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| |  |  |  | | --- | --- | --- | | **Bulgaria_flags[1]** |  |  | | **NORWEGIAN FINANCIAL MECHANISM**  **2014-2021** |  |

PROJECT CONTRACT

Project “ …………………………………………………………………… ” within the Bilateral Fund, 2014-2021

|  |  |
| --- | --- |
| Maximum total amount of the project | BGN  EUR |
| Maximum amount of the grant | BGN  EUR |
| Duration of the project | months |
| Number of Contract | …/ DD. MM. YYYY |
| Reference number of the project proposal |  |
| Name of Beneficiary |  |
| Name of partner/partners |  |
| Name of the Project |  |

Today, ........................., in the city of Sofia:

International Projects Directorate (IPD) at the Ministry of Interior of the Republic of Bulgaria, UIC 129010068, address: 1000 Sofia, 29, Shesti Septemvri Street, acting as a Programme Operator for managing funding under the “Homme Affairs” Programme under the Norwegian Financial Mechanism (NFM), according to Art. 85, para. 2, p. 2 “n” of the Structure and Activities Rules of the MoI, represented by Maya Petkova – director of the IPD,

on one hand,

and

[Full official name of the Beneficiary], [Legal status], [UIC under BULSTAT], Registered Office ………………………………………………………………………, represented by [Name, Patronymic, Surname, and Position of the Representative/ authorised to sign the Contract], hereinafter referred to as “the Beneficiary”.

on the other,

**SUBJECT OF THE CONTRACT**

Art.1This Contract is concluded based on approved bilateral initiative: “..........................................................................................................................................” (name of the bilateral initiative) under the Fund for bilateral relations, NFM 2014-2021 and based on the Programme Agreement under the Home Affairs Programme (the Programme) between the National Coordination Unit (NCU) and the Norwegian Ministry of Foreign Affairs (NMFA) and the Programme Agreement for implementation between NCU and PO.

The contract defines the terms and the conditions for the implementation of the project "……………………………………………………………..………..……… .." (name of the bilateral initiative), as well as the rights and liabilities of the parties.

Art. 2 (1) IPD finances the project under the terms and conditions of the following contract and the annexes which form integral part of the contract.

Art. 3 (1) The implementation of the project shall start upon the signing of the contract by the parties hereto. The period of implementation of the project shall be ........... (number) months. All activities under the project should be completed by ..................................... (months) after the signing of the contract by the parties. The final date of eligibility of expenditure in accordance with the Project shall be 30.04.2025.

Art. 4 (1) With the following Contract IPD awards the implementation of Project .........................................................................(name) within the framework of NFM 2014-2021 and the Beneficiary hereto undertakes to implement the Project in accordance with the terms and conditions of this contract and the annexes thereto.

Art. 5 (1) The Beneficiary shall implement the Project with a project partner:

1. ......................................................... [full name of the project partner according to its registration],

having its headquarters and registered office at: ............................................................................... [headquarters and registered office)]

(2) The Beneficiary undertakes to adhere to the Partnership Agreement with the project partner(s) in regard to : allocation of their specific responsibilities related to the implementation of the activities within the Project, allocation of the grant and the accounting of the project costs, if applicable.

**II. FINANCING OF THE PROJECT**

Art. 6 (1) The overall value of the project financed under the following Contract shall be ......................................................... (in words) BGN/ ................................................................. (in words) EUR. The maximum amount of the grant hereto, provided to the Beneficiary shall be 100% of the overall amount of the eligible expenditures within the Project;

(2) The expenditures within the Project shall be made in accordance with the approved budget of the Project amounting to ..................................................... (in words) BGN/ ............................................................... (in words) EUR.

(3) The PO performs an advance and a final payment of the project.

1. **ELIGIBILITY OF EXPENDITURES**

Art. 7 (1) Eligible expenditures of project shall be those actually incurred within the Project pursuant to Art. 8.2 and art. 8.8 of the Regulation.

Art. 8 Period of eligibility of expenditures:

(1) The first date of eligibility of expenditures within the Project shall be the date of the issue of the decision of the Programme Operator for financing of the projects.

(2) The final date of eligibility of expenditures within the Project shall be not later than 30/04/2025.

(3) The expenditures shall be deemed as eligible if made, invoiced and payed within the eligibility period;

(4) This Contract shall enter into force on the date of signature by both Parties hereto.

**IV. TECHNICAL AND FINANCIAL REPORTING AND PAYMENTS**

Art. 9 (1) The Beneficiary may request an advance payment up to 50% of the amount stipulated in Art. 6(1) of the current contract within 20 days after the signing of the contract by submitting a request for payment in accordance with Annex III. IPD performs the payment within 10 working days since the date in which IPD receives the request;

(2) The Beneficiary may request final payment within 1 month after the completion of the project. The request of the final payment shall be in accordance with Annex III of the current contract;

(3) The period for submission of the final report may be extended up two months within the approval in advance of the IPD, when the Beneficiary’s primary location is outside Republic of Bulgaria;

(4) The request for final payment should be accompanied by a final technical report on the project, financial report (Annex III.1) and supporting documents regarding to the expenditures for the lead beneficiary and the partner which meet the requirements of Art. 8.12 of the Regulation;

(5) International organisations or their structures or agencies and project partners whose primary location is outside of the Republic of Bulgaria may prove the project costs under Art. 8.12, par. 4 of the Regulation;

(6) When the cases are not under Art. 8.12., par. 4, the beneficiary and/or the partner should obligatory submit certified copies for each supporting document regarding to the expenditures, issued for them, as well as accounting documents for project costs;

(7) In addition to the supporting documents regarding to the incurred expenditures, the beneficiary should attach the following documents to the final report:

1. Declaration of eligible expenditures;

2. Declaration for bank account or separated accounting analytics for the needs of the project;

3. Bank certificate/declaration of interests (free text);

4. VAT declaration;

5. Declaration for double funding.

(8) The IPD should submit a final request for payment, technical and financial report with all supporting documents regarding to the expenditures to an independent verifier, who should verify and approve the incurred expenses within 30 days of their submission. The deadline for approval of the report may be suspended if the additional checks are required or additional clarifications or documents are required from the date of dispatch of the notification. The period should resume from the date the requested information is re-submitted.

(9) The amount of the final payment shall be calculated by deducting the advance payments provided within the grant and generated interest, if there are such expenditures in the project;

(10) IPD shall transfer the funds to Beneficiary’s bank account within 15 days as of the verification of the expenditures report received.

Art. 10 Upon request from the IPD, the beneficiary and/or the partner should provide information about the implementation status of the project.

Art. 11. When the expenditures made by the Beneficiary or its Partner(s) be declared as ineligible by any Certifying Authority, Audit Authority or any other controlling authority, such expenditures shall be recovered by the Beneficiary.

**V. Amendment of the contract**

Art. 12 The grant contract may be amended by mutual agreement of the parties by signing the additional agreement.

Art. 13 When the necessity of amendment in the implementation or the budget of the project arise, the beneficiary is obliged to notify IPD in written. The IPD may refuse the requested amendment, if it is in contradiction with art. 8.8 of the Regulation.

Art. 14 (1) All correspondence related to the Contract shall be in writing, in Bulgarian and Eglish, and shall contain the contract registration number and the name of the project;

(2) If needed any correspondence relative to this Contract shall be sent to the following addresses:

**MINISTRY OF INTERIOR**

**INTERNATIONAL PROJECTS DIRECTORATE**

**29 „Shesti Septemvri“ Str.**

**1000 Sofia**

**FOR THE BENEFICIARY**

**………………………………**

**……………………………………………**

**VI. FINANCIAL CORRECTIONS**

Art. 15 (1) In case of established irregularities IPD should draft reasoned proposals to make financial corrections, subject to detailed studies and evaluations

(2) When determining the specific amount of the financial correction, IPD shall refer to Commission Decision C (2019) 3452 dated 14/05/2019 or an regulation in force in the field which adopts and approves a financial correction determining methodology, by taking into consideration the specificities of the Regulation on the implementation of the Norwegian Financial Mechanism, and in particular, Art. 13.2, Art. 13.3 and Art. 13.4 of this Regulation;

(3) Financial corrections shall be imposed in consolidation between IPD, NCU and the Certifying Authority and once the Beneficiary of the project has been provided the opportunity to present an statement in relation to the correction suggested.

**VII. OTHER REQUIREMENTS**

**Art. 16** In case of any amendment to the applicable national or Community legislation, the Parties hereto undertake to amend the clauses of this Contract accordingly.

**VIII. REPORTING IRREGULARITIES**

Art. 17. (1) According to Chapter 12 of the Regulation, the Beneficiary must report to IPD, if it detects or suspects any irregularity committed by a contractor under the Project or by third parties taking part in the implementation of the activities under the Project.

(2) The Beneficiary shall be liable for returning the funds in case of irregularities under the Project, incurred and/or made.

**Art. 18** IPD must forthwith inform NCU of all alleged and/or actual cases of irregularities detected in the context of the implementation of the programme.

**X. ANNEXES**

Art. 24 The following documents are Annexes to this Contract and are an integral part thereof.

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| **ANNEX I:** | Application form under fund for bilateral relations |
| **ANNEX II:** | Financial identification form |
| **ANNEX III:** | Request for payment |
|  |  |
| **ANNEX III.1:** | Final financial report |
|  |  |
| **ANNEX III.2:** | List of payment documents to a financial statement |
| **ANNEX IV:**  **ANNEX V:** | Declaration for double funding  Declaration of eligible expenditures |
| **ANNEX VI** | Partnership agreement (if applicable) or Letter of intent |
| **ANNEX VII:** | VAT declaration |
| **ANNEX VIII:** | Declaration of bank account |
|  |  |
| **ANNEX IX:** | Bank certificate/declaration of interests (free text) |

Art. 20 For all unresolved issues in this contract in regard to the rights and obligations of the Parties the provisions of the Regulation on the Implementation of NFM 2014-2021 the Programme Agreement and the Programme Implementation Agreement will be applied.

Art. 21 (1) In case of discrepancy between this Contract and the Regulation or the Programme Agreement or the Programme Implementation Agreement, the documents will prevail in the following order: the Regulation, the Programme Agreement and the Programme Implementation Agreement .

(2) In case of contradiction between the provisions as laid down in the annexes and the provisions of the contract, the contract provisions shall prevail.

Art. 22 The Parties hereto will resolve any conflicts arising and concerning the existence and the force of the contract concluded or in relation to any violation thereof, including and disputes or disagreements concerning the force, interpretation, termination, implementation or non-implementation as well as any issued unsolved by this Contract in the spirit of goodwill and collaboration. In the cases where the achievement of consent between the Parties hereto proves to be impossible, the dispute shall be solved according to the national legislation.

Art. 23 This contract was drawn up in English, one for IPD and one for the Beneficiary hereto.

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| --- | --- | --- |
| **For the Beneficiary:**  **...................................................**  **..........................................................**  *\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*  *[signature ]:*  *Date: ............................* |  | **For International Projects Directorate:**  **MAYA PETKOVA**  **Director of International**  **Projects Directorate at the MoI**    *\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*  *[signature ]:*  *Date: .......................*  Coordinated by: .............................  Chief accountant - IPD at the MoI |