

PARTNERSHIP AGREEMENT FOR THE IMPLEMENTATION OF THE SHARED WATERS ENHANCEMENT AND LOUGH LEGACY PROJECT WITHIN THE FRAMEWORK OF THE INTERREG VA PROGRAMME

Between the following partners:

LEAD PARTNER

1. Northern Ireland Water Limited (company no. NI054463), of Westland House, Old Westland Road, Belfast, County Antrim, BT14 6TE
Represented by: Dermott McCurdy

Amount of match funding: €[●]

PROJECT PARTNERS

2. Irish Water Limited (company no. 530363), of Colvill House, 24-26 Talbot Street, Dublin, Ireland
Represented by: Trudy Higgins

Amount of match funding: €[●]

3. Agri-Food and Biosciences Institute, a statutory non-departmental public body created under the Agriculture (Northern Ireland) Order 2004, of 18 Newforge Lane, Belfast, County Antrim, BT9 5PX
Represented by: Dr Matthew Service

Amount of match funding: €[●]

4. The Loughs Agency, a statutory non-departmental public body created under the North/South Co-operation (Implementation Bodies) (Northern Ireland) Order 1999 (as amended) of 22 Victoria Road, Londonderry, County Derry, BT47 2AB
Represented by: Paddy Boylan

Amount of match funding: €[●]

5. East Border Region Limited (company no. NI034498), of 2 Monaghan Court, Newry, County Down, BT35 6BH
Represented by: Pamela Arthurs

Amount of match funding: €[●]

Article 1: Project Objectives

The Shared Waters Enhancement and Loughs Legacy Project, conducted based on the INTERREG VA Programme shall contribute to the objectives set out in the Operational Programme. These objectives are, in summary, to:

- [undertake scientific catchment investigations and modelling to inform implementation of the most sustainable and beneficial capital improvements;
- demonstrate that Northern Ireland Water and Irish Water have complied with their required action to improve their Water Framework Directive status;
- leave a tangible legacy model to address remediation of any residual pollution through the appropriate Water Framework Directive Programme of Measures; and
- utilise sustainable treatment technologies and innovative solutions for continued future cross-border knowledge sharing.]

Article 2: Subject of the Partnership Agreement

By the present Partnership Agreement, the Lead Partner and the Project Partners shall define the rules of procedure for the work to be carried out and the relations that shall govern them within the transnational partnership set up in order to complete the aforementioned project.

The terms of reference of the project are indicated in the annexes. The annexes comprise:

- The Letter of Offer signed by the [Joint Secretariat] on behalf of the Managing Authority and co-signed by the Lead Partner dated [date] (Letter of Offer)
- The Implementation Plan of the project with its time schedule and detailed budget included in the finalised Application Form as received by the [Joint Secretariat] on [date]

All annexes are an integral part of this Partnership Agreement.

Article 3: Duration of the Agreement

3.1 This Partnership Agreement shall take effect on the date on which it is signed by all partners. It shall remain in force until the Lead Partner has discharged in full its obligations toward the Managing Authority.

3.2 Should the date on which the Project actually starts precede the date the [Steering Committee] has taken into account for eligible expenses, the expenses incurred by the partners prior to that date shall be deemed non-eligible.

Upon approval by the [Joint Secretariat] of the final Activity Report and Payment Claim, the agreement shall terminate on the date each of the Project Partners collects their quota of the last transfer for the settlement of the Programme grant.

3.3 The period in which the Project must be concluded may be altered with express written permission from the [Joint Secretariat]. Modifications apply to all Project Partners.

3.4 Following the termination of the agreement, all Project Partners are obliged to comply with the obligations concerning the keeping and filing of documents.

3.5 This agreement is entered into for the duration stipulated in article [3] and cannot be extended without express written permission from the [Joint Secretariat].

Article 4: Lead Partner

4.1 The Lead Partner is responsible for the overall coordination, management and implementation of the project.

The Lead Partner shall be the beneficiary of the grant and shall manage the funds in accordance with the details of this Partnership Agreement. The Lead Partner assumes sole responsibility for the entire project vis-à-vis the Managing Authority.

4.2 The Lead Partner shall appoint a Project Manager who has operational responsibility for the implementation of the overall project and a Finance Manager.

4.3 The Lead Partner will ensure timely commencement of the project and implementation of the entire project within the time schedule in compliance with all obligations to the Managing Authority. The Lead Partner shall notify the [Joint Secretariat] of any factors that may adversely affect implementation of the project activities and/or financial plan.

4.4 Reception of payments from the [Certifying Authority] and the management of EU funds, in particular their timely onward transfer to the Project Partners, review of the appropriate spending of the EU funds by the Project Partners, and consolidation of the project-related individual accounting records of the Project Partners and preparation of all required documents and records for the final audit (with assistance of the Project Partners).

4.5 Preparation of a work plan setting out the tasks to be undertaken as part of the project and the role of Project Partners in their implementation, and a project budget.

4.6 Preparation and submission of periodic progress reports, interim reports, final reports, follow-up budget documentation, financial declarations, requests for payment, financial reports and application for budget or contract clause alterations.

4.7 Any other tasks agreed with the Project Partners.

Article 5: Project Partners

5.1 Project Partners are the organisations responsible for carrying out specific project activities in the manner and scope as indicated in the approved application form.

5.2 More specifically, the Project Partners will be responsible for: 1) Carrying out the specific activities set out in the project work plan or otherwise agreed; 2) Providing all information and data to the Lead Partner that is required by the latter to coordinate and monitor the implementation of the project and for reporting purposes; 3) Submitting confirmations by independent chartered accountants (or equivalent) on the eligibility of their expenditure. 4) Notifying the Lead Partner of

any factors that may adversely affect implementation of the project in accordance with the work plan.

5.3 Project Partners agree to take all necessary steps enabling the Lead Partner to comply with its responsibilities as set out in the Letter of Offer.

Article 6: Specific Activities

6.1 The main tasks of Northern Ireland Water Limited, referred to as the 'Lead Partner', are summarised as follows:

- 1) appoint a project manager who will accept the operational responsibility for the implementation of the overall project and a financial manager;
- 2) define a communication plan to promote the Programme at local level approved by the [Joint Secretariat] in relation with other Project Partners;
- 3) carry out the Project according to the action plan approved by the [Steering Committee];
- 4) implement the entire Project within the time schedule stated in the approved action plan and fulfil the obligations arising from the approval of the Programme grant including the Programme audit requirements;
- 5) implement the information and publicity measures as set out in the approved communication plan;
- 6) receive the Programme grant and transfer it to the other partners;
- 7) manage and verify appropriate spending of the Programme grant;
- 8) ensure correctness of the Project's accounting and produce all documents required for the final audit;
- 9) establish the division of mutual responsibilities within the partnership;
- 10) edit and transfer periodic progress reports, intermediate activity reports, final reports, follow-up budgetary documents, payment claims, financial reports and applications for budgetary or term amendments to the [Financial Control Unit].

6.2 The main tasks of the Project Partners are summarised as follows:

- 1) accept the rules and the obligations set forth in the Letter of Offer and in the annexes and see to compliance for his part of the project;
- 2) accept the project's budget and pledge to release their part of the co-funding;
- 3) agree on a common response in the event of deficiency on the part of one of the Project Partners and undertake to rapidly find a valid solution or substitution that is acceptable to the [Steering Committee];
- 4) commit to keeping separate accounts and to providing the required data to prepare activity reports and financial reports;
- 5) be held responsible for their regional budget (including the recouping of funds by the Steering Committee in case of bankruptcy) for the entire amount of their in the programme;
- 6) pledge to implement the Communication and Publicity measures he has set out in the Communication Plan submitted with the project application;
- 7) commit to participating in the evaluation and the dissemination of project results in accordance with the Steering Committee's requirements.

6.3 The main tasks of the Project Partners and the Lead Partner (in their function as Project Partner), are summarised as follows:

- 1) appoint a regional co-ordinator for the portion of the Project for which they are responsible and give the Lead Partner a guarantee that they are entitled to represent the Project Partners participating in the Project
- 2) implement the portion of the Project for which they are responsible and fulfil the obligations arising from the approval of the Programme grant
- 3) draft activity, budgetary and financial reports that are to be submitted to the Lead Partner
- 4) immediately notify the Lead Partner of any events that could lead to a temporary or permanent discontinuation or any other deviation of the Project
- 5) organise commitment of user groups in their region, their participation in the regional project and pilot projects and their co-operation in the dissemination of the Project results
- 6) provide the necessary information and give access to their business premises to the responsible auditing bodies implementing the Programme audit requirements, in particular Regulation 1083/2006 of 11 July 2006, article 90
- 7) appoint members of the Regional Monitoring Groups
- 8) take part in the International Monitoring Board.

Article 7: Organisational Structure of the Partnership

7.1 For the successful management of the partnership and completion of the programme, a 'Project Steering Committee' will be set up. The International Monitoring Board will be responsible for monitoring the implementation of the project. The International Monitoring Board will be chaired by the Lead Partner and will report to the [Joint Secretariat.] Its members shall include the Lead Partner, Project Partners, subpartners and any other organisations or individuals deemed appropriate by the Lead Partner. The International Monitoring Board shall meet on a *[define frequency]* basis. The [Managing Authority] shall also be invited to attend meetings.

7.2 The International Monitoring Board will have the authority to delegate specific tasks or responsibilities to such sub-committees as it shall deem appropriate to establish. These tasks may include responsibility for financial control, the monitoring of project activities and evaluation of the outcomes, and such other tasks as considered appropriate by the International Monitoring Board. *[Specify the detailed composition of the International Monitoring Board and any sub-committees, their role and assignments, and the decision making process].*

Article 8: Cooperation with third parties

8.1 In case of cooperation with third parties, including subcontractors, delegation of part of the activities or of outsourcing, the Project Partner concerned shall remain solely responsible to the Lead Partner concerning compliance with its obligations as set out in this Partnership Agreement. The Lead Partner shall be informed by the Project Partner about the subject and party of any contract concluded with a third party.

8.2 No Project Partner shall have the right to transfer its rights and obligations under this Partnership Agreement without the prior consent of the other Project Partners and the responsible programme implementing bodies.

8.3 Cooperation with third parties including subcontractors shall be undertaken in accordance with the procedures set out in EU public procurement directives.

8.4 Project Partners can, should they deem it necessary, notify their sub-partners of this Partnership Agreement.

Article 9: Project Budget and Eligible Expenditure

9.1 The Lead Partner is responsible for preparing a project budget setting out an estimate of eligible expenditure and funding (ERDF and Project Partner contributions by way of match funding or co-financing). The budget shall be denominated in euro.

9.2 The eligibility of expenditure will be determined based on Commission Regulations and national laws. Eligible expenditure must be: 1) directly related to the subject matter of the project and mentioned therein; 2) necessary for the implementation of the project as long as it is reasonable and consistent with the principles of operational efficiency and economy; 3) actually incurred and are identifiable and verifiable in the accounting and taxation records of the Project Partner;

9.3 Eligible expenditure may include the salaries plus social security charges and other remuneration-related costs of staff assigned to the project, travel and subsistence costs for staff involved in the project's implementation, depreciation costs for equipment (new or used, costs of consumables and supplies, expenditure on subcontracting, and costs deriving directly from the requirements of the Letter of Offer (e.g. evaluation activities, dissemination of information).

9.4 The ERDF financial contributions shall be paid into the account of the Lead Partner who shall be responsible for the administrative and financial management of the funds and for distributing the funds between the Project Partners in accordance with their certified expenditure incurred for project actions effectively carried out.

9.5 The Lead Partner shall quantify common managements cost and Project Partners agree that these shall be met by the partnership as a whole. *[Provisional annual budgets for each of the Project Partners and for each activity to be attached together with a global provisional budget for the whole project, specifying the ERDF funding rate to be appended to the Partnership Agreement].*

Article 10: Monitoring, Evaluation and Reporting

10.1 The Lead Partner has overall responsibility for monitoring the actions undertaken by the Project Partners on an ongoing basis. Monitoring, evaluation and reporting requirements should be appropriate given the nature and scale of the project and shall be decided by the Lead Partner in consultation with the [Joint Secretariat.]

10.2 The Lead Partner is responsible for submitting interim reports to the [Joint Secretariat] throughout the lifetime of the project as indicated in section [●] of the Letter of Offer and by the official end date of the project in order for final payment to be received. These reports should provide details of the activities undertaken as part of the project, the progress/outcomes achieved against targets, expenditure incurred, an explanation for any variances against the work plan's

targets for physical outputs and budget, and proposed corrective actions, and any other information deemed relevant.

10.3 Each Project Partner is obliged to supply the Lead Partner with all information that the latter deems necessary for the preparation of reports of any kind to the Steering Committee or the [Joint Secretariat], payment requests and other specific documentation, as are requested by the Steering Committee or the [Joint Secretariat].

10.4 The Lead Partner shall inform all Project Partners on a regular basis of all relevant communication between the Lead Partner and the Managing Authority, the [Joint Secretariat] and the [Steering Committee].

Article 11: Financial Control and Audits

11.1 All Project Partners are obliged to retain the documents required for the verification of the implementation of the Project and eligible expenses and to make them available to the [Steering Committee] or persons or bodies appointed by the [Steering Committee] to that effect.

11.2 The Lead Partner as well as all Project Partners, individually, must keep and file all accounting documents and other documents for a period of three years as from the date of the last transfer concerning the Programme grant (at least until [●].)

11.3 The national rules concerning the verification or the retaining of documents, from which the partners may never deviate, shall remain applicable if they set forth stricter obligations.

The Project Partners shall refer to the budget approved by the Steering Committee, as well as to the detailed budget in order to determine the actual implementation of the eligible expenses.

Article 12: Accounting Principles

12.1 All Project Partners commit to keeping separate accounts in accordance with the rules prescribed by the [Steering Committee] and in accordance with the rules concerning eligible expenditure. The accounts shall provide for registration in Euros of total expenses (expenditure) and of the return (income) related to the Project.

Accounting reports or other documents, including copies of all pieces of evidence shall be submitted to the Lead Partner or to the body appointed to that effect, in accordance with the schedule and requirements stipulated by the Lead Partner.

The Project Partners are obliged to have their project accounting certified by an accountant or auditor. All partners must produce all documents and necessary information required for audit by local, regional, national or European auditors, and give access to their business premises in accordance with European Regulations.

12.2 The Lead Partner is the sole responsible party to the [Steering Committee] concerning the realisation of payment claims and financial reports. The Lead Partner must ensure the reliability of

the accounting and financial reports and documents drawn up by all Project Partners. The Lead Partner can request further information and evidence to that effect.

In default of evidence or in the event of non-fulfilment of the Programme rules concerning eligibility of expenses, the Lead Partner shall ask the Project Partner to review the submitted financial documents. In case of repeated non-fulfilment, the Lead Partner shall be entitled to deny the expenses submitted by a Project Partner. In such cases, the Lead Partner is obliged to inform the concerned Project Partner of the denial of expenses and the motivation thereto.

12.3 The financial, accounting and reporting policy of the Lead Partner (as well as its directions and requests towards the other Project Partners in connection therewith) shall be based on the rules and regulations determined by the Programme in respect of the Project and in general as interpreted by the Lead Partner. The Lead Partner shall use reasonable endeavours to obtain clarification and/or comfort in respect of such rules, regulations and interpretation where appropriate, in order to avoid differences of opinion with the [Steering Committee] which might lead the [Steering Committee] to reduce discontinue or even re-claim subsidies from one or more of the Project Partners. The Lead Partner, however, shall not be responsible and/or liable towards the other Project Partners for any adverse consequences resulting from a different interpretation and/or approach of relevant rules and regulations by the [Steering Committee] at any stage of the Project.

12.4 The Lead Partner is responsible for the Project's overall accounts to be distinguished from the accounts drawn up in the region in which they are the Project Partner.

Article 13: Communication and Publicity

13.1 The Project Partners shall implement the communication and publicity measures in accordance with the project application and Commission Regulations on information and publicity measures to be carried out by the Member States concerning assistance from the Structural Funds. They shall play an active role in any actions organised to disseminate the results of the project. Any public relations measure shall be coordinated by the Lead Partner.

13.2 Each Project Partner shall point out in the framework of any public relations measures that the project was implemented through financial assistance from funds of the present Community Initiative programme.

Article 14: Dissemination of Project Outcomes

The Lead Partner and the Project Partners shall take note of the fact that the results of the project may be made available to the public and they agree that the results of the project shall be available for all interested parties. Furthermore, they commit to playing an active role in any actions organised to capitalise on, disseminate and valorize the results of the project.

Article 15: Intellectual Property Rights

The Lead Partner and the Project Partners shall ensure that all products developed within the framework of the project are, subject to the provisions of national laws regarding intellectual

property, kept free of all rights. They explicitly commit to giving up all patrimonial rights on teaching material, methodologies and other products of any nature resulting from the project.

Article 16: Results of Joint Activities

The result of the joint activities covered by the [Project] concerning reports, documents, studies, electronic data and other products, be they disseminated free of charge or commercially, are the joint property of the Project Partners.

The Project Partners dispose of the property in accordance with mutually agreed upon rules, based on the prevailing rules of co-authorship.

The Project Partners explicitly commit themselves, and without a time limit, to stating that the implementation has taken place with the co-operation of the Programme.

Article 17: Confidentiality Requirements

17.1 Although the nature of the implementation of this Project is public, it has been agreed that part of the information exchanged in the context of its implementation between the Project Partners themselves or with the [Joint Secretariat] or Steering Committee, can be confidential. Only documents and other elements explicitly provided with the statement “confidential” shall be regarded as such.

This mainly concerns studies that have been made available to one of the parties in the context of the Project concerning methods, know how, files or any other type of document labelled confidential. This information can only be used by the Project Partners according to the provisions of this agreement.

17.2 Project Partners commit to taking measures so that all staff members carrying out the work respect the confidential nature of this information, and do not disseminate it, pass it on to third parties or use it without prior written consent of the Lead Partner and the institution that provided the information.

The Project Partners commit to taking the same measures to maintain the confidential nature of the information, as they would do should it concern their own confidential information.

17.3 This confidentiality clause shall remain in force for two years following the termination of this Partnership Agreement.

Article 18: Modifications, Withdrawals and Disputes

18.1 Any modification to the present Partnership Agreement shall form the subject of an additional clause to this contract, which shall be submitted for the approval of the Project Partners as represented in the International Monitoring Board.

18.2 The Lead Partner and the Project Partners agree not to withdraw from the Project unless there are unavoidable reasons for it. If this were nonetheless to occur, the Lead Partner and the

Project Partners shall endeavour to cover the contribution of the withdrawing Project Partner, either by assuming its tasks or by asking one or more new partners to join the partnership.

18.3 In case of any disputes among themselves, the Project Partners are obliged to work towards an amicable settlement. Disputes will be referred to the Steering Committee. If efforts to achieve an amicable settlement should fail, the Project Partners are obliged to seek an out-of-court arbitration procedure *[specify the nature of this procedure]*.

18.4 Any legal dispute that may result from or in connection with this present Partnership Agreement, including such over the validity of this present Partnership Agreement itself and this arbitration clause, will be finally decided in accordance with the jurisdiction of the country where the Lead Partner is domiciled.

Article 19: Non-fulfilment of Obligations or Delay

19.1 All Project Partners are obliged to promptly inform the Lead Partner and to provide the latter with all the useful details should there be events that could jeopardise the implementation of the Project.

19.2 Should one of the Project Partners be in default, the Lead Partner shall admonish the respective partner to comply within a reasonable period of time, a maximum of one month.

19.3 Should the non-fulfilment of obligations continue, the Lead Partner may decide to debar the Project Partner concerned from the Project, with approval of other members of the International Monitoring Board. The Steering Committee shall be promptly informed of such a decision.

The debarred partner is obliged to refund to the Lead Partner any Programme funds received which cannot be proven on the day of debarring that they were used for the implementation of the Project according to the definition of eligible expenses stated in the Programme rules.

19.4 In cases where the non-fulfilment of a Project Partner's obligations has financial consequences for the funding of the Project as a whole, the Lead Partner may demand compensation to cover the sum involved.

Article 20: Reduction and Discontinuation of the Programme Grant

Should the Steering Committee be forced to reduce or discontinue the grant referred to in the Letter of Offer, attached as Annex [●] to this Partnership Agreement, and should this entail full or partial refunding of the Programme funds already transferred, all Project Partners are obliged to refund the Programme funds to the Steering Committee (by way of the Lead Partner) according to the final financial settlement.

The final financial settlement, drawn up on the basis of the final expenditure certificate approved or denied by the Steering Committee, shall show, both for the overall Project as well as for every Project Partner, the status of the eligible expenses approved by the Steering Committee, and the portion allocated to all Project Partners of the Programme grant. This determines the amount all

Project Partners must refund, and shall be held accountable for the full amount of such community funds to be repaid by such Project Partner, should the Steering Committee claim such funds from the Lead Partner.

Article 21: Working Language

The working language of this Partnership Agreement shall be English. In case of translation of this document into another language, the English language version shall be the binding one.

Article 22: Legislation and Force Majeure

22.1 This Partnership Agreement is governed by the law of Northern Ireland, being the law of the country of the Lead Partner.

22.2 The provisions of Community Law, particularly the provisions of Articles 30, 32 and 59 of the EC Treaty, as well as the provisions of the Community Directives concerning co-ordination of procedures for the award of public service contracts, public supply contracts and public works contracts, and the provisions of Community environmental law must be complied with when entering into contracts concerning actions or investments in the context of this Project. The provisions of this Partnership Agreement that unlawfully deviate from these provisions shall be deemed as unwritten.

22.3 No party shall be held liable for not complying with obligations ensuing from this Partnership Agreement should the non-compliance be caused by force majeure. If such a case arises, the Project Partner involved shall announce this immediately in writing to the other Project Partners. All events or circumstances independent of this will of the partners that impede the implementation of the agreement shall be deemed force majeure.

Article 23 : Legal Succession

In cases of legal succession (e.g. where the Lead Partner changes its legal form), the Lead Partner is obliged to transfer all duties under this contract to the legal successor.

Article 24 : Nullity

Should one of the provisions of this Partnership Agreement be declared null or void in the national law of one of the parties or the law governing this Partnership Agreement, this shall not render the remaining provisions null and void.

The fact that one of the parties does not request application of one of the provisions of the agreement does not imply that this party waives such provision.

Article 25 : Lapse of Time

Legal proceedings concerning any issue ensuing from this Partnership Agreement may not be lodged before the courts more than three years after the fact. In the event of legal proceedings concerning a claim to refund funds, a period of three years following the last transfer shall be applied.

Article 26 : Domicile

To the effect of this agreement, the Project Partners shall irrevocably choose domicile at the address stated in their letterhead where any official notifications can be lawfully served.

Any change of domicile shall be forwarded to the Lead Partner within 15 days following the change of address by registered mail.

Article 27: Final Statement

The EC guidelines and the distributed financial and legal obligations are considered to be integral part of this contract between the Project Partners.

Article 28: Concluding Provisions

This present Partnership Agreement can only be changed by means of a written amendment that is signed by all Project Partners. Modifications to the project (work plan, budget, etc) that are approved by the Steering Committee shall be effective as alterations of this present Partnership Agreement, also without adherence to this formal requirement.

Written in [Belfast] in *[specify number]* original copies, on *[specify date]*

Northern Ireland Water

[Name and title of legal representative]

[Signature]

[Name of Project Partners]

[Name and title of legal representatives]

[Signatures] etc.

Annexes

- a) Project Work Plan
- b) Project Budget
- c) Application form and financial annexes
- d) Letter of Offer