EEA Grants

Active Citizens Fund - Estonia

**CONTRACT FOR PROJECT GRANT, NO.** **{number}**

between

**Open Estonia Foundation** (hereafter “OEF”), registration No. 90000334, address Estonia pst. 5a, 10143 Tallinn, Estonia, represented by Mall Hellam,

and

**{name of project promoter}** (hereafter “the Project Promoter”), registration No. **{**reg no**},** address **{**address**}**, represented by **{representative’s name}.**

The OEF has decided to grant the project *“****{name of the Project}*”** (hereafter: “the Project”), proposed by the Project Promoter, with up to EURO **{amount}** (hereafter: “the Grant”) and support achieving the objectives described in the Project Proposal. The OEF and the Project Promoter have agreed on the following terms of the Contract:

1. The Project Promoter is obliged to use the Grant solely for the implementation of the Project, in accordance with the Project Proposal, and based on the terms of this Contract, in order to attain the objectives of the Project. The Grant may constitute up to 90% of the eligible costs of the Project. The Project Proposal (Appendix 1) is an inseparable part of this Contract.

2. OEF shall transfer the Grant to the dedicated bank account of the Project Promoter that shall be used solely for the purposes of the Project within 10 (ten) working days after signing of this Contract, unless otherwise agreed.

2.1. The first instalment: being 25% of the Grant, within 10 (ten) working days after signing of this Contract.

2.2. Next instalments: subject to application from the Project Promoter, being a down payment of up to 25% of the Grant, by submission of the Interim Report, in case the Project Promoter has depleted at least 50% of previous instalments. The OEF shall transfer this instalment within 10 (ten) working days from the approval of the Interim Report by the OEF.

2.3. Final instalment: Being the last payment, up to 10% of the Grant, within 10 (ten) working days from the approval of the Final Report by the OEF. In case the Project is subject to an independent audit, the final payment shall be made after the audit report has been submitted to the OEF and after any findings have been resolved.

3. If the Grant is used for purchasing material and immaterial assets, this will be enrolled as the property of the Project Promoter. The Project Promoter is required to report this in its accounting strictly in accordance with the Accounting Act of Estonia and with other relevant legislation.

4. When using the Grant, the Project Promoter shall follow the rules of eligibility (e.g. eligibility of costs) described in the Guidelines for Applicants and Project Promoters of the Active Citizens Fund - Estonia (Appendix 2). The Project Promoter is required to ensure that all payments made under the Grant are documented by clear and precise invoices, and service contracts, that are in accordance with the Accounting Act of Estonia and with other relevant legislation; and that the invoices and service contracts are in direct accordance with the actual work and services undertaken and commodities purchased.

5. The Project Promoter is required to use the Grant during the period from the date of contracting **(“**starting date**”)** until the end date of the Project **(“**end date**”)**. The Project Promoter is obliged to return the part of the Grant that is *not* used by the end date of the Project to the OEF, in accordance to the regulation of Paragraph 6 of this Contract. As an exception the Grant may be used for payments *after* the end date of the Project for covering the expenses that have occurred before the end date of the Project, and for which the deadline of payment stated on the invoice is 30 days after the end date of the Project.

6. The Project Promoter is required to use the Grant in the public interest in strict compliance with the terms of this Contract and within the approved budget and description in the Project Proposal. If during the Project the Project Promoter wishes to significantly change the activities described in the Project Proposal, or if expenditure of a budget line is increased or decreased by more than 10 (ten) % as compared to the approved project budget, the Project Promoter is obliged to ask for a written consent of the OEF beforehand. The indirect costs of the Project Promoter and/or its partner(s) in the budget can be covered only in accordance with the eligibility rules of the Grants and the calculation and amount described in the Project Proposal.

7. The Project Promoter is obliged to return the Grant to the OEF in case:

7.1 A circumstance occurs under which the Grant would not initially have been given to the Project Promoter, including the case, but not only, where the Project Promoter has presented false data.

7.2 The Grant has not been used according with the terms stipulated in Paragraph 5 of this Contract, including the case, but not only, where the Grant has been used to cover ineligible costs.

7.3 It turns out that a significant part of the planned *outputs* necessary for achieving the *outcomes* and *objectives* of the Project will not be delivered by using the Grant.

7.4 Liquidation, reorganisation or bankruptcy proceedings of the Project Promoter have been initiated.

8. The Project Promoter is obliged to return the unused Grant, or the unused part of the Grant, to the OEF within 10 (ten) days after the date of finding out that the Grant, or a part of it, cannot be used in compliance with the Contract or the Project Proposal. The part of the Grant that is unused by the end date of the Project must be returned to the OEF during 14 (fourteen) days after approval of the Project Promoter’s Final Report by the OEF.

9. The Project Promoter is obliged to submit to the OEF:

9.1 An Interim Report describing the progress/status of project implementation within 30 (thirty) days after the end of the following reporting periods: 4 months, 8 months, 12 months, 16 months, 20 months.

9.2 A Final Report of project implementation within 30 (thirty) days after the end date of the Project, on **{date}** the latest. The Final Report must include a complete list of material and immaterial assets purchased during the Project.

9.3. The Interim and Final Reports must also include a Financial Report together with a schedule of individual expenditure and proof of payments. First Interim and Final Report must also include copies of supporting documents, including all invoices, receipts, other accounting documents and proof of payments.

The OEF might, in case of any other Interim Report, ask for copies of supporting documents substantiating the costs occurred, and evidence of payment incurred. The Project Promoter is obliged to submit the required documents to the OEF within 3 (three) working days from receiving the respective request.

All reports must be submitted in the provided formats, which may be downloaded from the web page of the Active Citizens Fund (www.acf.ee).

10. The Project Promoter is required to manage (keep and account for) the Grant separate from other finances and is thus required to open a separate bank account (hereinafter: “the Grant Account”) in its name in a credit institution authorised by the Financial Supervision Authority. The Grant Account may only be used to cover expenses in relation with activities approved under the Project, and the Grant Account must be opened with the condition that it does not collect commercial interests (interest directed to earning profit) from the Grant, or from part of the Grant. The Project Promoter may apply for deviation from this requirement in justified cases.

11. The Project Promoter is required to make payments from the Grant Account only by bank transfers and not through cash withdrawals and cash payments. Using the Grant for cash payments is only allowed in ad hoc cases with the prior written consent of the OEF. The Project Promoter is not allowed to make advance payments from the Grant Account except for the payment of travel and daily subsistence allowances.

12. The Project Promoter must not use the Grant Account for paying for expenditures that are not directly related to implementation of the Project, or to use the Grant, or part of it, for making profit (including earning commercial interest), or for personal use not related to the Project. The Project Promoter is obliged to retain all documentation concerning the use of the Grant, and if required to present the requested original documentation to the OEF.

13. In case the entire purchase price of the assets has been deemed eligible, the Project Promoter is required to keep the ownership of the assets for a period of at least 5 (five) years following the completion of the Project and may not dispose of it during that time in case the entire purchase price has been considered eligible by the OEF.

The Project Promoter is required to insure the assets properly against losses such as fire, theft or other normally insurable incidents both during Project implementation and for at least five years following the completion of the Project.

The Project Promoter is required to set aside appropriate resources for the maintenance of the assets for at least 5 (five) years following the completion of the Project.

14. The OEF may release the Project Promoter from the obligations in Paragraph 13 of this Contract, if, having regard to all relevant circumstances, continued use of these assets for the overall objectives of the Project would serve no useful economic purpose.

15. If required by the OEF the Project Promoter is obliged to substantiate the factual implementation of the Project and individual activities related to it. The OEF has the right to inspect the movements of the Grant Account and request a printout of the list of payments from the Grant Account. The Project Promoter is required to keep all documentation related to the Project, including copies of invoices and lists of payments of the Grant Account. This also includes schedules, registration sheets and other relevant documentation relevant to the Project. Such documentation shall be filed for 5 (five) years after the end of the Project (or for a longer period, if such a requirement has been imposed by a legislative body).

The Project Promoter is obliged to present information on co-financing of the Project if required by the OEF. Such information would typically include, but not only, data on the total amount of co-financing, names of individuals and organisations contributing, any conditions under which the financing has been given, etc. If required by the OEF, the Project Promoter is obliged to submit within 5 (five) days of such a request copies of expenditures’ supporting documents and orders of payments, and if needed, the printouts of its other bank accounts which shows the purposeful use of the co-financing.

16. The Project Promoter is obliged to allow the OEF, donors or other authorized individuals to control the use of Grant, which might include e.g. carrying out audits, monitoring visits, and reviews/evaluations of the Project. The Project Promoter shall render all possible assistance during such control activities, and when required, secure access to all information and documentation concerning the Project.

17. The Project Promoter does not have the right to give the Grant, or part of it, to a third person for this person to use outside the Project. The Grant must be given to a third person to use in project implementing, as referred in the Contract, only with a written consent by the OEF and only in case where the third person has previously confirmed in a writing his/her consent of fulfilling the obligations stipulated in this Contract.

18. The Project Promoter shall not position himself in a conflict of interest (CoI) situation when using the Grant and making transactions. The CoI mainly occurs, but is not limited to if the Project Promoter uses the Grant for making payments, or participates in a deal, which may affect the commercial or other interests of the Project Promoter’s natural persons or Project Promoter’s governing body members, or the commercial or other interests of such members’ close relatives or of their related legal persons. The Project Promoter may use the Grant for payments in a deal that *might* include a CoI only with a prior written consent by the OEF, if by virtue of the circumstances this is necessary or purposeful for delivering the outputs under the Project or fulfilling its objectives.

19. The OEF has a right to reveal data concerning the Grant, the Project Promoter and the Project to the public. The OEF processes the personal data in strict accordance to the Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data. Should a new regulation come into effect that will replace the Regulation No 45/2001, the principles and rules of that regulation shall be applied. In the alternative and only if the Regulation No 45/2001 is not applicable, the provisions of the EU General Data Protection Regulation (GDPR or the Regulation (EU) 2016/679 of the European Parliament and of the Council or the country’s data protection legislation if the GDPR is not applicable (countries outside of the EU) shall be applied.

Personal data may be shared with third persons with need to know in the process of evaluating project applications or monitoring of projects (e.g. the auditors), without prejudice to a transmission to the bodies in charge of a monitoring or inspection task in accordance with the European Union legislation or Active Citizens Fund programme or bodies tasked with evaluation of any measures. The Project Promoter’s personal data may be processed mainly as regards the following procedures related to the implementation of the Project:

1. The OEF may reveal any Project-related information to the Financial Mechanism Office of the European Free Trade Association, to the auditors and the National Focal Point, including the names and national identification codes of natural persons acting on behalf of the Project Promoter and Project-related financial information (that contains names and salaries), etc;
2. During the verification of Project reports the OEF may request the bank statements of the Project Promoter’s other accounts to verify the correct incurrence of costs;
3. The OEF shall keep records, including all documents and personal data submitted along during the Project implementation for 3 (three) years after the Final Programme Report of the Active Citizens Fund in Estonia has been approved.

The Project Promoter has the right to access its personal data and amend it. In case the Project Promoter has questions about the processing its personal data, it will submit these to the OEF.

20. The Project Promoter is obliged to give the OEF at least one copy of printed publications and other printed materials prepared under the Project, or up to 5 (five) copies if so required by the OEF.

21. The Project Promoter is obliged to follow communication requirements as specified in the Guidelines for Applicants and Project Promoters of the Active Citizens Fund - Estonia (Appendix 2). The Project Promoter is obliged to refer to the donor of the Project in all presentations and public standings, publications, web page, articles or other activities concerning the Project, or the Grant, in the following way: “The Project is supported by the Active Citizens Fund of EEA Grants being operated by the Open Estonia Foundation in consortium with the Network of Estonian Non-profit Organisations”. The Project Promoter is obliged to put the logo of the EEA Grants Active Citizens Fund, the OEF and NENO to its web page.

22. In case there are partners in the Project, the division of responsibilities in the Project between the partners is regulated in a Partnership Agreement which shall be an inseparable part of this Contract (Appendix 3).

23. In case of breach of the Contract, i.e. if it has not been fulfilled according to the terms, the OEF has the right to demand full repayment of the received Grant. As a breach of the Contract are considered, among other things, but not only: not using the Grant in compliance with the Project Proposal or in compliance with the objective of the Project; infringement of the request of keeping the Grant separate from other finances; breaching the Contract by giving the Grant to third persons to use; not abiding with the requirements on accounting stipulated by legislations and by this Contract; when changing the budget lines of the Project by more than 10% without a prior written consent by the OEF; submitting false data; etc. The Project Promoter is obliged to transfer the Grant to the OEF’s bank account, fully or in parts, as stipulated in the repayment demand of the OEF within 10 (ten) days from receiving the respective demand by the OEF.

24. When breaching the terms of this Contract the Project Promoter loses the right to receive grants from the OEF in the future.

25. The OEF, in fulfilling notification requirements to the Financial Mechanism Office of European Free Trade Association and the National Focal Point and if required so, shall reveal the documentation related to the Project implementation to them. Nothing in the Contract shall be construed as imposing upon the Financial Mechanism Office of European Free Trade Association: any responsibility of any kind for the supervision, execution, completion or operation of the Active Citizens Fund in Estonia or the Project. Neither the European Free Trade Association, its Secretariat, including the Financial Mechanism Office, its officials and employees can be held liable for any damage or injuries of whatever nature sustained by the Project Promoter, its partner or any other third person.

### 26. In case the OEF ceases to operate during the term of the Grant or its contract with the Financial Mechanism Office of European Free Trade Association to implement the Active Citizens Fund in Estonia is terminated, any rights and obligations under this Contract shall be transferred to the Financial Mechanism Office of the European Free Trade Association.

### 27. With the Ordinance No. 94-k of the Estonian Government from 8 February 2000 the OEF has been included into the „*List of non-profit associations, foundations and religious associations benefiting from income tax incentives*”.

28. The documents of the Contract are: the Contract; the Project Proposal, being an inseparable part of the Contract (Appendix 1); Guidelines for Applicants and Project Promoters of the Active Citizens Fund - Estonia, being an inseparable part of the Contract (Appendix 2); and possible amendments of the Contract, duly signed by both parties, that in such cases will be appendixes to the Contract according to the Paragraph 30.

29. This Contract enters into force from the moment of both parties (the OEF and the Project Promoter) have signed it, and is valid until the commitments stipulated in the Contract are completed.

30. Amendments to the Contract, being inseparable part of the Contract, can be made only through a written agreement by the OEF and the Project Promoter.

31. Any disputes related to the Contract, or issues that are *not* regulated by the Contract, will be solved by the OEF and the Project Promoter through negotiations. In case a common agreement is not reached through such negotiations, the disagreement must be referred to the Harju County Court.

32. This Contract has been prepared in 2 (two) originals, of which OEF and the Project Promoter receive 1 (one) each. The Contract must be signed on paper or digitally. In the latter case a confirmation page of digital signatures will be enclosed with the printed Contract.

Appendices:

**Appendix 1: The Project Proposal**

**Appendix 2:** Guidelines for Applicants and Project Promoters of the Active Citizens Fund - Estonia

Open Estonia Foundation:

(signature)

Mall Hellam

Executive Director

Project Promoter:

(signature)

**{representative’s name}**

**{name of project promoter}**