

EEA AND NORWAY GRANTS FROM INNOVATION NORWAY

The following has been agreed:

Article 1 – Project Objectives

The project “Hybrid geothermal and efficiency system for City Hall Breaza Municipality” will contribute to the following focus area and outcome(s) in the Call for Project Proposals:
Reduction in CO₂ emission by 90 tCO₂ per year by using geothermal energy instead of natural gas, established annual production of energy from geothermal sources of a 200 kW capacity with annual production of 682 MWh/year. Also, 116 MWh of recovery from flue of gas boilers, 585 MWh of gas reduction, 2 new employees.

Article 2 – Subject of the Partnership Agreement

By the present Partnership Agreement, the Project Promoter and the Project Partner have defined the tasks and responsibilities, and the internal procedures, for the work to be carried out and the relations that shall govern them within the Partnership set up in order to complete the in the following way:

The Promoter Breaza Municipality will ensure the total management of the project, helped from technical point of view by the partner. In addition, it will insure all procedures and documents regarding public acquisition and donor relationship.

Partner Water Décor will deliver the application for the project, the complete design of the system, the documents for tender, the supervising of equipment and works delivery, tests and commissioning of the complete installation.

Article 3 – Duration of the Agreement

This Partnership Agreement shall take effect on the date on which it is signed by all Parties. It shall remain in force until the Project Promoter has discharged in full his obligations toward Innovation Norway. The date of Innovation Norway’s approval of the final payment is considered the date when the Project Promoter has fulfilled all obligations.

Article 4 – The Project Promoter

4.1 The Project Promoter is responsible for the overall coordination, management and implementation of the project. The Project Promoter shall manage the funds in accordance with the Project Contract and the details of this Partnership Agreement. The Project Promoter assumes sole responsibility for the entire project vis-à-vis Innovation Norway.

4.2 The Project Promoter shall appoint a Project Manager who has operational responsibility for the implementation of the overall project.

4.3 The Project Promoter will ensure timely commencement of the project and implementation of the entire project within the time schedule in compliance with all obligations set out in the Project Contract. The Project Promoter shall notify Innovation Norway, and inform the Project Partner(s), of any factors that may adversely affect implementation of the project activities and/or financial plan.

4.4 The Project Promoter will receive disbursements from Innovation Norway and is responsible for the overall management of the grant, in particular the timely onward transfers to Project Partners; review of the appropriate spending of the grant by the Project Partner; consolidation of the project-related individual accounting records of the Project Partner and the preparation of all required documents and records for the final audit (with assistance of the Project Partner). The Project promoter is also responsible for the acceptance/approval of deliverables and expenses of the Project Partner.

4.5 The Project Promoter is responsible for the preparation and implementation of the Project Implementation Plan (PIP) setting out the detailed activities in the project, the responsibilities of the Project Partner and the provision of a detailed project budget. The budget shall include provisions on the financial arrangements between the parties, including, but not limited to, which expenditure the Project Partner(s) can get reimbursed from the project budget, with detailed itemised costs and unit prices. The budget shall also, if applicable, include currency exchange rules for such expenditure and its reimbursement.

4.6 The Project Promoter is responsible for the preparation and submission of all reports required in the Project Contract, including Interim Project Reports related to the payment claims, yearly reports on project results and impact (including performance on indicators), the Final Project Report, and any further requested financial verification.

Article 5 – Project Partner

5.1 Project Partner is responsible for carrying out specific project activities in the manner and scope as described in the project application, the project Contract, this Partnership Agreement and other project relevant documents.

5.2 More specifically, the Project Partner shall be responsible for:

- a) Expeditiously carry out the specific activities set out in the Project Implementation Plan or otherwise agreed;
- b) Providing all information and data to the Project Promoter, required to coordinate and monitor the implementation of the project and for reporting purposes;
- c) Submitting verification on the eligibility of their claimed expenditure;

d) Notifying the Project Promoter of any factors that may affect implementation of the project in accordance with the Project Implementation Plan.

5.3 Project Partner agree to take all necessary steps enabling the Project Promoter to comply with its responsibilities as set out in the Project Contract with Innovation Norway.

Article 6 – Intellectual property Rights

Intellectual property rights being a result/or related with the Project Contract will be owned by Breaza Municipality and Partner Water Décor in accordance with the following model:

All intellectual rights will be equally owned by the two parties.

Article 7 – Specific Activities

7.1 The main tasks of Breaza Municipality referred to as the 'Project Promoter', are summarized as follows:

Name	Project activities	Project budget
Project Promoter Breaza Municipality	<i>Activity 1 Taxes to be paid to external national authorities, approvals, Construction permit</i>	<i>EUR 1,235</i>
	<i>Activity 2a investments: Geothermal systems, heat exchanger, hot buffer, heatpumps, convectors,works,</i>	<i>EUR 291,100</i>
	<i>Activity 2b environmental protection</i>	<i>EUR 8,000</i>
	<i>Activity 2c Recovery system and works</i>	<i>EUR 38,000</i>
	<i>Activity 4 training employees</i>	<i>EUR 3,000</i>
	<i>Activity 5a Project management, project manager, procurement expert, financial expert</i>	<i>EUR 11,650</i>
	<i>Activity 6 external consultancy Technical construction expert and audit</i>	<i>EUR 8,900</i>
	<i>Activity 4 publicity</i>	<i>EUR 750</i>
<i>Total:</i>		<i>EUR 362,635</i>

7.2 The main input/responsibilities of *Project Partner Water Decor*, referred to as Partner are summarized as follows:

Name	Project activities	Project budget
Partner Water	<i>Activity 1 Technical project and</i>	

Decor	<i>technical documentation for construction authorisation</i>	<i>EUR 12,220</i>
	<i>Activity 3 Automation and SCADA monitoring platform</i>	<i>EUR 14,000</i>
	<i>Activity 4b Technical assistance during implementation</i>	<i>EUR 9,968</i>
Total:		<i>EUR 36,168</i>

7.3 The Project Implementation Plan setting out a detailed description of key tasks, targets, timescales and the budget for each of the actions undertaken by the Project Promoter and the Project Partner is appended to this Partnership Agreement.

Article 8 – Cooperation with Third Parties

8.1 In case of cooperation with third parties including subcontractors, the Project Partner concerned shall remain solely responsible to the Project Promoter concerning compliance with its obligations as set out in this Partnership Agreement.

8.2 No Project Partner shall have the right to transfer its rights and obligations under this Partnership Agreement without the prior consent of the other Project Partner and Innovation Norway.

8.3 Co-operation with third parties including subcontractors shall be undertaken in accordance with procedures set out in EU and national public procurement legislation, if applicable.

Article 9 – Monitoring, Evaluation and Reporting

The Project Promoter has the overall responsibility for monitoring the actions undertaken by the Project Partner on an on-going basis, and is responsible for the monitoring, evaluation and reporting requirements set out in the Project Contract with Innovation Norway.

The Project Partner is obliged to supply the Project Promoter with all information deemed necessary for the preparation of reports of any kind to Innovation Norway.

Article 10 – Financial Control and Audits

10.1 For audit purposes, the Project Promoter and the Project Partner shall agree to carry out audits as specified in the Project Contract signed between the Project Promoter and Innovation Norway.

10.2 The Partner shall make all the necessary arrangements to ensure that any audits notified by Innovation Norway, or any bodies mentioned in the Standard Terms of Conditions included as a part of the Project Contract, can be carried out.

Article 11 - Communication and Publicity

The Project Promoter and the Project Partner shall implement the communication and publicity measures in accordance with the project application and the Project Contract with Innovation Norway.

Article 12 – Confidentiality Requirements

12. 1 The Project Promoter and the Project Partner agree that any information that they obtain during the execution of this Partnership Agreement are confidential, provided that the Project Promoter or one of the Project Partners explicitly requests such. The same applies to all documentation classified as “confidential”.

12. 2 The confidentiality clause will not affect Innovation Norway’s right (or third party appointed by Innovation Norway or bodies mentioned in art. 10.2) to verify/control/audit the activities and costs related to the financed project.

Article 13 – Modifications and Withdrawals

13.1 Any modification to the present Partnership Agreement shall form the subject of an Addendum to this Agreement, which shall be submitted for the approval of Innovation Norway.

13.2 The Project Promoter and the Project Partner agree to not withdraw from the project unless there are unavoidable reasons for it. If this were nonetheless to happen, the Project Promoter and the Project Partner shall endeavor to cover the contribution of the withdrawing Project Partner, either by assuming their tasks or, if relevant, by including new Partners in the project. A possible inclusion of new partners is subject to prior approval by Innovation Norway.

Article 14 – Non-execution of Obligations and Reimbursement

In the event of total or partial incompleteness of the obligations of the Project Partner or in the event of material errors in the effective execution of project activities, each Partner of the Partnership Agreement undertakes to reimburse the Project Promoter any funds that have been unduly received, within the month following notification.

Article 15 – Working Language

The working language of this Partnership Agreement shall be English. All communication with Innovation Norway shall be in English.

Article 16 – Dispute Resolution

16.1 Any dispute relating to the conclusion, validity, interpretation or performance of this Partnership Agreement shall be resolved amicably through consultation between the Parties.

16.2 Any dispute arising out of or in relation with this Partnership Agreement which cannot be settled amicably, shall be brought before the Court of Ploiesti and finally settled in accordance with the laws of Romania.

Article 17 – Force Majeure

No party shall be held liable for not complying with obligations ensuing from this Partnership Agreement should the non-compliance be caused by force majeure.

Article 18 – Concluding Provisions

This present Partnership Agreement can only be changed by means of a written addendum that is signed by the Project Promoter and the Project Partner. The amended agreement is subject to prior approval by Innovation Norway.

Written in Breaza in 3 original copies, on 04/06/2022

Breaza Municipality

Primar Av. Bogdan Cristian NOVAC

[Signature and stamp]

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Water Décor SRL

Director Drd. Eng. Dan Ovidiu CIRJAN

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