of the project shall be extended by a period equivalent to the length of suspension, without prejudice to any amendment to the Contract that may be necessary to adapt the project to the new implementing conditions.

Article 11 — Termination of the contract

11.1 Termination following a suspension period

In the cases foreseen in Article 10.1, and 10.2, if the LB and/or the MA believe(s) that this Contract can no longer be executed effectively and/or appropriately, it shall duly consult the other in writing and inform the concerned national authority. Failing agreement on a solution, the MA may terminate this Contract, after prior information to the JMC, by notifying the decision to the LB within one month from the date of termination, without being required to pay any indemnity.

11.2 Termination by the MA

Without prejudice to Article 10, in the following circumstances the MA may, after having duly consulted the LB and the concerned national authority, terminate this Contract without any financial indemnity towards its part when:

- a) the LB fails, without justification, to fulfil any substantial individual or collective obligation set by this Contract and, after being given notice to comply with those obligations, still fails to do so or to furnish a satisfactory explanation within 30 days of receipt of the notice. Where the obligation refers to the provision of reports as referred in Article 4, the MA may terminate the Contract after six months of delay from the deadlines established in Article 4;
- b) the LB or any person that assumes unlimited liability for the debts of the LB is bankrupt, subject to insolvency or winding up procedures, is having its assets administered by a liquidator or by the courts, has entered into an arrangement with creditors, has suspended business activities, or is in any analogous situation arising from a similar procedure provided for under any national law or regulations relevant to the LB;
- c) the LB, or any related entity or person, have been found guilty of an offence concerning their professional conduct proven by any means;
- d) it has been established by a final judgment or a final administrative decision or by proof in possession of the MA that the LB has been guilty of fraud, corruption, involvement in a criminal organisation, money laundering or terrorist financing, terrorist related offences, child labour or other forms of trafficking in human beings or has committed an irregularity;
- e) a change to the LB's legal, financial, technical, organisational situation or a change in the ownership of its shares or the termination of the participation in the project substantially affects the implementation of this Contract or calls into question the decision awarding the grant;
- f) the LB or any related person, are guilty of misrepresentation in supplying the information required in the award procedure or in the implementation of the project or fail to supply – or fail to supply within the deadlines set under this Contract - any information related to the project required by the MA;



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- g) the LB has not fulfilled obligations relating to the payment of social security contributions or the payment of taxes, or any other substantial obligation set by the legal provisions of the country in which it is established;
- h) the MA has evidence that the LB, or any related entity or person, has committed substantial errors or irregularities, fraud or corruption in the award procedure or in the implementation of the Project;
- i) the LB is subject to an administrative penalty clause referred to in Article 12;
- j) the MA has evidence that the LB is subject to a conflict of interests;
- k) the MA has evidence that the LB has committed systemic or recurrent errors or irregularities, fraud, corruption or serious breach of obligations under other grants financed by the European Union and awarded to that specific LB under similar conditions, provided that those errors, irregularities, fraud, corruption or serious breach of obligations have a material impact on this grant.

The cases of termination under points (b), (c), (d), (h), (j) and (k) may refer also to persons who are members of the administrative, management or supervisory body of the LB and/or to persons having powers of representation, decision or control with regard to the LB.

In the cases referred to in points (c), (f), (h) and (k) above, any related person means any physical person with powers of representation, decision-making or control in relation to the LB. Any related entity means, in particular, any entity which meets the criteria laid down by Article 1 of the Seventh Council Directive No 83/349/EEC of 13 June 1983.

11.3 Termination of a partner's participation in the project

In duly justified cases, the participation of a partner in the project may be also terminated by the LB acting on behalf of the partnership. To this purpose, the LB shall communicate to the MA the reasons for the termination of its participation and the date on which the termination shall take effect, as well as a proposal on the reallocation of the tasks of the partner whose participation is terminated, or on its possible replacement. The proposal shall be sent at least 30 days before the termination is due to take effect. If the MA agrees, upon approval of the Joint Monitoring Committee, the Contract shall be amended according to Article 9.

11.4 End date

The payment obligations of the MA under this Contract shall end 12 months after the implementation period laid down in Article 2, unless this Contract is terminated according to Article 11.

The MA shall postpone this end date, so as to be able to fulfill its payment obligations, in all cases where the LB has submitted a payment request in accordance with contractual provisions or, in case of dispute, until completion of the dispute settlement procedure provided for in Article 13. The MA shall notify the LB of any postponement of the end date.

This Contract will be terminated automatically if it has not given rise to any payment by the MA within one year of its signature, without prejudice to Article 12.4.

11.5 Effects of Termination

Upon termination of this Contract the LB shall take all immediate steps to bring the project to a close in a prompt and orderly manner and to reduce further expenditure to a minimum.



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Without prejudice to Articles 12, 13 and 17, the LB and its partners shall be entitled to payment only for the part of the project carried out, excluding costs relating to current commitments that are due to be executed after termination.

To this purpose, the LB shall introduce a payment request to the MA within 90 days starting from the date of termination.

In the event of termination due to force majeure, according to Article 11.1, the MA may agree to reimburse the unavoidable residual expenditures incurred during the notice period, provided, the first paragraph of this Article 11.7 has been properly executed.

In the cases of termination foreseen in Article 11.2 a), c), d), f), h) and k) the MA may, after having properly consulted the LB and depending on the gravity of the failings, request full or partial repayment of amounts unduly paid for the Project.

Article 12 – Administrative and financial penalty clauses

12.1 By virtue of Section 2 (Articles from 135 to 145 of Regulation (EC) No. 1046/2018 on the financial rules applicable to the general budget of the European Union) and with due regard to the principle of proportionality, a LB which has committed substantial errors, irregularities, fraud or corruption, has made false declarations in supplying required information at the moment of the submission of the application or has failed to supply such information during the implementation of the grant, or has been found in serious breach of its obligations under the Contract shall be liable to:

- (a) administrative penalties consisting of exclusion from all contracts and grants financed by the European Union budget for a maximum of five years from the date on which the infringement is established and confirmed following a contradictory procedure with the LB; and/or
- (b) financial deductions from 2% to 10% of the value of the ENI contribution the LB concerned is entitled to in accordance with the estimated budget set out in Annex II.

12.2 Without prejudice to the right to terminate the Contract referred to in Article 11 and without prejudice to the right of the MA to apply penalties referred to in Article 12.1, a financial deduction up to 10% may be applied to the total amount of the grant, to be deducted from Staff costs as estimated in the Budget of the project – Annex II, occurring the following cases:

- if the project is not implemented or is implemented poorly, partially or late, according to the scoring system adopted by the MA, in line with the actual implementation of the project according to the terms laid down in the Contract;
- if the financial expenditure reported by the LB does not reach a minimum threshold of 50% of the previous pre-financing received.

12.3 If the LB omits to send a Progress or Interim Report within the deadlines established as per Article 4, it shall comply with its obligations within 30 days after receiving a notice by the MA.

Failing this deadline (further 30 days) to be respected, a financial deduction of 5% is applied to the amount estimated in the Budget of the project – Annex II for the Work Package “Project management”.

After 6 months after the end of the reporting period, as set up in Article 6, a financial deduction of 10% will be applied.



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After 9 months after the end of the reporting period, as set up in Article 6, the Contract will be terminated according to Article 11, unless the provisions of Article 10 (suspension) are applicable.

12.4 The contribution cancelled as a result of a financial deduction applied in accordance with paragraphs 1 to 4 may not be reused within the project. In this case, the grant amount is automatically reduced without any amendment to the Contract. The MA shall officially notify the LB of the financial deductions applied and the reduced amount of the grant.

Article 13 - Financial corrections

13.1 Pursuant to Article 71 of the Regulation (EC) No 897/2014, the MA shall make the financial corrections required in connection with individual or systemic irregularities detected in the project, under this contract.

Financial corrections shall consist of cancelling all or part of the ENI contribution as per Article 3.2. The MA shall take into account the nature and gravity of the irregularities and the financial loss and shall apply a proportionate financial correction.

13.2. The contribution cancelled in accordance with paragraph 1 may not be reused for the project. The grant amount is automatically reduced without any amendment to the Contract. The MA shall officially notify the LB of the financial corrections applied and the reduced amount of the grant.

13.3 The criteria for establishing the level and rates of financial correction to be applied are those adopted in accordance with Regulation (EU) No 1303/2013, in particular Article 144, as well as those contained in the European Commission Decision of 19 December 2013.

Article 14 — Eligible costs

14.1. Eligible costs are actual costs incurred by the LB and its partners, which are compliant with the Programme rules and meet all the following criteria:

- (a) they are incurred during the implementation of the project, in particular:
 - (i) Costs relating to services and works shall relate to activities performed during the implementation period. Costs relating to supplies shall relate to delivery and installation of items during the implementation period. Signature of a contract, placing of an order, or entering into any commitment for expenditure within the implementation period for future delivery of services, works or supplies after expiry of the implementation period do not meet this requirement. Cash transfers between the LB and/or the other partners shall not be considered as costs incurred.
 - (ii) Costs incurred shall be paid before the submission of the final reports.
 - (iii) An exception is made for preparatory costs incurred after the publication of the call for proposals and before the submission of the proposal, and for costs relating to final reports, only for expenditure verification and final evaluation, as the case may be, which may be incurred after the project implementation period and may be paid after the submission of the final reports, provided that they are listed in. The MA will pay the final balance under the condition that all expenses have been actually paid and demonstrated by the LB and its partners.
 - (iv) Procedures to award contracts may have been initiated and contracts may be concluded by the LB and partner(s) before the start of the implementation period of the project.
- (b) They are indicated in the estimated overall budget for the project;



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- (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 LB and partners and determined according to the accounting standards and the usual cost accounting practices applicable to the LB and partners;
- (e) they comply with the requirements of applicable tax and social legislation;
- (f) they are reasonable, justified and comply with the requirements of sound financial management, in particular regarding economy and efficiency;
- (g) they are supported by adequate expenditure and payment documents (e.g. invoices, documents of equivalent probative value etc.);
- (h) indirect costs, i.e. administrative costs incurred by the LB and its partners, which are eligible for flat-rate funding, fixed at a maximum percentage of the total eligible direct costs laid down in Article 3.3, provided that the rate is calculated on the basis of a fair, equitable and verifiable method according to a table that will be provided by the MA. No additional supporting documents will be requested to justify these costs. Nevertheless, the MA reserves the right to request information to verify the actual calculation method during the project implementation period.

14.2 Ineligible costs

The following costs relating to the implementation of the project shall not be considered eligible:

- (a) debts and debt service charges (interest);
- (b) provisions for losses or liabilities;
- (c) costs declared by the LB and partners and already financed by the European Union budget;
- (d) purchases of land or buildings for an amount exceeding 10% of the eligible expenditure of the project concerned;
- (e) exchange-rate losses;
- (f) duties, taxes and charges, including VAT, except where non-recoverable under the relevant national tax legislation, unless otherwise provided in appropriate provisions negotiated with CBC partner countries, as per the provisions of the related Financing Agreement²;
- (g) loans to third parties;
- (h) fines, financial penalties and expenses of litigation;
- (i) contributions in kind as defined in Article 14(1) of ENI CBC Implementing Rules³;
- (j) costs for project website and logo.

² For details on VAT and tax provisions set in Financing Agreements, the potential applicants and partners may refer to their respective National Contact Points and in the F.A Special Conditions.

³ The contribution in kind is defined as any provision of non-financial resources free of charge. The cost of staff assigned to a project or programme shall not be considered a contribution in kind and be considered as eligible expenditure.



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Article 15 — Procurement Rules

If the implementation of a project requires procurement of goods, works or services by the LB and/or a partner, the procedures shall comply with the procurement rules set out in Articles 52 to 56 of the Regulation (EU) no. 897/2014, as well as the specific provisions for each country and type of beneficiary and the mandatory instructions issued by MA.

In all cases, the rules of nationality and origin set forth in Articles 8 and 9 of Regulation (EU) No 236/2014 shall also apply, that is, no restriction may be applied to the nationality of the contractors and the supplies may be originated from any country for purchases below 100.000€.

The LB and the partners shall ensure that the conditions applicable to them under this article are also applicable to contractors awarding a procurement contract.

Article 16 — Accounting system, technical and financial checks

16.1 The LB and its partners shall keep accurate and regular accounts of the implementation of the project using an appropriate accounting and double-entry book-keeping system.

The accounts:

- a) may be an integrated part of or an adjunct to the LB's (and partners) regular system;
- b) shall comply with the accounting and bookkeeping policies and rules that apply in the country concerned;
- c) shall enable income and expenditure relating to the project to be easily traced, identified and verified.

16.2. The LB shall ensure that any financial report as required under Article 6 can be properly and easily reconciled to the accounting and bookkeeping system and to the underlying accounting and other relevant records. For this purpose, the LB and its partners shall prepare and keep appropriate reconciliations, supporting schedules, analyses and breakdowns for inspection and verification.

16.3 The MA, the European Commission, the European Anti-Fraud Office and the national anti-fraud agencies, the European Court of Auditors, the Audit Authority, the national members of the Group of Auditors and the Control Contact Points established in participating countries reserve the right to check, at any time, the conformity of the project funds' commitment and disbursement with the Programme rules. In particular they can verify that services, supplies or works have been performed, delivered and/or installed and whether expenditure declared by the LB and the partners has been paid by them and that this complies with applicable law, Programme rules and conditions for support of the projects. Verifications by the MA shall include administrative verifications for each payment request by the LB and partners and on-the-spot project verifications.

16.4 - Right of access

The LB and the partners shall allow verifications concerning the project to be carried out by the MA, the Audit Authority, the European Commission, the European Anti-Fraud Office and the national anti-fraud agencies, the European Court of Auditors, the Control Contact Points established at national level in the participating countries, and any other bodies / entities authorised by the MA or the above mentioned institutions and bodies that may exercise their power of control concerning premises, documents and



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information irrespective of the medium in which they are stored. The LB and the partners have to take all measures to facilitate their work.

The verifications described above shall also apply to the activities of contractors, subcontractors and any recipient of financial support who have received Programme financing. To this end, the LB and the partners shall ensure, through contractual provisions and any other means at its disposal, that these persons are legally bound by the same obligations as the LB and the partner itself toward the above-mentioned institutions and bodies.

The LB and the partners shall allow the afore-mentioned entities to:

- a) access the sites and locations at which the project is implemented;
- b) examine its accounting and information systems, documents and databases concerning the technical and financial management of the project;
- c) take copies of documents;
- d) carry out on the-spot-checks;
- e) conduct a full audit on the basis of all accounting documents and any other document relevant to the financing of the project.

Additionally, the European Anti-Fraud Office and the national anti-fraud agencies shall be allowed to carry out on-the-spot checks and inspections in accordance with the procedures laid down by the European Union legislation for the protection of the financial interests of the European Union against fraud, corruption and other irregularities.

Where appropriate, the findings may lead to recovery by the MA.

Access given to agents of the afore mentioned bodies shall be on the basis of confidentiality with respect to third parties, without prejudice to the obligations of public law to which they are subject.

16.5 Evaluation and monitoring

If the MA or the European Commission carry out interim, ex post evaluation or monitoring missions, the LB shall undertake to provide them and/or the persons authorised by them with any document or information which will assist with the evaluation or monitoring mission, and grant them the access rights described in Article 16.4.

16.6. Record keeping

The LB and its partners shall keep all records, accounting and supporting documents related to this Contract for five years following the payment of the balance for the Programme, and in any case until any on-going audit, verification, appeal, litigation or pursuit of claim has been disposed of. The MA shall inform the LB of the date of the payment of the balance by the European Commission.

They shall be easily accessible and filed so as to facilitate their examination and the LB shall inform the MA of their precise location.

All the supporting documents shall be available either in the original form, including in electronic form, or as a copy.



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In addition to the reports mentioned in Article 6, the documents referred to in this Article include *inter alia*:

- a) Accounting records (computerised or manual) from the LB and its partners accounting system such as general ledger, sub-ledgers and payroll accounts, fixed assets registers and other relevant accounting information;
- b) Proof of procurement procedures such as tendering documents, bids from tenderers and evaluation reports;
- c) Proof of commitments such as contracts and order forms;
- d) Proof of delivery of services such as approved reports, time sheets, transport tickets, proof of attending seminars, conferences and training courses (including relevant documentation and material obtained, certificates) etc.;
- e) Proof of receipt of goods such as delivery slips from suppliers;
- f) Proof of completion of works, such as acceptance certificates, together with pictures;
- g) Proof of purchase such as invoices and receipts;
- h) Proof of payment such as bank statements, debit notices, proof of settlement by the contractor;
- i) Proof that taxes and/or VAT that have been paid cannot actually be reclaimed;
- j) For fuel and oil expenses, a summary list of the distance covered, the average consumption of the vehicles used, fuel costs and maintenance costs;
- k) Staff and payroll records such as contracts, salary statements and time sheets, stating actual work, assessed on the basis of unit prices per verifiable block of time worked and broken down into gross salary, social security charges, insurance and net salary.
- l) Proofs of award of sub-grants and related supporting documents for the activities financed to third parties.

Failure to comply with the obligations set forth in this Article constitutes a case of breach of a substantial obligation under this Contract. In this case, the MA may in particular suspend the Contract, payments or the time-limit for a payment, terminate the Contract and/or reduce the grant.

Article 17 — Irregularities and recoveries

17.1. Pursuant to Art 2 of Reg. (EU) 897/2014, an irregularity is *“any infringement of a financing agreement, a contract or of applicable law resulting from an act or omission by an economic operator involved in the implementation of the programme, which has, or would have, the effect of prejudicing the budget of the Union by charging an unjustified item of expenditure to the budget of the Union”*.

An irregularity can be detected by any programme body when costs are already approved by the MA, the related payment claim has been reimbursed, even if the expenses have not yet been declared to the European Commission.

17.2. If an irregularity is confirmed, the MA shall recover the unduly paid amounts from the LB, according to the provisions set in articles 74 to 76 of Reg. (EU) 897/2014. The concerned partners shall repay the LB the amounts unduly paid in accordance with the partnership agreement signed between them. If the LB does not succeed in securing repayment from the concerned partner, it will have to inform promptly the MA that



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shall formally notify the latter to repay to the LB. If the concerned partner does not repay the LB, the MA shall request the participating country in which the concerned partner is established to reimburse the amounts unduly paid in accordance with Article 74(2) to (5) of Reg. (EU) 897/2014.

17.3 The LB understands and agrees that, as laid down in art. 74 of Reg. (EU) 897/2014, where an unsuccessful recovery relates to a claim against a partner established in a Member State and the MA is unable to recover the debt, the Member State in which the partner is established shall pay the due amount to the MA and claim it back from the partner. Where the recovery relates to a claim against a partner established in a CBC partner country and the MA is unable to recover the debt, the level of responsibility of the CBC partner country in which the partner is established shall be such as it is laid down in the relevant Financing Agreements. The European Commission may offset the recovery from any grant or debt with the concerned partner, as well as any Contracting Authority of any EU financial instrument, at the request of MA.

17.4 Payments already made do not preclude the possibility for the MA to issue a recovery procedure following an expenditure verification report, a check, an audit or further verification of the payment request.

17.5 If a recovery is justified under the terms of this Contract, the LB undertakes to repay the MA these amounts, within 45 days of the issuing of the debit note, the latter being the letter by which the MA requests the amount owed by the LB and/or by the partners, including bank charges incurred by the MA for the payment to the LB of the amounts which become due to the MA.

17.6. Should the LB fail to make repayment within the deadline set by the MA, the MA may increase the amounts due by adding interest at the rate applied by the European Central Bank to its main refinancing transactions in euro, on the first day of the month in which the time-limit expired, plus three and a half percentage points. The default interest shall be incurred over the time which elapses between the date of the payment deadline set by the MA, and the date on which payment is actually made. Any partial payments shall first cover the interest thus established.

17.7. Bank charges incurred by the repayment of amounts due to the MA shall be borne entirely by the LB.

17.8. The recovery procedure as laid down in this article also apply when the total pre-financing transferred by the MA to the LB exceeds the MA contribution to the total accepted cost of the project.

17.9 Pursuant to Art. 39(3) of the Reg. (EU) 897/2014, the concerned Beneficiary of a project including an infrastructure component shall repay the Programme contribution if, within five years of the project closure or within the period of time set out in state aid rules (10 years), where applicable, the infrastructure is subject to a substantial change affecting its nature, objectives or implementation conditions which would result in undermining its original objectives. Sums unduly paid shall be recovered by the MA in proportion to the period for which this requirement has not been fulfilled.

17.10 For irregularities discovered after payment of the final balance, the concerned partners may repay the due amounts directly to the MA, notifying the LB about this option.

17.11 Pursuant to art. 75(5), without prejudice to the prerogative of the MA, if necessary, the European Commission, the Member State or the CBC partner country where the LB and/or the concerned partner is established may proceed itself to the recovery by any means from the respective LB and/or partner.



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Article 18 – No profit rule

18.1. The grant may not produce a profit for the LB and the partners, unless specified otherwise in the Contract. Profit is defined as a surplus of the receipts over the eligible costs approved by the MA when the request for payment of the balance is made. The calculation will be made partner by partner.

18.2. The receipts to be taken into account are the consolidated receipts on the date on which the payment request for the balance is made by the LB.

18.3. Where the final amount of the grant determined in accordance with the Contract would result in a profit, it shall be reduced by the percentage of the profit corresponding to the final EU contribution to the eligible costs actually incurred approved by the MA.

18.4. The provisions in this Article shall not apply to grants of EUR 60.000 or less (i.e sub-grants).

Article 19 - Conflict of interests and good conduct

19.1 For the purpose of this Contract, as set in Art. 61(3) of Reg. (EC) 1046/2018, the conflict of interest shall mean any situation where there is a divergence between the fulfilment of responsibilities under this Grant Contract by the Parties and the private interest of the persons involved in the Contract, which may adversely affect the impartial and objective exercise of the functions of any person involved in the implementation/verification/control/audit of this Contract, for reasons involving family, emotional life, political or national affinity, economic interest or any other direct or indirect personal interest.

19.2. The LB shall take all necessary measures to prevent or end any situation of conflict of interest that could compromise the impartial and objective performance of this Contract. In particular, the LB shall ensure that its staff, including its management, as well as its partners' staff, is not placed in a situation which could give rise to conflict of interests. Without prejudice to its obligation under this Contract, the LB shall replace, immediately and without compensation from the MA, any member of its staff in such a situation.

19.3. Any conflict of interests which may arise during performance of this Contract must be notified in writing to the MA without delay. In the event of such conflict, the LB shall immediately take all necessary steps to resolve it.

19.4. The MA reserves the right to verify that the measures taken are appropriate and may require additional measures to be taken if necessary.

19.5. The LB and its partners shall respect human rights and applicable environmental legislation including multilateral environmental agreements, as well as internationally agreed core labour standards.

Article 20 - Confidentiality

20.1. The MA and the LB and its partners undertake to preserve the confidentiality of any information, notwithstanding its form, disclosed in writing or orally in relation to the implementation of this Contract and identified in writing as confidential until at least 5 years after the payment of the balance.

Data used for visibility purposes as laid down in Article 21, as well as for informing on and promoting the use of ENI funds, shall not be considered as having confidential status.

20.2 The Parties shall bare no responsibility for releasing information on the Contract if:



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- a) the information was released with the written agreement of the other Party; or
- b) the Party was legally forced to release the information.

20.3 The LB and its partners shall not use confidential information for any aim other than fulfilling their obligations under this Contract unless otherwise agreed with the MA.

20.4 The European Commission shall have access to all documents communicated to the MA and shall maintain the same level of confidentiality.

Article 21 - Visibility

21.1 The Beneficiary must take all necessary steps to publicise the fact that the European Union has financed or co-financed the Project. Such measures must comply with the Programme rules for visibility, as well as any national regulations/requirements pertaining to visibility, as the case may be.

21.2 In particular, the Beneficiary shall mention the Project and the European Union's financial contribution in information given to the final recipients of the Project, in its internal and annual reports, and in any dealings with the media. It shall display the EU and Programme logo wherever appropriate.

21.3 Any notice or publication by the LB concerning the Project, including those given at a conference or seminar, must specify that the Project has received EU funding. Any publication by the LB, 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 under the ENI CBC Mediterranean Sea Basin Programme. The contents of this document are the sole responsibility of <Beneficiary's name> and can under no circumstances be regarded as reflecting the position of the European Union or the Programme's management structures."*

21.4. The LB authorises the MA and the European Commission to publish its name and address, nationality, the purpose of the grant, duration and location as well as the maximum amount of the grant and the rate of funding of the Project's costs, as laid down in Article 8. Derogation from publication of this information may be granted if it could endanger the LB and its partners or harm their interests.

Article 22 - Ownership/use of results and assets

22.1. Ownership of, and title and intellectual and industrial property rights to, the project's results, reports and other documents relating to it will be vested in the LB and its partners.

22.2. Without prejudice to Article 22.1, the LB grants the MA and the European Commission the right to use freely and as it sees fit, and in particular, to store, modify, translate, display, reproduce by any technical procedure, publish or communicate by any medium all documents deriving from the project whatever their form, provided it does not thereby breach existing industrial and intellectual property rights.

22.3. The LB shall ensure that it has all rights to use any pre-existing intellectual property rights necessary to implement this Contract.

22.4. In case natural, recognizable persons are depicted in a photograph or film, the LB shall, in the final report to the MA, submit a statement of these persons giving their permissions for the described use of their images. The above does not refer to photographs taken or films shot in public places where random members of the public are identifiable only hypothetically and to public persons acting in their public activities.



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22.5. Unless otherwise clearly specified in the Description of the Project in Annex I, the equipment, vehicles and supplies paid for by the Budget for the Project shall be transferred to the final beneficiaries of the Project, at the latest when submitting the final report.

If there are no final beneficiaries of the Project to whom the equipment, vehicles and supplies can be transferred, the LB and its partners may transfer these items to:

- local authorities
- local Partners
- local affiliated entity(ies)
- another project funded by the European Union
- or, exceptionally, retain ownership of these items.

In such cases, the LB shall submit a justified written request for authorisation to the MA, with an inventory listing the items concerned and a proposal concerning their use, in due time and at the latest with the submission of the final report.

In no event may the end use jeopardize the sustainability of the Project or result in a profit for the LB and its partners during project implementation.

22.6 Beneficiaries and partners located in EU Member States may implement activities in Mediterranean Partner Countries involving equipment, vehicles and supplies. The equipment, vehicles and supplies paid for by the Budget for the Project must be transferred to partners in the countries where the activities were carried out or to the final recipients of the Project, at the latest when submitting the final report. Copies of the proofs of transfers of equipment and vehicles, the purchase cost of which was more than EUR 5.000 per item, must be attached to the final report. Such proofs must be kept for control purposes in all other cases.

Article 23 - Applicable law and dispute settlement

23.1. This Contract shall be governed by the law of the country of the MA i.e. the Italian law.

23.2. The parties to this Contract shall do everything possible to settle amicably any dispute arising between them during the implementation of this Contract. To that end, they shall communicate their positions and any solution that they consider possible in writing, and meet each other at either's request. The LB and the MA shall reply to a request sent for an amicable settlement within 30 days. Once this period has expired, or if the attempt to reach amicable settlement has not produced an agreement within 120 days of the first request, the LB or the MA may notify the other part that it considers the procedure to have failed.

23.3. In the event of failure to reach an amicable agreement, the dispute may by common agreement of the LB and the MA be submitted for conciliation by the European Commission if it is not the MA. If no settlement is reached within 120 days of the opening of the conciliation procedure, each party may notify the other that it considers the procedure to have failed.

23.4. In the event of failure of the above procedures, each party to this Contract may submit the dispute to the courts of the country of the MA i.e. Cagliari.



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Article 24 - Data protection

24.1. All personal data mentioned in the Application form, in the Grant Contract and its annexes and in every other document provided for the scope of the award of the Grant Contract will be collected and processed by the MA in compliance with the terms and indications of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 (GDPR - General Data Protection Regulation), as specified in the "Information note on personal data treatment according to GDPR" (Annex IV).

All personal data held by the MA and/or collected within the framework of the negotiation, signature and implementation of the Grant Contract will be used solely for purposes related to the signature and implementation of the Contract itself, as well as for the information and communication activities carried out by the MA in the framework of the ENI CBC Mediterranean Sea Basin Programme.

The personal data collected by the MA can be transmitted to external bodies or subjects who perform activities or functions strictly connected to the implementation of the Grant Contract and to the Programme information and communication activities. Within the framework of the Programme information and communication activities, some of these data can also be diffused through the Programme website or other information tools, in compliance with the relevant provisions applicable to the ENI CBC Mediterranean Sea Basin Programme.

24.2. The LB and Partners shall limit access and use of personal data to that strictly necessary for the performance, management and monitoring of this Contract and shall adopt all appropriate technical and organizational security measures necessary to preserve the strictest confidentiality and limit access to this data, in compliance with Regulation (EU) 2016/679 (GDPR - General Data Protection Regulation).

Article 25 - Contact addresses

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

For the MA:

Regione Autonoma della Sardegna – Managing Authority of the ENI CBC Mediterranean Sea Basin Programme

Via Bacaredda, n.184 – 09127 Cagliari (Italy)

For the Lead Beneficiary

United Nations Development Programme, Jordan Country Office.

P.O.Box 941631 Ishaq Al Edwan Street -Building no. 16 Amman - 11194 (Jordan)

Article 26 – Annexes

The following documents are annexed to this Contract and form an integral part of the Contract:

Annex I - Description of the Project

Annex II - Budget for the Project and Financial Plan

Annex III - Partnership Agreement



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Annex IV –Information note on personal data treatment according to GDPR (General Data Protection Regulation)

In the event of conflict between the provisions of the present Contract and any Annex thereto, the provisions of the Contract shall take precedence.

For the MA of the ENI MED CBC Programme,

For the LB

Mrs. Elisabetta Neroni, Head of the Operational and Authorising Unit

Mrs Sara Ferrer Olivella, the Resident Representative

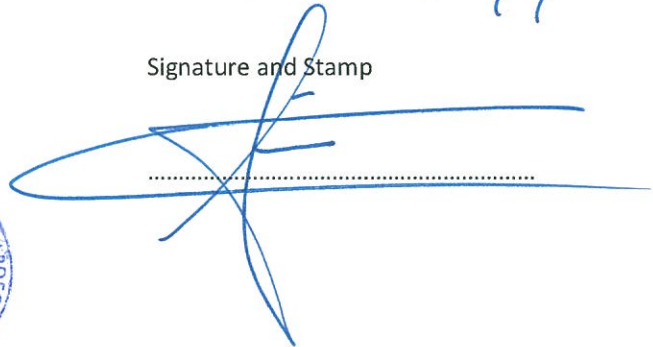
Place, date 2/10/2019

Place, date Arman, 24/9/2019

Signature and Stamp

Signature and Stamp


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M.A. B.S. OVA