Active Citizens Fund

Partnership Agreement

Between

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and

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**IDENTIFICATION OF THE PARTIES:**

**Between:**

1. ……………...................................….........…………………………………, (organization name) .................................. (legal nature), tax identification number ……………..……….., with its head office in …………..............................................................................................................…, represented in this act by ……………...................................………………............................. (name(s)), as its …………......................……………………………….…………….. (job title) and in the use of legal powers for this act, hereinafter **1st Party** or **Promoter**;

**and:**

1. ……………...................................….........…………………………………, (organization name) .................................. (legal nature), tax identification number ……………..……….., with its head office in …………..............................................................................................................…, represented in this act by ……………...................................………………............................. (name(s)), as its …………......................……………………………….…………….. (job title) and in the use of legal powers for this act, hereinafter **2nd Party** or **Partner Entity**;

**and:**

1. ……………...................................….........…………………………………, (organization name) .................................. (legal nature), tax identification number ……………..……….., with its head office in …………..............................................................................................................…, represented in this act by ……………...................................………………............................. (name(s)), as its …………......................……………………………….…………….. (job title) and in the use of legal powers for this act, hereinafter **3rd Party** or **Partner Entity**;

**and:**

1. ……………...................................….........…………………………………, (organization name) .................................. (legal nature), tax identification number ……………..……….., with its head office in …………..............................................................................................................…, represented in this act by ……………...................................………………............................. (name(s)), as its …………......................……………………………….…………….. (job title) and in the use of legal powers for this act, hereinafter **4th Party** or **Partner Entity**;

Together denominated as **Parties**;

**PREAMBLE**

**Considering that:**

* The Calouste Gulbenkian Foundation (henceforth referred to as CGF) celebrated in July of 2018, an agreement with the Financial Mechanism Office of the European Economic Area, in order to implement in Portugal the Active Citizens Fund, under the name “CIdadãos Ativ@s Programme”, henceforth referred to as Programme;
* The Programme’s primary objective is to strengthen civil society and active citizenship and to empower vulnerable groups;
* The Programme is also intended to encourage the establishment of partnerships between the Portuguese NGOs, and between them and public and private entities located in Portugal, the Donor States or with intergovernmental organisations;
* The Programme has approved a project whose implementation requires the establishment of a partnership between several entities, jointly committed to its accomplishment;

**The present Partnership Agreement (henceforth referred to as Agreement) is celebrated and mutually agreed upon, being ruled by the terms and conditions defined in the following clauses, and ancillary, by the applicable legal dispositions:**

**CHAPTER I
SUBJECT, NATURE, OBJETIVES AND DURATION**

\* **Clause One \*
(Subject and Nature)**

1. The subject of the present Agreement is to set the terms and conditions concerning the establishment of a partnership between the Promoter and Partner Entity(ies), as well as the rights and obligations of each of the Parties, in order to execute the Project identified in Clause Two (henceforth referred to as Project) within the scope of the Cidadãos Ativ@s Programme (henceforth referred to as Programme).
2. The Agreement is composed of the present document (body of the Agreement) and the accompanying documents which form an integral part of it, namely the Application Form and the detailed Budget.
3. With the celebration of the present Agreement, it is not intended that the Parties constitute an association or any other Entity with a legal personality.

**\* Clause Two \*
(Project Identification)**

1. The above mentioned Project is called: ……………………………… *(Name)*
2. The Project falls within the following Outcome of the Programme: ……………………………………………….
3. The objective of the project is to …………………………………………., which translates into the achievement of the following goals:
4. ……………………………………………………;
5. ……………………………………………………;
6. ……………………………………………………;
7. …………………………………………………….
8. The total amount of the Project is .................. € (.................... ...............) and shall be distributed among the Parties as follows:
	1. ……………………………………………………;
	2. ……………………………………………………;
	3. ……………………………………………………;
	4. …………………………………………………….
9. Only actions and expenditure incurred by parties typified in Article 17 of the Programme’s Rules shall be co-financed by the Programme. -
10. Unforeseen revenue, generated during the project, will be deducted from the total eligible costs.

**\* Clause Three \*
(Components and Actions to be Developed)**

1. The objectives to be accomplished by this partnership require the combined effort of the complementary capabilities of the Parties which assume the joint responsibility for the full implementation of the Project.
2. In order to achieve the established objectives, the Parties agree to develop, in partnership, the actions laid down in the following numbers.
3. The **Promoter** shall undertake to develop the following actions:
4. .........................................................................................................;
5. .........................................................................................................;
6. .........................................................................................................;
7. The **Second Party, Partner Entity** shall undertake to develop the following actions:
8. .........................................................................................................;
9. .........................................................................................................;
10. .........................................................................................................;
11. The **Third Party, Partner Entity** shall undertake to develop the following actions:
12. .........................................................................................................;
13. .........................................................................................................;
14. .........................................................................................................;
15. The **Fourth Party, Partner Entity** shall undertake to develop the following actions:
16. .........................................................................................................;
17. .........................................................................................................;
18. .........................................................................................................;

**\* Clause Four \*
(Duration)**

1. The present Agreement shall be in effect for the period of the implementation of the Project (between ……/……/………. and ……/……/……….) until the presentation of the Project’s follow-up report, where applicable, and may be extended if the Parties find it convenient to maintain the partnership.
2. Without prejudice of the preceding number, the duties, responsibilities and obligations of the Parties towards the Programme will be maintained, in the terms and for the period of time defined in the respective Grant Contract.

**CHAPTER II
BUDGET, PLAN AND OTHER FINANCIAL ISSUES**

**\* Clause Five \*
(Budget and Financial Plan)**

The Parties agree to fulfil the detailed budget, as defined in the Project’s Grant Contract.

**\* Clause Six \*
(Financial Contribution)**

1. The financial contribution of the Parties to complete the project funding, in money or in kind (through volunteer work up to a maximum of 50% of the necessary contribution) shall be, in accordance with the financial plan:
2. **Promoter:** ……………………. € (.....................................................................), being the contribution in volunteer work, up to the amount of ……………………. € (.....................................................................);
3. **Partner Entity, Second Party**: ……………………. € (..............................................................), being the contribution in volunteer work, up to the amount of ……………………. € (.....................................................................);
4. **Partner Entity, Third Party**: ……………………. € (...............................................................), being the contribution in volunteer work, up to the amount of ……………………. € (.....................................................................);
5. **Partner Entity, Fourth Party**: …………………. € (.................................................................), being the contribution in volunteer work, up to the amount of ……………………. € (.....................................................................).
6. To calculate the value per hour of volunteer work for the purpose of the contribution in kind (when applicable) the following formula is used: VHVW = [NMW x (1+ASSR)]: 22 : 7;

Where:

* VHVW = Value of hour of volunteer work;
* NMW = monthly 'national minimum wage', to which the value of social security contributions at the legal rate is added.
* ASSR = Applicable Social Security Rate.
1. The deposit of the financial contribution shall be demonstrated by the bank extract of the account associated with the Project.

**\* Clause Seven \*
(Indirect Costs)**

1. Indirect costs linked to the Project calculated through the flat-rate method up to a limit of 15% of the human resources costs of the Project are eligible, calculated based on the proportion of the number of “men/hours” allocated to the Project compared to the total number of “men/hours” of each Partner Entity and Promoter.
2. Based on the abovementioned method, the percentages allocated to the indirect costs of each of the Parties are as follows:
3. Promoter : …… % of the respective human resources costs;
4. Partner Entity, Second Party: …… % of the respective human resources costs;
5. Partner Entity, Third Party: …… % of the respective human resources costs;
6. Partner Entity, Fourth Party: …… % of the respective human resources costs.

**\* Clause Eight \*
(Payments to Partner Entities)**

The Promoter shall make timely transfers to the Partner Entities, taking into consideration the previously allocated budget to these Entities, their incurred expenses and the payments to be done by the CGF in conformity with the rules of the Programme.

**\* Clause Nine \*
(Monetary Unit)**

1. The Parties agree that the monetary unit of the partnership is the Euro.
2. The official exchange rate (when applicable) shall be that of the last working day of the month prior to the liquidation of the expenditure, according to the published by the Bank of Portugal.

**\* Clause Ten \*
(Rules regarding Market Risk from Changes in Foreign Exchange)**

All market risk from changes in foreign exchange shall be incurred by the Parties which present expenditure in foreign currency.

**CHAPTER III
PROMOTER AND PARTNER ENTITY(IES)**

**\* Clause Eleven \*
(Promoter)**

1. The leader of the partnership is the Promoter.
2. The Promoter’s responsibilities as a leader of the partnership are:
3. General coordination of the partnership;
4. Submission of payment requests regarding the eligible costs of the Partner Entity(ies);
5. Transfer the amounts to the Partner Entity(ies) using the Project’s dedicated bank account;
6. Ensure all communication with the Programme Management Unit (PMU) about any issue related to the execution of the Project.
7. The Partner Entity(ies) grant the Promoter the necessary powers which, on each case, may be necessary to perform the aforementioned responsibilities, through a proper legal instrument.

**\* Clause Twelve \*
(Partner Entity(ies) Obligation(s))**

Without prejudice to all other obligations defined in this Agreement, the Partner Entity(ies) agree to:

1. Ensure the fulfilment of all obligations assumed by the Promoter in the Contract that shall be celebrated with the CGF, for which all Partners are jointly responsible, acknowledging that those prevail over those that are part of the agreements celebrated amongst the Partners and/or with third parties, without jeopardizing the right of recourse between the Parties.
2. Begin, with the Promoter, the implementation of the Project up to a maximum of 3 (three) months after the date of communication of the grant decision, under penalty of having the grant decision revoked;
3. Diligently execute the actions of the Project which are under their responsibility, in accordance with this Agreement and its Annexes, and reach the goals or objectives set in the Project;
4. Carry out all legal obligations in due time, such as the fiscal and social security obligations to which they are bound to;
5. Fully comply, whenever applicable, with the legal requirements of public contracting;
6. Provide, within the established timeframes, all elements that are requested by the Promoter or by any of the competent authorities for monitoring, control and audit of the implementation of the Project;
7. Communicate to the Promoter any alteration or occurrence which undermines any assumption considered for the approval of the Project or its execution;
8. Maintain its legal nature as well as the legal conditions necessary for carrying out its activity;
9. Maintain the Project’s accounts organised; --
10. Not use the assigned Project’s grant for any other purpose or in any other way, in whole or in part, without prior permission from the Promoter and the CGF;
11. Maintain a duly organised folder within its facilities, containing all documents susceptible of confirming the information and statements given during the Project, as well as all expenditure documentation; this folder must be maintained until 31 December 2028;
12. Ensure the maintenance of the assumptions considered for the approval of the grant;
13. Respect the rules regarding information and advertising defined for the Programme;
14. Allow control and monitoring as defined by the Programme;

**CHAPTER IV
MONITORING AND CONTROL**

**\* Clause Thirteen \*
(Monitoring and Control of the Project)**

1. The execution of the actions of the Project is monitored by the Promoter, which supervises work progress and execution of expenditure, in order to achieve the goals and objectives agreed upon.
2. The monitoring consists of the analysis of the execution reports presented to the Promoter by the Partner Entity(ies), without prejudice to any direct contacts that the PMU may deem necessary in order to identify difficulties and obstacles to the Project’s execution and to come to an agreement regarding measures, actions or adjustments that can lead to a better performance and the attainment of the contracted objectives.
3. Without prejudice to the previous number, the Partner Entity(ies) shall cooperate in the production of the reports that the Promoter is obliged to present under the terms of the Grant Contract.
4. Projects are subject at all times, to the possibility of financial, physical and technical verification actions by the Promoter or by the PMU.
5. The financial verification of the Project is based on the expenditure documents presented by the Partner Entity(ies) to the Promoter and aims to confirm:
6. The legality of the expenditure documents registered in the expenditure statements;
7. The compliance of the actions taken with the established in the application;
8. The full compliance with payment procedures, including proof of financial flows, appropriateness of respective date and validity of receipts;
9. A proper accounting of project expenses in accordance with applicable accounting standards;
10. The correct accounting treatment of the Project’s expenses.
11. The verification of projects can be done at any stage of the process by the Promoter, on site or by request of a sample, whenever an occurrence of mandatory verification is identified or when there is reasonable doubt surrounding the circumstances of the physical or financial implementation of the project.
12. The Promoter and Partner Entities must grant access to the Programme’s auditors, to the PMU or to any other entities which are legally enabled to do so, such as the Board of Auditors of the EFTA or the Office of the Auditor General of Norway.

**CHAPTER V
CONTRACTUAL VICISSITUDES**

**\* Clause Fourteen \*
(Fortuitous Events and Force Majeure)**

1. The obligations arising from this Agreement shall be suspended whenever their fulfilment are not possible because of the occurrence of a fortuitous or force majeure event, as legally defined, being the Party unable to fulfil its obligations obliged to inform the other Party of this fact in writing, within 2 (two) working days, as well as the foreseen date in which the fortuitous or of force majeure situation will be normalized.
2. For the purposes of the previous number, only those contractual obligations which a Party is completely unable to fulfil because of fortuitous events or force majeure are suspended, leaving all remaining obligations unchanged and in full force.
3. Cases of force majeure are those that, not being foreseeable or surmountable, produce an effect regardless of the Parties’ will. Namely, force majeure cases can be: natural phenomena or disasters, epidemics, governmental restrictions, wars, revolutions, acts of piracy or sabotage, labour strikes and occupation of facilities.

**\* Clause Fifteen \*
(Cession of Contractual Position – Transmission of Rights and Obligations)**

The cession of the Promoter’s and/or of the Partner Entity(ies) contractual position can only take place for reasons duly justified and after authorization by the CGF.

**\* Clause Sixteen \*
(Amendments to the Agreement)**

This Agreement constitutes the set of terms and conditions which the Parties have agreed to regarding the matters under its scope, which may not be amended or modified without a written consent by both Parties, in the form of an Amendment to the present Agreement, upon acknowledgment and consent by the CGF, through its designated channels.

**\* Clause Seventeen \*
(Non Exercise of Rights)**

The non exercise (total or partial) of the rights and powers arising from this Agreement, by any of the Parties, in no event may signify a waiver of such rights or powers or lead to their termination; the same shall keep valid and effective notwithstanding that non-exercise.

**\* Clause Eighteen \*
(Invalidity or Contractual Impossibility)**

In case this Agreement is declared void or voidable, in whole or in part, or its accomplishment is made impossible by legal disposition or by a third party, the Parties shall complete all actions and celebrate all necessary deals in order to achieve the same result, without the vices that determined the nullity or annulment of the Agreement or to make possible its full completion.

**CHAPTER VI
CONTRACT BREACHES AND CONFLICT RESOLUTION**

**\* Clause Nineteen \*
(Breach)**

1. A failure by the Partner Entity(ies) to carry out their obligations under the present Agreement which is not corrected within 15 (fifteen) days after written warning by the Promoter shall imply the suspension of any payments and restitution of previously received financing amounts by the Partner Entity(ies) at fault, to which compensatory interest calculated at the legal rate is added, counting from the date of each grant payment and up to a maximum of 30 (thirty) days from the receipt of the resolution notification.
2. Notwithstanding the previous number, civil and criminal liability rules are applicable to any breaches by the Partner Entity(ies) of the obligations set by the present Agreement.

**\* Clause Twenty \*
(Legislation and jurisdiction)**

1. In all matters not expressly provided for, the legal provisions of the Portuguese legal system shall apply, without prejudice to the provisions contained in the Regulation on the Implementation of the European Economic Area Financial Mechanism 2018-2024 and the CGF rules governing the Programme.
2. The Parties are obliged to explore all possibilities in order to reach an amicable solution, where differences in interpretation or application of the present Agreement arise.
3. Where an amicable solution is not possible, the Parties agree to settle the dispute using arbitration, pursuant to Law 63/2011 of December 14th, according to the following convention:
4. The arbitration court shall be composed of 3 (three) arbitrators, being that one is selected by the Promoter, another by the Partner Entity(ies), and these two arbitrators shall choose the third arbitrator;
5. The arbitration court will make a decision according to equity and without recourse;
6. The arbitration court will function in Lisbon, unless the arbitrators agree on another location in Portugal for the operation of the arbitration court, being that the rules for the respective process are defined by the arbitrators;
7. If not mentioned, the arbitration law in force at the time in which the arbitration court is formed will apply.

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This Agreement is signed in as many original copies as the Parties, being that each copy is destined to each Party. In addition, another original copy shall be signed and notarized and submitted to the Calouste Gulbenkian.

The present Agreement incorporates the following annexes:

* Annex I: “Application Form”
* Annex II: “Detailed Budget”

[Lisbon], [.........], [20......]

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 1st Party 2nd Party 3rd Party 4th Party