**FINANCIAL SUPPORT TO THIRD PARTIES AGREEMENT**

(*the ‘Agreement’*)

COSPE – Cooperazione per lo Sviluppo dei Paesi Emergenti Onlus,

Address: 10 Via Slataper, 50134 Firenze, Italy,

represented by Mrs Francesca Pieraccini as General Director

with

PARTNERX,

Adress:

Represented by

and

AFFILIATED ENTITY

Adress:

Represented by

(hereinafter referred to as “the Contracting Authority”)

of the one part,

And

xxx

(*Hereinafter referred to as ‘the Beneficiary’*)

of the other part,

(*the ‘parties’*)

within the project: **«YOU(th) CARE for CHANGE: Engaging new generations on innovative, joint and multidimensional actions addressing the Global Challenges »** regulated by the Grant Contract Ref: NDICI CHALLENGE /2023/448-254.

have agreed as follows:

# SECTION 1 - OBJECTIVES

* 1. **Objective of the Agreement**

This Agreement aimed at providing financial support to third parties (*hereinafter referred to as FSTP*) to the beneficiary, within the framework of the Grant Contract NDICI CHALLENGE /2023/448-254, signed on the 15th of December 2023, by COSPE, PARTNERX, other co-applicants and the European Commission, to implement the Project “YOU(th) CARE for CHANGE: Engaging new generations on innovative, joint and multidimensional actions addressing the Global Challenge”.

The FSTP aimed at allowing the Beneficiary to carry out the Action “Title” (*hereinafter referred to as Action*) described in **ANNEX A – Description of the Action** (*hereinafter referred to as Annex A).*

The Beneficiary shall implement the Action under its own responsibility and on the terms and conditions set out in this Agreement and the annexes, which the Beneficiary hereby declares it has noted and accepted.

* 1. **Implementation period of the Action**

This Agreement shall enter into force on the date when the second of the two parties signs it.

The implementation period of the Action is maximum **yyy months**. The beneficiary shall carry out the tasks until end\_date at the latest.

# SECTION 2 – MANAGEMENT OF THE ACTION

* 1. **Financial management of the Action**

The total eligible costs are estimated at EURO yyy as set out in **ANNEX B – Budget of the Action** (*hereinafter referred to as Annex B)*.

The final amount of the Contracting Authority’s contribution shall be determined in accordance with the acceptance of eligible costs from financial reports. In any case, the Contracting Authority’s contribution shall not exceed the estimated budget as set out in Annex B.

* 1. **Reporting and payments arrangements**

The Beneficiary must provide the Contracting Authority with all required information on the implementation of the Action. To that end, the Beneficiary must draw up interim narrative and financial report (once at least 80% of the previous tranche has been spent) and a final narrative and financial report at project conclusion, within 1 month after the end of the implementation period.

If the Beneficiary fails to supply the Contracting Authority with the final report by the final report deadline and fails to furnish an acceptable and sufficient written explanation of the reasons why it is unable to comply with this obligation, the Contracting Authority may terminate the Contract in accordance and recover the amounts already paid and not substantiated.

Payments shall be made in accordance with Annex A and Annex B, according to the following schedule:

1. **Initial pre-financing payment – 1st instalment: EUR** **yyy** equal to the yyy% of the budget will be transferred to the beneficiary within 15 days after signature of the present Agreement.
2. **Balance: EUR yyy** at the approval of the second interim financial and narrative reports that can be submitted upon reaching 80% of expenditures of the previous instalments.[[1]](#footnote-0)

The Beneficiary will invoice PARTNERX (by issuing an invoice and/or a request of funds, depending on the implementation country’s law) upon delivery of the report and upon validation by the PARTNERX. The selection of the invoicing procedure will be agreed between the PARTNERX and the Beneficiary before the start date.

Subject to receipt of funding by the European Union, PARTNERX will transfer the funds to the beneficiary, to the following bank account:

Bank account holder:

Bank name:

Bank Address:

IBAN:

Swift code:

Any modifications of the bank account details shall be timely notified to the Contracting Authority.

If the eligible costs of the Action at the end of the Action are less than the estimated eligible costs as referred to in Annex B, the grant shall be limited to actual eligible costs of the Action correctly reported by the Beneficiary and approved by the Contracting Authority. In this case, the Contracting Authority will issue a recovery order, and the Beneficiary undertakes to repay the contracting authority the amount not spent or not correctly reported. In this case, the Beneficiary will issue a credit note for the respective amount and will have to transfer the amount of the non-eligible expenses to the PARTNERX.

If the verification reveals that the supporting documents provided by the beneficiary are not compliant with the conditions established in this Agreement, despite the suggestions and the support provided by the Contracting Authority, the contracting authority shall be entitled to deem the cost ineligible and, at the final stage, to reduce the final amount of the grant or to issue a recovery order proportionately up to the amount not correctly reported.

The Beneficiary undertakes to repay any amounts paid in excess of the final amount due to the contracting authority within 15 days of the issuing of the debit note, the latter being the letter by which the contracting authority requests the amount owed by the beneficiary.

* 1. **Narrative, monitoring and financial reports**

The Beneficiary shall provide the Contracting Authority with all required information on the implementation of the Action.

**Narrative reports** must be provided using the template as per **ANNEX D – Activities Implementation and follow-up Report**. Each narrative report shall include the following information/documents:

* a full account of all aspects of the Action's implementation for the period covered;
* the current results within an updated table based on the project implementation assessment and monitoring, including the results achieved by the Action (impact, outcomes or outputs) as measured by their corresponding monitoring indicators, agreed baselines and targets, and relevant sources of verification;
* Attendance sheets (including the name of all the participants), Report for each training and/or event/awareness raising initiative implemented, as well as the corresponding report(s)
* A list of organizations, groups, initiatives, communities, institutions and other relevant stakeholders who supported and took part in the implementation of the action, in addition to the consortium members.

**Financial reports** must be provided in accordance with the template as per **ANNEX E – Financial Report**. Each financial report shall include the following information/documents:

* The list of costs actually incurred during the reporting period;
* all the supporting documents related to the actual incurred costs.

PARTNERX will be responsible for the verification and the validation of the reports.

* 1. **Verification of the expenditures**

The Parties take all the necessary arrangements to ensure that the expenditures verification will be properly carried out and to provide the external auditors with any requested information on the Action, giving them access to accounting books, supporting documents and other documentation related to the Action.

The beneficiary shall allow verifications to be carried out by the European Commission, the European Anti-Fraud Office, the European Public Prosecutor’s Office, the European Court of Auditors and any external auditor authorised by the Contracting Authority. The Parties have to take all steps to facilitate their work.

* 1. **Amendment to the contract and Budget modifications**

Amendments are possible assuming that 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 applicants.

In case of amendment of the budget, where it does not affect the expected results of the action (i.e. impact, outcomes, outputs), and the financial impact is limited to a transfer between budget lines within the same main budget heading or a transfer between main budget heading involving a variation of 10% or less of the amount originally entered (or as modified by addendum) in relation to each concerned main heading for eligible costs, the beneficiary may amend the budget and must inform the contracting authority accordingly, in writing and at the latest in the next report.

Any other modification in the use of budget must be subject to prior discussion with and approval by the Contracting Authority.

Any amendment to the Agreement and the Action, including the activities and results must set out in writing and signed by both parties before the changes enter into force.

A duly justified request of modification should be submitted via email to the Contracting Authority through the following email address: www.

* 1. **Accounts, technical and financial checks and procedures**

All the indications about accounts, technical and financial checks and procurement procedures are included in **ANNEX C – Administrative provisions**.

The eligible and ineligible costs are listed in Annex C, as well as the supporting documents to be provided. Only eligible costs accompanied by correct supporting documents can be reported and accepted by the Contracting Authority.

The beneficiary shall keep all records, accounting and supporting documents related to this contract for seven years.

* 1. **Visibility**

The beneficiary shall take all necessary steps to publicise the fact that the European Union has financed or co-financed the action. Such measures shall comply with the latest Communication and Visibility requirements for EU-funded external action, laid down and published by the European Commission or with any other guidelines agreed between the European Commission and the beneficiary(ies).

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

Any notice or publication by the beneficiary concerning the action, including those given at conferences or seminars, shall specify that the action has received European Union funding. Any publication by the beneficiary(ies), in whatever form and by whatever medium, including the internet, shall include the following statement: ‘This document has been produced with the financial assistance of the European Union. The contents of this document are the sole responsibility of < beneficiary(ies)’s name > and can under no circumstances be regarded as reflecting the position of the European Union.’

The beneficiary authorises the contracting authority 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 action's costs. Derogation from publication of this information may be granted if it could endanger the beneficiary or harm their interests.

The Parties will consult immediately and endeavour to remedy any detected shortcomings in implementing the visibility and, if applicable, communication requirements set out in this Article. Failure to perform the obligations set out in this Article can constitute a breach of contractual obligations and can lead to corresponding measures taken by the Contracting Authority, including suspension of payment.

* 1. **Termination of the Agreement**

2.8.1 Termination in case of force majeure

In the cases of force majeure foreseen in Article 11.8 of General conditions applicable to European Union-financed grant contracts for external actions (2021.1 version), if one Party believes that this Agreement can no longer be executed effectively or appropriately, it shall duly consult the other Party. Failing agreement on a solution, the Parties may terminate this Agreement by serving two months written notice, without being required to pay indemnity.

2.8.2 Termination by the Contracting Authority

Without prejudice to Article 2.15.1, in the following circumstances the Contracting Authority may terminate this Agreement without any indemnity on its part when:

1. the Beneficiary fails, without justification, to fulfil any substantial obligation incumbent on them individually or collectively by this Agreement and, after being given notice by letter to comply with those obligations, still fails to do so or to furnish a satisfactory explanation within 30 days of receipt of the letter;
2. the Beneficiary, or any person that assumes unlimited liability for the debts of the Beneficiary, 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 Beneficiary;
3. the Beneficiary or any related entity or person, have been found guilty of grave professional misconduct proven by any means which the Contracting Authority can justify;
4. it has been established by a final judgment or a final administrative decision or by proof in possession of the Contracting Authority that the Beneficiary 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 circumventing fiscal, social or any other applicable legal obligations, including through the creation of an entity for this purpose;
5. a change to the Beneficiary’s legal, financial, technical, organisational or ownership situation or the termination of the participation of the Beneficiary substantially affects the implementation of this contract or calls into question the decision awarding the grant;
6. the Beneficiary or any related person, are guilty of misrepresentation in supplying the information required in the award procedure or in the implementation of the Action or fail to supply – or fail to supply within the deadlines set under this contract - any information related to the Action required by the Contracting Authority;
7. the Beneficiary has not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which it is established;
8. the Contracting Authority has evidence that the Beneficiary or any related entity or person, has committed breach of obligations, irregularities or fraud in the award procedure or in the implementation of the Action;
9. the Contracting Authority has evidence that the Beneficiary is subject to a conflict of interests;

Any related person means any physical person with powers of representation, decision-making or control in relation to the Beneficiary. Any related entity means any entity which meets the criteria laid down by Article 1 of the Seventh Council Directive No 83/349/EEC of 13 June 1983.

2.8.3 Effects of termination

Upon termination of this Agreement, the Parties shall take all immediate steps to bring the Action to closure in a prompt and orderly manner and reduce further expenditures to a minimum.

Without prejudice to Administrative provisions as per Annex C, the Beneficiary shall be entitled to payment only for the part of the Action carried out, excluding costs relating to current commitments that are due to be executed after termination of the Agreement.

To this purpose, the Beneficiary shall introduce a payment request to the Contracting Authority within 30 days from the date of termination.

In the event of termination in case of force majeure, the Contracting Authority may agree to reimburse the unavoidable residual expenditures incurred during the notice period, provided, all the steps necessary to bring the Action to a close and to reduce further expenditures to a minimum, have been properly executed.

In the cases of termination foreseen in the previous section (2.8.2) a), c), d), f) and h) the Contracting Authority may, after having properly consulted the Beneficiary and depending on the gravity of the failings, request full or partial repayment of amounts unduly paid for the Action.

# SECTION 3 – GENERAL PROVISIONS

* 1. **Applicable law and dispute settlement**

This Agreement shall be governed by the law of the country of PARTNERX.

The parties shall do everything possible to settle amicably any dispute arising between them during the implementation of this Agreement. To that end, they shall communicate their positions in writing and meet each other at either's request. The Parties 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 60 days of the first request, one Party may notify the other part that it considers the procedure to have failed.

In the event of failure to reach an amicable agreement, the dispute may by common agreement of the Parties be submitted for conciliation by the European Commission. 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.

In the event of failure of the above procedures, each Party may submit the dispute to the PARTNERX Court of Justice.

* 1. **Liability**

The Contract Authority cannot under any circumstances or for any reason whatsoever be held liable for damage or injury sustained by the staff or property of the Beneficiary while the Action is being carried out or as a consequence of the Action. The Contracting Authority cannot therefore accept any claim for compensation or increases in payment in connection with such damage or injury.

The Beneficiary shall assume sole liability towards third parties, including liability for damage or injury of any kind sustained by them while the Action is being carried out or as a consequence of the Action. The Beneficiary shall discharge the Contract Authority of all liability arising from any claim or action brought as a result of an infringement by the Beneficiary or the Beneficiary’s employees or individuals for whom those employees are responsible of rules or regulations, or as a result of violation of a third party's rights

* 1. **Conflicts of interests and code of conduct**

The beneficiary shall take all necessary measures to prevent or end any situation that could compromise the impartial and objective performance of this Agreement. Such conflict of interests may arise in particular as a result of economic interest, political or national affinity, family or emotional ties, or any other relevant connection or shared interest.

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

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

The beneficiary shall ensure that its staff, including its management, is not placed in a situation which could give rise to conflict of interests. Without prejudice to its obligation under this contract, the beneficiary shall replace, immediately and without compensation from the contracting authority, any member of its staff in such a situation.

* 1. **Rules on the protection of personal data**

The Parties assure processing in compliance with the European Regulation (EU) 2016/679 of the European Parliament (L. 119) on the protection of natural persons with regard to the processing of personal data and on the free movement of such data published in the OJEU on 4 May 2016 and with effect from 25 May 2018.

Signing this Agreement constitutes an act of authorization for the processing of identification data for both Parties. The data are stored and managed by COSPE and will not be disclosed to third parties, with the exception of taxation, labour law, and all that is legal or related to specific institutional activities regulated by this Agreement.

The data controller for COSPE can be contacted at the following email address: privacy@cospe.org . More information is available on the following link: <https://www.cospe.org/privacy/>.

#  SECTION 4: ANNEXES

**ANNEX A – Description of the Action**

**ANNEX B – Budget of the Action**

**ANNEX C** **–** **Administrative provisions**

**ANNEX D – Activities implementation and Follow-up Report**

**ANNEX E – Financial Report**

**FOR COSPE:**

**Name, Role:**

 **Signature:**

**Date:**

**FOR PARTNERX:**

**Name, Role:**

 **Signature:**

**Date:**

**FOR AFFILIATED ENTITY**

**Name, Role:**

**Date: Signature:**

**FOR XXX:**

**Name, Role:**

 **Signature:**

**Date:**

1. In order to ensure the most efficient implementation of the Action, the Contracting Authority will define the % of allocation of each pre-financing payment in accordance with the nature of the Action. In specific cases, in accordance with the nature and the size of the beneficiary, It can be proposed to have three payments instead of two (an initial pre-financing payment, a second prefinancing-payment and a balance after the approval of the reports). [↑](#footnote-ref-0)