

INTERREG VI-A IPA HUNGARY-SERBIA PROGRAMME

SUBSIDY CONTRACT FOR EUROPEAN UNION CONTRIBUTION

PROJECT ID: HUSRB/23R/22/091

PROJECT ACRONYM: FAFA

PROJECT TITLE: FILM ART FOR ALL



SUBSIDY CONTRACT**for the implementation of Project No. HUSRB/23R/22/091****with acronym****FAFA****entitled****Film art for all****within the****Interreg VI-A IPA Hungary Serbia Programme**

The following Subsidy Contract (hereinafter referred to as the Contract) is concluded between the

MINISTRY OF FOREIGN AFFAIRS AND TRADE OF HUNGARY

Address: 1027 Budapest, Bem rakpart 47, Hungary

Tax number: 15311344-1-41

on one hand,

acting as the Managing Authority of the Interreg VI-A IPA Hungary Serbia Programme (hereinafter referred to as the "managing authority")

and

OTVORENI UNIVERZITET SUBOTICA DOO; OPEN UNIVERSITY SUBOTICA LTD.

Address: 24000, Subotica, Czar Jovan Nenad Square 15, Serbia

Tax number: 100847341

acting as the Lead Partner

on the other hand,

hereinafter jointly referred to as the Parties¹,

based on the following legal framework:

- Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy (hereinafter referred to as the CPR);
- Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund (hereinafter referred to as the ERDF Regulation);

¹ The managing authority and the lead partner are the only Parties to this Contract.

- Regulation (EU) 2021/1059 of the European Parliament and of the Council of 24 June 2021 on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments (hereinafter referred to as the Interreg Regulation);
- Commission Implementing Regulation (EU) 2021/1529 establishing the Instrument for Pre-Accession assistance (IPA III) (hereinafter referred to as the IPA III Regulation);
- Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (hereinafter referred to as Financial Regulation);
- Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid;
- Commission Decision No. 2012/21/EU of 20 December 2011 on the application of Article 106 (2) of the Treaty on the Functioning of the European Union to State aid in the form of public service compensation granted to certain undertakings entrusted with the operation of services of general economic interest;
- Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the common market in application of Articles 107 and 108 of the Treaty;
- Regulation (EU) 2016/679 of the European Parliament and of the Council on the Protection of natural persons with regard to the processing of personal data and on the free movement of such data (General Data Protection Regulation, GDPR);
- Financing Agreement signed between the European Commission and the Republic of Serbia;
- Memorandum of understanding between Hungary and the Republic of Serbia;
- Implementing acts and delegated acts adopted in accordance with the aforementioned legislation.

The following regulations, guidelines and other documents have to be also respected in the framework of the present Contract:

- the Interreg VI-A IPA Hungary Serbia Programme, approved by the European Commission on 14 October 2022 by Decision Ref No C(2022) 7444 (hereinafter referred to as the Programme);
- EU rules regarding EU horizontal policies such as the rules for competition and entry into the markets, the protection of the environment, the equal opportunities between men and women and public procurement;
- Communication from the Commission on the application of the European Union State aid rules to compensation granted for the provision of services of general economic interest (2012/C 8/02);
- national rules applicable to the lead partner and its partners and their activities;
- the relevant national legislation regarding State aid rules;
- documents of the relevant Call for Proposals of the Programme, published on the official website of the Programme;

- the Project Implementation Manual of the Programme, laying down the programme specific rules for the implementation of the projects;
- Eligibility of expenditures of the Programme;
- the Communication and Visibility Guide for Projects, laying down the programme specific rules on information and publicity measures of the projects;
- procurement rules.

Article 1 Award of subsidy

1. In accordance with the decision of the Monitoring Committee, dated 27.02.2024, a subsidy is awarded to the partnership (represented by the lead partner) from the EU funding under the Interreg VI-A IPA Hungary Serbia Programme for the implementation of the project No. **HUSRB/23R/22/091** with the acronym **FAFA**, entitled **Film art for all** (hereinafter referred to as the Project).
2.

Maximum EU contribution awarded:	243 614,44 EUR say: two hundred forty-three thousand, six hundred fourteen euros and forty-four cents
Total project budget: (including lead partner and the other partners)	286 605,24 EUR say: two hundred eighty-six thousand, six hundred five euros and twenty-four cents
3. As a general rule, the EU co-financing rate per partner (including the lead partner) cannot exceed 85 per cent of the total eligible expenditures. The EU contribution and the EU co-financing rates per partners (including the lead partner) are set in Annex II of the Contract (i.e. in the finalised Project Form). It is the responsibility of each partner², including the lead partner, to finance the own contribution of their respective project parts.
4. The maximum amount of EU contribution awarded for the Project and contained in Article 1.1 above cannot be exceeded without a corresponding decision of the Monitoring Committee and the modification of this Subsidy Contract.
5. Should the total eligible costs after the completion of the Project be lower than the budgeted amount, the above-mentioned EU contribution awarded under the Programme will be correspondingly reduced according to the EU co-financing rates per partners as set in Annex II.
6. For receiving the payment of EU contribution from the certifying authority and for the transfers of EU contribution to the partners, the lead partner shall open a separate EUR bank account exclusively for the Project. The EU contribution will be transferred in EUR to the following separate project bank account indicated by the lead partner:

² In case the partner receives EU contribution.

IBAN account number	RS35 16060000 01208552 59
SWIFT code	DBDBRSBG
Name of bank	Banca Intesa A.D.
Address of bank	Milentija Popovića 7B, 11000 Beograd

7. The lead partner has to officially notify the Joint Secretariat in written form in case of a change of the separate project bank account within 15 calendar days or with the submission of the Application for Reimbursement at the latest. With the LP's notification the bank account will be modified and the modification of this Contract is not necessary. In case the lead partner fails to properly inform the Joint Secretariat on the details of its separate bank account, all consequences, including those of financial nature, shall be borne by the lead partner.
8. Payment of the EU contribution is under the condition that the European Commission makes the funds available to the above-described extent on the Programme bank account and the Memorandum of Understanding signed by the Partner Countries is in force.
9. If the European Commission fails to make the funds available on the Programme bank account or if the Memorandum of Understanding signed by the Partner Countries is no longer in force, the managing authority will be entitled to withdraw from the present Contract. Any claim by the lead partner or the project partner(s) against the managing authority for whatsoever reason is excluded.
10. If the subsidy to be received for the implementation of the Project is affected by State aid, detailed rules can be found in Annex V of the present Contract.
11. Without prejudice to the provisions of this Article, Programme co-financing to Serbian partners can be made available to the Project only after the respective Financing Agreement has entered into force. By way of derogation from Article 63(2) of Regulation (EU) 2021/1060, expenditure shall be eligible for a contribution from external financing instruments of the Union if it has been incurred and paid in the preparation and implementation of Interreg operations from 1 January 2021 or from the date of the programme submission, whichever date is earlier, but may be claimed from the Programme after the date when the Financing Agreement with Serbia was concluded.

Article 2

EU advance

1. According to the Programme rules the managing authority ensures EU advance. The amount of the EU advance is equal to 15% of the maximum EU contribution mentioned in Article 1.1. Based on the above-mentioned description the amount of EU advance is 36 542,17 EUR (say thirty-six thousand, five hundred forty-two euros and seventeen cents).
2. Subject to availability of funds as specified in Article 5.7 of the General Terms and Conditions, the amount of the advance is transferred to the separate bank account of the lead partner within 60 calendar days from the date of signature of this Subsidy Contract.

3. The approved amount of the EU contribution will be transferred in two forms: One form is advance payment which is 15% of the EU contribution. The other form is reimbursement based on the approved Project Report(s) and Applications for Reimbursement. Once the reimbursed amount reaches the 60% of the total EU contribution of the partner receiving financial support, the Programme starts to settle the advance payment. The amount of settlement will appear on the Application(s) for Reimbursement in which the reimbursement of 60% of the total EU contribution is exceeded. Therefore, when approving these Project Report(s) and Application(s) for Reimbursement the amount of transferable EU contribution will be calculated with the consideration of the settled amount of advance payment. The total amount of a partner's advance payment is fully settled if the EU contribution part of the eligible expenditure in the Application(s) for Reimbursement reaches the 75%.
4. In case the EU contribution part of eligible expenditure in the Applications for Reimbursement does not reach the 75% of a partner receiving financial support by the end of project implementation, the unsettled amount of the advance payment will be recovered by the managing authority with (and – if necessary – after) the approval of the Final Project Report. The lead partner is obliged to secure repayments from the partner(s) concerned, and has to repay the amount specified by the managing authority before the due date. In case of any delay in the repayment, the amount to be recovered may be subject to interest on late payment starting on the due date and ending on the date of actual payment. The rate of such interest shall be one-and-a-half percentage points above the rate applied by the European Central Bank in its main refinancing operations on the first working day of the month in which the due date falls.

Article 3 **Duration of the Project**

1. Project starting date: 01. 09. 2024
2. Project end date: 28. 02. 2026
3. The project activities have to be carried out and finalised within the project implementation period as specified in Point 1 and 2 above. Project expenditures have to be in line with the rules of the Project Implementation Manual / Eligibility of expenditures.

Article 4 **Object of use**

1. The EU contribution is awarded exclusively for the implementation of the Project as approved by the Monitoring Committee and registered in the INTERREG+ system. The lead partner accepts the EU contribution and takes responsibility for implementation of the Project as described in Annex II. The lead partner shall guarantee the sound financial management of the respective Union funds allocated to the Project, including the arrangements for recovering amounts unduly paid. The lead partner declares that it has noted and accepted the provisions of the Contract and of its Annexes in their entirety.
2. Project expenditure which qualifies for the EU contribution awarded according to Article 1.1 consists exclusively of project expenditure related to the approved project activities. The rules for the eligibility of expenditure are set in the Project Implementation Manual / Eligibility of expenditures. The relevant EU Regulations in force, in particular Articles 38 to 44 of the Interreg Regulation, as well as the rules contained in Articles 63 to 66 of the CPR, furthermore the national

eligibility rules have to be respected. In case of contradiction between the above-mentioned rules, the stricter rule shall apply. The expenditure related to the Project is eligible only if it is in compliance with the applicable European and national legislation in force and if it observes the terms and conditions stipulated in the Contract. The non-compliance with the relevant rules could lead the national authority to take corrective measures and exclude ineligible expenditure.

Article 5

Reporting deadlines

1. The lead partner shall send Project Reports and Applications for Reimbursement on the basis of the following table:

	Reporting period	Deadline for submission of the Project Reports and Applications for Reimbursement
1.	01. 09. 2024 - 31. 12. 2024	31. 03. 2025
2.	01. 01. 2025 - 30. 04. 2025	29. 07. 2025
3.	01. 05. 2025 - 31. 08. 2025	29. 11. 2025
4.	01. 09. 2025 - 31. 12. 2025	31. 03. 2026
5.	01. 01. 2026 - 28. 02. 2026	29. 05. 2026

Article 6

Double funding

1. The lead partner shall ensure that expenditure contained in the Project is not double funded by any other European and/or national funds.
2. If in the process of the project implementation it becomes clear that the operation has been financed by any other source of funding, the lead partner shall inform the managing authority without delay after obtaining information about this circumstance.

Article 7

General Terms and Conditions

1. The present Contract and its Annexes are to be taken as mutually explanatory of one another. For the purposes of interpretation, the priority of the documents shall be in accordance with the following sequence:
 - a) Subsidy Contract and Annex I, General Terms and Conditions,
 - b) any subsequent amendments of the Contract or its Annexes.
2. The detailed rules governing the obligations and rights of the Parties are contained in the General Terms and Conditions, constituting Annex I which is an integral and indivisible part of the present Contract.
3. Please refer to the contractual provisions and their content as follows (references are to the related Articles of the General Terms and Conditions):

Article 1 – Contact details of the Parties

Article 2 – Representation of the project partnership, liability and obligations of the lead partner

Article 3 – Rights and obligations of the managing authority

Article 4 – Project Reports and Applications for Reimbursement

Article 5 – Payment of the EU contribution to the lead partner

Article 6 – Procurement rules

Article 7 – Information and publicity

Article 8 – Ownership/use of results

Article 9 – Audit rights

Article 10 – Irregularities

Article 11 – Right of withdrawal, cancellation, repayment and suspension of reimbursement

Article 12 – Assignment, legal succession

Article 13 – Amendments to the Contract and other project changes

Article 14 – Force majeure

Article 15 – Conflict of interests and good conduct

Article 16 – Confidentiality, data protection

4. The full list of Annexes to this Contract is the following:

Annex I – General Terms and Conditions in force as published on the official Programme website

Annex II – Finalised Project Form

Annex III – Partnership Agreement

Annex IV – List of documents to be retained

Annex V – Applicable project specific State aid rules

5. The Annexes to this Contract are binding and form an integral part of the Subsidy Contract.

Article 8
Concluding provisions

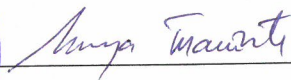

1. If any provision in this Contract should be entirely or partly ineffective, the remaining provisions remain binding for the Parties. The Parties to the Contract undertake to replace the ineffective provision by an effective one which comes as close as possible to the purpose of the ineffective provision.
2. The Parties to this Contract shall use their best efforts to amicably settle any dispute arising between them during the implementation of this Contract. To that end, they shall communicate their positions and any solution that they consider possible in writing, and meet each other at either's request. The lead partner and the managing authority shall reply to a request sent for an amicable settlement within 30 calendar days. Once this period has expired, or if the attempt to reach amicable settlement has not produced an agreement within 120 calendar days of the first request, the lead partner or the managing authority may notify the other Party that it considers the procedure to have failed.

3. The present Contract is governed by Hungarian law, Hungary being the country of the managing authority; all matters not regulated in the Contract are subject to the legal understanding laid down in the Hungarian Civil Code (Act V. of 2013). In case of differences that are not ruled by the present Contract, the Parties agree to find an amicable and mutually acceptable solution. If the Parties fail to do so, all disputes arising in connection with the Subsidy Contract shall be settled by the Buda Central District Court.
4. The present Contract is concluded in English language. In case of translation of the present Contract and of its Annexes into another language, the English version shall prevail.
5. The lead partner duly consents to the fact that the Data Controller (Ministry of Foreign Affairs and Trade) and the Technical Data Processor (Széchenyi Programiroda Nonprofit Kft.) will manage all the personal data included in the Project and provided in the contracting or project implementation phase, in line with Regulation (EU) 2016/679 (the GDPR).
6. By signing the present Contract the lead partner acknowledges that they have understood all conditions governing the subsidy and that they accept the rules of both the Subsidy Contract and the General Terms and Conditions.
7. Provisions on modification of the present Contract are regulated in the General Terms and Conditions.
8. The present Contract is signed in three original copies of which one remains at the lead partner and two original copies are to be returned to the Joint Secretariat (out of which one copy will be sent to the managing authority by the Joint Secretariat. The lead partner is to provide a copy of the Contract and its Annexes to all other partners.
9. The Subsidy Contract enters into force on the date of signature by the last of both Parties. The lead partner undertakes to sign the Contract within 30 calendar days from the date of its reception from the managing authority.
10. The present Contract shall remain in force until the lead partner has discharged in full its obligations arising from the Subsidy Contract towards the managing authority, i.e. as long as any duties linked to the EU funding might be claimed.

Place and date:

Subotica, 07.06.2024.

Place and date:

Budapest, 30 May 2024Lead Partner
represented byMr. Ilija Tatić
Managing directorManaging Authority
represented by
Ms. Nikoletta Horváth
Head of the Managing Authority

ANNEX I – GENERAL TERMS AND CONDITIONS IN FORCE AS PUBLISHED ON THE OFFICIAL PROGRAMME WEBSITE

Interreg



Co-funded by
the European Union

IPA Hungary - Serbia

INTERREG VI-A IPA HUNGARY-SERBIA PROGRAMME

ANNEX I TO SUBSIDY CONTRACT

GENERAL TERMS AND CONDITIONS



*Good neighbours
creating
common future*

Annex I.

GENERAL TERMS AND CONDITIONS
governing the use of the EU contribution
received in the frame of the
Subsidy Contract for European Union contribution

Article 1
General Provisions

1. The provisions of the "General Terms and Conditions" shall, as an annex, form an integral part of the Subsidy Contract ("Contract") signed by the Managing authority of Interreg VI-A IPA Hungary Serbia ("managing authority") and a lead partner.
2. All correspondence with the managing authority / joint secretariat under the Contract must be in English language, has to indicate the ID and the acronym of the Project and has to be sent to the following address:

Hungary-Serbia Joint Secretariat
Szép u. 2, floor IV.
H-1053 Budapest
info@hungary-serbia.eu

3. All correspondence with the lead partner under the Contract must be in English language and has to indicate the ID and the acronym of the Project.
4. Any change of headquarters and of contact details shall be notified to the other Party within fifteen calendar days following the change of address/contact.

Article 2
Representation of the project partnership, liability and obligations of the Lead Partner

1. The partnership (represented by lead partner) is awarded the subsidy based on the terms and conditions set out in the Contract which consists of the Contract text, the present General Terms and Conditions and the Annexes, which the lead partner hereby declares it has all noted and accepted. The lead partner accepts the subsidy and undertakes to carry out the Project under its own responsibility.
2. The lead partner (except EGTCs) shall act in partnership with one or more partner organisation(s) as identified in the description of the Project. Partners take part in the implementation of the Project, and their expenditures incurred are eligible in the same way as those incurred by the lead partner.
3. The lead partner guarantees that it is entitled to represent all partners participating in the Project.

4. In order to lay down the arrangements for its relations with the partners the lead partner as defined in the Preamble of the Subsidy Contract for the EU contribution (hereinafter referred to as the Contract) is responsible to conclude a Partnership Agreement with them. In line with Article 26 of the Interreg Regulation the Partnership Agreement shall comprise provisions that, *inter alia*, guarantee the sound financial management of the respective Union funds allocated to the Interreg operation, including the arrangements for recovering amounts unduly paid.
5. The lead partner represents the partnership as defined in the Partnership Agreement and is the only direct contact between the Project and the programme management bodies, mainly the managing authority, the joint secretariat, the audit authority and the certifying authority. The lead partner shall be responsible for ensuring the implementation of the entire Project. To this end, the lead partner shall coordinate the implementation of the Project in due time according to the provisions of the Contract and of the national and European legislation, and shall undertake among others:
 - a) to co-ordinate the start of the Project as set in Article 3.1 of the Contract;
 - b) to co-ordinate the implementation of the Project according to the time schedule agreed upon in the Contract and in the finalised Project Form, and to monitor that the Project is implemented in accordance with the Contract;
 - c) to guarantee the sound financial management of the funds allocated to the Project, including the arrangements for recovering amounts unduly paid;
 - d) to meet the reporting requirements by using the INTERREG+ system and to ensure any other documentation as well as IT security and data protection related obligations;
 - e) to be the intermediary for all communications between the partners and the managing authority; where information from the partners is required, the lead partner shall be responsible for obtaining, verifying and consolidating this information before forwarding it to the managing authority; any information provided, as well as any request communicated by the lead partner to the managing authority shall be deemed to have been forwarded in agreement with all partners;
 - f) to ensure that the expenditure presented by all partners has been paid in implementing the Project and that it corresponds to the activities agreed between the partners and indicated in the Project as registered in the INTERREG+ system;
 - g) to collect documents and information from the partners in order to present consolidated Project Reports and Applications for Reimbursement;
 - h) to inform the joint secretariat immediately in written form if the project budget has to be changed, if the partners, the project objectives or the activity plan on which the present Contract is based on have to be changed, or if one of the reimbursement conditions cannot be fulfilled, or if circumstances arise which entitle the managing authority to reduce or recover the EU contribution (entirely or partly);
 - i) to comply with EU regulations as referred to in the preamble of the Contract, and with the relevant national legislation for the whole partnership, with special regard to procurement, State aid, publicity, furthermore rules on sustainable development and equal opportunities;
 - j) to be the sole recipient, on behalf of all partners, of the payments of the certifying authority;

- k) to transfer the EU contribution to the other partners correctly and in full, within the timeframe agreed in the Partnership Agreement; no amount shall be deducted or withheld and no specific charge or other charge with equivalent effect shall be levied that would reduce that amount for the other partners (i.e. fees of these transactions shall be paid by the lead partner); in case of a claim for repayment from the managing authority, the lead partner cannot exculpate itself with the argument of the transfer of the funds;
 - l) to maintain separate accounting for project implementation purposes in a manner ensuring the identification of each financial operation within the Project;
 - m) be responsible in the event of audits, checks, monitoring or evaluations, as described in Article 9 of this General Terms and Conditions, for providing all the necessary documents, including the invoices of the partners and copies of the relevant supporting documents;
 - n) to ensure the sustainability of the project results; and
 - o) to not delegate any of, or part of these tasks to the partners or other entities.
6. The lead partner bears responsibility for the activities of the other partners like its own activities.
7. The lead partner is liable towards the managing authority to ensure that all partners have a legal status, that they have capacity to manage the operation, that they observe the rules for implementation of the Project. Moreover, the lead partner is liable towards the managing authority to ensure that all partners fulfil their obligations under the Contract.
8. The lead partner takes full responsibility for the damages caused to third parties from its own fault during the implementation of the Project. The managing authority has no responsibility for the damages caused to third parties as a result of executing the Contract, therefore the managing authority cannot accept any claim for compensation or increases in payment in connection to such damages.
9. The lead partner is liable towards the managing authority for ensuring that the partners fulfil their obligations under the Contract. It is also liable towards the managing authority for any breach of obligations under this Project by its partners, in the same way as for its own conduct.

Article 3

Rights and obligations of the Managing Authority

1. The managing authority has the obligation to support the lead partner by providing necessary information and clarifications for the implementation of the Project.
2. The managing authority has the obligation to inform the lead partner regarding the reports, conclusions and recommendations made by the European Commission which may affect the implementation of the Contract.
3. In addition and without prejudice to its right to terminate the Contract pursuant to Article 11 of the General Terms and Conditions, if the Project is implemented poorly or partially – and therefore not in accordance with the description of the Project in Annex II – or is implemented

late, the managing authority may, by a duly reasoned decision and after allowing the lead partner to submit its observations, reduce the initial amount of subsidy in line with the actual implementation of the Project and in accordance with the terms of the Contract. This applies as well with regards to the compliance with the visibility obligations set out in Article 7 of the General Terms and Conditions.

4. In case of n+3 decommitment resulting from underspending compared to the spending forecast, the managing authority is entitled to decommit the Project by reducing the original project budget and the corresponding EU contribution. In case of a decision on the decommitment of the Project, the managing authority initiates the amendment of the Contract. The modification of the Contract in case of decommitment at project level shall take the form of a decision of the managing authority, which will be notified to the lead partner, and which becomes part of the Contract. In case of a decision on the decommitment of the Project, the lead partner shall submit a revised budget and application, reflecting the decommitment, within two weeks following the receipt of the notification from the managing authority. In case of failure to respect the deadline, the decommitment shall be applied proportionally to all budgetary lines.
5. In case one of the obligations of the lead partner is not fulfilled, the managing authority may suspend the execution of the Contract.
6. In case of suspending the Contract, the managing authority shall notify the lead partner regarding this decision, the duration of the suspension period, the proposed corrective measures and the related financial measures. The managing authority shall also notify the lead partner if the suspension period is cancelled prior to the initially set deadline.
7. The managing authority may compensate the amount of reclaim of the same partner receiving financial support in different projects during reimbursement.

Article 4

Project Reports and Applications for Reimbursement

1. The lead partner receives the reimbursement based on the submitted and approved Application for Reimbursement.
2. The lead partner can only submit an Application for Reimbursement to the joint secretariat if it is accompanied by proof of progress of the Project. Therefore, the lead partner has to submit a Report (meaning Project Report or Final Project Report) alongside each Application for Reimbursement, consisting of the description of the activities carried out and their outputs and results during the reporting period, further consisting of a financial report presenting the financial progress of the Project compared to the finalised Project Form. Even if no expenditures were incurred in a reporting period, the Project Report (and the Final Project Report) shall be submitted in due time to the joint secretariat.
3. The lead partner has to submit the Project Report and the Application for Reimbursement for each four-month reporting period from the project starting date indicated in Article 3.1 of the Contract. The Reports and the Applications for Reimbursement have to be submitted to the joint secretariat within 90 calendar days from the end date of each reporting period (and 100 calendar

days from the end date of the final reporting period), as detailed in the Project Implementation Manual. The Project Report and the Application for Reimbursement together with the supporting documents shall be submitted electronically, via the INTERREG+ system.

4. The reporting periods and the actual deadlines for submission are indicated in Article 5.1 of the Subsidy Contract. In case a modification is needed in the reporting periods, it is not necessary to modify the Contract, but the lead partner shall submit a notification to the joint secretariat with justification after consultation with the project partnership. Detailed rules regarding the modification of reporting deadlines are described in the Project Implementation Manual. Additional obligatory deadlines to submit an Application for Reimbursement may be set by the managing authority in order to avoid decommitment of EU contribution at programme level.
5. As general rule, the First Project Report and Application for Reimbursement have to cover the preparation costs of the Project, as well as the first reporting period as indicated in Article 5.1 of the Subsidy Contract. As a general rule, only budget lines foreseen in the finalised Project Form and only partners involved according to the finalised Project Form¹ can be considered for Application for Reimbursement².
6. The Final Project Report and Application for Reimbursement have to be submitted to the joint secretariat within 90 calendar days after the end date of the Project as indicated in Article 2.2 of the Contract.
7. The language of each Project Report, including the Final Report, is English. The forms and tools of the Report, Application for Reimbursement and the Declaration on Verification of Expenditure are defined for the Programme and are obligatory to use. The lead partner has to complete and submit the Project Reports and the Application for Reimbursement online, through the INTERREG+ system used for the Programme. Access to the system is only permitted by means of an individual user name and password. Further rules on reporting are set in the Project Implementation Manual.
8. The Application for Reimbursement submitted by the lead partner shall contain only verified expenditure and shall be supported by the Declarations on Verification of Expenditure issued by the identified Control Bodies. Therefore, each partner receiving financial support has the obligation to ensure that its expenditures are checked and verified by a controller from the state on whose territory it is located, before the Application for Reimbursement is submitted. The lead partner shall ensure that the expenditure presented by the partners has been incurred for the purpose of implementing the Project and that it corresponds to the activities agreed between the partners as described in the finalised Project Form. Partners receiving financial support shall submit a Project Partner Report also in case there were no costs incurred in their project part in a given reporting period. Finally, partners not receiving financial support shall submit their project partner reports to the related Control Body on their activities in the given reporting period.

¹ Parties agree that certain activities will be implemented by the mayor's office as being the executive organ of the partner in accordance with Article 41 (1) and 41 (2) of Act No. CLXXXIX of 2011 on Local Governments in Hungary, as well as paragraph 1 of Article 6/C of Act No. CXCV of 2011 on Public Finance, so that the costs reimbursed by the mayor's office are eligible for support.

² Only in duly justified cases and with prior acceptance of the managing authority can additional budget lines or partners be considered for an Application for Reimbursement.

9. In case the Declarations on Verification of Expenditure are not available for each partner for a given reporting period, the lead partner shall submit the Application for Reimbursement on the basis of the Declarations on Verification of Expenditure available for the reporting deadline. The Application for Reimbursement shall contain also those Declarations on Verification of Expenditure, which have zero amount. The expenditures of the partners receiving financial support not verified for the given reporting period within the deadline can be requested only for the next two reporting deadlines following the reporting period concerned³.
10. The lead partner shall submit the Application for Reimbursement in EUR, based on the Declarations on Verification of Expenditure issued in EUR by the identified Control Bodies of the partners.
11. Partners from Partner Countries which have not adopted the EUR as their currency shall convert into EUR the amounts of expenditure incurred in national currency before submission for verification to the responsible Control Body of the Partner Countries. The expenditures shall be converted into EUR using the monthly accounting exchange rate of the European Commission (INFOREURO) in force in the month in which the expenditure is submitted by the partner to the control body⁴.
12. The exchange rate risk is borne by the lead partner or partner concerned.
13. In order to monitor the progress of the Project, the lead partner has to provide an updated spending forecast of the Project when requested by the joint secretariat or by the managing authority.
14. The lead partner, upon request by the joint secretariat, shall submit Project Follow-up Reports proving the sustenance of the project outputs. Details about the content and submission of Follow-up Reports are regulated in the Project Implementation Manual.
15. The lead partner has to provide immediate information to the joint secretariat about circumstances which delay, hinder or make impossible the implementation of the Project, as well as about any circumstances which represent a change of the reimbursement conditions and frameworks as laid down in the Contract or which entitle the managing authority to reduce or recover the EU contribution entirely or in part. Immediate information shall also be provided in case the Project has not been or cannot be fully implemented by carrying out the planned activities and results moreover by achieving at least 80 per cent of the quantifiable outputs, or if the Project cannot or could not be implemented in due time. As a general rule, however, the lead partner has to adhere to the rules and procedures for requesting project changes, which are defined in the Project Implementation Manual.
16. In case the Project cannot be implemented in line with the time schedule determined in the finalised Project Form contained in Annex II of the Contract, as well as in line with the spending forecast specified in Point 13 of the present Article, the fact has to be reported immediately to

³ See exception related to preparation costs in point 5.

⁴ The monthly exchange rates of the European Commission are available at the website of the European Commission: <http://ec.europa.eu/budget/inforeuro>.

the joint secretariat. At the same time the underspending does not exempt the Project from possible n+3 decommitment consequences.

Article 5

Payment of the EU contribution to the Lead Partner

1. As a general rule, the payment of EU contribution to the lead partner will be initiated after the verification and acceptance of the Project Report and of its annexes, the Application for Reimbursement and the Declarations on Verification of Expenditure. An exception from the above-mentioned rule is the EU advance, which is paid according to the Subsidy Contract.
2. The lead partner may be requested a completion of the Project Report and of the Application for Reimbursement during the approval process by the joint secretariat. After the second unsuccessful request/notice for completion, the Project Report and the Application for Reimbursement may be rejected.
3. In case the Final Project Report and the Application for Reimbursement are rejected, the lead partner shall be informed about the possible/applied sanctions (e.g. suspension of the last payment, repayment of subsidy, withdrawal from the Contract).
4. If the Project Report contains ineligible expenditure, the amount of these shall be deducted from the Application for Reimbursement. In this case, as a general rule, the lead partner shall re-compile and re-submit the Application for Reimbursement to the joint secretariat. For this reason, as a general rule, the relevant Declarations on Verification of Expenditure may be modified by the relevant Control Body.
5. Following the approval of the Final Project Report and after the last payment of EU contribution the joint secretariat initiates the financial closing of the Project in the INTERREG+ system. Financial closing cannot be initiated in case other processes related to the Project are not closed, such as irregularity and recovery procedures.
6. After the final payment to the lead partner, the Project is considered closed and the lead partner is informed about the closure. While the Project is considered closed, audits might be carried out during the programme period and/or within the timeframe stipulated in Article 82 (1) of the CPR and further detailed in the Project Implementation Manual. During this period, irregularity procedures and repayments can be initiated related to the Project.
7. The payment of EU contribution will be transferred by the certifying authority in the timeframe mentioned in point 1.b of Article 74 of the CPR. In case the EU contribution balance of the programme single bank account handled by the certifying authority does not cover the amount to be paid, the payment process will be suspended until the transfer of the EU contribution from the European Commission is credited to the programme single bank account.
8. The lead partner has to officially notify the joint secretariat in written form in case of a change of the separate project bank account within 15 calendar days or with the submission of the Application for Reimbursement at the latest. In case the lead partner fails to properly inform the

joint secretariat on the details of its separate bank account, all consequences, including those of financial nature, shall be borne by the lead partner.

9. The lead partner is responsible for transferring the EU contribution to those partners which receive financial support according to the approved Application for Reimbursement, within the timeframe agreed in the signed Partnership Agreement, and without any deduction, retention or further specific charge from the EU contribution amounts due.
10. Bank statements proving the management of the separate project bank account and the transfer of funds from the lead partner to those partners which receive financial support have to be presented to the joint secretariat attached to the subsequent Project Report. Bank statements proving that the lead partner has transferred to the partners(s) the EU contribution approved in the Final Project Report must be submitted to the joint secretariat within 14 calendar days from the transfer.

Article 6 **Procurement rules**

1. For the award of service, supply and work contracts by the lead partner / partners which receive financial support, the procurement procedures shall follow the provisions of Chapter 3 of Title VII of Regulation (EU, Euratom) No 2018/1046 which apply in the whole programme area, both on the Member State's and on the IPA III partner country's territory.
2. Procurement rules shall apply for procurements both in the Member State and IPA III partner country (Hungary and Republic of Serbia).
3. Documents which should be submitted to support the verification of costs related to procurements are listed in the Project Implementation Manual / Eligibility of expenditures.
4. Lead partners / partners shall also follow all procurement rules defined in detail in the Project Implementation Manual, in the Eligibility of expenditures and in the manuals relating to national level procedures.

Article 7 **Information and publicity**

1. With respect to Article 36 (4) of the Interreg Regulation, the lead partner undertakes to fulfil the information and publicity measures set out in the Communication and Visibility Guide for Projects, with the aim of promoting the fact that co-financing is provided from EU contribution available under the Interreg VI-A IPA Hungary Serbia Programme, furthermore it undertakes to ensure the adequate promotion of the Project.
2. The lead partner shall ensure that all project official communication (e.g. any notice, publication, website or project event, including conferences or seminars) specifies that the Project has received funding from the EU within the framework of the Interreg VI-A IPA Hungary Serbia

Programme, by following the instructions detailed in the Communication and Visibility Guide for Projects.

3. The managing authority / joint secretariat shall be authorised to publish, in any kind of form and on or by any kind of medium the following pieces of information:
 - a) the title and the acronym of the Project;
 - b) the name of the lead partner and of the partners;
 - c) the total budget of the Project, the amount of subsidy and the EU co-financing rate;
 - d) the name of the fund, the specific objective concerned and the type of intervention;
 - e) the purpose of the EU contribution (i.e. the overall objective of the Project) and the expected or actual achievements;
 - f) start date and (excepted or actual) date of completion;
 - g) the geographical location of the Project and/or the location of the lead partner and the partners;
 - h) project results, evaluations and summaries;
 - i) other information about the Project, if considered relevant, and all publicity material of the Project such as photographic and video content, news announcements etc.
4. The lead partner shall ensure the proper means of communication between the Project and the Programme, including:
 - a) participation, whenever requested, in lead partner trainings organised by the joint secretariat;
 - b) participation, whenever requested, in other events organised by the programme management bodies with the purpose of presenting / discussing / developing / sharing project results and creating synergies with other projects and relevant organisations;
 - c) providing a visible link on the Project's website (if any), on the own official website (if any) and on the partners' official websites (if any) to the official Programme website.

Article 8

Ownership/use of results

1. Based on Article 65 of the CPR, an operation comprising investment in infrastructure or productive investment shall repay the contribution from the funds if within five years of the final payment to the partner(s), or within the period of time set out in State aid rules where applicable, the operation is subject to any of the following:
 - a) a cessation or transfer of a productive activity outside the NUTS level 2 region in which it received support;
 - b) a change in ownership of an item of infrastructure which gives to a firm or a public body an undue advantage;

- c) a substantial change affecting its nature, objectives or implementation conditions which would result in undermining its original objectives.

In line with Article 65 of the CPR repayment due to non-compliance with this Point shall be made in proportion to the period of non-compliance.

2. The lead partner is obliged to notify the joint secretariat of any such changes described beforehand.
3. Any results or rights related to the Project, including author's rights and/or any other intellectual or industrial property rights, obtained from the implementation or as a result of the implementation of the Contract (except the cases where such rights exist before the Contract) shall represent the property of the lead partner and the partners, as the case may be.
4. The lead partner and the partners cannot mortgage or impose any other form of bank guarantee on the goods purchased from the financing throughout the implementation period of the Project and five years after the date of the final payment to the lead partner.
5. Ownership, title and industrial and intellectual property rights in the outputs of the Project and the reports and other documents relating to it shall vest in the partners. Leasing, handing over or transferring the rights of use of the outputs of the Project is only possible with the prior written consent of the managing authority and only in case if all the rights and obligations following from the Contract and connected to the subject of matter will be transferred to the new party.
6. The use of the results of the Project can be checked by the managing authority / joint secretariat. Widespread publicity of such results shall be ensured by the lead partner in order to make them available to the public.
7. Without prejudice to Point 6 above, the lead partner grants the managing authority (and the European Commission) the right to use freely and as it sees fit, and in particular, to store, modify, translate, display, reproduce by any technical procedure, publish or communicate by any medium all documents deriving from the Project whatever their form, provided it does not thereby breach existing industrial and intellectual property rights.

Article 9

Audit rights

1. The responsible auditing bodies of the EU and, within their responsibility, the auditing bodies of the Partner Countries, as well as the audit authority, the managing authority, the joint secretariat and the certifying authority of the Programme are entitled to audit the proper use of funds by the lead partner and by the partners or to arrange for such an audit to be carried out by authorised persons.
2. The lead partner shall produce all documents required for the audit, provide necessary information and give access to its business premises. The lead partner is obliged to retain for audit

purposes all files, documents and data about the Project for at least until the time as specified in Article 82 (1) of the CPR and further detailed in the Project Implementation Manual. Documents to be retained are listed in Annex IV of the Subsidy Contract.

3. The identified Control Bodies are entitled to carry out on-the-spot checks as part of their verification activities, while the joint secretariat or the managing authority are entitled to carry out monitoring visits in order to inspect the progress of the Project from a professional point of view, both at the premises of the lead partner and of the partners, and at the location of the project activities.
4. The lead partner is obliged to guarantee the fulfilment of the above stipulated duties in relation to all other partners as well.
5. Observing the recommendations received after an audit must be ensured by the lead partner and the partners, otherwise the managing authority has the right to terminate the Subsidy Contract.
6. The lead partner shall keep accurate and regular accounts of the implementation of the Project using an appropriate accounting and double-entry book-keeping system. The accounts:
 - a) may be an integrated part of or an adjunct to the organisation's regular system;
 - b) shall comply with the accounting and bookkeeping policies and rules that apply in the country concerned;
 - c) shall enable income and expenditure relating to the Project to be easily traced, identified and verified.
7. The lead partner shall ensure that the financial section of any Project Report as required in the Project Implementation Manual of the Programme can be properly and easily reconciled to the accounting and bookkeeping system and to the underlying accounting and other relevant records. For this purpose, the lead partner shall prepare and keep appropriate reconciliations, supporting schedules, analyses and breakdowns for inspection and verification.
8. The lead partner shall allow verifications/audits to be carried out by the managing authority, the national authority, the audit authority and members of the Group of Auditors, the European Commission, the European Anti-Fraud Office, the AFCOS in Member States and the anti-fraud body identified in the Financing Agreement by Serbia, the European Court of Auditors and any external auditor authorised by any of these bodies. The lead partner has to take all steps to facilitate their work.
9. The lead partner shall allow the above entities to:
 - a) access the sites and locations at which the Project is implemented;
 - b) examine its accounting and information systems, documents and databases concerning the technical and financial management of the Project;
 - c) take copies of documents;
 - d) carry out on-the-spot-checks;

- e) conduct a full audit on the basis of all accounting documents and any other document relevant to the financing of the Project.
10. Additionally the European Anti-Fraud Office and the other above-mentioned anti-fraud agencies shall be allowed to carry out on-the-spot checks and inspections in accordance with the procedures laid down by the European Union legislation for the protection of the financial interests of the European Union against fraud and other irregularities, as well as the Financing Agreement between the European Commission and Serbia. Where appropriate, the findings may lead to recovery by the European Commission.
 11. Access given to agents/employees/subcontractors of the above-mentioned bodies carrying out verifications/audits as provided for by this Article shall be on the basis of confidentiality with respect to third parties, without prejudice to the obligations of public law to which they are subject.
 12. Each partner receiving financial support shall keep all records, accounting and supporting documents related to the Contract for five years following 31 December of the year in which the last payment is made to the lead partner, and in any case until any on-going audit, verification, appeal, litigation or pursuit of claim has been disposed of.
 13. The records, accounting and supporting documents shall be easily accessible and filed so as to facilitate their examination.
 14. All the supporting documents shall be available either in the original form, including in electronic form, or in duly justified cases as a copy.
 15. If the managing authority or the European Commission carries out an interim or ex post evaluation or a monitoring mission, the lead partner shall undertake to provide it and/or the persons authorised by it with the documents or information necessary for the evaluation or monitoring mission.
 16. Failure to comply with the obligations set forth in this Article constitutes a case of breach of a substantial obligation under this Contract. In this case, the managing authority may in particular suspend the Contract, approval of a Project Report, payments or the time-limit for a payment, terminate the Contract and reduce the subsidy.

Article 10

Irregularities

1. The managing authority shall show zero tolerance to any suspected cases of fraud and shall take all necessary measures to prevent and correct such cases.
2. In case of irregularities identified during project implementation the managing authority reserves the right to claim the repayment of the EU contribution in full or in part from the lead partner, and has the right to reduce the amount of the EU contribution awarded. In case an irregularity is

committed, the managing authority shall impose on the lead partner all the necessary measures for the elimination or diminishing of the consequences on the implementation of the Project.

3. Based on the above, the lead partner is always responsible for securing the repayment of the EU contribution unduly paid to the Project, even if the irregularity was committed by one of the other partners.
4. If another partner, receiving financial support, commits an irregularity, the lead partner – after having received the notice on repayment – is obliged to request the amount unduly paid from the partner concerned and has to repay it to the managing authority within the deadline for the repayment set in Article 11.3 of the General Terms and Conditions. The lead partner shall exercise due diligence to ensure repayment.
5. If the lead partner does not succeed in securing the repayment from the partner(s), within five calendar days from the end of the provided deadline the lead partner has to notify the joint secretariat and the managing authority and has to send proof of steps taken towards the partner(s).
6. When the amount unduly paid has not been recovered by the lead partner – except the case when the lead partner makes all efforts to recover the amount from the affected partner –, the lead partner shall remain responsible for the repayment.

Article 11

Right of withdrawal, cancellation, repayment and suspension of reimbursement

1. The managing authority is entitled to withdraw from the Contract and to demand the repayment of the EU contribution in full or in part if:
 - a) the lead partner has obtained the EU contribution through false or incomplete statements to bodies/appointees of the European Commission, the managing authority or any other authorities involved in the implementation of the Programme; or if
 - b) a precondition for the approval of the Project is no longer given, in particular if the compulsory cross-border partner resigns from the Project and is not replaced in line with the provisions of Article 13 of the General Terms and Conditions; or if
 - c) the Partnership Agreement concluded between the partner organisations is no longer in force; or if
 - d) the lead partner becomes insolvent or subject to bankruptcy proceedings; or if
 - e) the lead partner is convicted of an offence concerning its professional conduct by a judgment which has the force of '*res iudicata*', further if it is guilty of grave professional misconduct proven by any means which the managing authority/national authority can justify; or if
 - f) the lead partner does not fulfil its obligations relating to the payment of social security contributions and the payment of taxes in accordance with the national legal provisions; or if
 - g) the lead partner becomes the subject of a judgment which has the force of '*res iudicata*' for fraud, for corruption, for severe breach of contract in connection to obligations stemming

- from procurement rules or from rules governing the use of EU funding or national subsidies, for involvement in a criminal organisation or for any other illegal activity detrimental to the EU's financial interests; or if
- h) the lead partner becomes guilty of misrepresentation in supplying the information required by the managing authority or in failing to provide requested information; or
 - i) in case of established irregularities; or if
 - j) the lead partner fails to fulfil a condition or an obligation resulting from the Contract, in particular if
 - k) the lead partner fails to submit a Project Report and Application for Reimbursement within the reporting deadline;
 - l) the lead partner repeatedly fails to submit Project Follow-up Reports, if applicable; or if
 - m) the lead partner fails to sustain the results of the Project as defined in Article 8 of the General Terms and Conditions; or if
 - n) the Project has not been or cannot be fully implemented by carrying out the planned activities and results moreover by achieving at least 80 per cent of the quantifiable outputs, or if the Project cannot or could not be implemented in due time; or if
 - o) the lead partner fails to, within seven calendar days, provide information about circumstances that delay, hinder or make impossible the implementation of the Project, as well as about any circumstances that represent a change of the reimbursement conditions and frameworks as laid down in the present Contract or which entitle the managing authority to reduce or demand repayment of the EU contribution entirely or in part; or if
 - p) the regulations of EU- and national law (including provisions concerning procurement rules, State aid rules, publicity rules, rules on environmental protection and rules on equal opportunities) have been infringed; or if
 - q) the lead partner has impeded or prevented the auditing of the Project or failed to retain the project documentation as referred to in Article 9 of the General Terms and Conditions; or if
 - r) the EU contribution awarded has been partially or entirely misapplied for purposes other than those agreed upon; or if
 - s) it has been impossible to verify that the Final Project Report is correct and thus the eligibility of the Project for funding from the Programme cannot be verified.
2. Based on Article 36 (6) of the Interreg Regulation, The managing authority may, taking into account the principle of proportionality, cancel up to 2 per cent of the EU contribution in case a partner, including the lead partner, does not comply with its information and publicity obligations under Article 47 of the CPR or Article 36 (4) and (5) of the Interreg Regulation.
3. If the managing authority sends a request for repayment for the amount of EU contribution paid unduly, the lead partner is obliged to secure repayments from the partner(s) concerned and has to repay the amount specified by the managing authority before the due date. The repayment by the lead partner is due within 60 calendar days following the receipt date of the request for repayment. Any delay in effecting repayment may give rise to interest on late payment, starting on the due date and ending on the date of actual payment. The rate of the interest shall be one-

and-a-half percentage points above the rate applied by the European Central Bank in its main refinancing operations on the first working day of the month in which the due date falls.

4. The managing authority has the right to recover the amounts specified in the request for repayment by deducting them from the transferable amount of the approved Application for Reimbursement.
5. Bank charges incurred by the repayment of amounts due to the managing authority shall be borne entirely by the lead partner and/or the partners.
6. The lead partner is entitled to exercise the right of withdrawal if the implementation of the Project becomes impossible due to circumstances independent from the lead partner. In this case, the lead partner shall repay the whole amount of EU contribution transferred within two months from the date of notifying the managing authority on the withdrawal from the Contract. In case of late payment, interest on late payment may be charged according to Point 3 above.
7. The managing authority may decide to suspend the reimbursement of the EU contribution if the provisions laid down in the Memorandum of Understanding are not respected by the Partner States. The lead partner shall be informed on the suspension.
8. In case of observations and/or reservations raised by the European Commission regarding the Description of the Management and Control System of the Interreg VI-A IPA Hungary Serbia Programme or in case of a system error detected, the managing authority has the right to temporarily withhold payments to a particular partners or the Project as a whole. Payment suspension(s) shall be lifted as soon as observations and/or reservations raised by the European Commission have been withdrawn and the managing authority has received sufficient evidence on the solution of the systemic error(s) detected. In case the European Commission takes the decision of interrupting or totally suspending the funds, the managing authority may terminate the Contract.
9. Any breach of the provisions of the Contract may result in the termination of the Contract by the managing authority.
10. The present Contract may also be terminated by written mutual agreement of the Parties.
11. The managing authority has the right to terminate the Contract, without any notice, if the European Commission withdraws the financing of the Project. In this case managing authority is not obliged to pay any compensation to lead partner.
12. If termination takes effect before the entire amount of the subsidy is paid to the lead partner, the payments will cease and the managing authority will not consider further requests from the lead partner for payment of the remaining part of the amount.
13. A contracting Party should notify the other Party fifteen calendar days after the decision on terminating the Contract is taken. The notification should be in writing and should contain the reasons and justifications for the decision.

14. In exceptional and duly justified cases, including the occurrence of force majeure, the managing authority may decide on terminating the Contract by a written notification.

Article 12

Assignment, legal succession

1. The managing authority is entitled at any time to assign its rights under the Contract. In case of assignment the managing authority will inform the lead partner without delay.
2. The lead partner is allowed to assign its duties and rights under the Contract only after prior decision of the Monitoring Committee and written consent of the managing authority.
3. In case of legal succession the Parties are obliged to transfer all duties under the Contract to the legal successor. The Parties shall notify each other about any change beforehand. In case of legal succession affecting the lead partner or a partner, the lead partner shall notify the joint secretariat beforehand. In case of legal succession – as all duties under the present Contract are transferred to the legal successor – the Contract shall be modified.

Article 13

Amendments to the Contract and other project changes

1. Deviations from any aspect of project implementation defined in the Contract and its Annexes have to be reported by the lead partner to the joint secretariat in order to seek written approval for changes. Modifications to the Project can also be initiated by the managing authority / joint secretariat, if deemed necessary.
2. Amendments to the Contract, including its Annexes, must be in written form.
3. The amendment may not have the purpose or the effect of making changes to the Contract which would call into question the subsidy award decision or be contrary to the equal treatment of applicants.
4. Any amendment to the Contract has to respect the detailed rules laid down in the Project Implementation Manual in force regarding each case of contract modification or other changes in the Project.
5. Any request for a modification of the Contract (except for the decommitment decision of the managing authority or legal succession of the managing authority) has to be justified and submitted by the lead partner to the joint secretariat in a written form, as regulated in the Project Implementation Manual. The joint secretariat will process the request for modification and will submit it for approval to the managing authority or the Monitoring Committee, according to the type of modification requested. The lead partner can be contacted if any further clarification of the submitted modification request or change in the Project is necessary.
6. The Addendum to the Subsidy Contract has to be signed by both Parties according to the approval of the managing authority / Monitoring Committee.

7. The Addendum to the Subsidy Contract enters into force on the date of signature by the last of the Parties. The date from which the changes contained in the Addendum shall be effective is to be explicitly identified in the text of the Addendum.

Article 14

Force majeure

1. Force majeure is any external event, unforeseeable, absolutely invincible and inevitable, occurred after the conclusion of present Contract, which prevents the execution of all or part of this Contract. There are considered cases of force majeure: wars, natural calamities, general strikes, insurrections, revolts, epidemics, earthquakes, floods and other similar events that cannot be attributed to any Party of the Contract. Force majeure, established under the law, exonerates the Parties in case of failure to execute totally or partially the obligations under this Contract, as long as the force majeure is in force, and only if the other Party has been duly notified.
2. It is not considered to be force majeure if there is an event similar to those listed in Point 1 above that, without creating an impossibility of execution, makes the execution of the obligations very difficult for one of the Parties.
3. The Parties shall take all measures at their disposal to limit the consequences of force majeure.
4. The execution of the Contract may be suspended, from the occurrence of force majeure during the whole period of its duration.
5. The Party stating that there is a case of force majeure has the obligation to notify the other Party in five calendar days from the date of the case of force majeure, and has to prove the existence of the reality of this situation in fifteen calendar days. In case the force majeure situation discontinues, this fact must be notified to the other Party in five calendar days. The responsible Party will take all costs if the notification procedure is not observed.
6. In case the Contract must be suspended under this reason for a period longer than three months, the managing authority has the right to decide on the continuation / modification / termination of the Contract.

Article 15

Conflict of interests and good conduct

1. The lead partner shall take all necessary measures to prevent or end any situation that could compromise the impartial and objective performance of the Contract. Such conflict of interests may arise in particular as a result of economic interest, political or national affinity, family or emotional ties, or any other relevant connection or shared interest.
2. Any conflict of interests which may arise during the performance of the Contract must be notified in writing to the joint secretariat without delay. In the event of such conflict, the lead partner shall immediately take all necessary steps to resolve it. The joint secretariat reserves the right to verify that the measures taken are appropriate, and may require additional measures to be taken if necessary.

3. The lead partner shall ensure that its staff, including its management, is not placed in a situation which could give rise to conflict of interests. Without prejudice to its obligation under the Contract, the lead partner shall replace, immediately and without compensation from the managing authority, any member of its staff in such a situation.
4. The lead partner shall respect human rights and applicable environmental legislation, including multilateral environmental agreements, as well as internationally agreed core labour standards.

Article 16

Confidentiality, data protection

1. The managing authority and the lead partner undertake to preserve the confidentiality of any information, notwithstanding its form, disclosed in writing or orally in relation to the implementation of the Contract and identified in writing as confidential until at least the end of the timeframe mentioned in Article 82 (1) of the CPR.
2. The lead partner shall not use confidential information for any aim other than fulfilling their obligations under the Contract, unless otherwise agreed with the managing authority.
3. The European Commission shall have access to all documents communicated to the managing authority and shall maintain the same level of confidentiality.
4. Any personal data will be processed in accordance with applicable national legislation solely for the purposes of the performance, management, monitoring and control of the Contract by the managing authority and the joint secretariat, and may also be passed to the bodies charged with monitoring or inspection tasks under European Union law.
5. The lead partner declares that it has informed the contact person of the Contract and all the employees affected by the procession of their personal data required for the performance of the Contract and of their rights under the General Data Protection Regulation, prior to the transfer of their personal data to the managing authority / joint secretariat. The lead partner shall ensure that the contact persons and all affected employees of the Project partners have also been informed of the above. General information on data protection is available on the website of the Programme.
6. The lead partner shall limit access and use of personal data to that strictly necessary for the performance, management, monitoring and control of the Contract and shall adopt all appropriate technical and organisational security measures necessary to preserve the strictest confidentiality of and to limit access to this data.
7. In case natural, recognizable persons are depicted in a photograph or film produced in connection to the Project, the lead partner shall in the Final Project Report submit a statement of these persons giving their permissions for the use of their image. The above does not refer to neither photographs taken nor films shot in public places where random members of the public are identifiable only hypothetically, nor to public persons acting in their public activities.



ANNEX II – FINALISED PROJECT FORM

Project ID:	HUSRB/23R/22/091	Project acronym:	FAFA
Lead Partner:	Otvoreni univerzitet Subotica Doo, Open university Subotica Ltd.		

Interreg



**Co-funded by
the European Union**

IPA Hungary - Serbia

Project form

Title of the project	Film art for all		
Priority	P2 - Enhancing the human and cultural values		
Objective	O2.2 - Culture and tourism		
Project type by scale	22R - Culture and tourism - Regular scale project		
Total budget			286 605,24 EUR
EU contribution			243 614,44 EUR
National contribution	14 997,89 EUR	Hungary	14 997,89 EUR
		Serbia	0,00 EUR
Own contribution	27 992,91 EUR	Own public contribution	18 108,97 EUR
		Own private contribution	9 883,94 EUR
Start date of project	01/09/2024	End date of project	28/02/2026
Duration of the project (in month)		18	

Project ID:	HUSRB/23R/22/091	Project acronym:	FAFA
Lead Partner:	Otvoreni univerzitet Subotica Doo, Open university Subotica Ltd.		

1. Project partnership

Role	Official name of the organization (in original language)	Country	NUTS III region or equivalent	NUTS V - settlement(s)
LP	Otvoreni univerzitet Subotica Doo	Serbia	Severnobački upravni okrug	Subotica
P1	Szegedi Rendezvény- és Médiaközpont Nonprofit Kft.	Hungary	Csongrád-Csanád vármegye	Szeged
P2	Hírös Agóra Kulturális és Ifjúsági Központ Nonprofit Korlátolt Felelősségű Társaság	Hungary	Bács-Kiskun vármegye	Kecskemét
P3	Novo kulturno naselje	Serbia	Južnobački upravni okrug	Novi Sad

Project reporting periods

	From date	To date	Reporting deadline
1	01/09/2024	31/12/2024	31/03/2025
2	01/01/2025	30/04/2025	29/07/2025
3	01/05/2025	31/08/2025	29/11/2025
4	01/09/2025	31/12/2025	31/03/2026
5	01/01/2026	28/02/2026	29/05/2026

2. Partner data

Lead Partner

General data of the partner

Official name in original language	Otvoreni univerzitet Subotica Doo		
Official name in English	Open university Subotica Ltd.		
Abbreviated name	OUS		
Type of institution	Public body		
Website	www.openunsubotica.rs		
Legal status	Public organization	Registry number	0804041

Project ID:	HUSRB/23R/22/091	Project acronym:	FAFA
Lead Partner:	Otvoreni univerzitet Subotica Doo, Open university Subotica Ltd.		

National tax number	100847341	Community tax number	
Date of foundation	27/02/1992	Founder organisation	Government of the Republic of Serbia

Address and contact information

Addresses of the Organization	Official address	Branch office address	Mailing address
Country	Serbia	Serbia	Serbia
NUTS III or equivalent	Severnobački upravni okrug	Severnobački upravni okrug	Severnobački upravni okrug
Postal code	24000	24000	24000
Settlement	Subotica	Subotica	Subotica
Street, number, PO Box	Czar Jovan Nenad Square 15	Czar Jovan Nenad Square 15	Czar Jovan Nenad Square 15

Partner 1

Official name in original language	Szegedi Rendezvény- és Médiaközpont Nonprofit Kft.		
Official name in English	Szeged Event and Media Center Nonprofit Ltd.		
Abbreviated name	SZRMK		
Type of institution	Non-profit company		
Website	www.ihtrendezvenykozpont.hu		
Legal status	Public organization	Registry number	06-09-011601
National tax number	18457627206	Community tax number	HU 18457627
Date of foundation	01/07/1996	Founder organisation	SZEGED MEGYEI JOGÚ VÁROS ÖNKORMÁNYZATA (City of Szeged)

Address and contact information

Addresses of the Organization	Official address	Branch office address	Mailing address
Country	Hungary	Hungary	Hungary
NUTS III or equivalent	Csongrád-Csanád vármegye	Csongrád-Csanád vármegye	Csongrád-Csanád vármegye
Postal code	6721	6721	6721

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Settlement	Szeged	Szeged	Szeged
Street, number, PO Box	Felső Tisza-part 2	Felső Tisza-part 2	Felső Tisza-part 2

Partner 2

Official name in original language	Hírös Agóra Kulturális és Ifjúsági Központ Nonprofit Korlátolt Felelősségű Társaság		
Official name in English	Hírös Agóra Cultural and Youth Center Nonprofit Limited Liability Company		
Abbreviated name	HAKIK		
Type of institution	Non-profit company		
Website	www.hirosagora.hu		
Legal status	Public organization	Registry number	03-09-119211
National tax number	14994472203	Community tax number	HU14994472
Date of foundation	31/12/2009	Founder organisation	City of Kecskemét

Address and contact information

Addresses of the Organization	Official address	Branch office address	Mailing address
Country	Hungary	Hungary	Hungary
NUTS III or equivalent	Bács-Kiskun vármegye	Bács-Kiskun vármegye	Bács-Kiskun vármegye
Postal code	6000	6000	6000
Settlement	Kecskemét	Kecskemét	Kecskemét
Street, number, PO Box	Deák Ferenc tér 1.	Deák Ferenc tér 1.	Deák Ferenc tér 1.

Partner 3

Official name in original language	Novo kulturno naselje
Official name in English	New Cultural Settlement
Abbreviated name	NKN
Type of institution	Non-governmental organisation

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Lead Partner:	Otvoreni univerzitet Subotica Doo, Open university Subotica Ltd.		

Website	www.novokulturnonaselje.rs		
Legal status	Private organization	Registry number	28149786
National tax number	108603821	Community tax number	
Date of foundation	07/07/2014	Founder organisation	Marko Jozić

Address and contact information

Addresses of the Organization	Official address	Branch office address	Mailing address
Country	Serbia	Serbia	Serbia
NUTS III or equivalent	Južnobački upravni okrug	Južnobački upravni okrug	Južnobački upravni okrug
Postal code	21000	21000	21000
Settlement	Novi Sad	Novi Sad	Novi Sad
Street, number, PO Box	Bulevar vojvode Stepe 111	Bulevar vojvode Stepe 111	Bulevar vojvode Stepe 111

Project ID:	HUSRB/23R/22/091	Project acronym:	FAFA
Lead Partner:	Otvoreni univerzitet Subotica Doo, Open university Subotica Ltd.		

3. Project Description

Project description

Project's overall objective: Please describe the project's overall objective in the field below (maximum 500 characters)

Project's overall objective is Growth of the cultural cooperation, cultural and social inclusion, experience exchange, networking, cultural innovations, cultural education of diverse target groups and creation of new events in the field of film art through the cooperation of four cultural organizations from the CB region.

Please describe how the project's overall objective contributes to the programme specific objective (maximum 2 000 characters)

Growth of the cultural cooperation, cultural and social inclusion, experience exchange, networking, cultural education, cultural innovations and creation of new events in the field of film art in CB region directly contributes to the program specific objective - Enhancing the role of culture and sustainable tourism in economic development, social inclusion and social innovation. Project proposal is strengthening the role of diverse actors and stakeholders in the field of culture, provides opportunity for integration and inclusion of diverse target groups and creates precondition for the development of film art, cultural events and tourism in the cross-border region. Joint activities, events and promotion in the field of film art will during the project and after official end of the project increase the role of film art and its effects on other cultural and economic fields. Through the project educational activities - film art will contribute to social inclusion; through the project networking activities, know-how exchange and new joint events film art will contribute to social inclusion and finally through promotional activities and cooperation with tourism stakeholders film art will contribute to economic development.

PROJECT SUMMARY:

Please enter the project summary in the below cell (maximum 3 000 characters)

Project's overall objective is growth of the cultural cooperation, cultural and social inclusion, experience exchange, networking, cultural innovations, cultural education of diverse target groups and creation of new events in the field of film art through the cooperation of four cultural organizations from the CB region. Cultural institutions and film festivals are not cooperating, exchanging experience and ideas, creating joint programs and promoting their work to the target groups and market in the neighboring country. Film festivals, as an example of cultural/artistic events, do not have awareness about their tourism role, tourism potential and sense to cooperate deeper with their local communities. In CB region target group interested in film art do not have the opportunity to develop their talents and interests because there are no available innovative non-formal education in film art. Also, film audience does not have opportunity to see the contemporary trends of neighboring country cinematography.

Project proposal is strengthening the role of diverse actors and stakeholders in the field of culture, provides opportunity for integration and inclusion of diverse target groups and creates precondition for the development of film art, cultural events and tourism in the cross-border region. Joint activities, events, programs and promotion in the field of film art will during the project and after official end of the project will increase the role of film art and its effects on other cultural and economic fields.

Project will start with creation of the innovative film schools in 4 cities of the CB region which will result in creative education of target group, their further common work on preparation of film reportages and creation of common bilingual podcast for promotion of CB region and its film art. Touring educational activities will become CB brand of the film festivals with potential to become

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international activity in upcoming years. Presentation of the films from neighboring cinematography in selected settlements will have strong impact on popularization of these two cinematography's in the CB region, development of new film audience and future cooperation of film festivals with distributors from neighboring country. Developed selection of neighboring independent, engaging and authors films will in the future become the standard selection of 4 partner festivals which will be screened on their festivals thus creating strong ties between four festivals, towns and regions. Know-how exchange activities will enable knowledge and idea transfer and joint work will result in established CB cooperation between partner organizations in the form of formal network with the aim of further concrete cooperation in the film art.

Problems, challenges to be addressed; preparations already carried out (maximum 2 000 characters)

Beside the lack of cooperation between film festivals, cinema theatres and other stakeholders in film art, which results in missing information about film programs, film events, cinematography from abroad and opportunities to participate in film activities, important problem is lack of creative, networking and innovative activities, exchange of ideas and sharing of resources in the field of film art in CB region. Lack of adequate offer of non-formal education in the field of film art in CB region, leaves the target groups the modest opportunities for the development of artistic spirit and skills regardless of their talent and interest. Cultural institutions and film festivals are not cooperating, exchanging experience and ideas, creating joint programs and promoting their work to the target groups and market in the neighboring country. Film festivals, as an example of cultural/artistic events do not have awareness about their tourism role, tourism potential and sense to cooperate deeper with their local communities. In CB region target group interested in film art do not have the opportunity to develop their talents and interests because there are no innovative courses in film art. Also, film audience does not have opportunity to see the contemporary trends of neighboring country cinematography. Despite a very difficult situation in culture, CB region has developed into a nursery of young talented artists in almost all fields of art and film festivals plays important regional and some even European role. Young people and middle-aged fans of film art are lacking creative and joint activities for film art education and promotion and centers for fostering the culture of film screening. Through the predicted project activities target groups will receive opportunity to enjoy in regional film art, develop their filmmaking, film critics and film promotion talents through education and practical work and network through cooperation with colleagues from abroad.

Target groups, benefits for the target groups (maximum 2 000 characters)

The direct target groups of the project are as follows:

- Young film enthusiasts, amateurs, professionals (students, middle-aged people, elderly people) interested in film art, process of movie making, film critics and film promotion
- General Film audience and movie lovers from 8 settlements in the CB region receiving the opportunity to see films from the partner's country cinematography
- Cultural institutions, cultural centers and NGOs - organizers of the Film festivals, cinema theatres, representatives of Local communities, tourism experts, local tourism workers and other stakeholders in tourism from the CB region interested in experience and opinion exchange, cooperation, networking and establishment of closer ties with the colleagues from abroad
- Vulnerable and disadvantaged groups (women, people from families with low educational attainment, children from families with low income, Roma, persons with disabilities, etc.) interested in filmmaking process and film art
- NGOs, public institutions and students interested in development of projects in the field of film art and other areas of culture
- Representatives of touristic info centers, cultural centers and municipalities which will receive tools and materials for the promotion of film art in CB region
- Media representatives from the CB region following the project activities and influencing on the development of film art and enlargement of film audience in CB region.

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Expected outputs, results; durability, sustainability and capitalization of results (maximum 2 000 characters)

Outputs:

1 jointly created film program from partners' country cinematography (8 films)
 Joint program presented at 4 film festivals and 4 cultural centers in 8 settlements in CB region
 2 Round tables focused on the film audience development and tourism improvement at film festival destination organized (60 participants at both events)
 4 comprehensive education courses – filmmaking, film criticism and film promotion organized in Subotica, Szeged, Kecskemet and Novi Sad (60 persons educated)
 4 common touring educational activities organized for film students from CB region at film festivals (12 participants)
 1 joint bilingual podcast for the promotion of film festivals and tourism destinations
 2 basic film educations for vulnerable and disadvantaged groups organized in Kecskemet and Novi Sad (30 participants)
 2 educations about development of projects in the field of culture organized in Subotica and Szeged (20 participants)
 4 know-how events organized at partner festivals
 1 Catalogue of the film art in CB region created and printed in 400 copies

Results:

R1: Established cooperation between cultural organizations in CB region in the form of formal network
 R2: Established new joint film programs at partners film festivals and cinemas
 R3: Educated target group members in CB region in the filmmaking process, film criticism and film promotion through individual and joint activities
 R4: Establishment of touring educational activities as innovative and sustainable concept of partners film festival
 R5: Development of Podcast focused on the promotion of the film art and tourism destinations in the CB region

Interconnected project activities will enable creation of formal network of project partners which will constantly cooperate in the future. Touring educational activities will become standard activity of 4 partner festival and joint programming will become standard film selections on partner festivals in the future thus enriching the program and activities on festivals.

Cross-border activities and impact (maximum 2 000 characters)

Project, it's activities and results will have strong cross-border impact, since region is facing similar problems in the field of film art which can be overcome with the cross-border cooperation. Creation of the innovative film schools in 4 cities of the CB region will result in innovative education of target group, their further common work on preparation of film reportages and creation of common bilingual podcast for promotion of CB region and its film art. Their joint education and practical work will create preconditions for future cooperation and promotion of film art resources and potentials of the CB region. Touring educational activities will become CB brand of the film festivals with potential to become international activity in upcoming years. Presentation of the films from neighboring cinematography in selected settlements will have strong impact on popularization of these two cinematography's in the CB region, development of new film audience and future cooperation of film festivals with distributors from neighboring country. Developed selection of neighboring independent, engaging and authors films will in the future become the standard selection of 4 partner festivals which will be screened on their festivals thus creating strong ties between four festivals, towns and regions. Know-how exchange activities will enable knowledge and idea transfer and joint work will result in established CB cooperation between partner organizations in the form of formal network with the aim of further concrete cooperation in the film art. Round tables with the cross-border participation and opinion exchange will open two important questions: tourism valorization of film events and film audience enlargement through joint activities. Preparation of the

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Catalogue of the film art in CB region will illuminate and systematize the film art offer in cross-border region in the form of effective promotional tool and material with cultural / artistic and touristic value.

Compliance with the EU horizontal principles (fundamental rights; equality between men and women, gender mainstreaming; non-discrimination and sustainable development). Explain how the project contributes to the horizontal principle(s) (maximum 3 000 characters)

Regarding the EU horizontal principles, the project proposal is corresponding to all of this universal objectives: fundamental rights - by its diverse and accessible activities focused on the wide target groups project is promoting the equality, non-discrimination and accessibility. Project is providing opportunity to target group members to exercise and use their right to education. Through educational and know-how exchange activities focused on the vulnerable and disadvantage persons project is contributing to integration and inclusion of challenged persons and persons with disabilities. Equal opportunities and non-discrimination - all project activities are intended for all interested members of target group, without any means of discrimination. Their participation in project activities will depend on their interest and motivation and not on any criteria that can be linked with discrimination. Equality between men and women - this project will provide equal chances to both man and women to participate in project educational, promotional and experience exchange activities based only on their interest and talent in the field of film art. Project team is gender well balanced and during the promotional activities we will encourage women and ensure equal access for them to take part in activities and in that way we will contribute to their educational and economic empowerment. Sustainable development is secured through creation of conditions for satisfaction of cultural needs, experience exchange, development of critical opinion and intellectual development of interested persons from CB region and work on improvement of tourism and economic valorization of film events. Also, during the planning process we paid attention to the environmental sustainability as well, taking care about the amount of printed materials, rational use of resources and green travel during the implementation of the activities.

Synergies with other policies (macro regional/(trans)national/micro regional/county level), programmes and projects (maximum 2 000 characters)

Defined project activities, planned results and expected effects are in synergy with the EU program Creative Europe and its sub-program MEDIA. This program, amongst others, have set their priorities on the following activities - networking of film festivals, film audience development and film education. Three basic project pillars/groups of activities are strongly contributing to the selected priorities of MEDIA program. On the national level project is in line with the Culture development strategy of the Republic of Serbia 2020 - 2029 and its Second priority: European integration and international cooperation and more precise with Special goal 4. Improvement of international cooperation and the process of European integration in the field of culture. Project proposal, and its planed activities, are in compliance with Hungarian National strategy for culture development and its focus on the film art, emphasizing domestic film directors, film screenings, accompanying film events and creation of partnership between cinemas, distributors, cultural institutions and youth organizations. Project activities are also in line with National Cultural Fund of Hungary, which supports the variety of fields, including film art and film education. Project present the adequate continuation of the CB projects FILMY and FILMYing, implemented by OUS and SZRMK, focused on development of film art, film education, film clubs and film festivals in the CB region. Project, partially focused on the international promotion of tourist destinations through the presentation of cultural events of high quality, such as European Film Festival Palić, corresponds to the priority 6. of the Strategy for tourism development in Republic of Serbia. The Republic of Serbia, its competitiveness in the tourism industry must build on the following strategic advantages: 6) Organization of festivals, celebrations and other events, ensuring the Republic of Serbia an opportunity to present its own lifestyle.

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Risk management (possible internal/external limitations and solutions foreseen) (maximum 2 000 characters)

Constraint: Lack of interest and motivation of the target group to participate in the project. If the target group is not motivated and interested to participate in the educational and networking activities, that will be reflected in a way that will not be possible to achieve a given target value, and thus the project objectives and results.

Solution: Promotional campaign adjusted to target group will be organized to assure their participation. Selection, personal approach to each target group member explaining the benefits of participation and ensuring good communication between target group.

Constraint: Possible dropouts during the implementation of education activities will have an impact on the project in a way that will not be possible to achieve a given project objectives and results. Young people easily lose their motivation to participate in training programs, especially those that are longer term, so dropouts are very often within this target group.

Solution: Education programs will be very innovative combining several fields of the film art and implemented according to latest trends in teaching. Adaptation of the approach, methods of teaching and learning after each module in accordance with feedback from participants.

Constraint: Since project has lot of activities that are connected and closely related delays in one may cause problems to other activities. This is important since in 18 months all educational, promotional, know-how exchange and networking activities needs to be implemented. Reasons for delays can be various, such as delays in public procurement, administrative problems.

Solution: Project consortium created a plan that partners believes to be realistic and feasible. If delays occur there is a possibility for rescheduling of some activities, and some can be implemented in parallel not affecting project quality. Based on the LB experience in planning and implementation of different EU projects this risk is not likely to occur.

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4. Outcomes

Outcome ID	Activities	Description of activity	Location of activity	Outcome name
0	0.1 - Project management	Project management activities will include following tasks: coordination of the project activities, implementation of the predicted tasks, communication with project partners for the in time and with quality delivery of the project results, coordination of project team members and monitoring of implementation of their tasks, communication with the target group members, administrative procedures concerning the implementation and procurement, organization of project team meetings and partner and project level reporting.	Subotica, Szeged, Kecskemet, Novi Sad	Managed project with completed communication activities
	0.2 - Communication	Communication activities includes organization of promotional events, communication with medias - on line articles, tv or radio interviews, collection of media materials, design and printing of promotional materials, creation of project promotional videos in form of project Podcast and creation and continuous content uploading on the project social network profiles. Aim of the communication activities on the project level is to inform, attract and motivate target group members	Subotica, Szeged, Kecskemet, Novi Sad	

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	and other stakeholders to participate and benefit from the project activities and to raise awareness about significance of film art, opportunities in the field of film art in the CB region, cooperation of organizations from both side of the border, joint programs and activities.		
1.4 - Development of project Podcast	Educated candidates will create project Podcast (YouTube or TikTok channel) focused on the promotional video materials - reportages, interviews or short films promoting the visited film festivals. Total number of created bilingual promotional video materials by the end of project will be 14. Created video materials will serve for the international promotion of the film festivals, cultural organizations, cities and touristic sites from the cross-border region.	Subotica, Novi Sad, Szeged, Kecskemet	
1.3 - Creation of Podcast content from other partner film festival	After the successful practice at 4 partner film festivals and under the mentoring of the film experts, trained candidates will prepare video reportages from the two additional film festivals. Candidates from Kecskemet will visit the Alexandre Trauner Art/Film Festival in Szolnok (October 2025) and candidates from Novi Sad will visit the Seize the film festival in Novi Sad (October 2025). Both groups will prepare one reportage from each visited film festivals which will be uploaded at the project Podcast.	Kecskemet, Novi Sad	Developed concept of non-formal film art learning in CB region

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1.5 - Basic film education	<p>Basic film education for vulnerable and disadvantaged groups (young people with less opportunities, Roma population, persons with disabilities, etc.) will be organized in Kecskemet and Novi Sad. Partners will engage experts which educated 10 candidates per city during the 2 months course with 20 school classes. Aim of the activities is to include vulnerable groups, teach them about filmmaking process, develop their creativity, create new opportunities and involve them in the beauty of film art.</p>	Kecskemet, Novi Sad	
1.1 - Comprehensive courses of film art elements	<p>Comprehensive courses of film art elements will be organized in 4 cities of CB region (Subotica, Szeged, Kecskemet and Novi Sad) with the aim to equip participants with the knowledge about filmmaking process (basics of the film script, film directing, camera and sound management and editing), film analysis and film critics and creation of journalist type of video material – reportage with focus on the film art. Courses are intended for persons with or without basic knowledge in film art or shooting / recording, film amateurs, film enthusiasts and film lovers with emphasis on youth population (15 - 30 years). Predicted number of participants is 15 and predicted duration of course is 5 months - 15 lecturing units each lasting 4 school classes (total number of school classes will be 60). The course will</p>	Subotica, Szeged, Kecskemet, Novi Sad	

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	<p>Animation Film Festival (June 2025), further go to Palić during the 32nd European Film Festival Palić (July 2025) and finish in Novi Sad during the 11th 2114 Film fest (September 2025).</p> <p>Aiming at attraction of new festival and cinema audience and presentation and promotion of neighboring country cinematography joint programming of the partner festivals will be implemented. Partners will jointly, with assistance of educated candidates from film schools, create a new film selection consisted of 8 films (4 Serbian and 4 Hungarian films) – independent, engaging and authors films which will be presented at each partner festival and in 4 additional partner Local communities (Kanjiza, Sombor, Deszk and Tiszakécske).</p> <p>Project partners OUS and SZRMK have implemented two cross-border projects in previous Calls and established strong cooperation which resulted in new project focused on the cinema audience which will start from the 1st August (within MEDIA program). NKN and HAKIK were participants in experience exchange activities of previous CB project FILMYing and partners agreed to extend the consortium and within this project create formal network for future cooperation and initiatives. Know-how exchange among partner</p>	<p>Subotica, Novi Sad, Szeged, Kecskemet, Kanjiža, Sremski Karlovci, Deszk and Mórahalom</p>	
2	<p>2.2 - Joint programming of the festivals</p>		Establishment of formal network of cultural organizations in CB region
	<p>2.1 - Know-how exchange among partner organizations</p>	<p>Subotica, Novi Sad, Szeged, Kecskemet</p>	

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cultural organizations will serve as a first step in formalization of the partnership. Partners will visit each other film events learn about different methodologies, innovations and specialties of each film event and discuss about potential for replication of activities and models and collaboration in future. Each festival will host partners and present their organizational specifics, creative elements and innovative practices which will be interested for partner festivals. Each event will be attended by two representatives of partner festivals, 6 persons in total for 3 days.

European film festival Palic will present their new program focused on the selection of students films and Pitching forum with students, as the start of the development of Industry segment of festival and collaboration between young film directors and producers. Zsigmond Vilmos international film festival will present their unique 360 degrees

VR film based on the life of Zsigmond Vilmos - the world famous Academy Award-winning cinematographer born in Szeged - developed only for Belvárosi Cinema to attract even bigger audiences. This educational short feature that cannot be seen anywhere else, based on this 21st century technology is a great opportunity and direction for future to involve a new segment of spectators and possibly younger

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3	3.3 - Mapping research - data collection	<p>audience. Kecskemet film festival will present their accompanying programs Youth Fair and Public visual performances as a model of including local community and young generation in film festivals as well as extending film events with complementary activities such as VR education. 2114 Film fest will present their concept of dispersive film festival and work with vulnerable and disadvantaged groups at film festival. Dispersive film festival is unique and innovative concept of how film festival covers the local community and goes to film audience in their neighborhood.</p> <p>In order to sublimate data of the existing offer of the film art in the CB region the mapping research will be conducted. Data collection about film art in the CB region – film festivals, movie nights, cinema theatres, film museums, film education institutions and other film stakeholders and activities will be organized on both side of the border. Data collection will include textual information and pictures.</p> <p>Based on the collected data in the cross-border region the CB film art Catalogue will be prepared. The preparation includes design, translation (Serbian/Hungarian/English) and printing of the 400 pieces - 100 per partner institution which will be distributed during and after the</p>	Subotica, Szeged	Promotion of film art and cooperation with different stakeholders
	3.4 - Preparation of the CB film art Catalogue		Subotica	

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	project and also available in electronic format.		
3.2 - Improvement of human resources for the development of film art in region	In order to create preconditions for new cultural cooperation, creation of new cultural events or improvement of existing ones, creation of activities and projects in the field of film art, project partners will organize education for NGOs, institutions and students about development of national and international projects in the field of film art and other areas of culture and art. Seminar will last 5 days with participation of 10 trainees per city, 20 in total.	Subotica, Szeged	
3.1 - Organization of Round tables	Aiming at the activation and involvement of the local communities and other stakeholders in cultural events, the public debates including experience and idea exchange will be organized. In Novi Sad and Kecskemet two Round tables will be organized covering the following topics: 1. Cooperation of cultural events with local communities and tourism service providers and 2. Creating a new film and cinema audience from tourists, visitors and people whose motives are not cultural events and film art. Representatives of local communities, tourism workers, hospitality industry, craftsmen, creative professionals, cultural workers, film festivals and other	Novi Sad, Kecskemet	

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cultural events, NGO sector will be invited to discuss, exchange opinions and create recommendations for better economical utilization of cultural events. Number of participants per Round table is 30.

5. Indicators

Programme specific						
Indicator ID	Type	Name of indicator	Unit	Base value	Target value	Description
RCO87	Output	Organisations cooperating across borders	organizations	0,00	4,00	4 partner organizations, project partners form the cross-border region, forms the project consortium. Partner organizations are during project implementation constantly cooperating and jointly implementing cross-border project activities which are logically and chronologically connected and intersected.
Self-defined output	Output	Number of promotional tools developed	Document	0,00	1,00	Based on the collected data in the cross-border region the CB film art Catalogue will be prepared. This document will be trilingual (Serbian/Hungarian/English), printed in 400 pieces - 100 per partner institution, and distributed during and
						List of participants, photos, Cooperation agreement
						Document in digital and hard copy format

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				after the project. Promotional material will be distributed to cultural organizations, international festival partners and local tourism organizations serving for promotion of film art in the CB region - film offer, tangible and intangible film heritage, film organization, film events and other film stakeholders and activities.	
				Four partner organizations will by the end of project establish formal network with the aim of further cooperation. Partner organizations will through the implementation of project activities create programs that will be jointly implemented in future as the standard accompanying program of 4 film festivals. Touring educational activity will become unique joint program of 4 festivals and joint programming / film selection will also become program of all partner film festivals. Since all partner organizations are focused on other fields of culture and art, mutual Cooperation agreement will enable future initiatives and	
RCR84	Result	Organisations cooperating across borders after project completion	organizations	0,00	4,00

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1224	Output	Number of trained persons working in tourism and cultural sector	person	0,00	100,00	<p>project in developed partnership.</p> <p>Comprehensive courses of film art process will be organized in 4 cities of CB region with the aim to equip participants with the knowledge about filmmaking process (basics of the film script, film directing, camera and sound management and editing), film analysis and film critics and creation of journalist type of video material – reportage with focus on the film art. Total number of educated candidates in 4 cities will be 60.</p> <p>Basic film education for vulnerable and disadvantaged groups (young people with less opportunities, Roma population, persons with disabilities, etc.) will be organized in Kecskeket and Novi Sad. Total number of educated candidates in 2 cities will be 20.</p> <p>Project partners will organize education for NGOs, institutions and students about</p>	Lists of participants, photos
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Project ID:	HUSRB/23R/22/091	Project acronym:	FAFA
Lead Partner:	Otvoreni univerzitet Subotica Doo, Open university Subotica Ltd.		

RCO115	Output	Public events across borders jointly organised	event	0,00	4,00	<p>development of national and international projects in the field of film art and other areas of culture and art. Total number of educated candidates in 2 cities will be 20.</p> <p>Within the joint programming activity partners will jointly create a new film selection consisted of 8 films (4 Serbian and 4 Hungarian films) – independent, engaging and authors films. All partners will on their film festivals organize Event for promotion of the CB cinematography (movie nights) which will last 4 days with the screening of 2 films per evening.</p> <p>Participants of the events will be beside project partners (present on each festivals due to know-how exchange), educated candidates (present on the touring activities with the aim to prepare promotional video - reportage from these events), film guests - film representatives from 4 films and festival film audience interested in new creative film selections as a combination of two countries cinematography's.</p>	Photos
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Project ID:	HUSRB/23R/22/091	Project acronym:	FAFA
Lead Partner:	Otvoreni univerzitet Subotica Doo, Open university Subotica Ltd.		

6. Activity plan

Project ID:	HUSRB/23R/22/091	Project acronym:	FAFA
Lead Partner:	Otvoreni univerzitet Subotica Doo, Open university Subotica Ltd.		

All	No.	Outcome	Activity name	Partner	RP 1	RP 2	RP 3	RP 4	RP 5
✓	0	Managed project with completed communication activities			✓	✓	✓	✓	✓
✓	0.1		Project management		✓	✓	✓	✓	✓
✓	0.1			LP - RS - OUS	✓	✓	✓	✓	✓
✓	0.1			P1 - HU - SZRMK	✓	✓	✓	✓	✓
✓	0.1			P2 - HU - HAKIK	✓	✓	✓	✓	✓
✓	0.1			P3 - RS - NKN	✓	✓	✓	✓	✓
✓	0.2		Communication		✓	✓	✓	✓	✓
✓	0.2			LP - RS - OUS	✓	✓	✓	✓	✓
✓	0.2			P1 - HU - SZRMK	✓	✓	✓	✓	✓
✓	0.2			P2 - HU - HAKIK	✓	✓	✓	✓	✓
✓	0.2			P3 - RS - NKN	✓	✓	✓	✓	✓
	1	Developed concept of non-formal film art learning in CB region			✓	✓	✓	✓	
	1.1		Comprehensive courses of film art elements		✓	✓			
	1.1			LP - RS - OUS	✓	✓			
	1.1			P1 - HU - SZRMK	✓	✓			

Project ID:	HUSRB/23R/22/091	Project acronym:	FAFA
Lead Partner:	Otvoreni univerzitet Subotica Doo, Open university Subotica Ltd.		

1.1				P2 - HU - HAKIK	✓	✓			
1.1				P3 - RS - NKN	✓	✓			
1.2			Touring educational activities				✓		
1.2				LP - RS - OUS			✓		
1.2				P1 - HU - SZRMK			✓		
1.2				P2 - HU - HAKIK			✓		
1.2				P3 - RS - NKN				✓	
1.3			Creation of Podcast content from other partner film festival					✓	
1.3				LP - RS - OUS					
1.3				P1 - HU - SZRMK					
1.3				P2 - HU - HAKIK				✓	
1.3				P3 - RS - NKN				✓	
1.4			Development of project Podcast				✓		
1.4				LP - RS - OUS			✓		
1.4				P1 - HU - SZRMK					
1.4				P2 - HU - HAKIK					
1.4				P3 - RS - NKN					

Project ID:	HUSRB/23R/22/091	Project acronym:	FAFA
Lead Partner:	Otvoreni univerzitet Subotica Doo, Open university Subotica Ltd.		

1.5	Basic film education				✓		
1.5		LP - RS - OUS					
1.5		P1 - HU - SZRMK					
1.5		P2 - HU - HAKIK			✓		
1.5		P3 - RS - NKN			✓		
2	Establishment of formal network of cultural organizations in CB region				✓	✓	
2.1	Know-how exchange among partner organizations				✓	✓	
2.1		LP - RS - OUS			✓		
2.1		P1 - HU - SZRMK			✓		
2.1		P2 - HU - HAKIK			✓		
2.1		P3 - RS - NKN				✓	
2.2	Joint programming of the festivals				✓	✓	
2.2		LP - RS - OUS			✓	✓	
2.2		P1 - HU - SZRMK			✓	✓	
2.2		P2 - HU - HAKIK			✓	✓	
2.2		P3 - RS - NKN				✓	

Project ID:	HUSRB/23R/22/091	Project acronym:	FAFA
Lead Partner:	Otvoreni univerzitet Subotica Doo, Open university Subotica Ltd.		

3	Promotion of film art and cooperation with different stakeholders				✓	✓	✓	✓
3.1	Organization of Round tables					✓	✓	✓
3.1			LP - RS - OUS					
3.1			P1 - HU - SZRMK					
3.1			P2 - HU - HAKIK			✓	✓	✓
3.1			P3 - RS - NKN			✓	✓	✓
3.2	Improvement of human resources for the development of film art in region					✓		
3.2			LP - RS - OUS				✓	
3.2			P1 - HU - SZRMK				✓	
3.2			P2 - HU - HAKIK					
3.2			P3 - RS - NKN					
3.3	Mapping research - data collection				✓			
3.3			LP - RS - OUS			✓		
3.3			P1 - HU - SZRMK			✓		
3.3			P2 - HU - HAKIK					
3.3			P3 - RS - NKN					

Project ID:	HUSRB/23R/22/091	Project acronym:	FAFA
Lead Partner:	Otvoreni univerzitet Subotica Doo, Open university Subotica Ltd.		

3.4	Preparation of the CB film art Catalogue				✓	✓	
3.4		LP - RS - OUS			✓	✓	
3.4		P1 - HU - SZRMK					
3.4		P2 - HU - HAKIK					
3.4		P3 - RS - NKN					

Project ID:	HUSRB/23R/22/091	Project acronym:	FAFA
Lead Partner:	Otvoreni univerzitet Subotica Doo, Open university Subotica Ltd.		

7. Communication and Visibility

Obligatory communication tools

Project partner	Communication package	Package description
LP - RS - OUS	Advanced package	Regular updating of the social network profile(s) At least 5 (timely separated) press releases At least 2 roll-up banners (1xHU, 1xRS) At least 4 local TV or radio reports or spots At least 3 sponsored printed articles in local online news media National level radio or TV appearance (covering at least the Programme area) Use of permanent and durable stickers (equipment) as per the guidelines
P3 - RS - NKN	Medium package	Regular updating of the social network profile(s) At least 3 (timely separated) press releases At least 2 roll-up banners (1xHU, 1xRS) At least 2 TV or radio reports or spots At least 2 sponsored printed articles in local online news media Use of permanent and durable stickers (equipment) as per the guidelines
P1 - HU - SZRMK	Medium package	Regular updating of the social network profile(s) At least 3 (timely separated) press releases At least 2 roll-up banners (1xHU, 1xRS) At least 2 TV or radio reports or spots At least 2 sponsored printed articles in local online news media Use of permanent and durable stickers (equipment) as per the guidelines
P2 - HU - HAKIK	Medium package	Regular updating of the social network profile(s) At least 3 (timely separated) press releases At least 2 roll-up banners (1xHU, 1xRS) At least 2 TV or radio reports or spots At least 2 sponsored printed articles in local online news media Use of permanent and durable stickers (equipment) as per the guidelines

Project ID:	HUSRB/23R/22/091	Project acronym:	FAFA
Lead Partner:	Otvoreni univerzitet Subotica Doo, Open university Subotica Ltd.		

Additional communication tools

Project partner	Communication tool	Language	Description	Justification	Target group(s)
LP - RS - OUS	CB film art Catalogue	ENG-HU-SRB	Based on the collected, sublimated and selected data and materials in the cross-border region, the CB film art Catalogue will be prepared. The preparation includes design, translation (Serbian/Hungarian/English) and printing of the 400 pieces - 100 per partner institution which will be distributed during and after the project and also available in electronic format. (Format: 210 x 210 mm, volume: 96 pages + cover, full color).	Document will be trilingual and distributed during and after the project. Promotional material will be distributed to cultural organizations, international festival partners and local tourism organizations serving for promotion of film art in the CB region - film offer, tangible and intangible film heritage, film organization, film events and other film actors. Promotional material will increase the visibility of the film offer and film potential of CB region on national and international level.	Cultural organizations, international festival partners and local tourism organizations

Infrastructure communication tools

Project ID:	HUSRB/23R/22/091	Project acronym:	FAFA
Lead Partner:	Otvoreni univerzitet Subotica Doo, Open university Subotica Ltd.		

Project partner	Communication package	Package description
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8. Infrastructure information

ID	Partner	Related infra element	Permit	Permit status	Owner	Description
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8.1 Location

Infra ID	Location ID	Partner	Lot number	Owner	Proof of property ownership	Description
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9. Project Team

No.	Partner	Budget line	Position	Name of team member	Job description	Est. share of working time (%)	Month in project	Monthly salary in project (EUR)	Total (EUR)
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10. Partner without budget

ID	Official name in original language	Country	NUTS III	Settlement	Activity
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BUDGET OF THE PROJECT							
HUSRB/23R/22/091 FAFA		LP:	OUS				
No.	Budget lines	LP - RS - OUS	P1 - HU - SZRMK	P2 - HU - HAKIK	P3 - RS - NKN	Costs (in EUR)	Share %
1	Staff costs	10,418.00	10,938.00	11,915.80	9,983.00	43,254.80	15,09%
1.1	Salary of staff - direct project management (Budget type B)	0.00	0.00	0.00	0.00	0.00	
1.2	Salary of staff - professional team members (Budget type B)	0.00	0.00	0.00	0.00	0.00	
1.3	Staff- Flat rate (Budget type A)	10,418.00	10,938.00	11,915.80	9,983.00	43,254.80	
2	Office and administrative expenditure	1,562.70	1,640.70	1,787.37	1,497.45	6,488.22	2,26%
3	Travel and accommodation	1,562.70	1,640.70	1,787.37	1,497.45	6,488.22	2,26%
4	External expertise and services costs	47,590.00	43,690.00	43,410.00	42,750.00	177,440.00	61,91%
4.1	Technical plans	0.00	0.00	0.00	0.00	0.00	
4.2	Studies, statistics, databases and researches	4,500.00	4,500.00	0.00	0.00	9,000.00	
4.3	Conferences, seminars, project meetings	14,220.00	14,220.00	18,290.00	17,630.00	64,360.00	
4.4	Services related to procurement procedures	0.00	6,500.00	6,500.00	6,500.00	19,500.00	
4.5	Costs of supervisor of engineering	0.00	0.00	0.00	0.00	0.00	
4.6	Costs related to publicity, promotion and communication	5,100.00	3,000.00	3,000.00	3,000.00	14,100.00	
4.7	Other	23,770.00	15,470.00	15,620.00	15,620.00	70,480.00	
5	Equipment expenditure	9,600.00	14,000.00	19,169.00	10,165.00	52,934.00	18,47%
5.1	Purchase of equipment	9,600.00	14,000.00	19,169.00	10,165.00	52,934.00	
5.2	Rent of equipment	0.00	0.00	0.00	0.00	0.00	
6	Infrastructure and works	0.00	0.00	0.00	0.00	0.00	0,00%
6.1	Construction of buildings, works, infrastructure	0.00	0.00	0.00	0.00	0.00	
6.2	Reconstruction, renovation of buildings, works, infrastructure	0.00	0.00	0.00	0.00	0.00	
6.3	Purchase of land	0.00	0.00	0.00	0.00	0.00	
7	Other costs (Budget type B - 40% flat rate)	0.00	0.00	0.00	0.00	0.00	0,00%
Total eligible costs (1+2+3+4+5+6+7)		70,733.40	71,909.40	78,069.54	65,892.90	286,605.24	100,00%
Share by partners		24,68%	25,09%	27,24%	22,99%	100,00%	

BUDGET OF THE PROJECT											
HUSR8/23R/22/091 FAFA	LP:	OUS									
Sources of funding name	Amount (EUR)	Share (%)	LP - RS - OUS (EUR)	LP - RS - OUS (%)	P1 - HU - SZRMK (EUR)	P1 - HU - SZRMK (%)	P2 - HU - HAKIK (EUR)	P2 - HU - HAKIK (%)	P3 - RS - NKN (EUR)	P3 - RS - NKN (%)	
EU contribution	243,614.44	85.00	60,123.39	85.00	61,122.99	85.00	66,359.10	85.00	56,008.96	85.00	
National contribution	14,997.89	5.23	0.00	0.00	7,190.94	10.00	7,806.95	10.00	0.00	0.00	
Own contribution	27,992.91	9.77	10,610.01	15.00	3,595.47	5.00	3,903.49	5.00	9,883.94	15.00	
Own public contribution	18,108.97	6.32	10,610.01	15.00	3,595.47	5.00	3,903.49	5.00	0.00	0.00	
Own private contribution	9,883.94	3.45	0.00	0.00	0.00	0.00	0.00	0.00	9,883.94	15.00	
	286,605.24	100.00	70,733.40	100.00	71,909.40	100.00	78,069.54	100.00	65,892.90	100.00	

PAYMENT FORECAST					
HUSRB/23R/22/091 LP: FAFA	OUS				
TOTAL COST	Reporting period 1	Reporting period 2	Reporting period 3	Reporting period 4	Reporting period 5
LP - RS - OUS	10,498.00	14,580.00	18,298.00	21,924.00	5,433.40
P1 - HU - SZRMK	3,378.00	28,343.00	13,360.40	16,920.00	9,908.00
P2 - HU - HAKIK	4,230.00	32,760.00	15,912.20	17,070.40	8,096.94
P3 - RS - NKN	3,756.00	20,477.00	16,223.90	19,210.00	6,226.00
Total	21,862.00	96,160.00	63,794.50	75,124.40	29,664.34
70,733.40					
71,909.40					
78,069.54					
65,892.90					
286,605.24					
EU CONTRIBUTION	Reporting period 1	Reporting period 2	Reporting period 3	Reporting period 4	Reporting period 5
LP - RS - OUS	8,923.30	12,393.00	15,553.30	18,635.40	4,618.39
P1 - HU - SZRMK	2,871.30	24,091.55	11,356.34	14,382.00	8,421.80
P2 - HU - HAKIK	3,595.50	27,846.00	13,525.37	14,509.84	6,882.39
P3 - RS - NKN	3,192.60	17,405.45	13,790.31	16,328.50	5,292.10
Total	18,582.70	81,736.00	54,225.32	63,855.74	25,214.68
60,123.39					
61,122.99					
66,359.10					
56,008.96					
243,614.44					

[illegible]



ANNEX III – PARTNERSHIP AGREEMENT

Interreg



Co-funded by
the European Union

IPA Hungary - Serbia

INTERREG VI-A IPA HUNGARY-SERBIA PROGRAMME

PARTNERSHIP AGREEMENT

PROJECT ID: HUSRB/23R/22/091

PROJECT ACRONYM: FAFA

PROJECT TITLE: FILM ART FOR ALL



*Good neighbours
creating
common future*

Partnership Agreement

for the implementation of the Project

**FAFA
Film art for all**

within the Interreg VI-A IPA Hungary Serbia Programme

between

the Lead Partner

Open university Subotica Ltd.

Trg cara Jovana Nenada 15, 24000 Subotica

Republic of Serbia

and

Partner 1

Szeged Event and Media Centre Non-profit LTD.

Felső Tisza-part 2, 6721 Szeged

Hungary

Partner 2

Hírös Agóra Cultural and Youth Center Nonprofit Limited Liability Company

Deák Ferenc tér 1., 6000 Kecskemét

Hungary

Partner 3

New Cultural Settlement

Bulevar vojvode Stepe 111, 21000 Novi Sad

Serbia

(hereinafter jointly referred to as the Parties).

on the basis of:

- Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy (hereinafter referred to as the CPR);
- Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund (hereinafter referred to as the ERDF Regulation);
- Regulation (EU) 2021/1059 of the European Parliament and of the Council of 24 June 2021 on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments (hereinafter referred to as the Interreg Regulation);
- Commission Implementing Regulation (EU) 2021/1529 establishing the Instrument for Pre-Accession assistance (IPA III) (hereinafter referred to as the IPA III Regulation);
- Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012;
- the Interreg VI-A IPA Hungary Serbia approved by the European Commission on 14 October 2022 by Decision Ref No C(2022) 7444 (hereinafter referred to as the Programme);
- the Guidelines for Applicants of the first Call for Proposals (HUSRB/2301) of the Interreg VI-A IPA Hungary Serbia, approved by Monitoring Committee Decision No **2/2023 (22.03)**, laying down the programme specific rules for the implementation of Hungarian-Serbian projects (hereinafter referred to as the Guidelines for Applicants);
- the Project Implementation Manual for the Interreg VI-A IPA Hungary Serbia, laying down specific rules for the implementation of projects financed under the Programme (hereinafter referred to as the Project Implementation Manual);
- Communication and Visibility Guide for Projects co-financed by the Interreg VI-A IPA Hungary Serbia, laying down the programme specific rules on information and publicity measures of the projects (hereinafter referred to as the Communication and Visibility Guide);
- Project FAFA as drafted in the application and approved by the Monitoring Committee of the Programme;
- Subsidy Contract concluded for the implementation of the Project between the lead partner and the managing authority;
- National rules to be applied by the lead partner and its Partners;

- Implementing acts and delegated acts adopted in accordance with the aforementioned legislation and the aforementioned documents as corrected or amended.

Article 1 Definitions

1. **Lead partner:** The lead partner is designated by the partners and has full financial and administrative responsibility for the EU contribution for the entire duration of the Subsidy Contract stipulated with the managing authority for the implementation of the Project. The lead partner has functional (co-ordination of the project activities) and financial responsibilities related to the EU contribution, i.e. it has to guarantee the sound financial management of the EU funds allocated to the Project. The lead partner is also responsible for the proper reporting of progress during project implementation to the joint secretariat.
2. **Partner:** An organisation that commits itself to functionally and/or financially implement a project part of the Project as referred to in Article 23 (1)-(4) of Regulation (EU) 2021/1059 and according to the application as approved by the Monitoring Committee. From the point of view of implementing its own activities, also the lead partner is a partner.
3. **Partner not receiving financial support:** There can be partner organisations which do not receive EU contribution for their activities performed in the framework of the Project. Thus, in their case the defined budget is zero.
4. **Project part:** A set of activities within the Project as a whole, undertaken by the lead partner or another Partner in a defined timeframe and with a defined budget, presented in the application and approved by the Monitoring Committee. In case when a Partner does not receive financial support, the defined budget is zero.
5. **Managing authority:** the Hungarian Ministry of Foreign Affairs and Trade, signing the Subsidy Contract with the lead partner.
6. **Joint secretariat:** set up within Széchenyi Programme Office Nonprofit Ltd, a joint organisation of the Partner Countries participating in the Programme, in charge of the direct monitoring of project implementation.

Article 2 Scope of the Partnership Agreement

1. The Parties, through the present Partnership Agreement, lay down the rules of procedure for the activities to be carried out and the relations that shall govern the partnership set up in order to successfully and efficiently implement the above-mentioned cross-border Project. This Agreement shall also define their mutual responsibilities concerning the administrative and financial management of the Project.
2. The application as approved by the Monitoring Committee and the signed Subsidy Contract (with all its provisions) are to be regarded as integral parts of this Agreement, therefore their content

and the obligations set by the above-mentioned documents have to be fully respected by the Parties.

3. The Parties are aware of the legal framework and the other relevant norms affecting the project. In case the Subsidy Contract is amended, it may affect the Partnership Agreement, it shall be adjusted accordingly.

Article 3

Duration of the Agreement

1. The Partnership Agreement is valid from the date of signature by all Parties and enters into force from the day the Subsidy Contract between the managing authority and the lead partner enters into force. It shall remain in force until the lead partner has discharged in full its obligations arising from the Subsidy Contract towards the managing authority, including the period of availability of documents for financial controls.
2. This Agreement shall also remain in force if there is any non-resolved dispute among the Parties at an out-of-court arbitration body.
3. The breach of the obligations of the Partnership Agreement by the lead partner or one of the partners may lead to an early termination of its participation in the Project. This termination has to be decided by consensus by all the other partners in a documented manner, provided that the eligibility rules of the Call for Proposals are kept with the remaining or newly entered partners, and that the consequently initiated amendment of the Subsidy Contract is successful at the managing authority. However, the partner leaving the partnership will be obliged by the present Agreement for its whole duration with regard to the activities carried out and expenditure incurred until that moment. In case the Subsidy Contract terminates, the present partnership Agreement is terminated as well.

Article 4

Activities of the Partners in the Project

1. The activities of the partners as well as the role of the lead partner and of each partner are described in the application approved by the Monitoring Committee.
2. The partners take into account all rules and obligations as set out in the Subsidy Contract and its Annexes.
3. The partners commit themselves to undertake everything in their power to foster the successful and efficient implementation of the Project.

Article 5

Specific obligations of the Lead Partner

1. The lead partner is responsible for the overall co-ordination and effective implementation of the Project and shall take all the steps needed to correctly manage the Project in accordance with the application approved by the Monitoring Committee and in line with the Subsidy Contract and the Partnership Agreement.

2. In addition as a general obligation the lead partner shall:
- a) represent the partners towards the managing authority / joint secretariat / other programme management bodies;
 - b) sign the Subsidy Contract (and its possible amendments), inform all partners on the signature of the Subsidy Contract and provide all partners with a copy thereof;
 - c) appoint a project manager who has the operational responsibility for the co-ordination and documentation of the overall Project;
 - d) react promptly to any request made by the managing authority and the joint secretariat;
 - e) keep the partners informed on a regular basis about all relevant communication between the lead partner and the joint secretariat, furthermore between the lead partner and the managing authority;
 - f) inform all partners on the progress of the overall Project, in particular with reference to its objectives and results as set in the Subsidy Contract or any later amendments;
 - g) without any delay inform the partners about all essential issues connected to project implementation (e.g. about any variation of the conditions at the basis of the present Agreement or about any modification that could influence the performance of the Project, the information activity or the payment of financing);
 - h) notify the partners and the joint secretariat / managing authority immediately of any event that could lead to a temporary or final discontinuation of the Project or any other deviation of the implementation of the Project;
 - i) guarantee the sound financial management of the funds allocated for the implementation of the Project, including the separate set-up of the project accounting and the supporting documents storage system at lead partner and at the partners as well, and including the arrangements for recovering amounts unduly paid;
 - j) ensure that the expenditure presented by all partners receiving financial support has been paid in implementing the Project and that it corresponds to the activities agreed between the partners and indicated in the approved application;
 - k) prepare and submit the Application for Reimbursement together with the Project Reports, the Final Project Report and the Project Follow-up Reports (if relevant) to the joint secretariat, keeping the deadlines indicated in the Subsidy Contract;
 - l) receive, on behalf of all partners receiving financial support the payments of the EU contribution from the Certifying Authority;
 - m) transfer the EU contribution to the partners receiving financial support, according to the Application for Reimbursement approved by the joint secretariat, **within 10 calendar days** and in full – no amount shall be deducted or withheld and no specific charge or other charge with equivalent effect shall be levied that would reduce that amount for the other partners;
 - n) ensure that all partners are involved in the decision making regarding to the Project, and especially agree with the partners before submitting any request for reallocation between budget lines and for an amendment of the Subsidy Contract to the joint secretariat / managing authority;
 - o) support the partners in implementing their obligations by giving them the correct information, indications and clarifications on the procedures;

- p) make sure that all partners comply with EU and national legislation including rules on public procurement, State aid, publicity, furthermore rules on environmental protection and equal opportunities;
- q) report in accordance with the existing legislation and national / regional guidelines if the project activities contain elements of State aid;
- r) implement its individual part of the Project accordingly;
- s) enable the responsible bodies to carry out their audit and monitoring / evaluation/activities;
- t) guarantee the systematic collection and the safe storage of all the documentation regarding project expenditure and activities at the lead partner and at partners;
- u) keep a copy of all project documents prepared by the partners or other organisations;
- v) carry out project level accounting;
- w) ensure that no double funding or double reporting of expenditure takes place;
- x) review the appropriate spending of the EU contribution by the partners receiving financial support, the condition of the partners' project part and the preparation of the required documents and records for project closure.

Article 6

Obligations of the Partners

1. In particular, each partner shall
 - a) support the lead partner in fulfilling its tasks as stipulated in the Subsidy Contract and its Annexes;
 - b) without any delay provide the lead partner with any information needed to draw up the Project Reports, the Final Project Report and the Project Follow-up Reports (if relevant), react on any request by the managing authority or the joint secretariat, or provide any further information needed by the lead partner;
 - c) assure the smooth implementation of the part of the Project they are responsible for in accordance with the Subsidy Contract and its Annexes;
 - d) to finance the own contribution of their respective project part;
 - e) inform the lead partner immediately about any circumstances that could lead to a temporary or final discontinuation of the project part or any other deviation of the implementation of the project part, including any variations to its part of project budget or work plan;
 - f) appoint a contact person for the implementation of the part of the Project under their responsibility;
 - g) contribute to overall project aims according to their part undertaken with due care and motivation, completing their activities foreseen for each reporting period of the project implementation;
 - h) maintain either a separate accounting system or an adequate accounting code for transactions related to the project part according to the rules of Eligibility of expenditures;
 - i) inform the lead partner on the details of the bank account to which the EU contribution of the partner receiving financial support shall be transferred, furthermore the lead partner must be informed about any changes concerning the bank account;

- j) co-operate with the lead partner for the effective implementation of the Project, actively take part in decision-making during the Project;
- k) to manage the procurement of services, supplies / goods / equipment and works in accordance with national public procurement rules in force, depending on the seat and operational area of the given organisation;
- l) for the award of service, supply and work contracts follow the procurement provisions of Chapter 3 of Title VII of Part Two of Regulation (EU, Euratom) No 2018/1046 which apply in the whole programme area;
- m) to meet the reporting requirements using the INTERREG+ electronic monitoring system of the Programme and to ensure any other documentation as well as IT security and data protection related obligations;
- n) have its expenditures incurred and paid (with the exemption of simplified costs) in the given reporting period and have them verified – if relevant – by the identified controller. The reimbursement of expenditure of the partners receiving financial support not covered by Declarations on Verification of Expenditure in the given reporting period can be requested until the second reporting deadline following the reporting period concerned, except for preparation costs reimbursed on a real cost basis – as a general rule these can be verified and requested only in the first reporting period;
- o) comply with EU- and national rules, including rules on eligibility of costs, public procurement, State aid, publicity, further rules on environmental protection and equal opportunities as contained in the Project Implementation Manual, , Communication and Visibility Guide;
- p) report in accordance with the existing legislation and national/regional guidelines if the Project activities contain elements of State aid;
- q) guarantee the systematic and safe collection of all the documentation regarding its part of project expenditure and its transmission to the lead partner, as well as to guarantee the access to documents and to the project results to all the representatives of the institutions in charge of verifications and to the bodies authorised to monitor or audit the Project;
- r) not subcontract 100% of the activities from their part of the Project;
- s) be responsible for the sound financial management of the funding allocated to its project part, including the arrangements for recovering amounts unduly paid (EU contribution, state contribution, if relevant, and other public contribution).

Article 7

Responsibilities of the Lead Partner and of the Partners

1. The lead partner solely assumes responsibility for the entire Project towards the managing authority as defined in the Subsidy Contract.
2. The lead partner is the intermediary for all communications between the partners and the joint secretariat and the managing authority; where information from the partners is required, the lead partner shall be responsible for obtaining, verifying and consolidating this information before passing it on to the managing authority; any information provided, as well as any request communicated by the lead partner to the managing authority shall be deemed to have been forwarded in agreement with all partners.

3. Each partner is directly and exclusively responsible to the lead partner for the due implementation of its respective project part and for the proper fulfilment of its obligations as set out in the Partnership Agreement and in the application. Should a partner not fulfil its obligations under this Agreement in due time, the lead partner shall admonish the partner to fulfil them within a reasonable period of time. The partners undertake to find a rapid and efficient solution. Should the non-fulfilment continue, the lead partner may decide to debar the partner concerned from the Project with approval of the other partners. The joint secretariat and the managing authority shall be promptly informed of such an intended decision by the lead partner, and the change in the partnership has to be approved according to the provisions set out in the Project Implementation Manual.
4. The lead partner and each partner receiving financial support shall take the financial responsibility for the EU contribution and, if relevant, the related state contribution it has received for its project part.
5. In case of irregularities the lead partner bears the overall responsibility towards the managing authority for the repayment of the EU contribution amounts unduly paid, also with interest charged on late payment, if relevant. By way of the derogation from this principle, if the irregularity is committed by a partner receiving financial support, the concerned organisation shall repay to the lead partner the amounts unduly paid. When amounts unduly paid to a partner cannot be recovered due to negligence of the lead partner, the lead partner shall remain responsible for the repayment.

Article 8 **Reporting obligations of the Partners**

1. The lead partner can only submit an Application for Reimbursement to the joint secretariat by providing proof of progress of the Project. Therefore, in order to provide adequate information on the progress of the Project, each partner receiving financial support has to submit a Project Partner Report in INTERREG+ system, consisting of an activity part describing the activities carried out with their outputs and results during the reporting period, and of a financial part presenting the financial progress of the project part compared to the finalised Project Form. Partners not receiving financial support shall submit their project partner reports to the related Control Body on their activities in the given reporting period.
2. The partners have to respect the reporting deadlines of the Subsidy Contract and have to submit their Project Partner Report in due time through the INTERREG+ system. Project Partner Reports and Declarations on Verification of Expenditure not available to the lead partner in the system within the set deadline will not be included in the Project Report (or any other report) and Application for Reimbursement of the lead partner, to be submitted to the joint secretariat.
3. The Project Partner Reports should be drawn up in Euro. Partners from Partner Countries which have not adopted the Euro as their currency shall convert into Euro the amounts of expenditure incurred in national currency before submission for verification to the responsible controller. The expenditures shall be converted as described in the Subsidy Contract. The exchange rate risk is borne by the partner concerned.

Article 9

Audits

1. For audit purposes each partner shall
 - a) retain all files, documents, receipts and data about the Project at least within the timeframe stipulated in Article 82(1) of the CPR and further detailed in the Project Implementation Manual, either in original or in copies on commonly used data media safely and orderly;
 - b) enable the managing authority, joint secretariat, Certifying Authority, Audit Authority, the responsible auditing bodies of the European Union and the auditing bodies of the partner Country it is based in to audit the proper use of funds;
 - c) provide these authorities with any information about the Project they request;
 - d) provide them access to the databases, the accounting books and accounting documents and other documentation related to the Project, whereby the auditing bodies decide on this relation, within the timeframe stipulated in Article 82(1) of the CPR and further detailed in the Project Implementation Manual;
 - e) provide them access to the place where the Project has been implemented and their business premises during the ordinary business hours and also beyond these hours by arrangement, and allow them to carry out on-the-spot-checks related to the Project within the timeframe stipulated in Article 82(1) of the CPR and further detailed in the Project Implementation Manual;
 - f) without any delay provide the lead partner with any information needed in connection to such an audit;
 - g) observe the recommendations received after an audit.

Article 10

Information and publicity

1. Any publicity measure undertaken by any of the partner shall be conducted in accordance with the rules on information and publicity laid down in the Communication and Visibility Guide for the Projects in the Interreg VI-A IPA Hungary Serbia.
2. Information and publicity measures shall be co-ordinated among the partners. Each partner is equally responsible for promoting the fact that co-financing for the Project is provided from EU contribution within the framework of the Interreg VI-A IPA Hungary Serbia, and is responsible for ensuring the adequate promotion of the Project.
3. The partners take note of the fact that the results of the Project as well as any study or analysis produced in the course of the Project can be made available to the public and they agree that the results of the Project shall be available for all partners and for the public free of charge.
4. The partners agree that the lead partner may provide the joint secretariat / managing authority or other programme management bodies to publish, in whatever form, unrestricted as far as data protection is concerned, and on or by whatever medium, with the following information:
 - title and acronym of the Project;
 - the name of the lead partner and of the partners;

- the total cost of the Project, the amount of subsidy and the EU co-financing rate;
- the name of the fund, the specific objective concerned and the type of intervention;
- the purpose of the EU contribution (i.e. the overall objective of the Project) and the expected or actual achievements;
- start date and (expected or actual) date of completion;
- the geographical location of the Project and/or the location of the lead partner and the partners;
- project results, evaluations and summaries;
- any other information about the Project, if considered relevant, and all publicity material of the Project such as photographic and video content, news announcements etc.

Article 11 **Ownership, use of results**

1. The Parties undertake to enforce the applicable law on intellectual property rights, regarding any outcome that might be produced during the implementation of the Project.
2. Ownership of the results of the Project, including industrial and intellectual property rights, and of the reports and other documents relating to it, shall be vested in the lead partner and the partners.
3. Without prejudice to the previous paragraph, the partners grant the joint secretariat and the managing authority the right to make free use of the results of the Project, provided it does not thereby breach its confidentiality obligations or existing industrial and intellectual property rights. The partners shall find individual arrangements in those cases where intellectual property rights (such as for data acquired for the Project which do not belong to public domain) already exist.
4. The partners agree that owners of the investments are the following:
 - **N/A**, no infrastructure is planned within the project.
5. The Project partners agree that owners of the Project outputs/deliverables are the following:
 - Open university Subotica Ltd. is the owner of the **Mapping research - data collection in Serbian side of CB region 4.2.1.**
 - Open university Subotica Ltd. is the owner of their part of the 5-months course teaching material of film art - filmmaking process, analysis, criticism, creation of promotional and journalist type of reportage - **Comprehensive courses of film art elements in Subotica 4.3.1**
 - Open university Subotica Ltd. is the owner of training material prepared and deliverables and artworks of presented in form of promotional videos – film festival reportages. - **Advanced educational activities at European Film Festival Palic 4.3.2**
 - Open university Subotica Ltd. is the owner of the **Project Podcast (part of) 4.3.2**
 - Open university Subotica Ltd. is the owner of the **CB film art Catalogue 4.6.3**
 - Szeged Event and Media Centre Non-profit LTD. is the owner of the **Mapping research - data collection in Hungarian side of CB region 4.2.1.**

- Szeged Event and Media Centre Non-profit LTD. is the owner of their part of the 5-months course teaching material of film art - filmmaking process, analysis, criticism, creation of promotional and journalist type of reportage - **Comprehensive courses of film art elements in Szeged 4.3.1**
 - Szeged Event and Media Centre Non-profit LTD. is the owner of training material prepared and deliverables and artworks of presented in common workshop during the 9th Zsigmond Vilmos International Film Festival: promotional videos – film festival reportages. - **Advanced educational activities at Zsigmond Vilmos International Film Festival 4.3.2**
 - Szeged Event and Media Centre Non-profit LTD. is the owner of the unique 360 degrees VR film based on the life of Zsigmond Vilmos - **Know-how exchange in Szeged 4.7.1.**
 - Hírös Agóra Cultural and Youth Center Nonprofit Limited Liability Company is the owner of their part of the 5-months course teaching material of film art - filmmaking process, analysis, criticism, creation of promotional and journalist type of reportage - **Comprehensive courses of film art elements in Kecskemét 4.3.1**
 - Hírös Agóra Cultural and Youth Center Nonprofit Limited Liability Company is the owner of training material prepared and deliverables and artworks of presented in common workshop during the 17th Kecskemét Animation Film Festival: promotional videos, podcast – film festival reportages. **Advanced educational activities at Kecskemét Animation Film Festival 4.3.2**
 - Hírös Agóra Cultural and Youth Center Nonprofit Limited Liability Company is the owner of promotional video for project Podcast - **Creation of Podcast content from partner film festival 4.3.3**
 - Hírös Agóra Cultural and Youth Center Nonprofit Limited Liability Company is the owner of training material prepared or vulnerable and disadvantaged groups - **Basic film education in Kecskemet 4.3.4**
 - Hírös Agóra Cultural and Youth Center Nonprofit Limited Liability Company is the owner of Youth Fair and Public visual performances presented during the 17th Kecskemet Animation Film Festival - **Know-how exchange in Kecskemet 4.7.1**
 - New Cultural Settlement is the owner of their part of the 5-months course teaching material of film art - filmmaking process, analysis, criticism, creation of promotional and journalist type of reportage - **Comprehensive courses of film art elements in Novi Sad 4.3.1**
 - New Cultural Settlement is the owner of training material prepared and deliverables and artworks of presented in form of promotional videos – film festival reportages. - **Advanced educational activities at 21114 Film fest 4.3.2**
 - New Cultural Settlement is the owner of training material prepared or vulnerable and disadvantaged groups - **Basic film education in Novi Sad 4.3.3**
 - New Cultural Settlement is the owner of concept of dispersive film festival and work with vulnerable and disadvantaged groups at film festival during the 11th 21114 Film fest - **Know-how exchange in Novi Sad 4.7.1**
6. The lead partner and the partners commit themselves to establish and maintain an inventory of all fixed assets acquired, built or improved within the Project.
- Open university Subotica Ltd. is the owner of the **Screening sheet 5.1.1. and Lap top 5.1.2**
 - Szeged Event and Media Centre Non-profit LTD. is the owner of the **VR Headsets 5.1.1.**
 - Hírös Agóra Cultural and Youth Center Nonprofit Limited Liability Company is the owner of the **Camera, Microphone, Memory card, Memory card for microphone, Tripod for camera, Lamp / Light, Lamp stand, Softbox, Gimbal stabilizer, Software for editing, Computer and Screening sheet – 5.1.1.-5.1.12.**
 - New Cultural Settlement is the owner of the **Projector 1, Projector 2, Sound system, Printer,**

Projection screen 1, Projector screen 2 and Computer - 5.1.1.-5.1.7.

7. As to the sustainability of project results after the end of the implementation period, further as to the steps to be taken after project closure, the partners agree on the following activities and designate the following rights and duties within the project partnership:
 - a) **Open university Subotica Ltd.**; Established new joint film programs at partner's film festivals and cinemas; Screening of the Joint film program from partners' country cinematography, new film selection consisted of 8 independent, engaging and authors films (4 Serbian and 4 Hungarian films) within European Film festival Palic future editions after the end of project; Location – Palić, during the festival implementation; Organized from own financial sources;
 - b) **Szeged Event and Media Centre Non-profit LTD.**, Established new joint film programs at partner's film festivals and cinemas; Screening of the Joint film program from partners' country cinematography, new film selection consisted of 8 independent, engaging and authors films (4 Serbian and 4 Hungarian films) within Zsigmond Vilmos International Film Festival future editions after the end of project; Location – Szeged, during the festival implementation; Organized from own financial sources.
 - c) **Hírös Agóra Cultural and Youth Center Nonprofit Limited Liability Company**; Established new joint film programs at partner's film festivals and cinemas, screening of the Joint film program from partners' country cinematography, new film selection consisted of 8 independent, engaging and authors films (4 Serbian and 4 Hungarian films) within Kecskemet Animation Film Festival future editions after the end of project; Location – Kecskemet, during the festival implementation; Organized from own financial sources.
 - d) **New Cultural Settlement**; Established new joint film programs at partner's film festivals and cinemas; Screening of the Joint film program from partners' country cinematography, new film selection consisted of 8 independent, engaging and authors films (4 Serbian and 4 Hungarian films) within 21114 Film fest future editions after the end of project; Location – Novi Sad, during the festival implementation; Organized from own financial sources.
 - e) **Open university Subotica Ltd.** will remain the owner of the Project Podcast focused on the promotion of the film art and tourism destinations in the CB region, create new contents, promote and share video materials during the project's implementation period and after the project closure.
8. The lead partner and the partners cannot mortgage or impose any other form of bank guarantee on the goods purchased from the financing throughout the implementation period of the Project and, as a general rule, five years after the date of the final payment to the lead partner. In case of state aid relevance, state aid rules apply.
9. In case of purchase costs co-financed, the owners shall not substantially modify their respective project parts affecting its nature or its implementation conditions or giving to a firm or a public body an undue advantage; and resulting either from a change in the nature of ownership of an item of infrastructure or the cessation or relocation of a productive activity outside the NUTS 2 region in which it received support at least within five years from the final payment to the partner, except where State aid rules provide for a different period.
10. In connection to net revenues generated by the project either during the period of its implementation or after project closure, the partners undertake to follow the detailed rules laid down in the Project Implementation Manual in force.

Article 12

Changes in the project partnership

1. Being aware of the fact that all changes in the project partnership –with the exception of legal succession –need an approval of the Monitoring Committee and that the managing authority is entitled to withdraw from the Subsidy Contract if the number of partners falls below the minimum number of participants, the partners agree not to back out of the Project unless there are unavoidable reasons for it.
2. In case a partner withdraws from the Project or is debarred from it, the remaining partners shall undertake to find a rapid and efficient solution to ensure further proper project implementation without any delay. Consequently, the partners shall endeavour to cover the contribution of the withdrawing partner, either by assuming its tasks by one or more of the remaining partners or by asking a new partner to join the project partnership, respecting the relevant programme provisions.
3. The lead partner shall inform the joint secretariat and the managing authority as soon as changes in the project partnership are foreseeable. The changes in the partnership enter into force only after approval by the Monitoring Committee.
4. The provisions set for audits in Article 9 remain applicable to the partner that backed out of the Project or was debarred from the Project.

Article 13

Irregularities and the repayment of funds

1. If the managing authority should –based on the provisions of the Subsidy Contract –request the repayment of EU contribution from the lead partner, the latter shall call upon the partner that had caused the irregularity resulting in the repayment of the EU contribution unduly paid according to the request of the managing authority.
2. The partner in question has to repay the requested EU contribution together with the interest on late payment (if relevant) to the lead partner.
3. The partner has to respect the deadline given by the managing authority to the lead partner for the repayment of the EU contribution. The partner has to transfer the requested EU contribution together with the interest on late payment (if relevant) to the lead partner **10 calendar days** before the deadline set for the lead partner.

Article 14

Cooperation with third parties, assignment

1. In case of co-operation with third parties (e.g. concluding sub-contracts) the given partner shall remain the sole responsible toward the lead partner concerning the compliance with its obligations as set out in the present Agreement. Any contracts with third parties will have to be concluded in accordance with EU and national legislation. No partner shall have the right to transfer its rights and obligations to third parties. The lead partner shall be informed by the partner about the subject and party of any contract concluded with a third party.

2. In case of legal succession, e.g. when the partner changes its legal form, the partner is obliged to transfer all duties under this Agreement to the legal successor. The partner shall notify the lead partner in written form within **10 calendar days** from the date of the legal succession being effected. The lead partner shall notify the joint secretariat according to the provisions set out in the Subsidy Contract.

Article 15 **Language**

1. The working language of the partnership shall be **English**. Any official internal document of the Project shall be made available in English.
2. Present Agreement is concluded in English. In case of translation of this Agreement and its annexes into another language the English version shall prevail.

Article 16 **Applicable law, liability and force majeure**

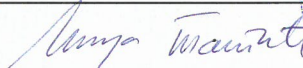
1. Present Agreement is governed by the law of the Republic of **Serbia**. Each partner shall be liable to the other partners and shall indemnify for any damages or costs resulting from the non-compliance of its contractual duties as set forth in this Agreement.
2. No Party shall be held liable for not complying with the obligations ensuring from this Agreement should the non-compliance be caused by force majeure. In such a case, the partner involved must announce this immediately in writing to the other partners.

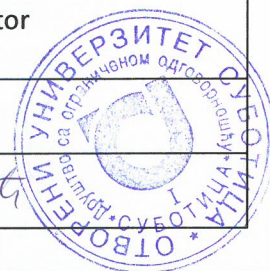
Article 17 **Concluding provisions**

1. Any amendments to this Agreement shall be in writing and shall be signed by all Parties.
2. In case of collision between the Subsidy Contract and this Partnership Agreement, the Subsidy Contract shall prevail.
3. Amendments and supplements to the present agreement and any waiver of the requirement of the written form must be in written form and have to be indicated as such. The lead partner shall notify the joint secretariat and the managing authority of any amendment or supplement to the present Agreement.
4. If any provision in this Agreement should be wholly or partly ineffective, the rest of the provisions remain binding for the Parties. In such cases the Parties undertake to replace the ineffective provision by an effective one which comes as close as possible to the purpose of the ineffective one.
5. The Parties commit themselves to take measures in order to ensure that all staff members carrying out work within the Project respect the confidential nature of information regarded as

such, and do not disseminate it, pass it on to third parties or use it without prior written consent of the lead partner and the partner that provided the information.

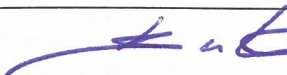
6. The Parties will make efforts to settle any disputes arising from this Agreement out of court. In case an agreement cannot be made in due time, the Parties herewith agree that **Osnovni sud u Subotici (Court in Subotica), Senčanski put 1., 24 000 Subotica, Republic of Serbia** shall have jurisdiction to rule in all legal disputes arising from this Agreement.
7. 7 original copies will be made of this Agreement of which each Party keeps one original, while three originals are attached to the Subsidy Contracts.
8. The Parties signing the Partnership Agreement have fully understood and accepted the contents of the Subsidy Contract and undertake the activities and responsibilities in the meaning as included therein.

Name of Lead Partner:	Open university Subotica Ltd.
Name and title of legally authorised representative:	Ilija Tatić, Managing director
Place, date and stamp:	Subotica, 29.04.2024
Signature:	



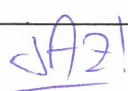
Name of Partner 1:	Szeged Event and Media Center Nonprofit Ltd.
Name and title of legally authorised representative:	Szűcsné Kolonics Erika, Managing director
Place, date and stamp:	Szeged, 29.04.2024
Signature:	

Szegedi Rendezvény és Médiaközpont
Nonprofit Kft. 2.
6721 SZEGED, Felső-Tisza part 2.
Adószám: 18457627-2-06
Raiffeisen Bank Rt.:
12067008-00104557-00100001

Name of Partner 2:	Hírös Agóra Cultural and Youth Center Nonprofit Limited Liability Company
Name and title of legally authorised representative:	Dóra Barta, Executive director
Place, date and stamp:	Kecskemét, 29.04.2024
Signature:	





Name of Partner 3:	New Cultural Settlement
Name and title of legally authorised representative:	Marko Jozić, Director
Place, date and stamp:	Novi Sad, 29.04.2024
Signature:	



Annex 1 to the Partnership Agreement:

Details of the bank accounts to which the EU contribution of the Partners receiving financial support shall be transferred, data (name and address of bank, IBAN number and SWIFT code of the account) per Partner

Lead Partner	
Name of bank	Banca Intesa AD Beograd
Address of bank	Milentija Popovića 7B, 11070 Novi Beograd
SWIFT code	DBDBRSBG
IBAN of the account	RS35160600000120855259

Partner 1	
Name of bank	Raiffeisen Bank Zrt.
Address of bank	H - 1133 Budapest, Váci út 116-118.
SWIFT code	UBRTHUHB
IBAN of the account	HU 3912 0670 0800 1045 5700 8000 00

Partner 2	
Name of bank	CIB Bank Zrt.
Address of bank	H-1024 Budapest, Petrezselyem u. 2-8.
SWIFT code	CIBHHUHB
IBAN of the account	HU05 1070 0103 6609 9994 5010 0002

Partner 3	
Name of bank	ERSTE Bank a.d. Novi Sad
Address of bank	Bulevar oslobođenja 5, 21000 Novi Sad



SWIFT code	GIBARS22
IBAN of the account	RS35340000100012897142

ANNEX IV – LIST OF DOCUMENTS TO BE RETAINED

No.	Document
1.	Submitted Application Form
2.	Notification letter from the Managing Authority awarding subsidy
3.	Subsidy Contract (and its amendments)
4.	Partnership Agreement (and its amendments)
5.	Project Partner Reports
6.	Declarations of Verification of Expenditure
7.	Project Reports and Project Follow-up Reports
8.	Applications for Reimbursement
9.	Each invoice and accounting document of equivalent probative value related to project expenditure (originals to be retained at the premises of the Project Partner concerned)
10.	All supporting documents related to project expenditure (e.g. payslips, bank statements, public procurement documents etc.) to be retained at the premises of the Project Partner concerned
11.	All project deliverables (all material produced during the project period)
12.	If relevant, documentation related to on the spot checks of the Control Bodies (to be retained at the premises of the Project Partner concerned)
13.	If relevant, documentation of monitoring visits of the Joint Secretariat / Managing Authority
14.	If relevant, documentation related to audits
15.	If relevant, the Lead Partner's / Partners' Subsidy contracts on state contribution and the related documents

ANNEX V – APPLICABLE PROJECT SPECIFIC STATE AID RULE

NOT RELEVANT