

**CLASS:**

**RULE NUMBER:**

**CONTRACT  
NUMBER:**

**REFERENCE**

**Office for Cooperation with NGOs of the Government of the Republic of Croatia** , with its headquarters in Zagreb, Opatička 4, OIB 51456675076, represented by Helena Beus, authorized to perform the duties of the Director of the Office (hereinafter: the Office for Cooperation with NGOs)

and

< *Lead Applicant name, address, OIB* >, represented by < *name and surname of the person authorized to represent, who signs the Agreement, and is listed in the application form* > (hereinafter: Lead Applicant),

they concluded

## **CONTRACT ON THE ALLOCATION OF FINANCIAL FUNDS**

(hereinafter referred to as: Agreement)

Based on the implemented Call for Project Proposals "Strengthening the Contribution of Civil Society Organizations to Education for Sustainable Development" (hereinafter: the Call) and based on the Decision on Project Financing ( *CLASS:, NUMBER :*) of *the specified date* , **the Office for Cooperation with NGOs of the Government of the Republic of Croatia** will pay the Lead Applicant funds for the purpose of implementing the project.

( *state the project name in Croatian* )

( *state the project name in English* )

The grant agreement consists of:

- Special conditions of the Contract
- General Terms and Conditions of the Contract\*
- Project description form (Annex 1)

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\*are defined in Chapter V of the Regulation on Criteria, Standards and Procedures for financing and Contracting Programs and Projects of Interest for Common Good Implemented by Associations (Official Gazette 26/15 and 37/21).

- Project budget form (Annex 2)

## SPECIAL CONDITIONS OF THE CONTRACT

### Subject of the Contract

#### Article 1.

The Office for Cooperation with NGOs is co-financing the project ( *state the name of the project in Croatian and English* ) (hereinafter: the Project) with grants in the maximum amount of eligible costs of ( *and amount in EUR* ) ( *in words* : ), of which the Office for Cooperation with NGOs grants amount to the maximum ( *amount in EUR* ) ( *in words* : ), with a rate of own co-financing by the Lead Applicant of % ( *specify percentage* ).

The funds of the Office for NGOs are provided in the state budget for 2025 and the state budget projections for 2026 and 2027, in section 020 Government of the Republic of Croatia, in chapter 10 Office for Cooperation with NGOs, under function 0840 activity 509070 - Financial mechanism of the Swiss contribution to the European Union enlargement process, account 3813 - current donations from EU funds and account 3823 - capital donations from EU funds, source 552 and source 12.

The project implementation period is from ( *specify date* ) to ( *specify date* ).

#### Article 2.

The funds referred to in Article 1 of the Special Conditions may be used exclusively for the implementation of the project in accordance with the conditions of the Call and according to the Project Description Form (Annex 1) and the Project Budget Form (Annex 2).

### Fund disbursement model

#### Article 3.

The funds from Article 1 of the Special Terms and Conditions will be paid to the Lead Applicant bank account, IBAN HRxxxxxxxxxxx, ( *specify bank* ) according to the following payment model:

- The Office for Cooperation with NGOs pays an advance payment of up to 40% of the approved grant amount to the Lead Applicant within 30 days from the conclusion of the contract based on the received correct **completed** Request for Payment of **Funds or** Advance Payment.
- The remaining approved amount will be paid during the implementation of the project in six-monthly installments in such a way that the Office for Cooperation with NGOs will pay the Lead Applicant the amount of approved funds within 15 days from the date of receipt of the correctly completed Request for Payment of Funds , and after approval of the interim report, taking into account the (un)used advance funds and the dynamics of spending the contracted funds. The advance funds can be used until the end of the project implementation, and the advance can be offset during the entire project implementation so that the offset covers at least 90% of the total amount of the paid advance by the final interim report.

- The final payment within the total approved amount will be made after the completion of the project implementation in such a way that the Office for Cooperation with NGOs will pay the Lead Applicant the remaining amount of eligible costs, up to the maximum amount of the contracted funds, within 15 days from the date of receipt of the correctly completed Request for Payment of Funds, and after approval of the final interim report on the project implementation.

The prerequisite for the final payment implies that the Lead Applicant has been approved for costs incurred during and before the completion of the project implementation and the paid amount cannot exceed the total approved grant funds.

In the event that, upon approval of the final interim report, ineligible costs or unspent funds are determined for activities that were not implemented, or that activities were implemented partially or with a smaller amount of funds, the Office for Cooperation with NGOs will not pay the disputed amount of funds, or the Office for Cooperation with NGOs will prepare a Decision on the refund of the overpaid amount in accordance with Article 10 of the Agreement.

## **Reporting**

### Article 4.

In order to control the intended use of funds, the Lead Applicant undertakes to submit **interim reports on the progress of the project to the Office for Cooperation with NGOs, as a rule, every six months**, in Excel format, via electronic means. mail, which consist of:

- a) **the descriptive part of the interim report** and attachments related to the implementation of the project (submitted exclusively in electronic form), including scanned evidence of the implementation of project activities, such as signature lists, evaluation sheets, photographs from events, copies of publications, etc.;
- b) **the financial part of the interim report** and attachments (submitted exclusively in electronic form), and documentation for actually incurred and paid costs is submitted in accordance with applicable regulations and standard accounting practice.

The Lead Applicant submits an interim report on the progress of the project and attachments (in Excel format) within 30 days of the end of the reporting period. The report is submitted on the prescribed form of the Office for Cooperation with NGOs.

After approval of the interim report, the Lead Applicant submits to the Office for Cooperation with NGOs a **Request for payment of funds** in the amount approved by the Office for Cooperation with NGOs.

The Lead Applicant undertakes to submit **the Final Report on the implementation of the project** (in Word format) and attachments within 30 days of the approval of the last interim report. The report is submitted on the prescribed form of the Office for Cooperation with NGOs.

Given that the first versions of the report are submitted in an open format, the Office for Cooperation with NGOs will request the final versions of the report (sent signed by a person authorized to represent, stamped (if applicable) and in PDF format) before final approval.

### Article 5.

The total eligible costs of the project consist of direct and indirect costs.

The period of eligibility of costs is in accordance with Article 1, Paragraph 3 of the Special Conditions, the costs must be paid by the deadline for submitting the final interim report. The exception is the cost of solemnization of a blank promissory note, which is eligible even before the specified dates.

Indirect project costs will be financed using a flat rate, and are recognised at a flat rate of up to 8% of the total eligible direct costs.

During the verification and approval of reports, no control of supporting documentation for indirect project costs calculated using a flat rate will be carried out, except in the case of suspicion of irregularity/fraud. In other words, when reporting on the implementation of the project, the Lead Applicant will not submit supporting financial documentation for indirect costs, but the corresponding amount of eligible indirect costs is determined as a percentage of direct costs.

Regardless of the use of a flat rate, the Lead Applicant and Partner are obliged to make all payments during the term of the Contract, to comply with all relevant provisions of national legislation in terms of costs and expenses incurred during the implementation of the project. In addition, although the Lead Applicant/Partner does not attach accompanying financial documentation related to the occurrence and payment of indirect costs to the interim reports on the implementation of the project, it is obliged to keep it and make it available to the Office for Cooperation with NGOs and other competent authorities upon request during the period prescribed by the Contract.

## **Monitoring and evaluation**

### **Article 6.**

The Office for Cooperation with NGOs reserves the right to continuously monitor and evaluate the implementation of the Lead Applicant and Partner project referred to in Article 1 of the Special Conditions and to review finances and costs at any time during the financing period and for a period of two years after the completion of the project.

The Lead Applicant/Partner must ensure the retention of all relevant documents related to the project for ten years after the end of the Project.

The Office for Cooperation with NGOs will conduct direct control from the previous paragraph of the Agreement through field visits to the Lead Applicant's and/or Partners premises and with the possibility of visiting locations where activities are carried out, and is obliged to notify the Lead Applicant/Partner of the intention to conduct direct control at least seven days before the planned field visit.

For the purpose of monitoring the sustainability of results, the Lead Applicant is obliged to participate in one meeting within a period of one year after the completion of the project implementation, and the Sustainability Report must be prepared and submitted to the Office for Cooperation with NGOs one year after the completion of the project implementation.

For the purposes of program evaluation, the Lead Applicant will conduct a survey among its target group according to a Questionnaire prepared by the Office for Cooperation with NGOs. The survey will be conducted at the beginning and end of the project implementation in accordance with the instructions of the Office for Cooperation with NGOs.

## **Other obligations of the Lead Applicant and Partner**

### **Article 7.**

The Lead Applicant and Partner are obliged, at any time, upon request of the Office for Cooperation with NGOs, to provide all additional substantive and administrative information and materials about the Project, as well as all financial documentation related to its implementation.

The Beneficiary is obliged to conduct its financial operations in accordance with the accounting regulations for non-profit organisations in the Republic of Croatia and, accordingly, submit prescribed financial reports to financial institutions.

The Lead Applicant authorizes the Office for Cooperation with NGOs to, in order to monitor the intended use of funds from Article 1 of the Special Conditions, directly contact all legal and natural persons to whom, according to the attached documentation, the Lead Applicant has paid the funds received from the Office for Cooperation with NGOs for project financing.

The Office for Cooperation with NGOs will use the collected data of legal and natural persons referred to in Article 6, paragraph 1 exclusively for the purpose of continuous (financial) monitoring and evaluation of the Project and in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council on the protection of individuals with regard to the processing of personal data and on the free movement of such data and the Act on the Implementation of the General Data Protection Regulation (OG 42/2018).

## **Minor and major contract amendments**

### **Article 8.**

The Lead Applicant undertakes to promptly inform the Office for Cooperation with NGOs of any minor and major changes to the Agreement.

The approved amount of financial resources specified in the Agreement cannot be increased.

Minor changes that do not affect the purpose and scope of the project and its objectives do not require the preparation of an addendum to the Contract. The Lead Applicant may introduce minor changes at its own risk, of which, together with an explanation of the reasons and needs for minor changes, it must notify the Office for Cooperation with NGOs in writing, no later than 10 working days before the deadline for submitting the next interim report. The Office for Cooperation with NGOs reserves the right to determine whether the changes affect the purpose and scope of the project and its objectives, and for this purpose has the right to request the Lead Applicant to provide additional information, documentation or other explanations, and in accordance with the established factual situation, not to accept the minor change made. In the event that the Office for Cooperation with NGOs determines that, since it is an unauthorized modification, the costs related to the modification in question will not be eligible.

Minor changes to the Agreement may be:

- budget changes between budget chapters less than and equal to 15%
- replacement of a project team member
- change of the Lead Applicant bank account

- change of address or other contacts of the Lead Applicant
- small changes in the implementation of the project that do not affect its scope and objectives (e.g. minor changes in the timetable for the implementation of activities).

Major changes to the Agreement require the preparation of **an addendum to the Agreement** and its signing by the Office for Cooperation with NGOs and the Lead Applicant.

Major changes to the Agreement are:

- budget changes between budget chapters greater than 15 %
- extension of the duration of project implementation (up to 6 months maximum)
- adding new activities to the Project (without increasing the approved amount for the entire Project)
- changes and/or exclusion of partners in the project
- change in the location of project activity implementation
- significant changes in the implementation of the project that affect its scope and objectives (e.g. change in project activities that significantly affects the scope and objectives, change in project target groups).

The Office for Cooperation with NGOs decides for each notification whether it is a minor or major change and accordingly decides whether it is necessary to draft an amendment to the Agreement.

#### Article 9.

The Lead Applicant may request changes to contractual obligations no later than 30 days before the end of the project implementation period.

The contract may not be amended and/or supplemented for the purpose or with the effect of calling into question the funding decision or compliance with the principle of equal treatment.

The Lead Applicant cannot request changes in the implementation of the Project, an extension of the project implementation period or the repurposing of individual budget items after the implementation period referred to in Article 1, paragraph 3 of the Special Conditions.

The Lead Applicant submit a request for major amendments to the Agreement to the Office for Cooperation with NGOs in writing, with an explanation and accompanying documentation justifying the request.

The Office for Cooperation with NGOs has the right, with justification for its decision, not to approve the request for contract amendments. The decision to approve or reject the amendments must be made by the Office for Associations within 10 working days from the receipt of the correctly completed request by the Lead Applicant.

### **Consequences of failure to fulfill contractual obligations**

#### Article 10

If the Office for Cooperation with NGOs determines that the Lead Applicant has misused financial resources for the implementation of the project referred to in Article 1 of the Special Conditions of the Contract or has not implemented the project within the agreed period, if it has not submitted appropriate reports within the deadline and with the content specified in Article 4 of the Special Conditions, or if it does not enable the Office for

Cooperation with NGOs to monitor the intended use of funds referred to in Articles 6 and 7 of the Special Conditions, further payments will be suspended, and the Lead Applicant is obliged to return the received funds that were not spent for the intended purpose or unspent funds, within 30 days from the date of receipt of the written Decision of the Office for Cooperation with NGOs on the obligation to return the funds received.

If, during the implementation of the Project, the Lead Applicant receives , for the purposes of financing the Project, co-financing from other sources in an amount exceeding the full amount of the mandatory co-financing of the Project, it is obliged to notify the Office for Cooperation with NGOs within 15 days of the date on which it received the funds for co-financing from another source. The Office for Cooperation with NGOs then prepares a request for the return of the funds, i.e. the appropriate part of the funds received on the basis of the co-financing agreement, and the Lead Applicant is obliged to return the requested funds to the state budget.

In the event that the Lead Applicant does not return the funds within the specified period, the Office for Cooperation with NGOs can immediately activate the promissory note that the Lead Applicant submitted when signing the Agreement.

#### Article 11

In the case of non-fulfillment of obligations from Articles 4, 6 and 7 of the Agreement, provision of untrue information, misuse of funds or non-fulfillment of the provisions of the Agreement within the stipulated deadlines, i.e. violation of the provisions of Articles 13, 16 and 17 of the Agreement, the Office for Cooperation with NGOs may terminate Contract and request the return of funds to the state budget. If the Lead Applicant fails to fulfill the obligation under Articles 8 and 9 of the Agreement, further payments will be suspended, and the Lead Applicant is obliged to return unspent funds to the state budget.

In the event that the Lead Applicant does not return the funds within the specified period, the Office for NGOs may immediately activate the promissory note that the Lead Applicant provided when signing the Agreement.

In the event that the Office for Cooperation with NGOs determines that the Lead Applicant has not fulfilled its contractual obligations, it will deny the possibility of allocating financial resources to the Lead Applicant's projects for the next two years from the date of the decision to determine the non-fulfillment of contractual obligations and will inform the competent authorities thereof. The Lead Applicant's project/program application for a tender and/or public call for funding from the state budget will again be eligible after the expiry of the two-year period, which begins to run after the settlement of all obligations assumed under the Contract.

#### Article 12.

In the event of deviations from the mandatory indicators specified by the Lead Applicant in the project application, along with the manner in which the project will contribute to the defined indicators and the baseline and target values to be achieved by the project, the Office for Cooperation with NGOs will determine financial corrections in accordance with the table below unless the Lead Applicant can provide valid justification for not achieving the planned value of the indicator.

Mandatory indicator	Value achieved during implementation compared to the value set in the project application (%)	Percentage of financial correction (% of total eligible project costs)
Indicator	$X \geq 85$	0
	$85\% > X \geq 70$	3
	$70\% > X \geq 55$	5
	$55\% > X \geq 40$	7
	$40\% > X$	10

The financial correction will be determined simultaneously with the approval of the final interim report and will be implemented in such a way that the amount of funds approved according to the final interim report is reduced by the percentage of the financial correction, if the conditions for it are met.

### **Obligations in the application of project financing visibility elements**

#### **Article 13.**

The Lead Applicant and Partner commit to apply the Guidelines for Beneficiaries Related to Information and Communication Activities within the Swiss-Croatian Cooperation Programme (second contribution) and on all materials (printed, electronic, video, audio, etc.) and direct project results (such as invitations and event programs, evaluation forms, press releases, signature lists, newsletters, leaflets, brochures, websites, etc.) highlight the mandatory visibility elements of the Office for Cooperation with NGOs.

Information about the project must be visible on the website (on a subpage of the existing website or on a separate project website). The Lead Applicant must regularly update the announcements and inform the public about the progress of the project.

The Lead Applicant and Partner agrees that the Office for Cooperation with NGOs may use and publish all information, materials and official data submitted to it, which present the activities and results of the project referred to in paragraph 1 of this article, in order to promote the Call, the contribution of the Office for Cooperation with NGOs to the development of civil society in the Republic of Croatia and the activities of the Office for Cooperation with NGOs.

### **Equipment ownership**

#### **Article 14.**

Unless otherwise specified in the project budget form (Annex 2), the owner of the equipment purchased with funds from Article 1 of the Special Conditions is the Lead Applicant.

### **Liability for damage**

#### **Article 15**

The Office for Cooperation with NGOs is not liable for damage incurred to the Lead Applicant's personnel or property during the implementation or as a result of the



consequences of the project implementation, and cannot accept claims for compensation or an increase in the amount of payment related to such damage or injury.

The Lead Applicant is solely liable to third parties, including liability for damages or injuries of any kind incurred during the implementation or as a result of the implementation of the project. The Lead Applicant may not transfer to the Office for Cooperation with NGOs or to partner organisations in the project the liability or obligation to compensate for damages arising from claims or actions taken as a result of a violation of rules or regulations by the Lead Applicant or the Beneficiaries employees or individuals for whom those employees are responsible, or as a result of a violation of the rights of a third party.

### **Obligation to submit subsequent documentation and consent**

#### **Article 16**

For each person(s) who will be in contact with children through the implementation of project activities, the Lead Applicant will submit documentation to the Office for Cooperation with NGOs, on the basis of which the Office for Cooperation with NGOs will verify that the person(s):

- that he/she has not been finally convicted of any of the criminal offenses from Chapters IX, X, XVI, XVII and XVIII of the Criminal Code (Official Gazette 125/11, 144/12, 56/15 and 61/15, 101/17, 118/18, 126/19, 84/21, 114/22, 114/23, 36/24), or the corresponding criminal offenses from the previously valid Criminal Code (Official Gazette 110/97, 27/98, 50/00, 129/00, 51/00, 111/03, 190/03, 105/04, 84/05, 71/06, 110/07, 152/08, 57/11),
- that the person(s) is/are not subject to a security measure of mandatory psychiatric treatment, mandatory addiction treatment, mandatory psychosocial treatment, prohibition of performing a certain duty or activity, prohibition of approaching, harassing and stalking, removal from the common household, prohibition of internet access or a security measure of protective supervision upon full execution of a prison sentence imposed pursuant to the Criminal Code (Official Gazette 125/11, 144/12, 56/15, 61/15, 101/17, 118/18, 126/19, 84/21, 114/22, 114/23, 36/24), or pursuant to the previously valid Criminal Code (Official Gazette 110/97, 27/98, 50/00, 129/00, 51/00, 111/03, 190/03, 105/04, 84/05, 71/06, 110/07, 152/08, 57/11),
- that they have not been issued a misdemeanor-legal sanction and/or that they are not subject to a protective measure prescribed by the Act on Protection from Domestic Violence (Official Gazette 70/17, 126/19, 84/21, 114/22, 36/24),
- has not been punished for a misdemeanor based on Articles 25 and 26 of the Law on Suppression of Discrimination (Official Gazette 85/08, 112/12), Articles 31 and 32 of the Law on Gender Equality (Official Gazette 82/08, 69/17 ) and Article 229, paragraph 2 of the Road Traffic Safety Act (OG 67/08, 48/10, 74/11, 80/13, 158/13, 92/14, 64/15, 108/17, 70/19, 42/20, 85/22, 114/22, 133/23).

The Lead Applicant will submit to the Office for Cooperation with NGOs:

- a scanned version of the completed and signed Form for access to criminal and misdemeanor records, signed by the person authorized to represent the Lead Applicant,
- certificate that there are no criminal proceedings underway (not older than 8 days),

- in addition to the above documentation, foreigners must also submit a certified translation of a certificate of good conduct from their home country.

Additional documentation will be submitted during the implementation of the Project when the names of the persons who will be in direct contact with children during the implementation of project activities are known.

The Veneficiary and partners, as implementers of project activities, assume responsibility for the safety of children who are beneficiaries of the activities they implement, and during the implementation of each project activity involving children, it is necessary to ensure the presence of a verified person from the project team.

### **Prohibition of support for political activities**

#### **Article 17**

By signing the Agreement, the Lead Applicant undertakes that, as a recipient of grants from public sources for the implementation of a project of interest to the general good, he will not participate in the election or other campaigning of a political party, coalition or candidate, will not provide direct support to a political party, coalition or candidate, or collect financial resources to finance political parties, coalitions or candidates for the entire duration of the Agreement.

### **Dispute resolution**

#### **Article 18**

All disputes arising from the Agreement will be primarily resolved by the contracting parties through amicable settlement, or through a peaceful dispute resolution procedure, otherwise the jurisdiction of the court with substantive jurisdiction in Zagreb is agreed upon.

### **Application of the general terms and conditions of the Agreement**

#### **Article 19**

The General Conditions prescribed in Articles 37 to 54 of the Regulation on Criteria, Standards and Procedures for Financing and Contracting Programs and Projects of Interest for Common Good Implemented by Associations (Official Gazette 26/15 and 37/21) apply to the elements of Project financing that are not regulated by the Special Conditions of the Contract.

In the event of a conflict between the provisions of the Special Conditions of the Contract and the General Conditions, and the provisions of Annex 1 and Annex 2 (project description form and project budget form), the provisions of the Special Conditions shall prevail.

### **Annexes to the Agreement**

#### **Article 20**

The project description form and the project budget form are an integral part of this Agreement and constitute its Annexes 1 and 2.

## Communication between contracting parties in project implementation

### Article 21

For any form of communication related to this Agreement, the Agreement reference number and the Project name must be provided and sent to the following addresses:

**For the Office for Cooperation with NGOs:** Office for NGOs of the Government of the Republic of Croatia, Opatička 4, 10 000 Zagreb, Tel: 01/4599-810, e-mail:

**For the Beneficiary:** Organization name: Address: City and postal code: Phone/mobile: e-mail:

## Final provisions

### Article 22

This Agreement is drawn up in three (3) identical copies, of which one (1) copy is retained by the Lead Applicant and two (2) copies by the Office for Cooperation with NGOs.

### Article 24.

This Agreement shall enter into force on the day following the date on which the Agreement is signed by the other contracting party, and shall be deemed to have been fully fulfilled when the Lead Applicant fulfills the obligation prescribed in Articles 6 and 10 of the Agreement and the Office for Cooperation with NGOs determines the final amount of co-financing (whether or not there is a refund) and returns the promissory note to the Lead Applicant.

Date:

Date:

**OFFICE FOR COOPERATION WITH  
NGOs:**

**LEAD APPLICANT:**

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Helena Beus

authorized to perform the duties of  
the Director of the Office for  
Cooperation with NGOs

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state the person's first and last name  
authorized to represent

specify the function