

**BILATERAL AGREEMENT REGARDING FULFILLMENT OF THE PROJECT
GRANT CPEA-LT-2016/10003**

“Advanced Collaborative Program for Research Based Education on Risk Management in Industry and Services under Global Economic, Technological and Environmental Changes: Enhanced Edition”

Trondheim, Tbilisi «5/7» _____ 2018

Norwegian University of Science and Technology, Trondheim, Norway (hereinafter referred to as the Norwegian Partner (IiN)), of the project CPEA-LT-2016/10003 “Advanced Collaborative Program for Research Based Education on Risk Management in Industry and Services under Global Economic, Technological and Environmental Changes: Enhanced Edition” (hereinafter referred to as CPEA-LT-2016/10003 project), represented by a legal representative of the Norwegian Partner for the project CPEA-LT-2016/10003 Professor Elsebeth Holmen, Deputy Department Head, Department of Industrial Economics and Technology Management and

Ivane Javakhishvili Tbilisi State University, Faculty of Exact and Natural Sciences (Tbilisi, Georgia) (TSU) (hereinafter referred to as an Institute-Partner (IoN)), represented by the Head of the Department of Mathematics Omap Purtukhia, who is doing on the basis of the Statute,

According to the Contract SIU-NTNU on implementation and financing of the project CPEA-LT-2016/10003, signed between NTNU and the Norwegian Centre for International Cooperation in Education (SIU) in the framework of Eurasia program 2016 – Long-term program activities 2017-2019,

agree as follows:

The main objectives of the project grant are

- organization the Norwegian-Ukrainian-Eurasian educational and research cooperation in the field of quantitative risk management and related topics, e.g. optimal decision support under risk and uncertainty;
- developing a sustainable network of universities in Ukraine, Moldova, Georgia and Norway capable of designing and running joint programs and courses at both Master and PhD-levels in the field of quantitative risk management.

The main activities of the project grant include:

- 1) Development of a Joint PhD Program/School on quantitative risk management and corresponding PhD study courses;
- 2) Development of innovative risk management and risk optimization modules for international Master programs (in English) at partner universities (for example, Master program on Applied mathematics, Business Informatics, Applied System Analyses, and etc.);
- 3) Internationalization and updating of Master and PhD programs in partner institutions to European standards of academic programs;
- 4) Organization of mobility of students and faculty staff between partner institutions;
- 5) Networking and interdisciplinary collaboration in the field of risk management (including promoting business and industry cooperation between Norway and Ukraine, Georgia, Moldova);

6) Participation of PhD students from partner institutions in the international Young Scientists Summer Program at the International Institute for Applied Systems Analysis (Laxenburg, Austria).

7) Dissemination of the project results at international conferences (e.g., on Stochastic Programming, Trondheim, 2019, and others).

In particular, **the main specific tasks** of the partner organizations are as follows.

NTNU:

- Overall coordination and participation in all the project activities;
- Organizing and supporting project meetings in Norway and Austria;
- Funding of the partners IoN(s) according to the Contract SIU-NTNU and this agreement;
- Funding of the participation of the Norwegian Masters and PhD students in the summer schools in Batumi and at IIASA, financing their participation in conferences and other project activities under the Contract SIU-NTNU and this agreement;
- Paying scholarships and organization of study of IoNs' masters and postgraduates while they stay at NTNU.

TSU:

- Organization of the summer school on Quantitative Risk Management in Batumi, Georgia, in August, 2018.
- Development (jointly with other partners) research-based educational courses on quantitative risk management for master's and doctoral programs in IoNs.

The Bilateral Agreement shall come into force on the date of its signing by the Parties and will be in force until March 1, 2020. The fulfillment of obligations under this Agreement lasts until their full implementation by the Parties. The period of validity of the project CPEA-LT-2016/10003 is until March 1, 2020.

The modality of the collaboration.

- (1) The Parties undertake to implement the Agreement in accordance with its description.
- (2) The IoN submits to IiN annual project progress reports within 1 February each year (in 2018, 2019,2020).
- (3) The IoN, upon finalization of the Project, without undue delay shall provide IiN with a final project report containing final accounts for the Project, and a description of the Project Results (activities of the project; international publications and materials for Master and Ph.D. programs for educational institutions of IoNs and Norway).

Prices and a way of payments.

1. The funds, allocated to the IoN as a financial grant, should be used according to the rules stipulated by the Norwegian Centre for International Cooperation in Education (SIU) for this type of contract and solely for the purposes explicitly mentioned in the approved budget and the description of the project.
2. The Institute-Partner IoN maintains accounts and reports to the IiN on transferred project funds. The Parties will follow procedures adopted by their own institutions for auditing the accounts and in accordance with international accounting standards.
3. According to the project description, for covering expenses of the Institute-Partners IoN(s) in relation to the CPEA-LT-2016/10003 project, the Institute-Partner IoN will get the total amount of 103000 (one hundred and three thousand) Norwegian kroner (NOK) as the payment for organizing current activities according to the following distribution over years:

	2017	2018	2019	SUM, NOK
TSU	24000	32000	47000	103000

4. Payment of the IoN's activities specified in this Bilateral Agreement is performed by IiN to the IoN settlement account in the currency of the Euro by bank transfer of the respective amounts to the accounts specified in this Bilateral Agreement.

Expenditures for the implementation of the Agreement should be allocated to:

- 1) payments to IoN scientists and specialists involved in the organization, coordination, administration and implementation of the project;
- 2) institutional and infrastructural development (acquisition of equipment);
- 3) expenses for a summer school and tutorial lectures (transport expenses, accommodation, and board for students and teachers, educational materials);
- 4) costs for travels of IoN specialists to IiN and scientific conferences for implementation of the project grant CPEA-LT-2016/10003.
- 5) travel tickets for exchange Georgian students, these will be additionally reimbursed by NTNU to TSU upon students arrival to Trondheim

5. **Payment** of the activities of the Partner Institute IoN indicated in this Agreement is financed by the project CPEA-LT-2016/10003 through the following articles.

TSU budget (NOK)	2017	2018	2019	SUM
SUM-Implementation of educational activities	0	20500	19000	39500
Intensive courses, field courses and summer schools- <i>D.2.2. Conducting a summer school on Quantitative Risk Management in Batumi, Georgia, in August, 2018.</i>	0	5000	0	5000
Intensive courses, field courses and summer schools - <i>D.2.3. Tutorial preconference for PhD students and professionals at a scientific conference in Chişinău (Moldova, March 2018)</i>	0	15500	0	15500
Workshops and seminars - <i>D.2.7. Workshop (with project meeting) on Risk, Security and Safety Management in industry and services in Kyiv in 2019.</i>	0	0	19000	19000
SUM-Project development	19400	2300	18800	40500
Development of joint courses, study programs and degrees - <i>D.1.1. Development of a joint courses, study modules and curricula on Quantitative Risk Management for Master and PhD programs at IoNs.</i>	1000	950	0	1950
International project meetings - <i>D.1.5. Conducting five international project meetings (one in 2017, two in 2018, and two in 2019).</i>	18400	0	18800	37200
Joint curriculum development - <i>D.1.6. Harmonization of Master and PhD study programs at IoNs with corresponding NTNU programs.</i>	0	1350	0	1350
SUM - Salary and indirect costs (Salary, remuneration of consultants and indirect costs)	4600	9200	9200	23000
SUM TSU	24000	32000	47000	103000

6. The Norwegian Partner IiN pays the listed activities to the Partner Institute IoN as follows. Within thirty days from the date of signing the Agreement, the Norwegian Partner IiN pays 80% of the total amount of payments to the IoN Partner Institute allocated for 2017, which in total is 19200 (nineteen thousand and two hundred) Norwegian NOK.

In July 2018 the IiN pays the remaining 20% of funds of 2017 and 60% of sums allocated to the IoN for 2018 year. The rest 40% of the sum allocated for 2018 and 60% of the sum allocated for 2019 is paid to the IoN not later than April 2019.

The rest of the total sums allocated to the IoN is paid on completion of the project, but not later than April 30, 2020.

Funds that are unused in the current year must be credited to the next year's budget.

7. Institute-Partner IoN is responsible for the proper disposal of the listed amounts and must keep within the 5-year period after completion of the project all the receipts for expenses associated with the project CPEA-LT-2016/10003 for reporting to the SIU Audit Commission.

8. When transferring to the Institute-Partners IoNs other funds within the project CPEA-LT-2016/10003, amendments to this Bilateral Agreement must be approved, stating the amount and purpose of payments.

9. The Norwegian Partner's Accounting Department will supervise and monitor the Agreement payments in accordance with its internal rules.

10. The parties agree that in case of force majeure (events of insurmountable force, which do not depend on the Parties' will), namely, wars, military actions, blockades, embargo, other international sanctions, currency transfer limitations, and other government actions, which prevent the fulfillment of the project and this Agreement, the Parties would be exempt from fulfilling their obligations for the time of these circumstances. In this case, the Parties' obligations under this Agreement are postponed until the ending such circumstances. These force majeure circumstances do not constitute grounds for refusal to comply with obligations under this Agreement.

11. The Contract shall be governed by and interpreted in accordance with Norwegian law. All disputes, which may arise out of the present Bilateral Agreement, are to be settled by the parties in an amicable way by negotiations. Any changes to this Agreement must be approved by both Parties through signing an additional agreement.

12. If Parties details are changed, it must be communicated to the other party in writing; corresponding changes to this Agreement must be made by signing an additional agreement.

13. This Bilateral Agreement is drawn up in two copies in English and Georgian languages, one signed original for each partner. In the interpretation of the Agreement, English text shall prevail. The text of the contract between SIU and NTNU and the general SIU rules regarding this project prevail over this agreement.

14. A copy of this agreement in the PDF format is legally valid.

Bank account details of the NTNU:

Bank account details of Coordinator

Bank Name: DNB NOR

Bank address DNB, Postboks, 1600, Sentrum, 0021 Oslo

Name of bank account holder: NT

Bank account number Bankkonto №: 7694.05.00288, IBAN: NO89 7694.05.00288,
SWIFT: DNBANOKK

Payment reference prosjekt 90201700. Ksted 602505

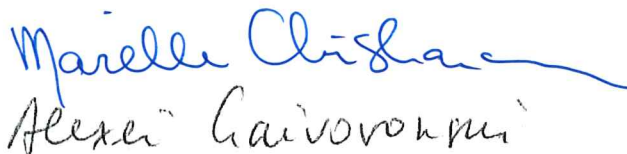
For Norwegian University of Science and Technology:

Legal representative,

Professor **Marielle Christiansen**, Head of Department, Department of Industrial Economics and Technology Management

Project coordinator,

Professor **Alexei Gaivoronski**



NTNU

**Department of Industrial Economics
and Technology Management
NO - 7491 TRONDHEIM
NORWAY**

Bank account details of the University-Partner TSU for the payment in EURO

Name of the Institute-Partner: **Ivane Javakishvili Tbilisi State University**

Code of Organization 3204050101

Address of the IoN Partner:

1, Chavchavadze Ave., 0179 Tbilisi, Georgia

Intermediary Bank:

JP MORGAN AG FRANKFURT AM MAIN

(EUR)

SWIFT CODE: CHASDEFX

ACC: 6231608461

Beneficiary's bank:

NATIONAL BANK OF GEORGIA, TBILISI

SWIFT CODE: BNNGE22

Beneficiary TBILISI STATE UNIVERSITY(tsu identification 204864548)

IBAN: GE65NB0331100001150207

For Ivane Javakishvili Tbilisi State University:

Head of the Department of Mathematics

Omap Purtukhia



Project coordinator,

Professor Elizbar Nadaraya

