



Agreement on the operation of the Kolarctic CBC Programme Branch Office in Norway

between

Regional Council of Lapland, Hallituskatu 20, 96100 Rovaniemi, Finland acting as the Managing Authority of the Kolarctic CBC Programme 2014-2020

and

the County Authority of Finnmark, Fylkeshuset, N-9815 VADSØ, acting as a hosting organization of the Norwegian Branch Office of the Kolarctic CBC Programme 2014-2020, and on behalf of the North Norwegian regional authorities in Nordland, Troms and Finnmark.

Preamble:

The agreement is effective on Norwegian side immediately after signing of all parties. The Branch Office formal and external task as part of the Kolarctic CBC Programme are in effect only after the adoption of the Joint Operational Programme by the European Commission.

Chapter 5.12 of the Kolarctic CBC Programme document describes the Financial procedures of the Programme. Financial procedures are described separately covering the European Community contribution and payments, Norwegian equivalent funding Contribution and the National co-financing from EU-Member States and the Russian Federation. Norway implements a decentralized model for national co-financing in all EU Programmes, including the Kolarctic CBC Programme. The Norwegian model leaves the decision making of national co-financing to the Norwegian local and regional actors, which are taking part to the projects.

Chapter 4.3 of the Kolarctic CBC Programme Document stipulates that the Regional Council of Lapland (situated in Rovaniemi Finland) acting as a Managing Authority (MA) shall be responsible for the management and implementation of the Joint Operational Programme in accordance with the principle of sound technical and financial management and for ensuring the legality and regularity of its operations. The MA will establish Branch Offices to Murmansk and Arkhangelsk (Russia), Luleå (Sweden) and to Vadsø (Norway). The costs of the Branch Offices will be covered from the Technical Assistance (TA) of the Programme, except for the Norwegian Branch Office whose costs are covered from the TA of the Norwegian equivalent funding and national co-funding.

Based on the Kolarctic CBC Programme and the underlying ENI rules and regulations, this agreement is made to lay down detailed rules on the establishment, operation, responsibilities and financing of the Norwegian BO. The County Authority of Finnmark will act as a legal body for the practical operation of the Branch Office as well as act as an employer of staff of the Branch Office on the basis of the respective national law.

Article 1: Establishment and operation of the Branch Office (hereafter BO)

- 1.1 Finnmark County Authority establishes and operates BO in Vadsø, Norway.
- 1.2 Finnmark County Authority will be the employer of staff of the BO and is responsible for recruiting skilled and suitable personnel to the office: Number of recruited persons shall be in line with the agreed TA budget and with the tasks later specified in this contract. The Finnmark County Authority shall be responsible for issuing employment contracts based on the employment conditions in accordance to Norwegian law.
- 1.3 Finnmark County Authority will provide the services defined in Article 4 and 5 of this Agreement.
- 1.4 With regards to the Programme related tasks of the BO, all staff of the BO shall in principle report directly and primarily to the MA, Programme Manager. Finnmark County Authority is not allowed to use the financial or human resources of the BO for purposes clearly not related to the operation of the BO without a prior agreement from the MA and without covering the salary payments from that period from other sources than Programme's TA.

Article 2: Duration

- 2.1 The BO shall continue its operations and be run by the Finnmark County Authority until 31.12.2023, or until a later date if the programme period is extended. Eventual tasks on behalf of the Norwegian partnership after that date are not regulated by this agreement on Kolarctic CBC 2014-2020.
- 2.2 This Agreement will expire early in case of a decision by the Joint Monitoring Committee of the Programme. In case of an earlier cancellation of the BO agreement, the MA shall inform the Finnmark County Authority immediately after the decision has been taken, but no later than three months before cancellation.

Article 3: Tasks of the BO

- 3.1 The Programme's BOs are structurally small organizations with limited budgets. With reference to chapter 4.5 of the Programme, the Norwegian BO ensures close contacts between the MA and the coordinating bodies in Norway, as well as with Norwegian regional authorities. The Norwegian BO participates in all decisions regarding the implementation of the program. The BO assists the MA in Programme management tasks on the Norwegian side and in contacts with Norwegian beneficiaries, and the national and regional authorities in their work with the Programme. The BO provides the national and regional authorities with the information they need to carry out their tasks in the Joint Monitoring Committee. The BO takes part in the project selection procedures and the follow-up and monitoring of on-going projects, and works with communication and information, in line with the Programme's communication strategy and annual communication plans. The BOs of the Programme are an essential part of the management structure of the programme.
- 3.2 The Norwegian BO gives the adequate guidance to Norwegian Partners, concerning participation in the Programme, as well as Norwegian national co-financing and the procedures for its applying. The BO actively participates in aggregating national co-financing for the project proposals in their planning stage. The BO works in close contacts with the national bodies, and is required to convey information to the Norwegian Partners on the stage of the Norwegian national co-financing, as well as to the national bodies on the stage of the implementation of the Programme. The BO also

keeps the MA informed about the state of national co-financing, in its totality and in each project proposal. In the Joint Monitoring Committee meetings, the representatives of the BO are prepared to give relevant information related to the national co-financing to the Committee.

- 3.3 The Norwegian BO is responsible for the organization of the work and meetings of the Norwegian Regional Assessment Group.
- 3.4 Tasks of the BO are defined and monitored by the MA based on the annual Work Programme.

Article 4: Services to be provided by Finnmark County Authority

Finnmark County Authority will act as a legal body for the practical operation of the BO and be responsible for i.e.:

- 4.1 Providing the BO with the necessary premises, furniture, office equipment etc.
- 4.2 Providing the BO with the necessary technical office infrastructure.
- 4.3 Ensuring the necessary services (as security, maintenance, TA etc.)
- 4.4 Salary payments and similar in accordance to Norwegian national law.
- 4.5 The bookkeeping for the operation of the BO, separated from other activities (e.g own cost unit).
- 4.6 Acting as contracting party in case of public procurement related to the operation of the BO.

Article 5: Special service provisions

- 5.1 Travel authorisation for the staff of the BO for travelling outside of Norway, will be provided by the immediate supervisor of the BO staff in Finnmark County Authority. This includes travels to the main office (Rovaniemi), as well as travel to any other meetings and events related to the Programme. Participation of the BO personnel to the meetings, trainings and seminars etc. which benefit the implementation of the Programme is an important part of the BO's activities. The special feature of the work of the BO has to be taken into notice in order not to hinder the implementation of the Programme with the internal procedures of the hosting organisation. The BO participates to the meetings of the Joint Monitoring Committee, the Regional Assessment Group, as well as to the secretariat-meetings regularly. Participation to the seminars, trainings and conferences will be decided on case-by-case-basis by an initiative of the MA or the BO. The MA, Programme Manager, shall be informed about the business trips and participation in different events.

As a general principle, the administrative and procurement rules of Finnmark County Authority shall apply for the operation and equipment of the BO. At the same time, the BO shall be operated and equipped at a similar standard as the main office.

Article 6: Payments of the Technical Assistance

- 6.1 All the costs occurred by the Vadsø BO will, in first hand, be covered by Finnmark County Authority. These costs constitute the Norwegian share of the management system PROMAS, Norwegian salaries, travel, equipment, materials, external expertise etc, and referring to ENI regulations for administrative overhead costs. A separate agreement concerning the management system PROMAS will be made between the parties.

- 6.2 Expenditure paid by Finnmark County Authority with regard to the tasks and services of the BO will be financed by the Norwegian TA according to Norwegian rules and based on the budget and overall account approved by the Joint Monitoring Committee.
- 6.3 Norwegian Kolarctic financing covers 50% of the paid amount and Norwegian national co-financing the rest. EU financing or Finnish, Swedish or Russian co-financing can not be used to cover the costs for the Norwegian BO.

Article 7: Right of termination; refunding

- 7.1 Regional Council of Lapland shall be entitled to terminate this Agreement if there is evidence that Finnmark County Authority has
- a. used the funds for Kolarctic TA for clearly other purposes than the operation of the BO and contrary to this Agreement,
 - b. failed to provide the services as specified in Articles 4 and 5,
 - c. failed to fulfil any other condition stipulated in this Agreement, notably if these conditions are meant to guarantee successful implementation of the Programme and the operation of the BO.

The same applies if

- d. insolvency proceedings are instituted against Finnmark County Authority
- 7.2 Finnmark County Authority has the right to terminate the Agreement with three months notice if there is evidence that the Regional Council of Lapland does not fulfil its obligations or violates its rights stipulated in this Agreement.
- 7.3 In any case, before exercising its right of termination the party terminating the Agreement shall hear the other party.
- 7.4 In case of termination reasons defined in paragraph 7.1, the Regional Council of Lapland shall be entitled to terminate this Agreement without notice. In case of other termination reasons, the Regional Council of Lapland can terminate this Agreement with three months notice.
- 7.5 Following the exertion of the right of termination, the Regional Council of Lapland can report the conclusion to relevant authorities and co-financing bodies, for eventual financing recovery.
- 7.6 Should any claims be made against the Regional Council of Lapland for refunding of TA funds applied for or should any irregularity be detected requiring a financial correction, the Regional Council of Lapland shall be entitled to claim refunding from Finnmark County Authority on a pro-rata basis but only if Finnmark County Authority is responsible for the irregularity respectively claim for refunding. This refers only to eventual co-financing from the MA to the Norwegian BO.

Article 8: Auditing

- 8.1 The auditing authorities of Norway is carrying out audit responsibility for the BO in Vadsø.
- 8.2 Finnmark County Authority will produce all documentation required for the audit, according to Norwegian national law, and store relevant data according to Programme rules until December 31st 2029, or later if so required by Norwegian national law.

Article 9: Information

- 9.1 Finnmark County Authority is obliged to inform the Regional Council of Lapland immediately on extraordinary circumstances in the operation of the BO and in relation to this Agreement. In particular Finnmark County Authority shall inform the Regional Council of Lapland immediately if the provision of services for the operation as specified in Articles 4 and 5 is endangered.
- 9.2 The Regional Council of Lapland shall at any times be entitled to request any information related to the Operation of the BO from Finnmark County Authority and to this Agreement. Finnmark County Administration will provide significant and relevant information without delay.

Article 10: Written form requirement and severability clause

- 10.1 Changes and amendments to this Agreement are only valid if made in writing. Also, any change to this written form requirement must be made in writing.
- 10.2 Should a provision in this Agreement be or become legally invalid, then this shall not affect the validity of the remaining provisions of this Agreement. In such a case the parties shall endeavour to replace the legally invalid regulation by a legally permitted provision that is compatible with the other provisions in this Agreement and which is as close as possible to the economic intention of the invalid provision.

Article 11: Concluding provisions

This Agreement shall be made in English, in duplicate, and be governed by the Finnish law. The place of jurisdiction shall be Rovaniemi, Finland.

Rovaniemi ____ . ____ . 2018

Vadsø 06.02.2018

Mika Riipi
County Governor
Regional Council of Lapland

Ragnhild Vassvik
Chairman of the county council of Finnmark
Finnmark County Authority

Annex: Technical assistance budget 2014-2020 Kolarctic CBC Programme in Norway