

EEA Financial Mechanism 2009-2014

PROGRAMME AGREEMENT

between

The Financial Mechanism Committee
established by Iceland, Liechtenstein and Norway

and

The Ministry of Finance and Public Administrations,
hereinafter referred to as the "National Focal Point",
representing Spain ,
hereinafter referred to as the "Beneficiary State"

together hereinafter referred to as the "Parties"

for the financing of the Programme "EEA Scholarship Programme "

hereinafter referred to as the "Programme"

Chapter 1 Scope, Legal Framework, and Definitions

Article 1.1 Scope

This programme agreement between the Financial Mechanism Committee (hereinafter referred to as the FMC) and the National Focal Point lays down the rights and obligations of the Parties regarding the implementation of the Programme and the financial contribution from the EEA Financial Mechanism 2009-2014 to the Programme.

Article 1.2 Legal Framework

1. This programme agreement shall be read in conjunction with the following documents which, together with this programme agreement, constitute the legal framework of the EEA Financial Mechanism 2009-2014:

- a. Protocol 38b to the EEA Agreement on the EEA Financial Mechanism 2009-2014;
- b. the Regulation on the implementation of the EEA Financial Mechanism 2009-2014 (hereinafter referred to as the "Regulation") issued by the Donor States in accordance with Article 8(8) of Protocol 38b;
- c. the Memorandum of Understanding on the Implementation of the EEA Financial Mechanism 2009-2014 (hereinafter referred to as the "MoU"), entered into between the Donor States and the Beneficiary State; and
- d. any guidelines adopted by the FMC in accordance with the Regulation

2. In case of an inconsistency between this programme agreement and the Regulation, the Regulation shall prevail.

3. The legal framework is binding for the Parties. An act or omission by a Party to this programme agreement that is incompatible with the legal framework constitutes a breach of this programme agreement by that Party.

Article 1.3 Definitions

Terms used and institutions and documents referred to in this programme agreement shall be understood in accordance with the Regulation, in particular Article 1.5 thereof, and the legal framework referred to in Article 1.2 of this programme agreement.

Article 1.4 Annexes and hierarchy of documents

1. The programme decision, including the financial plan (Annex I), and the operational rules (Annex II) form an integral part of this programme agreement. Any reference to this programme agreement includes a reference to its annexes unless otherwise stated or clear from the context.

2. The provisions of the annexes shall be interpreted in a manner consistent with this programme agreement. Should the meaning of any provision of the said annexes, so interpreted, remain inconsistent with this programme agreement, the provisions of the former shall prevail, provided that these provisions are compatible with the Regulation.

3. Commitments, statements and guarantees, explicit as well as implicit, made in the programme proposal are binding for the National Focal Point and the Programme Operator unless otherwise explicitly stipulated in the annexes to this programme agreement.

Chapter 2 The Programme

Article 2.1 Co-operation

1. The Parties shall take all appropriate and necessary measures to ensure fulfilment of the obligations and objectives arising out of this programme agreement.

2. The Parties agree to provide all information necessary for the good functioning of this programme agreement and to apply the highest degree of transparency, accountability and cost efficiency as well as the principles of good governance, sustainable development, gender equality and equal opportunities.

3. The Parties shall promptly inform each other of any circumstances that interfere or threaten to interfere with the successful implementation of the Programme.

4. In executing this programme agreement the Parties declare to counteract corrupt practices. Further, they declare not to accept, either directly or indirectly, any kind of offer, gift, payments or benefits which would or could be construed as illegal or corrupt practice. The Parties shall immediately inform each other of any indication of corruption or misuse of resources related to this programme agreement.

Article 2.2

Main responsibilities of the Parties

1. The National Focal Point is responsible and accountable for the overall management of the EEA Financial Mechanism 2009-2014 in the Beneficiary State and for the full and correct implementation of this programme agreement. In particular, the National Focal Point undertakes to:

a. comply with its obligations stipulated in the Regulation and this programme agreement;

b. ensure that the Certifying Authority, the Audit Authority, the Monitoring Committee and the Programme Operator properly perform the tasks assigned to them in the Regulation, this programme agreement and the programme implementation agreement;

c. take all necessary steps to ensure that the Programme Operator is fully committed and able to implement and manage the Programme;

d. take the necessary measures to remedy irregularities in the implementation of the Programme and ensure that the Programme Operator takes appropriate measures to remedy irregularities in Projects within the Programme, including measures to recover misspent funds;

e. make all the necessary and appropriate arrangements in order to strengthen or change the way the Programme is managed.

2. The FMC shall, subject to the rules stipulated in the legal framework referred to in Article 1.2 of this programme agreement, make available to the Beneficiary State a financial contribution (hereinafter referred to as "the programme grant") to be used exclusively to finance the eligible cost of the Programme.

Article 2.3

Objective and outcomes of the Programme

1. The programme decision sets out the objective, outcome(s), outputs, indicators and targets for the Programme.

2. The National Focal Point shall ensure that the Programme Operator implements and completes the Programme in accordance with the objective, outcome(s), outputs, indicators and targets set for the Programme.

Article 2.4

Programme grant

1. The maximum amount of the programme grant, the programme grant rate, and the estimated eligible cost of the Programme shall be as specified in the programme decision.

2. In case the Programme is also supported by the Norwegian Financial Mechanism, this programme agreement shall be interpreted in conjunction with the agreement regulating that support.

3. The financial plan shall:

a. contain a breakdown between the Programme's budget headings using the description put forward in the template for the programme proposal;

b. indicate the agreed advance payment, if any.

4. The management cost of the Programme Operator shall not exceed the amount specified in the programme decision.

Article 2.5

Special conditions and programme specific rules

1. The programme decision shall list any conditions set by the FMC with reference to paragraph 3 of Article 5.3 of the Regulation. The National Focal Point shall ensure compliance with these conditions and, in a timely manner, take the necessary steps to ensure their fulfilment.

2. The National Focal Point shall ensure compliance with any other programme specific rules laid down in the operational rules.

Article 2.6

Programme implementation agreement

1. With reference to Article 5.8 of the Regulation and without prejudice to paragraph 2 thereof, the National Focal Point shall, before any payment is made to the Programme, sign a programme implementation agreement with the Programme Operator. The National Focal Point shall notify the FMC of such signing.

2. The signed programme implementation agreement shall be identical to the draft programme implementation agreement confirmed by the FMC in accordance with paragraph 5 of Article 5.8 of the Regulation with regard to the content required according to paragraph 3 thereof. The National Focal Point shall inform the FMC of any deviation from that confirmed draft which may be subject to a new confirmation according to paragraph 5 of Article 5.8 of the Regulation prior to any payment to the Programme.

Article 2.7

Reporting

The National Focal Point shall ensure that the Programme Operator provides financial reports, annual programme reports and a final programme report in accordance with Chapter 8 and Articles 5.11 and 5.12 of the Regulation as well as statistical reporting in accordance with the Programme Operator's Manual (Annex 9 to the Regulation).

Article 2.8

External monitoring

The external monitoring and audit referred to in Articles 10.1, 10.2, 10.3 and 10.4 of the Regulation shall not in any way relieve the National Focal Point or the Programme Operator of its obligations under the programme agreement regarding monitoring of the Programme and/or its projects, financial control and audit.

Article 2.9

Modification of the Programme

1. Unless otherwise explicitly stipulated in this programme agreement, any modification of the Programme is subject to prior approval by the FMC.
2. Modifications that do not affect the objective, outcomes, outputs, indicators or targets of the Programme are permitted without FMC's prior approval provided that they are limited to the following:
 - a. cumulative transfers between budget headings related to outcomes of an amount less than 10 % of total eligible expenditure of the Programme or € 1,000,000, whichever is higher, and
 - b. changes of internal practices of the Programme Operator that are not stipulated in the programme agreement.
3. Programme specific exceptions from paragraphs 1 and 2, if any, are set in the operational rules.
4. Expenditures incurred in breach of this article are not eligible.
5. Should there be a doubt as to whether the proposed modifications require approval by the FMC, the National Focal Point shall consult the FMC before such modifications take effect.
6. Requests for modifications shall be submitted and assessed in accordance with Article 5.9 of the Regulation.

Article 2.10

Communication

1. All communication to the FMC regarding this programme agreement shall take place in English and be directed to the Financial Mechanism Office (hereinafter referred to as the FMO), which represents the FMC towards the National Focal Point and the Programme Operator in relation to the implementation of the Programme.

2. To the extent that original documents are not available in the English language, the documents shall be accompanied by full and accurate translations into English.

3. The National Focal Point shall bear the responsibility for the accuracy of the translation that it provides and the possible consequences that might arise from any inaccurate translations.

4. The FMC shall ensure that the National Focal Point is informed about communication between the FMC and the Programme Operator that is relevant for the responsibilities of the National Focal Point under this programme agreement.

Article 2.11

Contact information

1. The contact information of the National Focal Point and the Programme Operator is as specified in the programme proposal.
2. The contact information for the FMC and the Financial Mechanism Office are:
Financial Mechanism Office
Att: Director
EFTA Secretariat
Rue Joseph II, 12-16
1000 Brussels
Telephone: +32 (0)2 286 1701
Telefax (general): +32 (0)2 211 1889
E-mail: fmo@efta.int
3. Changes of or corrections to the contact information referred to in this article shall be given in writing without undue delay by the Parties to this programme agreement.

Article 2.12

Representations and Warranties

1. This programme agreement and the awarding of the programme grant is based on information provided by, through, or on behalf of the National Focal Point to the FMC in the programme proposal or other communication prior to the signing of this programme agreement.
2. The National Focal Point represents and warrants that the information provided by, through, or on behalf of the National Focal Point in the programme proposal, in connection with the programme proposal, the implementation or conclusion of this programme agreement are authentic, accurate and complete.

Chapter 3 Projects

Article 3.1 Selection of projects

1. The National Focal Point shall ensure that the Programme Operator selects projects in accordance with Chapter 6 of the Regulation and the operational rules.
2. Eligibility of applicants is stipulated in Article 6. 2 of the Regulation and, in accordance with paragraph 3 thereof, subject only to the limitations stipulated in the operational rules.
3. Pre-defined projects shall be outlined in the operational rules.
4. The National Focal Point shall take proactive steps to ensure that the Programme Operator complies fully with Article 6.6 of the Regulation.

Article 3.2 Project contract

1. For each approved project a project contract shall be concluded between the Programme Operator and the Project Promoter.
2. In cases where a project contract cannot, due to provisions in the national legislation, be made between the Programme Operator and the Project Promoter, the Beneficiary State may instead issue a legislative or administrative act of similar effect and content.
3. The content and form of the project contract shall comply with Article 6.7 of the Regulation.
4. The National Focal Point shall ensure that the obligations of the Project Promoter under the project contract are valid and enforceable under the applicable law of the Beneficiary State.

Article 3.3 Project partners and partnership agreements

1. A project may be implemented in a partnership between the Project Promoter and project partners as defined in paragraph 1(w) of Article 1.5 of the Regulation. If a project is implemented in such a partnership, the Project Promoter shall sign a partnership agreement with the project partners with the content and in the form stipulated in Article 6.8 of the Regulation.
2. The partnership agreement shall be in English if one of the parties to the agreement is an entity from the Donor States.
3. The eligibility of expenditures incurred by a project partner is subject to the same limitations as would apply if the expenditures were incurred by the Project Promoter.

4. The creation and implementation of the relationship between the Project Promoter and the project partner shall comply with the applicable national and European Union law on public procurement as well as Article 7.16 of the Regulation.

5. The National Focal Point shall ensure that the Programme Operator verifies that the partnership agreement complies with this article before the signing of the project contract.

Article 3.4 Reallocation of funds

1. Reallocation of unused or cancelled financial contributions to projects shall be made in compliance with Article 6.9 of the Regulation.
2. Project grants not reallocated shall be reimbursed to the FMC in accordance with Article 6.9 of the Regulation.

Chapter 4 Finance

Article 4.1 Eligible expenditures

1. Subject to Article 7.6 of the Regulation, eligible expenditures of this Programme are:
 - a. management costs of the Programme Operator in accordance with the detailed budget in the financial plan;
 - b. payments to projects within this Programme in accordance with the Regulation, this programme agreement and the project contract;
 - c. expenditure of funds for bilateral relations in accordance with Article 7.7 of the Regulation;
2. Expenditure related to the categories referred to in subparagraphs (d), (e) and (f) of Article 7.1 of the Regulation are eligible in accordance with Chapter 7 thereof if such expenditures are explicitly approved by the FMC in the programme decision. The implementation of the activities under these categories shall be in compliance with the operational rules.
3. Eligible expenditures of projects are those actually incurred by the Project Promoter or project partners, meet the criteria set in Article 7.2 of the Regulation and fall within the categories and fulfil the conditions of direct eligible expenditure set in Article 7.3 of the Regulation as well as indirect costs in accordance with Article 7.4 of the Regulation.

Article 4.5

Irregularities, suspension and reimbursements

4. The first date of eligibility of expenditures in projects shall be set in the project contract in accordance with Article 7.14 of the Regulation. The first date of eligibility of any pre-defined projects shall be no earlier than the date on which the National Focal Point notifies the FMC of a positive appraisal of the pre-defined projects by the Programme Operator in accordance with paragraph 3 of Article 5.5 of the Regulation.

5. The maximum eligible costs of the categories referred to in paragraphs 1 and 2 are set in the programme decision. Programme specific rules on the eligibility of expenditure set in the programme decision or in the operational rules shall be complied with.

The FMC has the right to make use of the remedies provided in the Regulation, in particular Chapter 12 thereof. The National Focal Point has a duty to take all necessary measures to ensure that the provisions in Chapter 11 and 12 of the Regulation regarding irregularities, suspension of payments, financial corrections and reimbursement are complied with.

Chapter 5

Final provisions

Article 4.2

Proof of expenditure

Costs incurred by Programme Operators, Project Promoters and project partners shall be supported by documentary evidence as required in Article 7.13 of the Regulation.

Article 4.3

Payments

1. Payments to the Programme shall be made when all relevant conditions for payments stipulated in this programme agreement and the Regulation have been fulfilled.

2. Payments to the Programme shall take the form of an advance payment, interim payments and payment of the final balance and shall be made in accordance with Articles 8.2, 8.3 and 8.4 of the Regulation.

3. Payments of the project grant to the Project Promoters may take the form of advance payments, interim payments and payments of the final balance. The level of advance payments and their off-set mechanism is set in the operational rules.

4. The National Focal Point shall ensure that payments are transferred in accordance with paragraph 2 of Article 8.1 of the Regulation.

5. Chapter 8 of the Regulation shall apply to all aspects related to payments, including currency exchange rules and handling of interests on bank accounts.

Article 4.4

Transparency and availability of documents

The National Focal Point shall ensure an audit trail for financial contributions from the EEA Financial Mechanism 2009-2014 to the Programme in accordance with Article 8.8 of the Regulation.

Article 5.1

Dispute settlement

1. The Parties waive their rights to bring any dispute related to the programme agreement before any national or international court, and agree to settle such a dispute in an amicable manner.

2. If a demand for reimbursement to the FMC is not complied with by the Beneficiary State, or a dispute related to a demand for reimbursement arises that cannot be solved in accordance with paragraph 1, the Parties may bring the dispute before Oslo Tingrett.

Article 5.2

Termination

1. The FMC may, after consultation with the National Focal Point, terminate this programme agreement if:

a. a general suspension decision according to Article 12.6 of the Regulation or a decision to suspend payments according to paragraph 1(h) of Article 12.1 of the Regulation has not been lifted within 6 months of such a decision;

b. a suspension of payments according to Article 12.1 of the Regulation, other than under paragraph 1(h), has not been lifted within one year of such a decision;

c. a request for reimbursement according to Article 12.2 of the Regulation has not been complied with within one year from such a decision;

d. the Programme Operator becomes bankrupt, is deemed to be insolvent, or declares that it does not have the financial capacity to continue with the implementation of the Programme; or

e. the Programme Operator has, in the opinion of the FMC, been engaged in corruption, fraud or similar activities or has not taken the appropriate measures to detect or prevent such activities or, if they have occurred, nullify their effects.

2. This programme agreement can be terminated by mutual agreement between the Parties.

3. Termination does not affect the right of the Parties to make use of the dispute settlement mechanism referred to in Article 5.1 or the right of the FMC to make use of the remedies provided in Chapter 12 of the Regulation.

Article 5.3
Waiver of responsibility

1. Any appraisal of the Programme undertaken before or after its approval by the FMC, does not in any way diminish the responsibility of the National Focal Point and the Programme Operator to verify and confirm the correctness of the documents and information forming the basis of the programme agreement.

2. Nothing contained in the programme agreement shall be construed as imposing upon the FMC or the FMO any responsibility of any kind for the supervision, execution, completion, or operation of the Programme or its projects.

3. The FMC does not assume any risk or responsibility whatsoever for any damages, injuries, or other possible adverse effects caused by the Programme or its projects including, but not limited to inconsistencies in the planning of the Programme or its projects, other project(s) that might affect it or that it might affect, or public discontent. It is the full and sole responsibility of the National Focal Point and the Programme Operator to satisfactorily address such issues.

4. Neither the National Focal Point, the Programme Operator, entities involved in the implementation of projects, nor any other party shall have recourse to the FMC for further financial support or assistance to the Programme in whatsoever form over and above what has been provided for in the programme agreement.

5. Neither the European Free Trade Association, its Secretariat, including the FMO, its officials or employees, nor the FMC, its members or alternate members, nor the EFTA States, can be held liable for any damages or injuries of whatever nature sustained by the National Focal Point or the Beneficiary State, the Programme Operator, Project Promoters or any other third person, in connection, be it direct or indirect, with this programme agreement.

6. Nothing in this programme agreement shall be construed as a waiver of diplomatic immunities and privileges awarded to the European Free Trade Association, its assets, officials or employees.

Article 5.4
Entry into force and duration

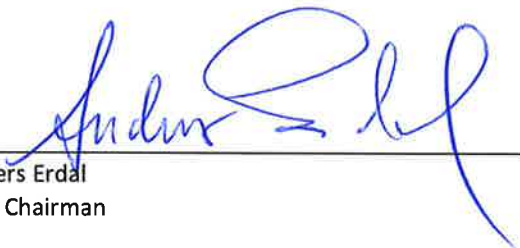
1. This programme agreement shall enter into force on the date of the last signature of the Parties.

2. This programme agreement shall remain in force until five years have elapsed after the date of the acceptance of the final programme report.

This programme agreement is drawn up in two originals in the English language.

For the FMC

Signed in Oslø on 8.10.2013



Anders Erdal
FMC Chairman

For the National Focal Point

Signed in Madrid on 15.10.2013



Fernando Fernández Melle
Deputy Director General for Cohesion Funds and European Territorial Cooperation

Annex I - Programme Decision

1. Expected Outcomes & Indicators for Outputs

Expected Outcome(s): Increased higher education student and staff mobility between Beneficiary and EEA EFTA States

Output

HE mobility programme promoted effectively among institutions and beneficiaries selected on a competitive basis

Output indicator(s)	Baseline	Target	Source of Verification
Increased awareness among HE institutions	0	40	Survey data
Number of mobility project applications received by PO	0	10	Programme operator data
Number of promotional events where EEA/NRW Grants scholarship programme was presented	0	3	Programme operator data

Output

Agreements for HE student and staff mobility formalized / existing agreements enhanced

Output indicator(s)	Baseline	Target	Source of Verification
Number of mobile students as part of new or existing mobility agreements	0	100	Project reports

Expected Outcome(s):

Increased and strengthened institutional cooperation at all levels of the education sector (school education, higher education, vocational training/education and adult education) between Beneficiary and EEA EFTA States

Output

Joint projects identified and implemented by partner institutions

Output indicator(s)	Baseline	Target	Source of Verification
Number of bilateral partnership agreements	0	40	Project reports
Number of projects	0	40	Project reports

Output

Mobility programme for institutional cooperation effectively implemented

Output indicator(s)	Baseline	Target	Source of Verification
Number of institutional cooperation project applications received by PO	0	50	Programme operator data
Number of promotional events where EEA/NRW Grants scholarship programme was presented	0	3	Programme operator data
Number of education faculty/teaching staff	0	90	Project reports
Number of collaborative research groups	0	10	Project reports

2. Conditions

2.1 General

Bilateral, outcome and output indicators shall be reported on in the annual programme report. More qualitative bilateral indicators reflecting the increased country and education sector knowledge of the cooperating countries shall be developed.

2.2 Pre-eligibility

Not applicable.

2.3 Pre-payment

Not applicable.

2.4 Pre-completion

Not applicable.

2.5 Post-completion

Not applicable.

2.6 Other

Not applicable.

3. Eligibility of costs

3.1 Eligibility of costs - period

Eligibility of costs (excluding prog prep costs): 04/06/2013-30/04/2017

Eligibility of programme proposal preparation costs: 19/11/2011-03/06/2013

3.2 Grant rate and co-financing

Programme estimated total cost (€)	€3,918,000
Programme estimated eligible cost (€)	€3,918,000
Programme grant rate (%)	100.0000%
Maximum amount of Programme grant (€)	€3,918,000

3.3 Maximum eligible costs (€) and Advance payment amount (€)

Budget heading	Eligible expenditure	Advance payment*
Programme management	€391,700	€92,165
Increased higher education student and staff mobility between Beneficiary and EEA EFTA States	€1,010,000	€50,000
Increased and strengthened institutional cooperation at all levels of the education sector (school education, higher education, vocational training/education and adult education) between Beneficiary and EEA EFTA States	€2,367,800	€1,275,968
Fund for bilateral relations	€113,800	€40,000
Complementary action	€29,200	€6,871
Preparation of programme proposal	€5,500	€6,471
Reserve for exchange rate losses	€0	€0
Total	€3,918,000	€1,471,475

* The advance payment is composed of €1,471,475 in grant amount and €0 in co-financing.

3.4 Retention of management costs

Retention of management costs - percentage of the management costs	10.00%
Retention of management costs - planned Euro value	€39,170

3.5 Small Grant Scheme

Not applicable



Annex II - Operational Rules

1. Eligibility

1.1 Eligible measures (sub-measures if any):

The Programme operator is the Complutense University of Madrid (UCM). In Spain the Scholarship Programme is called "NILS 2, Science and Sustainability" (NILS 2).

The Programme shall contribute towards the objective of "Enhanced human capital and knowledge base in the Beneficiary State" by improving and deepening academic and research collaboration, promoting scientific research on strategic fields for human wellbeing and earth sustainability.

The main focus of the Programme is mobility of higher education students and researchers, and cooperation between research groups and institutions in Spain and the Donor States in strategic fields.

The student mobility measure provides individual grants to bachelor students in Spanish universities and to master students taking part in M.Sc. programmes in Spanish universities having received an Erasmus student place in a Donor State university or a placement in an organisation or enterprise in a Donor State as part of their official study programme in Spain.

The Programme will provide opportunities for researchers at different stages of their careers to carry out joint projects under the general scope of "Science and Sustainability". Priority will be given to projects dealing with problems related to climate change, migration flows, natural resources, health, social dynamics and methodologies with a multidisciplinary approach or clear mathematical content, with a clear scientific/technological approach.

Within the Programme the following measures will be supported:

- Measure 1: Preparatory visits (funded from the bilateral fund as measure A)
- Measure 2: Mobility projects in higher education.
- Measure 6: Temporary positions or chairs in higher education institutions, designated as "Abel extraordinary chair", supporting individual mobility for researchers.
- Measure 10: Innovative actions and measures, designated as "Abel coordinated mobility", supporting mobility of research groups in the context of research collaboration between Spanish and Donor State institutions.

1.2 Eligible applicants:

The rules on eligibility of applicants are set in Article 6.2.2 of the Regulation. The following specifications apply to this Programme:

Measure 1:

Higher education institutions and public research institutions in Spain and in the Donor States;

Measure 2:

Spanish public and private universities holding an Erasmus charter and having signed LLP-Erasmus agreements with universities in Donor States. The measure includes higher education bachelor students and master students in MSc programmes only. There will be no two-way mobility (i.e. Donor State students may not apply).

Measure 6:

Active high-level researchers in a Spanish or Donor State university or public research centre, supported by their institutions.

Specific eligibility criteria:

- Abel Senior: PhD degree in experimental sciences obtained at least 5 years before the year of the call, or at least 10 years of proven experience in experimental sciences. For women having children, this period will be decreased by up to two years per child.
- Abel Postdoc: PhD degree in experimental sciences, obtained within the last five years before the call. For women having children, this period will be extended by up to two years per child.
- Abel Predoc: follows a PhD program in a Spanish or Donor State institution, preferably within a 5 year period after having obtained an academic degree allowing to start Ph D studies. For women having children, this period will be extended up to two years per child.

Measure 10:

Groups of researchers in higher education institutions and public research institutions in Spain and in the Donor States, supported by their institutions.

1.3 Special rules on eligibility of costs:

Chapter 7 of the Regulation contains the rules on eligibility of costs. The following exceptions apply:

- In-kind contributions are not eligible under this Programme.

- Two options shall be available for calculating indirect costs: actual indirect costs (Article 7.4.1.a) of the Regulation), or flat rate method (Article 7.4.1.b) of the Regulation). Overheads will be allowed as a flat rate of 20% on Programme level and up to 10% on project level. Project promoters and/or partners who used the first approach under the 6th or 7th Framework Programme of the European Commission cannot make use of the second approach.

2. Financial parameters**2.1 Minimum and maximum grant amount per project:****Measure 1**

The grant amount shall be based on real travel costs and subsistence rates; the maximum amount is €3,000 per applicant.

Measure 2

The minimum and maximum grant amounts in favour of the end-beneficiary (student) will be €600 and €1,200 per month, respectively. The minimum duration is 3 months (1 trimester), the maximum duration is 11 months (1 academic year). Thus, the minimum amounts of grant assistance to the end-beneficiary (student) applied for are €1,800 and €13,200, respectively. Organization costs, audit costs and overhead costs incurred by the project promoters are also eligible.

Measures 6 and 10

The grant amount will vary, depending on the costs covered. These may include (all or part of) the following:

- Travel expenses (based on real incurred costs);
- Living stipend, calculated according to the following rates: up to €2,000 per month for researchers moving from Norway, Iceland and Liechtenstein; up to €2,500 per month for scientists moving from Spain to Norway, Iceland and Liechtenstein;
- Tuition fees, conference fees (based on real incurred costs);
- Organization costs; overheads (max. 10% of eligible direct costs) and audit costs, if well justified.

2.2 Project grant rate:**Measure 1**

Grants from the Programme will cover 100% of total eligible project costs.

Measure 2

Grants from the Programme will cover 100% of total eligible project costs.

Measure 3

Grants from the Programme will cover 100% of total eligible project costs.

Measure 10

Grants from the Programme will cover 100% of total eligible project costs.

2.3 Advance payments:

An advance payment of up to 80% may be made upon signature of a contract between the Programme Operator and the Beneficiary. The remaining 20% will be paid out upon approval of the final report. Any advance payments will be offset against incurred expenditures during project implementation.

3. Selection of projects**3.1 Selection procedures:**

In line with Article 6.5.8 of the Regulation, the following deviations from the standard selection procedure set forth in Article 6.5 of the Regulation, shall apply:

Measure 1

Simplified procedure. Applications shall be submitted at least two months prior to the planned activity. Evaluation and selection of

applications shall take place every two months.

1. Assessment of administrative and eligibility compliance
 - Responsible: NILS Management Service
 - Output: list of eligible applications
2. Evaluation on the basis of qualitative selection criteria
 - Responsible : NILS Management Service and SIU, input by CMA – University of Oslo
 - Output: ranked list of applications
3. Awarding decision
 - Responsible: Selection Committee
 - Output: list of applications to be awarded a grant
4. Communication
 - Responsible: NILS Management Service
 - Output: awards made known to applicants and to the general public

Measure 2

1. Assessment of administrative and eligibility compliance
 - Responsible: NILS Management Service
 - Output: list of eligible applications
2. Evaluation on the basis of qualitative selection criteria
 - Responsible : NILS Management Service
 - Output: applications scored (with improvement proposals and/or risk mitigation proposals, where appropriate)
3. Evaluation by Students Selection Committee on the basis of qualitative selection criteria
 - Responsible: Students Selection Committee
 - Output: list of ranked applications to be funded
4. Awarding decision
 - Responsible: Steering Committee
 - Output: list of applications to be awarded a grant, reserve list
5. Communication
 - Responsible: NILS Management Service
 - Output: awards made known to applicants and to the general public

Measures 6 and 10

1. Assessment of administrative and eligibility compliance
 - Responsible: NILS Management Service
 - Output: list of eligible applications
2. Evaluation by experts
 - Responsible : experts, appointed by UCM, suggested by SIU, University of Oslo and UCM
 - Output: applications scored (with improvement proposals and/or risk mitigation proposals, where appropriate)
3. Evaluation by Abel Selection Committee
 - Responsible: Abel Selection Committee
 - Output: list of ranked applications to be funded
4. Awarding decision
 - Responsible: Steering Committee
 - Output: list of applications to be awarded a grant, reserve list
5. Communication
 - Responsible: NILS Management Service
 - Output: awards made known to applicants and to the general public.

3.2 Open calls and availability of funds (including number of calls, duration of calls, and estimated size):**Measure 1**

There shall be one single call for applications, which shall make available the total grant amount of €40,000. The call shall be launched as soon as possible after the Programme approval, but no later than in the third quarter of 2013, and make available the total re-granting amount. The call shall be permanently open until December 2014 or until the complete allocation of the budget, whichever occurs first.

Measure 2

There shall one single call for applications, which shall make available the total grant amount of €1,010,000. The call shall cover the academic year 2014-2015. It shall be launched as soon as possible after the Programme approval, but no later than in the third quarter of 2013. The call shall be open at least for 2 months.

Measure 6

There shall be three calls for applications, which shall make available the total grant amount of €1,627,800. The first call shall be carried out as soon as possible after the Programme approval, the second call will be held in the first quarter of 2014 and the third call no later than in the fourth quarter of 2014. Each call will cover a 2 year period (the last one ending on 31/11/2015). The calls shall be open at least for 2 months. The calls shall make available the following amounts: 1st call: up to 70% of the total grant amount; 2nd call: up to 50% of the total grant amount; 3rd call: any remaining funds.

Measure 10

There shall be three calls for applications, which shall make available the total grant amount of €740,000. The first call shall be carried out as soon as possible after the Programme approval, the second call will be held in the first quarter of 2014 and the third call no later than in the fourth quarter of 2014. Each call will cover a 2 year period (the last one ending on 31/11/2015). The calls shall be open at least for 2 months. The calls shall make available the following amounts: 1st call: up to 70% of the total grant amount; 2nd call: up to 50% of the total grant amount; 3rd call: any remaining funds.

3.3 Selection criteria:**Measure 1**

- Content and length
 - Compliance with the objectives of NILS
 - Clear and reasonable aims and activities
 - Topics and institutions to be addressed
 - Realistic length and coherence of the visit
 - Expected feasibility of the proposed activity
 - Relevance of the visit's content for the Programme
- Participants
 - Appropriate and eligible applicant and host institutions
 - Competences of the participants
- Expected results
 - Preparing an application for a measure under the Programme

Measure 2

- Applications presented by Institutions:
 - Number of bilateral agreements signed and available positions for Erasmus students in DS institutions
 - Number of positions to be co-funded
 - Number of students making for stays in DS within the previous two academic years
 - Number of students asking for such positions
- Applications presented by end-recipients:
 - Same as LLP-Erasmus programme in Spain:
 - Language skills (English admitted)
 - Student record
 - CV
 - Gender balance should be promoted
 - Awarded institutions may set up additional criteria, which will be considered as subordinated to the general criteria.

Measure 6

- Quality of the research programme proposal
- Scientific record of the researcher(s) involved
- Complementarity of participating researchers
- Feasibility and sustainability of the proposal
- Compliance of proposed research with the general focus of the Programme: science and sustainability.

Measure 10

- Quality of the research programme proposal
- Scientific record of the PIs and groups involved
- Complementarity of participating researchers and groups
- Feasibility and sustainability of proposals
- Compliance of research proposed with the general focus of NILS: science and sustainability

4. Payment flows, verification of payment claims, monitoring and reporting

4.1 *Payment flows:*

The Programme Operator shall ensure that funds are available for payments to projects in a timely manner.

Payments towards end-beneficiaries will be in the form of advance payments, and a final balance payment in the form of reimbursement of incurred expenditures. Payments to projects are made on the basis of approved interim reports.

As a general rule, payments to beneficiaries shall be made in two instalments. An advance payment up to 80% can be made upon signature of a contract between the Programme Operator and the beneficiary. The remaining 20% will be paid upon approval of the final report.

4.2 *Verification of payment claims:*

All expenses made by project promoters shall be duly justified according to Spanish law, and costs shall be supported by invoices or by accounting documents of equivalent probative value. A report from an independent and certified auditor may be seen as sufficient proof that claimed costs are incurred in accordance with the applicable Regulation.

As a general rule desk checks shall be applied. Only projects considered high financial risk shall, when appropriate, be subject to on-the-spot checks. All project promoters shall submit financial reports; 100% of the reports will be reviewed by the NILS management service, 20% of the project promoters will be required to provide supporting documentation of payments claimed, administrative documents etc., such as acceptances, credentials, arrival and stay certificates.

Financial reports shall be submitted together with activity reports in a form to be provided by the Programme Operator. The reports shall be supported by a certification from authorized personnel in each institution, stating that reported costs are in accordance with applicable regulations and that original documents are stored at the institution and available for any further verification procedure or audit.

The procedure for verification of payments claims, periodicity of reporting periods, and deadlines for reporting will be further outlined in the description of the Programme's management and control systems according to Article 4.8.2 of the Regulation.

4.3 *Monitoring and reporting:*

The procedures for monitoring and reporting are described in detail in Annex III ("Monitoring Plan") to the Programme Proposal.

5. Additional mechanisms within the programme

5.1 *Funds for bilateral relations:*

€113,800 of the eligible expenditure of the Programme is assigned to the bilateral fund at Programme level. The funds will be used for two types of measures:

1. Measure 1: Preparatory visits

Measure 1 will use €40,000 of the budget of the funds for bilateral relations.

The details for this measure are described in the relevant sections of this Annex II.

2. Bilateral activities

The remainder of the budget of the funds for bilateral relations will be used to support the following measures:

- Networking
- Exchange

- Sharing and transfer of knowledge, technology, experience and best practices between project promoters and entities in the Donor States
- Organisation of two workshops (possibly also using part of the funds for complementary action).

Target groups:

- Higher education institutions and public research institutions, their staff and researchers,
- Associations and organizations grouping scientists in experimental sciences,
- Associations and organizations of universities and public research institutions leading with experimental sciences, in Spain and in the Donor States.

Eligible applicants are institutions holding projects approved within NILS 2.

There will be one single call, which will be permanently open until March 2015. Applications shall be submitted at least two months prior to the planned activity. Evaluation and selection of applications shall take place every two months.

A simplified selection procedure will be used. Applications shall be submitted at least two months prior to the planned activity. Evaluation and selection of applications shall take place every two months.

1. Assessment of administrative and eligibility compliance

- Responsible: NILS Management Service
- Output: list of eligible applications

2. Evaluation on the basis of qualitative selection criteria

- Responsible: NILS Management Service and SIU, input by CMA – University of Oslo
- Output: ranked list of applications

3. Awarding decision

- Responsible: Selection Committee
- Output: list of applications to be awarded a grant

4. Communication

- Responsible: NILS Management Service
- Output: awards made known to applicants and to the general public

The maximum grant amount under the fund for bilateral relations will be up to €6,000 per activity. The grant rate will be 100%.

5.2 Complementary action:

€29,200 are set aside for complementary action.

The Programme Operator shall use the funds for meetings to exchange information on management issues, general national and regional education and research policies and practices, as well as to identify good practices related to students and researchers' mobility and research and education policies.

5.3 Reserve for exchange rate losses:

Not applicable.

5.4 Small Grant Schemes:

Not applicable.

6. Pre-defined projects

Not applicable.

7. Modification of the programme

Any modifications of the Programme must comply with the rules contained in the Regulation and further supplemented in Article 2.9 of the Programme Agreement.

8. Programme proposal version

Any reference to the Programme proposal in this Programme Agreement shall be interpreted as version signed by the Programme Operator on 24 December 2011, including any subsequent correspondence and communication between the Donors, the Financial Mechanism Office, the National Focal Point and the Programme Operator.

9. Miscellaneous

Not applicable.



