

Partnership Agreement

This contract in the framework of the EU-project
"United for Georgia's European Way" is defining the relations between:

Konrad-Adenauer-Stiftung e.V. (KAS)
Represented by
Stephan Malerius
Head of the Representative Office of Konrad Adenauer Foundation to Georgia
0108, Tbilisi
Georgia

In the following: Contractor

and

Open Society Georgia Foundation
NNLE
291
4a Chovelidze Street, 0108 Tbilisi, Georgia
203844448

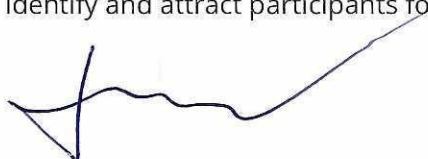
In the following: Partner

§ 1 Basic Principles and Responsibilities

The partnership is created for the sole purpose to implement the activities, which are described in the project proposal of the European Union's Grant Contract (EU) **NDICI GEO-NEAR/2023/447-837**

The Grant Contract including all its annexes is constituent of this Partnership Agreement and annexed to it (Annex A – Grant Contract, including all annexes; Annex B – Budget Allocation to OSGF).

1. The project will be implemented according to the conditions agreed on in the above-mentioned contract between the EU and the Contractor, where both partners are mentioned as beneficiaries.
2. The project starts on **20.10.2023** and the implementation period according to the above-mentioned Grant Contract between EU and the Contractor is **33 (thirty-three) months**, i.e. the project ends on **20.07.2026**. All project activities have to be implemented and completed in this timeframe.
3. **General tasks of Contractor (KAS project office) during the course of the project:**
 - a) General coordination of the project;
 - b) Communication with and the submission of narrative and financial reports to the European Delegation in Georgia (inception, interim and final), additional reports if requested by the EU Delegation;
 - c) Overall financial management, cash flow, accountancy and budgetary control;
 - d) Communication, coordination and visibility of overall project implementation;
 - e) Monitoring of the time schedule and the achievement of expected results - quality control of project outputs;
 - f) Preparation of all documents for the interim and final evaluations;
 - g) Management of relations with the target groups, final beneficiaries and other stakeholders in cooperation with the partners;
 - h) Organizing and chairing the management board of the project.
4. **General Tasks of the partner during the course of the project**
 - a) Implementation of the project activities in accordance with the project activity plan and budget in coordination with the KAS Team Leader;
 - b) Be in charge of and report about the activity implementation mentioned under §2.5 (both narrative and financial) to KAS;
 - c) Preparing the project documentation of each activity mentioned under §2.5;
 - d) Definition the rules and administrative procedures for the sub-granting, grant awarding mechanism, eligibility criteria, target groups, eligible activities and costs within the framework stipulated in the Grant Contract (Annex A) and in close cooperation with the KAS Team Leader and KAS.
 - e) Preparing and contracting of sub-grantees, including conducting administrative checks of the grantees and their applications and negotiating amendments to the budgets as stipulated in predefined procedures and in cooperation with the KAS Team Leader and Lead Financial Manager.
 - f) Identify and attract participants for different activities;



- g) Identify and contract short-term experts in coordination with the KAS Team Leader;
- h) Support the internal and external monitoring and evaluation as well as project's related audits.
- i) Communication and coordination of overall project implementation with the KAS Team Leader;
- j) Participating in project's management board meetings;
- k) Inform the KAS Team Leader of any problems/situations that may arise;
- l) Ensure the visibility of the project in line with the EU Visibility and communication guidelines

§ 2 Activities

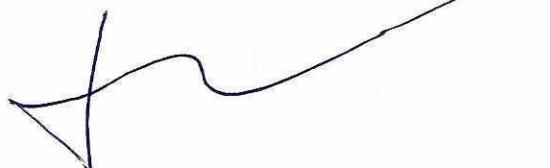
1. Both, the contractor, and the partner hereby agree to take over responsibility in the framework of the project for the activities listed in the Annex A.
2. The partner is coordinating all activities before the actual implementation with the KAS Team Leader. Smaller changes in the project activities during the course of the project are to be discussed during regular meetings/ telephone conferences with the KAS Team Leader. Changes on a bigger scale have to be communicated beforehand, and, depending on the scale, will also need to be approved by the European Delegation in Georgia. In any urgent cases, the Contractor/KAS Team Leader, Project Director always must be informed.
3. The timetable of implementation of activities is part of this contract (see Annex A and the updated timetable agreed during the inception workshop). In case of necessary changes of timeframe or budget, the KAS Team Leader must be informed immediately, and the changes can only be implemented after approval.
4. For the fulfilment of the obligations in the project, the partner is quarterly receiving advances as per project budget for activity related costs as well as infrastructure costs and salaries/honoraria for project staff/experts (according to Annex B). The partner is obliged to deliver a proper documentation of the expenses occurred.
5. The partner bears the lead responsibility for the organisation of the following activities as presented in the Grant Contract (Annex A):

➤ **Activity 1.1 Elaboration of Shadow and Monitoring reports on national and EU Policies (Ref OP1)** - in cooperation with KAS and EPRC (total estimated budget per activity is Euro 25,200)

➤ **Activity 2.4 FSTP opportunities for CSOs (Ref OP2); Implementation & monitoring-** in cooperation with KAS, EPRC and IJH (total estimated budget per activity is Euro 360,000)

➤ **Activity 2.5: Establishment of Regional Legal Aid Board (RLAB)** - in cooperation with KAS and EPRC (total estimated budget per activity is Euro 53,780)

The partner is responsible to support the implementation of other activities as requested by the contractor and/or other partners.

 32

6. Contracts with experts mobilised for the activities, as foreseen in the project proposal and the budget, are concluded by the partner based on the Terms of Reference, CV and awarding protocols (if applicable). The maximum amount for payment to the experts is defined in the budget. The template for a contract in the context of an EU-funded project has to be used, adapted to the Georgian Labour Law, in case the expert is a resident of Georgia. All experts need to sign a timesheet which has to be signed by the respective contractor and is part of the financial documentation.

§ 3 Financing

1. The above-mentioned project has an overall budget of **3 099 837** (three million ninety-nine thousand eight hundred thirty-seven) EUR, which is **64,52%** provided by the European Union (EU) and **32,25%** by the Federal Ministry for Economic Cooperation and Development of Germany (BMZ: Bundesministerium für Wirtschaftliche Zusammenarbeit und Entwicklung) and **3,23%** by Open Society Georgia Foundation (OSGF).
2. The distribution of the budget occurs according to the costs attributed in the project's overall budget (see Annex A) and the budget breakdown per partner (see Annex B). The budget breakdown per OSGF is **593,695 EUR** maximum. The budget allocation per partner will be regularly reviewed by the Team Leader together with the Finance Manager and adopted to the actual expenses.
3. All costs caused by the above-mentioned project and in line with the remaining project budget and budget per activities will be claimed by the partner from the contractor by providing the latter with electronic version of the original invoices of all these costs; all original invoices are kept by the partner for an additional 5 (five) years after the final payment from the EU.
4. All invoices generated in the framework of the project should be made in the name of the project; a neutral project acronym will be agreed amongst the partners. In cases where the invoices are generated in the name of a physical person of the project team, an explanatory notice needs to be attached to the invoice.
5. The partner has to follow the outlined accountancy rules regarding awarding protocols and supporting documents as defined during the inception workshop and has to submit all requested supporting documents to project office.
6. Travel and accommodation for members of the project team are covered by the respective activity budgets of the project. The EU rules and conditions apply, respecting the maximum amounts defined in the project budget.
7. The full sum of any eventual claw back which the EU might request from the contractor will be claimed to the partner, if the partner spent the money in a way which the contractor has not approved and which is against the rules laid down in the General Conditions of the Grant Contract (see Annex A).
8. In case the partner withdraws her/his/their participation in the project before the project has been completed, all payments and disbursements of expenditures shall be stopped immediately.
9. Advance payments shall be provided from the contractor to the partners based on the activity and cash flow planning agreed with the KAS Team Leader.
10. A deviation of 25% or more in a budget category (budget heading) must be approved in advance by the EU via a modification application (Addendum); The partner must



inform the Team Leader in advance if deviation is above 15% for each budget-line and above 10% for each activity; Any change in the HR-rate and unit must be agreed with the Team Leader in advance.

11. The partner will provide all project-related invoices to the KAS Financial Manager for one month until the **10th of every following month**. If the partner is for any reason not able to provide the above-mentioned documents until this date, s/he/them will inform the KAS Team Leader and the KAS Financial Manager as soon as possible about the reasons.

§ 4 Reporting

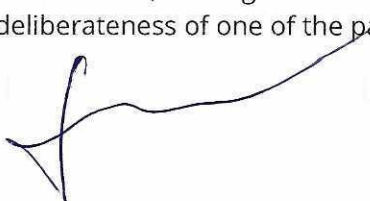
1. The partner provides the contractor with regular activity reports defined in the application and the monitoring plan of the project.
2. The partner submits a monthly financial report to the KAS Financial Manager and the project accountant until the 10th of every month that follows the month of reporting. If the partner is for any reason not able to provide the above-mentioned documents until this date, s/he will inform the KAS Team Leader and the KAS Financial Manager as soon as possible about the reasons.
3. When preparing the annual narrative and financial reports, the contractor can urge the partner to provide the needed information sooner, but not prior than 45 days before the EU official submission date.
4. The official reporting (i.e. interim and final narrative and financial reports) will be finalized and submitted by the Contractor and according to the EU General Conditions, which are part of the Grant Contract (see Annex A).

§ 5 Duty to Furnish Information

1. The partner provides the Contractor immediately with all the information that the latter is requesting and that are related to the implementation of the project.
2. In case of a financial or operative inspection by the European Union or another third party assigned by the EU, the partner agrees to cooperate with the Contractor to that effect that the latter will have all necessary documents at his disposal for the timeframe of the Grant Contract and an additional 5 (five) years after the final payment of the EU. This agreement does also apply at an eventual ad hoc inspection of documents.
3. The Contractor agrees to involve the partner in the project communication and to inform her/him at any time about the proceedings of the project.
4. The Contractor provides the partner with copies of all her/his/their official technical and financial reports to the European Union, related to this project.

§ 6 Liability

1. Each party to the contract is releasing the other party to the contract from all liability for damages which have been caused to it or to one of its employees by implementing this contract, as long as the damages are not caused by gross negligence or proven deliberateness of one of the parties or one of its employees.



2. The partner is indemnifying the European Union and the contractor and their employees from all claims of third parties including the employees working on the project, which are caused by conforming to this contract, as long as these damages are not caused by gross negligence or proven deliberateness of the European Union and the contractor or any of their employees.

§ 7 Abrogation

1. The Contractor can abrogate the contract if the partner does not fulfil one of the duties on which s/he/they agreed in the Partnership Agreement, provided that the non-compliance is not based on force majeure and that the partner did not comply with her/his/their duties within one month after receiving a registered warning letter from the contractor.
2. In case of force majeure, the partner informs the Contractor immediately of all events which could affect the compliance with this contract and provides the Contractor with all the necessary information.
3. The partner can abrogate the contract with two-month notice, if the Contractor does not comply with any of the duties, the partner agreed on in this Partnership Agreement or if he places demands which run contrary to the contract.
4. During the two-month cancellation period both parties are trying to find an amicable solution, which would enable the resumption of the contractual duties.
5. The Partnership Agreement continues to be in effect until all duties of both parties towards the European Union have been fulfilled and until all payment transactions by and to the European Union and both contract parties have been fulfilled, so that all bank accounts, which have been opened for the project, can be closed.
6. This Partnership Agreement will be considered invalid in case of a premature abrogation of the contract between the European Union and the Contractor.

§ 8 Jurisdiction

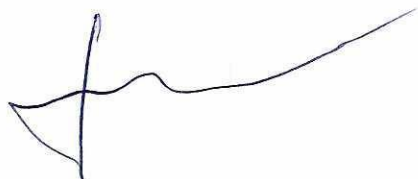
The place of jurisdiction is Georgia.

§ 9 Safeguarding Clause

In case one or several of the terms of this Partnership Agreement are or will be invalid or illegitimate, the validity of the other terms of this Partnership Agreement will not be affected. The two parties agree that in this case the invalid term will be replaced by a valid one, on which the parties would have agreed earlier on, if they would have been aware of the invalidity of the relevant term.

§ 10 Others

1. All changes and additions to this Partnership Agreement have to be added in writing and have to be signed by both parties.
2. All previous agreements on the above-mentioned project between the two parties loose validity with the signing of this Partnership Agreement.


6

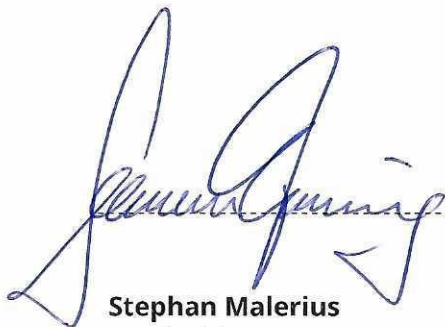
3. This Partnership Agreement is engrossed in two originals, one original for the Contractor and one for the partner.

Berlin,

Tbilisi,

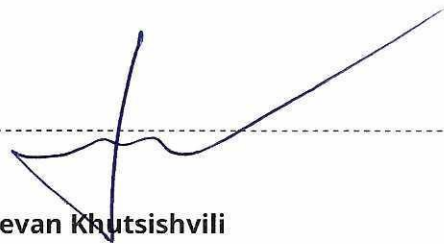
Contractor

Partner



Stephan Malerius

Head of the Representative Office of Konrad
Adenauer Foundation to Georgia



Ketevan Khutsishvili

Executive Director
Open Society Georgia Foundation

20 October, 2023

20 October, 2023

Annexes

Annex A: Grant Contract **NDICI GEO-NEAR/2023/447-837** , including all annexes
Annex B: Budget Allocation to OSGF

1. Budget for the Action¹

Costs	All Years					Year 1 ²		
	Unit ¹³	# of units	Unit value (in EUR)	Total Cost (in EUR) ³	Unit	# of units	Unit value (in EUR)	Total Cost (in EUR)
1. Human Resources								
1.1 Salaries (gross salaries including social security charges and other related costs, local staff) ⁴								
1.1.1 Technical								
1.1.1.3 Project Manager OSGF (80%)	Per month	26	1875	49500	Per month	9,6	1875	18000
1.1.1.4 Grants and Funding manager OSGF (100%)	Per month	26	1650	42900	Per month	7	1650	11550
1.1.2 Administrative/ support staff								
1.1.2.3 Project assistant OSGF (80%)	Per month	26,4	1187,5	31350	Per month	9,6	1187,5	11400
1.1.2.4 Accountant OSGF (50%)	Per month	16,5	1600	26400	Per month	6	1600	9600
1.2 Salaries (gross salaries including social security charges and other related costs, expat/int. staff)	Per month				Per month			
1.3 Per diems for missions/travel⁵								
1.3.1 Abroad (staff assigned to the Action)								
1.3.2 Local (staff assigned to the Action)	Per diem							
1.3.3 Seminar/conference participants	Per diem							
1.3.3.2 Per diems participants in capital (accommodation, breakfast)	per night	60	150	9000	per night	60	150	9000
Subtotal Human Resources				159150				59550
2. Travel⁶								
2.2 Local transportation	Per month				Per month			
2.2.2 National travel experts, staff, participants	per trip	30	18	540	per trip	30	18	540
Subtotal Travel				540				540
3. Equipment and supplies⁷								
3.1 Purchase or rent of vehicles	Per vehicle				Per vehicle			
3.2 Furniture, computer equipment	Per set							
3.3 Machines, tools...								
3.4 Spare parts/equipment for machines, tools								
3.4.1 Spare parts/equipment for IT, tools (KAS, OSGF, EPRC, IJH)	Per month	31	4	124	Per month	10	4	40
3.5 Other (please specify)								
Subtotal Equipment and supplies				124				40
4. Project office¹⁴								
4.1 Vehicle costs								
4.2 Office rent	Per month				Per month			
4.3 Consumables	Per month				Per month			
4.3.1 Consumables - office supplies Project Management Team	Per month	31	40	1240	Per month	10	40	400
4.4 Other services (tel/fax, electricity/heating, maintenance)								
4.4.1 Other services (KAS, OSGF, EPRC, IJH)	Per month	31	31	961	Per month	10	31	310
Subtotal Project office				2201				710
5. Other costs, services⁸								

6. Costs for CO2 offsetting of air travel may be included. CO2 offsetting shall in that case be achieved by supporting CDM/Gold Standard projects (evidence must be included as part of the supporting documents) or through airplane company programmes when available. Indicate the place of departure and the destination. If information is not available, enter a global amount.
7. Please separate cost for purchase or rental.
8. Specify the typology of costs or services. Global amounts will not be accepted.
9. Only indicate here when fully subcontracted.
10. Communication and visibility activities should be properly planned and budgeted at each stage of the project implementation.
11. Only to be filled in when provided for in the Call for Proposal (i.e. taxes are not eligible and the beneficiary(ies) can show they cannot reclaim them). Please see glossary of terms (Annex A 1) of the Practical Guide to contract procedures for EU external actions for the definition of taxes. Please note that direct taxes are not included (such as taxes on salary of staff working for the action which are part of the gross salary). Note: Where the Call for Proposal does not exclude the coverage of taxes and the beneficiary can show it cannot reclaim, taxes may be eligible and should be included in each relevant heading. Taxes that can be reclaimed are not considered as eligible nor accepted costs.
12. Only to be filled in when contributions in kind may be accepted as co-financing. The amount indicated must be identical to the one indicated in worksheet 3 "expected sources of funding". This line doesn't include contributions in kind in the form of volunteers' work that have to be presented in budget line 10.2.
13. Use "UNIT COST per flight/activity/output/kit etc..." or "LUMPSUM" or "FLAT RATE" in case of simplified cost options. Use different lines for each type of simplified cost options and per beneficiary. In worksheet 2, the methods used to determine and calculate them must be clearly described and substantiated and the Beneficiary proposing and using them must be univocally identified. (for more guidance see Annex K - Guidelines-Checklist for simplified cost options).
14. If accepted and subsequently provided for in Art. 7.1 of the Special Conditions, costs actually incurred in relation to a project office used for the action or a portion of these costs can be declared as direct eligible costs by applying a cost apportionment approach:
Examples of possible cost distribution keys are:
 - the number of staff assigned to the action as a percentage of the maximum total number of staff that could work in the project office;
 - the office space occupied for the purpose of the action as a percentage of the total available office space.
 A description of the project office, the services or resources it makes available, its overall capacity (where applicable), the costs to be apportioned and the proposed distribution key have to be included in the proposal.
The proposed cost apportionment approach has to be presented as an annex to the Budget. The budgeted amount of the costs for which apportionment is proposed has to be indicated in the column "TOTAL COSTS" and "APPORTIONMENT" has to be indicated in the column "units". The proposed cost apportionment approach will be assessed by the evaluation committee and the contracting authority. If the proposed cost apportionment approach is not accepted, there are two options: 1) adjust the distribution key in line with the conclusions of the evaluation committee; 2) exclude the costs from the budget.
15. Include here the costs of the volunteers' work if this type of contribution in kind is allowed. Volunteers' work shall be declared as eligible cost, but set aside of the direct costs as the calculation of indirect costs does not apply. Volunteers' work may comprise up to 50 % of the co-financing and shall be declared as unit cost as defined and authorised by the European Commission at the following address:
<https://ec.europa.eu/transparency/regdoc/7fuseaction=list&coted=3&year=2019&number=2646&version=ALL&language=en>

NB: The Beneficiary(ies) alone is/are responsible for the correctness of the financial information provided in these tables.