

Agreement on Management, Control and Audit concerning beneficiaries located outside the Programme area of the Interreg Baltic Sea Region Programme 2014-2020

(Agreement according to Article 20(2)(c) of Regulation EU (No) 1299/2013)

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Having regard to

- REGULATION (EU) No 1303/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006,
- REGULATION (EU) No 1301/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 December 2013 on the European Regional Development Fund and on specific provisions concerning the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/2006,
- REGULATION (EU) No 1299/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 December 2013 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal,
- REGULATION (EU, Euratom) No 966/2012 of the EUROPEAN PARLIAMENT AND OF THE COUNCIL of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002,
- Implementing acts and delegated acts adopted in accordance with the aforementioned Regulations,
- the Cooperation Programme “Interreg Baltic Sea Region” (CCI 2014TC16M5TN001) – hereinafter referred to as “Programme”,
- the decision of the European Commission according to Article 29(4) of Regulation (EU) No 1303/2013 approving the Programme (Decision No C(2014)10146 of 18 December 2014),
- the Agreement on the Management, Financial and Control Systems of Interreg Baltic Sea Region (Programme period 2014-2020) – hereinafter referred to as “MCS-Agreement”,
- **the Agreement between the European Commission, the Government of the Russian Federation and the Government of the Federal Republic of Germany on the financial contribution of the European Union and the Russian Federation provided for the implementation of the Transnational Cooperation Programme "Interreg Baltic Sea Region 2014-2020" in the Russian Federation – hereinafter referred to as “Financing Agreement”,**
- the “Programme Manual for the period 2014 to 2020” as approved by the Programme’s Monitoring Committee in its valid version – hereinafter referred to as “Programme Manual”,

the **partner country to the Programme**¹, represented by **name/person and name/address of the ministry/authority etc.**, hereinafter referred to as “partner country”,

and

the **Investitionsbank Schleswig-Holstein, Fleethörn 29-31, 24103 Kiel, Germany**, represented by the Managing Board, hereinafter referred to as “IB.SH”,

hereby agree on the following rules on management, control and audit concerning beneficiaries located outside the Programme area of Interreg Baltic Sea Region Programme 2014-2020 and on the territory of the partner country:

¹ Country outside the Programme area on whose territory a project partner is located who applies to participate in a project of the Interreg Baltic Sea Region Programme 2014-2020.

PART I – MAIN IMPLEMENTING PROVISIONS

Article 1: Purpose and scope

This Agreement contains rules on management, control and audit concerning beneficiaries (hereinafter also referred to as “project partners”, a single one as “beneficiary” or “project partner”) outside the Programme area of the Interreg Baltic Sea Region Programme 2014-2020 on the territory of the partner country. It shall be concluded based on Article 20(2) of Regulation (EU) No 1299/2013. Signing this Agreement by the partner country is obligatory before a payment from the Programme can be made to project partners from its territory.

The provisions of this Agreement are based on the MCS-Agreement that has been signed by the Kingdom of Denmark, the Republic of Estonia, the Republic of Finland, the Federal Republic of Germany, the Republic of Latvia, the Republic of Lithuania, the Republic of Poland, the Kingdom of Sweden and the Kingdom of Norway – hereinafter referred to as “participating countries”, a single country as “participating country” – and the IB.SH on 23.11.2015.

In addition to this the participating countries agreed to open the Programme to partners from Belarus and Russia provided the Republic of Belarus and the Russian Federation accept the provisions for management, financing and control of the Programme. **In terms of the Russian Federation the Financing Agreement has been signed on 30.01.2018.**

Article 2: Main implementation structure and procedures

The Programme is implemented through the following Programme bodies: a Managing Authority (also responsible for carrying out the functions of the Certifying Authority), a Joint Secretariat, a Monitoring Committee and an Audit Authority, the latter assisted by a Group of Auditors.

2.1 Managing Authority

- a. Investitionsbank Schleswig-Holstein (IB.SH), Kiel, Germany has been designated by the participating countries to fulfil the functions of the **Managing Authority** (hereinafter referred to as “MA”) of the Programme.
- b. The MA is responsible for the overall management and implementation of the Programme. This involves cooperation with other Programme bodies such as the Monitoring Committee and the Audit Authority as well as with the European Commission and other EU-funded programmes.
- c. The MA carries out the functions laid down in Article 125 of Regulation (EU) No 1303/2013. In accordance with Article 23 of Regulation (EU) No 1299/2013, the MA has set up a **Joint Secretariat**, in particular to assist the MA and the Monitoring Committee in carrying out their respective functions.
- d. Based on Article 21(1) of Regulation (EU) No 1299/2013, the MA is also responsible for carrying out the functions of the Certifying Authority as defined in Article 126 of Regulation (EU) No 1303/2013 and Article 21(2) of Regulation (EU) No 1299/2013.
- e. IB.SH fulfils the respective functions in compliance with the above mentioned EU Regulations, the Programme, the decision of the European Commission approving the Programme, the MCS-Agreement, **the Financing Agreement**, the Programme Manual, and this Agreement. Without prejudice to these rules, the IB.SH carries out its tasks in full accordance with the institutional, legal and financial systems of the Federal Republic of Germany.
- f. The participating countries support the IB.SH in its efforts to fulfil its functions according to the rules. The same shall apply to the partner country in case project partners are located on its territory.

- g. The MA does not carry out verifications under Article 125(4)(a) of Regulation (EU) No 1303/2013 throughout the whole Programme area. For this reason and based on Article 23(4) of Regulation (EU) No 1299/2013, the partner country designates the body or persons responsible for carrying out such verifications in relation to beneficiaries on its territory (hereinafter referred to as “first level controller” or “controller”). Accordingly, the MA shall satisfy itself that the expenditure of each beneficiary participating in an operation has been verified by a controller in compliance with Article 23(4) of Regulation (EU) No 1299/2013.
- h. As an exception from the rule stipulated in point g) the MA may carry out management verifications of specific types of operations. Details are stipulated in the Programme Manual.
- i. The counterpart for the MA with the coordination role on the territory of the partner country is the national authority responsible for Interreg/European Territorial Cooperation programmes. Representatives of this authority are the central contact persons for all enquiries, reports etc. related to the implementation of the Programme in the partner country (cf. Article 7 of this Agreement).

2.2 Joint Secretariat

- a. The Programme’s **Joint Secretariat** (hereinafter referred to as “JS”) has been set up by the MA. The main office of the JS is operated by IB.SH in Rostock/Germany with a branch office in Riga/Latvia hosted by the State Regional Development Agency Republic of Latvia (hereinafter referred to as “SRDA”).
- b. In the Programme, the JS will carry out the majority of day-to-day tasks related to the overall Programme implementation, in particular the tasks stipulated in Article 23(2) of Regulation (EU) No 1299/2013. The JS is the central contact point for the public interested in the Programme, potential beneficiaries and selected/running operations.

2.3 Monitoring Committee

- a. In compliance with Articles 47 and 48 of Regulation (EU) No 1303/2013 the participating countries in agreement with the MA have set up a Monitoring Committee (hereinafter referred to as “MC”) comprising representatives from all participating countries as members as well as the MA/JS and the European Commission in an advisory capacity.
- b. The partner country cannot appoint representatives to the Programme’s MC.
- c. The MC fulfils tasks and functions stipulated in Articles 5, 49 and 110 of Regulation (EU) No 1303/2013 and selects operations as stipulated in Article 12 of Regulation (EU) No 1299/2013. The MC members’ responsibilities, rules on the MC members’ impartiality etc. are set out in writing in the rules of procedure of the MC as adopted at the first MC meeting in February 2015.

2.4 Audit Authority and second level audits

- a. The following body has been designated to act as **Audit Authority** of the Programme:

Ministry of Justice, Cultural and European Affairs Schleswig-Holstein, Kiel, Germany
- b. The Audit Authority carries out the functions provided for in Article 127 of Regulation (EU) No 1303/2013. Without prejudice to these rules, the Audit Authority carries out its tasks in full accordance with the institutional, legal and financial systems of the Federal Republic of Germany.
- c. Applying Article 25(2) of Regulation (EU) No 1299/2013, the Audit Authority is assisted by a **Group of Auditors** comprising representatives of the participating countries. Each participating country is responsible for audits carried out on its territory (hereinafter referred to as “second level audits/

auditors” or “SLA”). The Group of Auditors approved its own rules of procedure at its first meeting in 2015 and it is chaired by the Audit Authority.

- d. The partner country cannot appoint representatives to the Programme’s Group of Auditors but its representatives are allowed to participate in the group’s meetings on invitation by the Audit Authority. The Audit Authority keeps the partner country up to date on the group’s activities and tasks.
- e. The partner country is responsible for second level audits carried out on its territory as stipulated in Article 25(2) of Regulation (EU) No 1299/2013. Contact details for the partner country’s SLA shall be provided in Article 7 of this Agreement. More details on the procedures for the SLA are stipulated in the Programme Manual, in the Audit Strategy and in the Audit Manual, both the latter provided by the Programme’s Audit Authority.
- f. The SLA of the partner country shall be independent from the first level controllers designated according to Article 23(4) of Regulation (EU) No 1299/2013 (cf. Article 2.5 of this Agreement) and from any project’s activities and finances.
- g. The national SLA tasks carried out are solely financed by the respective country according to Article 25(2) of Regulation (EU) No 1299/2013.

2.5 Management verifications, role of first level controllers

- a. As the MA does not carry out verifications under Article 125(4)(a) of Regulation (EU) No 1303/2013 throughout the whole Programme area (cf. Article 2.1(g) of this Agreement) and in the partner country, verifications will be carried out by first level controllers according to Article 23(4) of Regulation (EU) No 1299/2013. In such cases the MA shall satisfy itself that expenditure of each beneficiary participating in an operation has been verified by a first level controller (hereinafter referred to as “FLC”). More details are stipulated in the Programme Manual.
- b. The partner country shall designate the first level controller(s) responsible for carrying out the verifications in relation to beneficiaries on its territory. Exceptions are referred to in Article 2.1(h) of this Agreement. Contact details for FLC and information on the national first level control system (hereinafter referred to as “FLC system”) shall be provided in Article 7 of this Agreement. Any designation and any recall of a controller shall be reported to the MA/JS without delay.
- c. To ensure coherence among systems and controllers from all participating countries and from partner countries, the partner country shall submit to the MA/JS and the Audit Authority a detailed description of the national FLC system using the template provided by the MA/JS (see Annex 1 to this Agreement). Any changes in the FLC system shall result in an updated description which shall be forwarded to the MA/JS (who will inform the Audit Authority) without delay.
- d. The day-to-day business of the controllers shall be supported by the MA/JS, primarily by providing essential information about the operations and standard tools for verification of expenditure (e.g. standard control confirmation, control report and checklist). These tools, harmonised with other European territorial cooperation programmes, shall be used as standard requirements across all participating countries and partner countries to ensure coherence among controllers and transparency of control work performed.
- e. In the first instance the partner country is, apart from the designation of the controllers, also responsible for their training on EU, Programme and national requirements as well as the quality check of the control work. The MA/JS will also carry out training for first level controllers on Programme level.
- f. The controllers must in all cases:
 - be independent from the controlled beneficiary;

- hold the qualifications set by the partner country;
 - fulfil the requirements for the first level controls stipulated in the EU regulatory framework and in the national legal framework.
- g. The controllers shall verify that the co-financed products and services have been delivered and that expenditure that has been declared by each beneficiary in the Programme has been paid and it complies with applicable law, the Programme and the conditions for the support of the operation. The controllers may be asked by the MA/JS to document the verification done in the Programme's electronic monitoring system.
- h. The partner country ensures that expenditure can be verified by the controllers within a period of two months from the submission of the documents by the beneficiary. This allows for timely submission of certified partner reports from the project partner to the lead partner and, after further aggregation and check by the controller of the lead partner, a timely submission of reports by the lead partner to the MA/JS within a three month period as set out in the Programme. This submission in due time will be the basis for timely re-imburement of project costs.
- i. Depending on the national approach of the partner country, costs for the FLC system as well as for the actual first level control work will be paid by national financial resources or by the beneficiaries.

Article 3: Arrangements concerning main implementation procedures

3.1 Process for project assessment, approval and contracting

- a. Project applications can be submitted following calls for proposals. Details of the application, assessment and selection procedure are set out in the Programme Manual.
- b. The JS organises and guarantees the impartial assessment of all applications based on the eligibility and quality criteria approved by the MC.
- c. The applications submitted will be made available to the MC members, including the assessment results followed by a proposal for project selection.
- d. Prior to the project approval by the MC the partner country will carry out eligibility and legal status checks – if needed, also including the national approval – of potential beneficiaries located on the partner country's territory.
- e. The MC will select the projects according to Article 12(1) of Regulation (EU) No 1299/2013 taking into account the strategic relevance and quality of operations. Detailed rules on decision making are stipulated in the MC rules of procedure.
- f. Project lead applicants will be informed in writing by the MA/JS about the outcome of the MC selection process and also about reasons why an application was either ineligible or not approved.
- g. Following the MC selection of applications for funding, the MA shall conclude a Subsidy Contract with the lead beneficiary of an approved operation. Subsidy Contracts shall be signed by the MA or, on behalf of the MA, by staff members of the JS employed by the IB.SH. Funds shall be granted to operations in Euro (€) only.

3.2 Payment procedure

- a. In general, the reimbursement principle is applied. This means that the Programme co-financing will be paid to projects only after the certified project's request for payment has been approved by the MA/JS

provided that the funds are made available by the European Commission and, if Norwegian or Russian partners are participating in the project, by the Kingdom of Norway or the Russian Federation.

- b. The MA is responsible for both, receiving payments from the European Commission, Norway and ~~in case of its participation~~, Russia, and making payments to the lead beneficiaries (lead partners). Each lead partner of an operation (project) is responsible for allocating subsidies received from the MA to the beneficiaries (project partners) of its operation.

3.3 Monitoring

- a. Computerised systems will be set up in compliance with the requirements set out in Article 122(3) of Regulation (EU) No 1303/2013. These systems will allow the exchange of information between lead beneficiaries and the MA/JS, partly also with the Audit Authority, first level controllers and the Group of Auditors. The systems will facilitate interoperability and allow the lead beneficiaries to encode all information regarding payment requests.
- b. A well-functioning computerised project monitoring system has been developed in the context of the predecessor programme and was adapted for the Programme. The new electronic monitoring system has been set-up and will be further developed.

3.4 Resolution of complaints

- a. Complaints by applicants and beneficiaries shall be possible and shall be examined and answered by the MA/JS. If needed, complaints will be examined and answered jointly by the chairperson of the MC and the MA/JS. The chairperson of the MC may decide to refer a complaint to the entire MC for final decision. The MC may also set up a task force or a sub-committee to deal with complaints. An overview of complaints examined and answered by the chairperson of the MC and MA/JS will be provided to the MC regularly.
- b. In the Programme terminology the term "complaint" applies to the project assessment process and the correctness thereof affecting the funding decision, to audit and control as well as to project implementation and monitoring.
- c. Complaints have to be addressed to the responsible authority or administrative body, following a distinct hierarchy depending on the set-up of the management and control system. The complaint procedures are described in more detail in the Programme Manual.

Article 4: Arrangements in case of implementation difficulties

4.1 General

- a. In case of implementation difficulties the partner country shall be informed by the MA/JS. The partner country shall support the MA/JS to clarify the particular case(s) and shall help to prevent and lift potential sanctions imposed to the Programme, to a lead partner or to a project partner. Sanctions can for example be imposed by the European Commission, the Audit Authority or the MA/JS as well as on demand of a second level auditor.
- b. The support shall ensure the national responsibility and the fulfilment of related tasks, incl. providing additional human resources available at the national bodies responsible for audit and control and at other relevant national authorities.

4.2 Interruption/suspension of payments

- a. In case interruption/suspension of payments is imposed by the European Commission at Programme level, the overall liquidity of the Programme is affected. The MA/JS will do its utmost to clarify the issue with the European Commission and to lift the interruption/suspension of payment.
- b. At project level interruptions/suspension of payments will be imposed directly by the MA/JS if lead partners and/or project partners fail to comply with their responsibilities stipulated in the Subsidy Contract or if there are suspicions of irregularities or other shortcomings that would pose a risk for the Programme budget. As soon as the issue has been clarified with the relevant project, the MA/JS will either lift the payment stop or initiate the respective balance or recovery procedure. Details are stipulated in the Subsidy Contract/Programme Manual.

4.3 Projects being subject to judicial and other proceedings

- a. In case projects (lead partner or project partners) become subject to judicial or other proceedings the same procedure of notification to MA/JS and MC shall apply as provided for irregularities (cf. Article 4.5 of this Agreement) and financial corrections followed by a clarification and if needed recovery procedure. Details are stipulated in the Programme Manual/Subsidy Contract.
- b. In addition to the recovery procedure a (partial) termination of a Subsidy Contract is an option to proceed. Before exercising this according to the Subsidy Contract's provisions, the MA shall present the case to the MC and ask for its consent to terminate the Subsidy Contract. Further proceedings following a (partial) termination of a Subsidy Contract are dealt with in the Programme Manual/Subsidy Contract.

4.4 Project partners being bankrupt

- a. To gain information on lead partners or project partners becoming bankrupt the Subsidy Contract and the Programme Manual provide for procedures. The procedures of identifying and handling bankruptcy cases are similar to those of a partner drop out and shall be treated case by case. In general each lead partner and project partner is responsible to inform the other partners in the project and the national authorities. In addition to this the lead partner is obliged to inform the MA/JS.
- b. In addition to the recovery procedure a (partial) termination of a Subsidy Contract is an option to proceed. Before exercising this according to the Subsidy Contract's provisions, the MA shall present the case to the MC and ask for its consent to terminate the Subsidy Contract. Further proceedings following a (partial) termination of a Subsidy Contract are dealt with in the Programme Manual/Subsidy Contract.

4.5 Irregularity and recovery procedure

- a. In compliance with Article 122 of Regulation (EU) No 1303/2013, the partner country is responsible for reporting irregularities committed by project partners located on its territory to the European Commission and at the same time to the MA/JS. The partner country shall keep the European Commission as well as the MA/JS informed of any progress of related administrative and legal proceedings. The MA/JS will ensure the transmission of information to the Audit Authority.
- b. If MA/JS suspects an irregular use of granted funds by a lead partner or any other partner of an operation, it shall inform the competent national administrations or relevant MC members without delay.

- c. If irregularities were discovered by any other Programme body or national authorities, these shall inform the MA/JS without any delay either.
- d. The methodology of notification and decision about irregularities as well as the recovery of funds unduly spent on project level is laid down in the Programme Manual.
- e. In addition to the recovery procedure a (partial) termination of the Subsidy Contract is an option to proceed. Further proceedings related to the (partial) termination are dealt with in the Subsidy Contract/Programme Manual.

4.6 Apportionment of liabilities

- a. If MA/JS suspects or was informed about an irregular use of granted funds it shall imply follow-up actions, such as suspending the reimbursement of the financing related to the lead partner or project partner and expenditure under examination, withdrawal or reduction of the Programme co-financing, recovery of granted funds.
- b. The MA/JS shall ensure that any amount paid as a result of an irregularity is recovered from the lead partner. Project partners shall repay the lead partner any amounts unduly paid.
- c. If the lead partner does not succeed in securing repayment from project partners, or if the MA/JS does not succeed in securing repayment from the lead partner, the partner country, on whose territory the project partner concerned is located or, in the case of an EGTC, is registered, shall reimburse the MA/JS the amount unduly paid to that project partner. Therefore the partner country shall be entitled to claim the unduly paid funds from the project partner concerned. The MA/JS shall be responsible for reimbursing the amounts concerned to the general budget of the Union.
- d. By signing this Agreement, the partner country confirms its liability to reimburse the MA the amounts due in accordance with Article 27 of Regulation (EU) No 1299/2013 and Article 147 of Regulation (EU) No 1303/2013.
- e. Where the MC in agreement with the MA and the partner country decides that IB.SH shall initiate or continue legal proceedings to recover amounts unduly paid from a beneficiary, the partner country liable according to Article 27(3) of Regulation (EU) No 1299/2013 undertakes to reimburse the IB.SH the judicial costs and costs arising from the proceedings, on presentation of documentary evidence, even if the proceedings are unsuccessful. It will always be the partner country covering the costs of corresponding legal proceedings.

4.7 Systemic errors and financial corrections

- a. The Audit Authority, the Group of Auditors, the European Commission or the European Court of Auditors may detect systemic and other errors on Programme level that might lead to financial corrections imposed by the European Commission based on Articles 85 and 144 to 147 of Regulation (EU) No 1303/2013. Errors can be detected during implementation of the Programme and at the end during closure.
- b. Regardless of the date of detecting systemic and other errors on Programme level the methodology of sharing financial corrections among participating countries shall be chosen according to the type of error:
 - Financial corrections on the level of single countries (clearly attributed to a particular country by the European Commission): allocation based on distribution of errors related to EU funds among the countries concerned

- Any other financial corrections on Programme level: allocation based on total funds paid out to project partners per participating country (funds' share among all participating countries) at the date of the decision on a financial correction by the European Commission
- c. The methodology of sharing financial corrections mentioned above also applies to the partner country in case project partners from its territory are involved in the Programme.
- d. Systemic and other errors detected on Programme level leading to consequences such as financial corrections or interruption/suspension of payments on Programme level might also affect the project level. This is dealt with in the Programme Manual.

Article 5: Arrangements for Programme closure

- a. The closure of the Programme will be carried out in compliance with Article 141 of Regulation (EU) No 1303/2013 by the Programme authorities. The IB.SH will liaise with the Audit Authority to ensure a smooth Programme closure.
- b. The Programme closure will be prepared as much as possible within the eligibility period of the Programme in order to speed up the process and to limit the closure activities and costs to be financed after the end of the final date of eligibility (31.12.2023).
- c. In accordance with Article 140 of Regulation (EU) No 1303/2013, the information compiled on Programme level will be maintained for a period of three years after Programme closure.

PART II – OTHER PROVISIONS

Article 6: Non-respect of the agreed provisions and deadlines – sanctions

- a. By signing this Agreement the partner country and the IB.SH undertake to respect the agreed provisions and deadlines and to inform each other on problems, obstacles and delays without delay.
- b. Inter alia the agreed provisions concern national responsibilities related to eligibility and legal status checks and national approval of beneficiaries, first level control, second level audit, apportionment of liabilities related to financial corrections and recovery procedures as well as confidentiality.
- c. In the event of non-respect of the agreed provisions cases shall be treated case by case. If the partner country does not comply with its duties, the MA is entitled to suspend payments to all project partners located on the territory of the partner country.
- d. Procedures for handling cases of non-respect of agreed provisions and deadlines on project level are stipulated in the Subsidy Contract and the Programme Manual.

Article 7: The partner country's contact information

- a. Name and contact details of the partner country's representative at the national authority responsible for Interreg/EuropeanTerritorial Cooperation:

Name: [Click here to enter text.](#)

Function: [Click here to enter text.](#)

Name of the authority: [Click here to enter text.](#)

Address: [Click here to enter text.](#)

Mail: [Click here to enter text.](#)

- b. Name and contact details of the partner country's institution/authority responsible for carrying out the legal status and eligibility check and if need be responsible for national approval of beneficiaries:

Name: [Click here to enter text.](#)

Function: [Click here to enter text.](#)

Name of the authority: [Click here to enter text.](#)

Address: [Click here to enter text.](#)

Mail: [Click here to enter text.](#)

- c. The national first level control system of the partner country is organised as follows:

centralised system, i.e. a central body/central bodies coordinated by one main body is/are appointed to carry out the first level control in accordance with Article 23(4) of Regulation (EU) No 1299/2013:

decentralised system, i.e. an approbation body will designate an independent, qualified first level controller to carry out the first level control in accordance with Article 23(4) of Regulation (EU) No 1299/2013. The designation is based on a proposal made by the project partner or based on a shortlist established by the approbation body.

- d. Name and contact details of the body responsible for financial controls (FLC) in the partner country (as indicated in Article 7(c)) according to Article 23(4) of Regulation (EU) No 1299/2013:

Name: [Click here to enter text.](#)

Function: [Click here to enter text.](#)

Name of the authority: [Click here to enter text.](#)

Address: [Click here to enter text.](#)

Mail: [Click here to enter text.](#)

- e. Name and contact details of the body responsible for second level audits (SLA) in the partner country according to Article 25(2) of Regulation (EU) No 1299/2013:

Name: [Click here to enter text.](#)

Function: [Click here to enter text.](#)

Name of the authority: [Click here to enter text.](#)

Address: [Click here to enter text.](#)

Mail: [Click here to enter text.](#)

Article 8: Concluding provisions

- a. The working language of the Programme is English. Therefore also any communication regarding this Agreement between the IB.SH and the partner country shall be made in English.

- b. All parties involved in the Programme are bound to confidentiality. Therefore, the partner country is not entitled to disclose any details if organisations/institutions or other legal entities from its territory are about to join or have joined project partnerships of Interreg Baltic Sea Region. In case documents concerning the involvement of the partner country like applications for funding are forwarded to other relevant national authorities of the partner country, the acting person (sender) shall point out to the addressee that all documents and information shall be kept confidential.
- c. Without prejudice to the applicable European law, this Agreement shall be governed by German law. It may be amended only in writing and on agreement between the partner country and the IB.SH.
- d. If any provision of this Agreement should be, or become, wholly or partly ineffective, all other provisions remain valid. The parties to this Agreement will undertake all necessary steps and actions to replace the ineffective provision by an effective provision which comes as close as possible to the purpose of the ineffective provision.
- e. This Agreement enters into force upon signature of the partner country and the IB.SH.
- f. This Agreement shall apply throughout the implementation of the Programme including the preparation of the closure documents according to Article 141 of Regulation (EU) No 1303/2013 until its definite closure at the end of the archiving period set out in Article 140(1) of Regulation (EU) No 1303/2013 or any other retention period set-out by the European Commission linked to Programme closure.
- g. Two originals of this Agreement shall be signed bilateral by the representatives of the partner country and by the IB.SH. The partner country and the IB.SH shall each receive one executed copy.

Partner country, represented by

Place and date:

Name and function of the signatory(ies):

Signature(s)/Stamp: _____

Investitionsbank Schleswig-Holstein

Place and date: Kiel, _____

Name and function of the signatories: Chairman of the Board Erk Westermann-Lammers and
Member of the Board Dr. Michael Adamska

Signatures/Stamp: _____

Annex 1: Template for detailed description of the national FLC system in order to participate in the Interreg Baltic Sea Region Programme 2014-2020