

EUROPEAN COMMISSION
Executive Agency for Small and Medium-sized Enterprises
Unit B3 LIFE and CIP Eco-Innovation

GRANT AGREEMENT¹

AGREEMENT NUMBER — LIFE17 NAT/HU/000577 - WISEDRAVALIFE

This Agreement ('the Agreement') is concluded between the following parties:

on the one part,

The European Union ('the Union'), represented by the Executive Agency for Small and Medium-sized Enterprises (hereinafter referred to as "Agency") and acting under the powers delegated by the European Commission, represented for the purposes of signature of the Agreement by Mr. Angelo SALSI, Head of Unit,

and

on the other part,

1. 'the coordinating beneficiary'

WWF Világ Természeti Alap Magyarország Alapítvány (WWF Hu)

Alapítványok

Official registration No: 609171995

Álmos vezér útja 69/A, H-1141 Budapest, Hungary

VAT number: HU18226814

represented for the purposes of signature of the Agreement by the CEO, Katalin Sipos,

and the following other associated beneficiaries:

2. Hrvatske vode, Pravna osoba za upravljanje vodama/Croatian waters (Cr Waters) — established in Croatia

¹ Within the framework of the Regulation (EC) No 1293/2013 of the European Parliament and of the Council of 11 December 2013 on the establishment of a Programme for the Environment and Climate Action (LIFE) and repealing Regulation (EC) No 614/2007, OJ L 347 of 20/12/2013, p.185 (hereinafter "the LIFE Regulation") and the Commission Implementing Decision of 19 March 2014 on the adoption of the LIFE multiannual work programme for 2014-17, OJ L116 of 17/04/2014, p. 1.

3. Duna-Dráva Nemzeti Park Igazgatóság/Danube Drava National Park Directorate (DDNPI) — established in Hungary

4. Dél-dunántúli Vízügyi Igazgatóság /South-Transdanubian Water Management Directorate (DDVIZIG) — established in Hungary

5. SEFAG Erdészeti és Faipari Zártkörűen Működő Részvénytársaság/SEFAG Forest Management and Wood Industry Share Co. (SEFAG) — established in Hungary

duly represented for the signature of the Agreement by the coordinating beneficiary by virtue of the mandate[s] included in Annex II form[s] A4

Unless otherwise specified, references to ‘beneficiary’ and ‘beneficiaries’ include the coordinating beneficiary.

The parties referred to above

HAVE AGREED

to the Special Conditions (‘the Special Conditions’) and the following Annexes:

Annex I General Conditions ((hereinafter referred to as ‘the General Conditions’).

Annex II Description of the project

Annex III Estimated budget of the project: Forms R1, R2 and all F-Forms in Annex II

Annex IV Mandate[s] provided to the coordinating beneficiary by the other beneficiary[ies] Form[s] A4 in Annex II

Annex V Model technical report: The applicable model technical reports are to be found on the website: <http://ec.europa.eu/environment/life/toolkit/pmtools/index.htm>

Annex VI Model financial statement: The applicable model financial reports are to be found on the website:
<http://ec.europa.eu/environment/life/toolkit/pmtools/index.htm>

Annex VII Model terms of reference for the certificate on the financial statements *to be found on the website:*
<http://ec.europa.eu/environment/life/toolkit/pmtools/index.htm>

Annex VIII Model terms of reference for the certificate on the compliance of the cost accounting practices: **not applicable**

Annex IX Model terms of reference for the operational verification report: **not applicable**

Annex X Financial and Administrative guidelines
<http://ec.europa.eu/environment/life/toolkit/pmtools/index.htm>



Annex XI Guidelines for applicants

<http://ec.europa.eu/environment/life/toolkit/pmttools/index.htm>

which form an integral part of the Agreement.

The provisions in the Special Conditions of the Agreement take precedence over its Annexes.

The provisions in Annex I 'General Conditions' take precedence over the other Annexes.



SPECIAL CONDITIONS

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ARTICLE I.1 — SUBJECT MATTER OF THE AGREEMENT

The Agency has decided to award a grant under the terms and conditions set out in the Special Conditions, the General Conditions and the other Annexes to the Agreement, for the *project* entitled **Wise water management for the conservation of riverine and floodplain habitats along the Drava River**, as described in Annex II.

By signing the Agreement, the beneficiaries accept the grant and agree to implement the *project*, acting on their own responsibility.

ARTICLE I.2 — ENTRY INTO FORCE AND IMPLEMENTATION PERIOD OF THE AGREEMENT

I.2.1 The Agreement enters into force on the date on which the last party signs it.

I.2.2 The *project* runs from **01/07/2018** (*'starting date'*) until **30/06/2023** (*'end date'*)

ARTICLE I.3 — MAXIMUM AMOUNT AND FORM OF THE GRANT

I.3.1 The *maximum amount of the grant* is EUR 1,057,071.

I.3.2 The grant takes the form of:

(a) the reimbursement of 59.45% of the eligible costs of the *project* ('reimbursement of eligible costs'), which are estimated at EUR 1,778,117 and which are:

(i) actually incurred ('reimbursement of actual costs') for the following categories of costs for each of the beneficiaries and affiliated entities: direct personnel costs; travel and subsistence costs; costs for subcontracting (also referred to as "external assistance costs"); costs of durable goods : (depreciation) costs of infrastructure and equipment, prototype costs; costs for land purchase/long-term lease of land/one-off compensations for land use rights; costs of consumables; other costs.

(ii) *reimbursement of unit costs: not applicable*

(iii) *reimbursement of lump sum costs: not applicable*

(iv) declared on the basis of a flat rate: overheads as specified in Annex III as a fixed percentage of the eligible direct costs excluding costs of land purchase/long term lease of land/one-off compensations for land use rights ('reimbursement of flat-rate costs') for each of the beneficiaries and affiliated entities;

(v) *reimbursement of costs declared on the basis of the beneficiary's usual cost accounting practices: not applicable*

(b) *unit contribution: not applicable*

(c) *lump sum contribution: not applicable*

(d) *flat-rate contribution: not applicable*

ARTICLE I.4 — REPORTING — REQUESTS FOR PAYMENT AND SUPPORTING DOCUMENTS – PAYMENTS AND PAYMENT ARRANGEMENTS

I.4.1 Reporting and reporting periods

- (a) The project reporting schedule is specified in Annex II
- (b) The delay between consecutive reports shall not exceed 18 months.
- (c) All reports shall contain the necessary information for the Agency to evaluate the state of implementation of the project, the respect of the work plan, the financial status of the project and whether the project's objectives have been achieved or are still achievable.
- (d) The form and contents of the reports shall be in accordance with the guidelines issued by the Agency as specified on the website <http://ec.europa.eu/environment/life/toolkit/pmttools/index.htm>.
- (e) All reports shall be simultaneously submitted to the Agency and to the external monitoring team designated by the Agency.

The technical reports, including annexes, shall only be submitted, in electronic format,

The financial reports shall be submitted, in both paper and electronic formats.

- (f) Electronic tools, which include spatial data and are produced in the frame of a LIFE project, shall comply with the Commission Regulation (EU) No 1253/2013 of 21 October 2013 amending Regulation (EU) No 1089/2010 implementing Directive 2007/2/EC establishing an Infrastructure for Spatial Information in the European Union (INSPIRE).

I.4.2 Requests for further pre-financing payment[s] and supporting documents

The coordinating beneficiary must submit a request for further pre-financing payment in accordance with the mid-term report schedule specified in Annex II.

The request must be accompanied by the following documents:

- (a) a progress report on the implementation of the *project* ('technical report on progress');
- (b) a statement on the amount of the previous pre-financing instalment used to cover costs of the *project* ('statement on the use of the previous pre-financing instalment'). The statement must be drawn up in accordance with Annex VI.

I.4.3 Request[s] for interim payment[s] and supporting documents

Not applicable

I.4.4 Request for payment of the balance and supporting documents

The coordinating beneficiary must submit a request for payment of the balance in accordance with the reporting schedule specified in Annex II, but no later than 90 calendar days following the *end date* of the project.

This request must be accompanied by the following documents:

- (a) a final report on implementation of the project ('final technical report'), drawn up in accordance with Annex V, containing:
 - (i) the information needed to justify the eligible costs declared or the contribution requested on the basis of unit costs and lump sums (where the grant takes the form of the reimbursement of unit or lump sum costs or of a unit or lump sum contribution, as provided for in Article I.3.2(a)(ii) and (iii), (b) or (c));
 - (ii) information on subcontracting as referred to in Article II.11.1(d);
- (b) a final financial statement ('final financial statement'). The final financial statement must include a consolidated statement and a breakdown of the amounts claimed by each beneficiary and its affiliated entities.

The final financial statement must be drawn up in accordance with the structure of the estimated budget set out in Annex III and in accordance with Annex VI;

- (c) a summary financial statement ('summary financial statement').

This statement must include a consolidated financial statement and a breakdown of the amounts declared or requested by each beneficiary and its affiliated entities, aggregating the financial statements already submitted previously and indicating the receipts referred to in Article II.25.3 for each beneficiary and its affiliated entities.

The summary financial statement must be drawn up in accordance with Annex VI;

- (d) a certificate on the financial statements and underlying accounts ('certificate on the financial statements') for each beneficiary and for each affiliated entity, if:
 - (i) the cumulative amount of payments the beneficiary requests as reimbursement of actual costs as referred to in Article I.3.2(a)(i) (and for which no certificate has yet been submitted) is EUR 325,000 or more;
 - (ii) the maximum grant amount indicated for that beneficiary and its affiliated entities in the estimated budget as reimbursement of actual costs is EUR 750,000 or more.

This certificate must be produced by an approved auditor or, in case of public bodies, by a competent and independent public officer and drawn up in accordance with Annex VII.

The certificate must certify that the costs declared in the final financial statement by the beneficiary concerned or its affiliated entities for the categories of costs reimbursed in accordance with Article I.3.2(a)(i) are real, accurately recorded and eligible in accordance with the Agreement.

In addition, the certificate must certify that all the receipts referred to in Article II.25.3 have been declared.

The coordinating beneficiary must certify that the information provided in the request for payment of the balance is full, reliable and true.



The coordinating beneficiary must also certify that the costs incurred can be considered eligible in accordance with the Agreement and that the request for payment is substantiated by adequate supporting documents that can be produced in the context of the checks or audits described in Article II.27.

In addition, the coordinating beneficiary must certify that all the receipts referred to in Article II.25.3 have been declared.

I.4.5 Information on cumulative expenditure incurred

In case the maximum contribution referred to in Article I.3.1 is more than EUR 5,000,000 then :

In addition to the reporting requirements set out above, the coordinating beneficiary must inform the Agency by 30 November each year about the cumulative expenditure incurred by the beneficiaries from the *starting date*.

This information is required for the Agency's accounting purposes and may not be used for determining the final amount of the grant.

I.4.6 Currency for requests for payment and financial statements and conversion into euro

Requests for payment and financial statements must be drafted in euros.

Beneficiaries and affiliated entities with general accounts in a currency other than the euro must convert costs incurred in another currency into euros at the monthly accounting rate established by the Commission and published on its website (available at http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm) applicable on the day when the cost was incurred, or

at the monthly accounting rate established by the Commission and published on its website (available at http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm) applicable on the first working day of the month following the period covered by the financial statement concerned

Beneficiaries and affiliated entities with general accounts in euros must convert costs incurred in another currency into euros in accordance with their usual accounting practices.

I.4.7 Language of requests for payments, technical reports and financial statements

All requests for payments, technical reports and financial statements must be submitted in English, with the exception of the technical annexes and supporting documents, which may be provided in any official language of the Union.

I.4.8 Payments to be made

The Agency must make the following payments to the coordinating beneficiary:

- a first pre-financing payment;
- further pre-financing payments, on the basis of the request for further pre-financing payments referred to in Article I.4.2;
- one payment of the balance, on the basis of the request for payment of the balance referred to in Article I.4.4.

I.4.9 Pre-financing payment[s]

The aim of the pre-financing is to provide the beneficiaries with a float. The pre-financing remains the property of the Union until it is cleared against interim payments or, if it is not cleared against interim payments, until the payment of the balance.

The Agency must make a first pre-financing payment of EUR 317,121.30 to the coordinating beneficiary within 30 calendar days from the entry into force of the Agreement except if Article II.24.1 applies.

The Agency must make a second pre-financing payment of EUR 422,828.40 to the coordinating beneficiary within 60 calendar days from when the Agency receives the request for second pre-financing payment referred to in Article I.4.2, subject to having used at least 100% of the previous pre-financing instalment paid to cover costs of the project, except if Article II.24.1 or II.24.2 apply.

I.4.10 Interim payment[s]

Not applicable

I.4.11 Payment of the balance

The payment of the balance reimburses or covers the remaining part of the eligible costs incurred by the beneficiaries for the implementation of the *project*.

If the total amount of earlier payments is greater than the final amount of the grant determined in accordance with Article II.25, the payment of the balance takes the form of a recovery as provided for by Article II.26.

If the total amount of earlier payments is lower than the final amount of the grant determined in accordance with Article II.25, the Agency must pay the balance within 90 calendar days from when it receives the documents referred to in Article I.4.4, except if Article II.24.1 or II.24.2 apply.

Payment is subject to the approval of the request for payment of the balance and of the accompanying documents. Their approval does not imply recognition of the compliance, authenticity, completeness or correctness of their content.

The Agency determines the amount due as the balance by deducting the total amount of pre-financing and interim payments (if any) already made from the final amount of the grant determined in accordance with Article II.25.



The amount to be paid may, however, be offset, without the beneficiary's consent, against any other amount owed by the beneficiary to the Agency, the Commission or to an executive agency (under the EU or Euratom budget), up to the maximum contribution indicated for that beneficiary, in the estimated budget in Annex III.

I.4.12 Notification of amounts due

The Agency must send a *notification* to the coordinating beneficiary:

- (a) informing it of the amount due; and
- (b) specifying whether the notification concerns a further pre-financing payment, an interim payment or the payment of the balance.

For the payment of the balance, the Agency must also specify the final amount of the grant determined in accordance with Article II.25.

I.4.13 Interest on late payment

If the Agency does not pay within the time limits for payment, the beneficiaries are entitled to late-payment interest at the rate applied by the European Central Bank for its main refinancing operations in euros ('the reference rate'), plus three and a half points. The reference rate is the rate in force on the first day of the month in which the time limit for payment expires, as published in the C series of the *Official Journal of the European Union*.

Late-payment interest is not due if all beneficiaries are Member States of the Union (including regional and local government authorities and other public bodies acting in the name of and on behalf of the Member State for the purpose of the Agreement).

If the Agency suspends the time limit for payment as provided for in Article II.24.2 or if it suspends an actual payments as provided for in Article II.24.1, these actions may not be considered as cases of late payment.

Late-payment interest covers the period running from the day following the due date for payment, up to and including the date of actual payment as established in Article I.4.15. The Agency does not consider payable interest when determining the final amount of grant within the meaning of Article II.25.

As an exception to the first subparagraph, if the calculated interest is lower than or equal to EUR 200, it must be paid to the coordinating beneficiary only if the coordinating beneficiary requests it within two months of receiving late payment.

I.4.14 Currency for payments

The Agency must make payments in euros.

I.4.15 Date of payment

Payments by the Agency are considered to have been carried out on the date when they are debited to its account.

I.4.16 Costs of payment transfers

Costs of the payment transfers are borne as follows:

- (a) the Agency bears the costs of transfer charged by its bank;
- (b) the beneficiary bears the costs of transfer charged by its bank;

I.4.17 Payments to the coordinating beneficiary

The Agency must make payments to the coordinating beneficiary.

Payments to the coordinating beneficiary discharge the Agency from its payment obligation.

ARTICLE I.5 — BANK ACCOUNT FOR PAYMENTS

All payments must be made to the coordinating beneficiary's bank account as indicated below:

Name of bank: Raiffeisen Bank ZRT.

Precise denomination of the account holder: WWF Világ Természeti Világ Alap Magyarország Alapítvány

Full account number (including bank codes): HU92 1200 1008 0022 2222 0030 0003

IBAN code: HU92 1200 1008 0022 2222 0030 0003

ARTICLE I.6 — DATA CONTROLLER, COMMUNICATION DETAILS OF THE PARTIES

I.6.1 Data controller

The entity acting as a data controller as provided for in Article II.7 is: Unit B.3 LIFE and CIP Eco-Innovation.

I.6.2 Communication details of the Agency

Any communication addressed to the Agency shall bear the identification number and project title and must be sent to the following address:

Ordinary or registered mail by postal service :

*European Commission
EASME
Unit B.3 LIFE and CIP Eco-Innovation
B-1049 Brussels*

Express delivery service or hand-delivery against signature :

*European Commission
EASME*



*Unit B.3 LIFE and CIP Eco-Innovation
Mail Service
Avenue du Bourget 1
B-1140 Brussels*

E-mails:

E-mail address : EASME-LIFE-ENQUIRIES@ec.europa.eu

1.6.3 Communication details of the beneficiaries

Any communication from the Agency to the beneficiaries must be sent to the following address:

Tamás Gruber

Freshwater Program Manager

WWF Világ Természeti Alap Magyarország Alapítvány

Álmos vezér útja 69/A, H-1141 Budapest, Hungary

Email address: panda@wwf.hu

1.6.4 Communication details of the beneficiaries after payment of the balance

After the payment of the balance, any communication addressed to the beneficiaries must be sent to their legal address.

1.7 — ENTITIES AFFILIATED TO THE BENEFICIARIES

Not Applicable

1.8 — BENEFICIARIES WHICH ARE INTERNATIONAL ORGANISATIONS

Not Applicable

1.9 — CHECKS AND AUDITS

By derogation of Article II.27.3 of the general conditions, notwithstanding whether the checks, audits or evaluations are initiated before or after the payment of the balance, the coordinating beneficiary may be required to collect the information concerning the associated beneficiaries and to make them available to the Agency or other outside body authorised by it.

When requested by the Agency or other outside body authorised by it, the coordinating beneficiary shall provide without delay the information mentioned above, which includes that of the concerned associated beneficiaries. In this case, the coordinating beneficiary shall bear responsibility for obtaining and verifying this information before passing it on to the Agency, as foreseen in Article II.2.3(b)(ii).

In this case, the contradictory audit procedure foreseen in Article II.27.5 shall be conducted with the coordinating beneficiary, who will be requested to submit the observations of the associated beneficiaries concerned by the check, audit or evaluation.

This is without prejudice to the right of the Agency or other outside body authorised by it to perform audits either on one or several associated beneficiaries. In this case the associated beneficiaries shall provide the information directly.

I.10 — SETTLEMENT OF DISPUTES WITH NON-EU BENEFICIARIES

Not Applicable

I.11 — SPECIAL PROVISIONS ON THE FINANCIAL RESPONSIBILITY FOR RECOVERIES

The financial responsibility of each beneficiary is limited to its own debt, including any amount unduly paid by the Agency as a contribution towards the costs incurred by its affiliated entities.

Point (c) of the third paragraph of Article II.26.3 does not apply.

I.12 — OBLIGATION TO CONCLUDE AN INTERNAL COOPERATION AGREEMENT

The coordinating beneficiary shall conclude with all associated beneficiaries agreements describing their technical and financial participation in the project.

I.13 — ELIGIBILITY OF DURABLE GOODS COSTS

As an exception to Article II.19.2(c), the full cost of purchase of equipment is eligible, subject to the following conditions:

(a) For *LIFE Nature and Biodiversity projects*, the purchase costs incurred for durable goods by *public authorities or non-profit organisations* (also referred to as non-governmental / non-commercial organisations), intrinsically connected with the implementation of the project and used to a significant degree within its duration shall be considered eligible in full. Such eligibility shall be subject to the coordinating beneficiary and associated beneficiaries undertaking to continue to assign these goods definitively and exclusively to nature conservation activities beyond the end of the project co-financed under LIFE Nature and Biodiversity.

(b) For *prototypes* 100% of the purchase costs of their components are eligible for co-funding. A *prototype* may not be used for commercial purposes during the period set out in Article I.2.2. Should the prototype or any of its components be used for commercial purposes (i.e. sold, leased, rented or used to produce goods or services) during the project, this shall be declared. The costs of creating the prototype shall then be depreciated in accordance with the rules applicable to the purchase of new or second-hand equipment and infrastructure. Any related income must be declared.



SIGNATURES

For the coordinating beneficiary

CEO, Katalin Sipos


  **WWF Hungary Foundation**
H-1141 Budapest
Álmos vezér útja 69/A
Hungary

Done at Budapest, on ... 20/06/2018

In duplicate in English

For the Agency

Head of Unit, Angelo Salsi

Patrik KOLAR
Head of Department B




Done at Brussels, on... 06/06/2018



ANNEX I — GENERAL CONDITIONS

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