

10 FEB. 2014

Norwegian Financial Mechanism 2009-2014

PROGRAMME AGREEMENT

between

The Norwegian Ministry of Foreign Affairs

and

The Ministry of Finance,  
hereinafter referred to as the "National Focal Point",  
representing the Czech Republic,  
hereinafter referred to as the "Beneficiary State"

together hereinafter referred to as the "Parties"

for the financing of the Programme "EEA Scholarship Programme; Bilateral Scholarship Programme "

hereinafter referred to as the "Programme"

## Chapter 1

### Scope, Legal Framework, and Definitions

#### Article 1.1

##### Scope

This programme agreement between the Norwegian Ministry of Foreign Affairs (hereinafter referred to as the NMFA) 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 Norwegian 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 Norwegian Financial Mechanism 2009-2014:

a. the Agreement between the Kingdom of Norway and the European Union on the Norwegian Financial Mechanism 2009-2014 (hereinafter referred to as the Agreement);

b. the Regulation on the implementation of the Norwegian Financial Mechanism 2009-2014 (hereinafter referred to as the "Regulation") issued by Norway in accordance with Article 8(8) of the Agreement;

c. the Memorandum of Understanding on the Implementation of the Norwegian Financial Mechanism 2009-2014 (hereinafter referred to as the "MoU"), entered into between the Kingdom of Norway and the Beneficiary State; and

d. any guidelines adopted by the NMFA 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 Norwegian 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 NMFA 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 EEA 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 NMFA 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 NMFA of such signing.
2. The signed programme implementation agreement shall be identical to the draft programme implementation agreement confirmed by the NMFA 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 NMFA 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 NMFA.

2. Modifications that do not affect the objective, outcomes, outputs, indicators or targets of the Programme are permitted without NMFA'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 NMFA, the National Focal Point shall consult the NMFA 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 NMFA 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 NMFA 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 NMFA shall ensure that the National Focal Point is informed about communication between the NMFA 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 NMFA 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 NMFA 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 Norway.
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 NMFA 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 NMFA 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

The NMFA 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 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 NMFA 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 NMFA 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 NMFA, 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.

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 NMFA 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.

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 Norwegian Financial Mechanism 2009-2014 to the Programme in accordance with Article 8.8 of the Regulation.

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 NMFA 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 NMFA, 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 NMFA or the FMO any responsibility of any kind for the supervision, execution, completion, or operation of the Programme or its projects.

3. The NMFA 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 NMFA 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 NMFA, its officials or employees, 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.

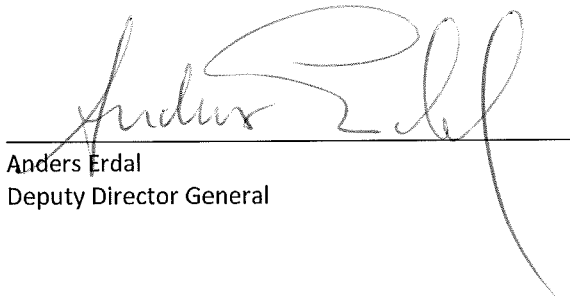
2. This programme agreement shall remain in force until five years have elapsed after the date of the acceptance of the final programme report.

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

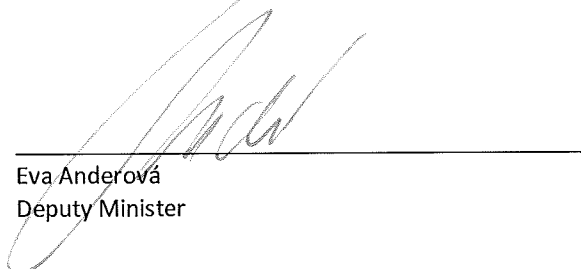
For the NMFA

Signed in Brussels on 24/01-14

  
\_\_\_\_\_  
Anders Erdal  
Deputy Director General

For the National Focal Point

Signed in PRAGA on 5.2.2014

  
\_\_\_\_\_  
Eva Anderová  
Deputy Minister

## Annex I - Programme Decision

### 1. Expected Outcomes & Indicators for Outputs

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

#### Output

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

Output indicator(s)	Baseline	Target	Source of Verification
Number of mobility project applications received by PO	0	36	National Agency's statistics
Number of promotional events where EEA/NRW Grants scholarship programme was presented	0	54	National Agency's statistics

#### Output

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

Output indicator(s)	Baseline	Target	Source of Verification
Number of new HE Mobility Agreements	0	8	National Agency's statistics
Number of mobile students as part of new or existing mobility agreements	0	90	National Agency's statistics

**Expected Outcome(s):**

Increased and strengthened institutional cooperation within the higher education sector between the Beneficiary States and Norway

#### 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	63	42	National Agency's statistics
Number of promotional events where EEA/NRW Grants scholarship programme was presented.	0	68	National Agency's statistics

#### Output

Joint projects identified and implemented by partner institutions

Output indicator(s)	Baseline	Target	Source of Verification
Number of bilateral partnership agreements	0	10	National Agency's statistics
Number of projects	41	31	National Agency's statistics

## 2. Conditions

### 2.1 General

1. 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): 31/05/2013-30/04/2017

Eligibility of programme proposal preparation costs: 17/06/2011-30/05/2013

**3.2 Grant rate and co-financing**

Programme estimated total cost (€)	€3,933,902
Programme estimated eligible cost (€)	€3,933,902
Programme grant rate (%)	89.4786%
Maximum amount of Programme grant (€)	€3,520,000

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

Budget heading	Eligible expenditure	Advance payment*
Programme management	€393,390	€44,241
Increased higher education student and staff mobility between Beneficiary States and Norway	€1,730,916	€0
Increased and strengthened institutional cooperation within the higher education sector between the Beneficiary States and Norway	€1,730,917	€0
Fund for bilateral relations	€59,009	€17,845
Complementary action	€0	€0
Preparation of programme proposal	€19,670	€19,670
Reserve for exchange rate losses	€0	€0
Total	€3,933,902	€81,756

\* The advance payment is composed of €73,154 in grant amount and €8,602 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	€35,200

**3.5 Small Grant Scheme**

Not applicable

## Annex II - Operational Rules

### 1. Eligibility

#### 1.1 Eligible measures and sub-measures:

The Programme Operator is the Centre for International Cooperation in Education (DZS/NAEP).

The Donor Programme Partners are the Icelandic Centre for Research (RANNIS), Iceland; the National Agency for International Education Affairs (AIBA), Liechtenstein; and the Norwegian Centre for International Cooperation in Education (SIU), Norway (lead DPP).

The Programme shall support institutional cooperation in the field of education between the Donor States (Norway, Iceland, and Liechtenstein) and the Czech Republic. The Programme aims to create a suitable foundation for successful partnerships between institutions and individuals involved in the educational sphere in the Czech Republic and the Donor States.

Within the programme the following three measures will be supported:

#### 1. Participation in a contact seminar and preparatory visits.

Supporting participation of potential project partners in contact seminars (sub-measure 1.1) and preparatory visits (short-term mobility of one to five days) (sub-measure 1.2).

#### 2. Mobility projects and placements

Supporting institutions at tertiary level of education such as conservatories, higher technical schools, colleges and universities, their students and education sector staff at all levels of education in Donor States and the Czech Republic. The measure combines the Scholarship Guidelines' measures 2 (Mobility projects in Higher Education) and 3 (Mobility projects in other educational institutions/education related institutions).

#### 3. Institutional cooperation projects

Supporting cooperation projects between primary schools, all types of secondary schools, conservatories, higher technical schools, colleges and universities in Donor States and the Czech Republic.

The measure combines the Scholarship Guidelines' measures 4 (Inter-institutional cooperation projects between higher education institutions) and 5 (Inter-institutional cooperation projects in education/training).

#### 1.2 Eligible applicants:

The rules on the eligibility of applicants are set in Article 6.2.2 of the Regulation. Institutions apply for project funding. Individual applicants apply to their home institutions or to the Programme Operator.

The following specifications apply to this programme:

#### Measure 1, Contact seminar and preparatory visits:

Representatives of educational institutions from the Donor States or the Beneficiary State, which may participate in measures 2 and 3.

#### Measure 2, Mobility projects and placements:

Any applying institution from the Beneficiary State must cooperate with at least one partner institution in the Donor States. A signed Partnership Agreement must be presented prior to entering into the Project Contract.

Individual applicants from Beneficiary and Donor States will be supported on the basis of a signed Performance Agreement between the home and host institutions prior to the formation of Project Contract.

##### a) Eligible applicants for the Norwegian FM:

- Students at the tertiary level of education
- Education sector staff at the tertiary level of education (Other levels of education are eligible only in case of staff mobility into institutions at tertiary level. Participants need to be college/university graduates.)
- Institutions at tertiary level of education

##### b) Eligible applicants for the EEA FM:

- Students at tertiary level of education
- Education sector staff at primary, secondary and tertiary levels of education
- Institutions at all levels of education

#### Measure 3, Inter-institutional cooperation projects:

Any applicant needs to cooperate with at least one partner institution in the Donor States.

##### a) Eligible applicants for the Norwegian FM:

- Institutions at the tertiary level of education (universities, colleges, higher technical schools and conservatories)

b) Eligible applicants for the EEA FM:

- Institutions at primary, secondary, and tertiary level of education

### 1.3 Special rules on eligibility of costs:

Costs are eligible in line with chapter 7 of the Regulation. The methodology provided for overhead allocation at project level for measure 3 is considered to be adequate. The following specifications apply:

- There will be no flat rate for overheads on either programme level or project level, with the exception of projects under measure 3; all indirect costs will be supported by invoices.
- In-kind will not be eligible.

For projects under Measure 3 the eligible indirect costs method (overheads) will apply. The applicable flat rate is 10%.

## 2. Financial parameters

### 2.1 Minimum and maximum grant amount per project:

Measure 1, Contact seminar and preparatory visits:

(for more information, see Article 3.2 and 5.1)

The overall amount which shall be made available within Measure 1 is €48,116.

Travel costs are covered on the basis of real costs, while subsistence costs are covered based on rates for the country in question (varying from €110/day – €195/day). Duration of the preparatory visits will range from 1 to 5 days.

For preparatory visits, 80% of the grant is paid in conjunction with the signing of the project contract, while the remaining amount is paid based on an approved final report and documentation of costs.

Measure 2, Mobility measures and placements:

The minimum amount of grant assistance applied for is €150/day (excluding travel expenses) for education sector staff placements, and €30/day (excluding travel expenses) for individual student placements; the maximum grant amount to individuals is €7,000 within the Norwegian FM, and €4,000 within the EEA FM. Travel expenses will be covered separately on the basis of real costs. The maximum grant amount per mobility project is €50,000 within the Norwegian FM and €20,000 within the EEA FM.

Measure 3, Inter-institutional cooperation projects:

The minimum amount of grant assistance applied for is €1.000, the maximum grant amount per project is €55,000 within the Norwegian FM and €22,000 within the EEA FM.

### 2.2 Project grant rate:

- Measure 1, Contact seminar and preparatory visits:

Grants from the Programme will either cover the real costs or be calculated on the basis of country-specific subsistence allowances (see point 2.1). Any remaining costs shall be provided or obtained by the beneficiaries.

- Measure 2, Mobility measures and placements:

Grants from the Programme will cover 100% of total eligible project costs. No co-financing will be required.

- Measure 3, Institutional cooperation projects:

Grants from the Programme will not exceed 90% of total eligible project costs. The remaining costs shall be provided or obtained by the beneficiaries.

## 3. Selection of projects

### 3.1 Selection procedures:

Measure 1, Contact seminar and preparatory visits:

The selection procedures shall be in accordance with Article 6.5 of the Regulation. As regards the expert assessment under Article 6.5.2 of the Regulation, the Programme Operator will use external evaluators or employees of DZS not being directly involved in the administration process.

Measure 2, Mobility measures and placements:

The selection procedures shall be in accordance with Article 6.5 of the Regulation. As regards the expert assessment under Article 6.5.2 of the Regulation, the Programme Operator will use employees of DZS.

### Measure 3, Institutional cooperation projects:

The selection procedures shall be in accordance with Article 6.5 of the Regulation.

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

#### Measure 1, Contact seminar and preparatory visits:

Includes contact seminar and preparatory visits. For more information on the financial parameters see section 2.1 of this Annex.

#### Measure 2, Mobility measures and placements:

There shall be at least four calls for applications. These shall in total make available €1.881.880. The first call shall be launched preferably in the fourth quarter of 2013 and make available €232.932. The second call shall be launched preferably in the first quarter of 2014 and make available €262.006. The third call shall be launched preferably in the third quarter of 2014 and make available €808.008. The fourth call shall be launched preferably in the first quarter of 2015 and make available €578.934. Funds uncommitted after an open call may be reallocated to another call under Measure 2. In case of an insufficient number of applications, insufficient value, or insufficient quality of the applications submitted in the planned open calls, the Programme Operator may conduct one or several supplementary call or calls within the eligibility deadline.

All calls shall be open at least for 2 months.

#### Measure 3, Institutional cooperation projects:

There shall be at least four calls for applications. These shall in total make available €1.881.880. The first call shall be launched preferably in the fourth quarter of 2013 and make available €397.847. The second call shall be launched in the first quarter of 2014 and make available €396.390. The third call shall be launched preferably in the third quarter of 2014 and make available €648.700. The fourth call shall be launched preferably in the first quarter of 2015 and make available €438.943. Funds uncommitted after an open call may be reallocated to another call under Measure 3. In case of an insufficient number of applications, insufficient value, or insufficient quality of the applications submitted in the planned open calls, the Programme Operator may conduct one or several supplementary call or calls within the eligibility deadline.

All calls shall be open at least for 2 months.

### 3.3 Selection criteria:

The selection criteria are composed of formal eligibility criteria (including eligible activities and eligible applicants), and a measure-specific quality criteria. Selection criteria will be announced in the texts of the calls for applications.

#### Measure 1, Contact seminar and preparatory visits:

- Fulfilment of the formal eligibility criteria (Sub-measure 1.1 – Contact Seminar and Sub-measure 1.2 Preparatory Visits):
  - o Fulfilled eligibility criteria
  - o Submission by the relevant deadline
  - o Complete and formally correct application forms
  - o Submission of the relevant annexes and their formal correctness
- Quality assessment – Sub-measure 1.1 (Contact seminar)
  - o Motivation
  - o Compatibility of all involved institutions according to the activities planned within future project cooperation and list of potential project partner institutions/countries
- Quality assessment – Sub-measure 1.2 (Preparatory visits)
  - o Motivation
  - o Agenda and plan for the activities to be undertaken
  - o Contribution of the activities planned to drafting the future project

#### Measure 2, Mobility measures and placements:

- Fulfilment of the formal eligibility criteria:
  - o Fulfilled eligibility criteria
  - o Submission by the relevant deadline
  - o Complete and formally correct application forms
  - o Submission of the relevant annexes and their formal correctness
- Quality assessment:
  - o Capacity to strengthen human capital and know how
    - Ability to address the needs of the institutions and individuals involved
    - Selection of the mobility participants
  - o Project Management
    - Work programme and timeline
    - Project partner communication and staffing
    - Planned monitoring, evaluation and dissemination activities

- o Content of the Project
  - Relevance to social sustainability and related cross-cutting issues
- Formal assessment of the requested budget in relation to activities proposed

Measure 3, Institutional cooperation projects:

- Fulfillment of the formal eligibility criteria:
  - o Fulfilled eligibility criteria
  - o Submission by the relevant deadline
  - o Complete and formally correct application forms
  - o Submission of the relevant annexes and their formal correctness
- Quality assessment:
  - o Content of the Project
    - Innovative character of the project
    - Relevance to social sustainability and related cross-cutting issues
  - o Capacity to strengthen human capital and know how
    - Ability to address needs of the institutions and individuals involved
    - Selection of the mobility participants
  - o Capacity to strengthen bilateral relations and contribute to the sustainability of the partnership
    - motivation and experience related to project cooperation
    - matching project partners
    - roles and engagement of project partners
    - ability to integrate the project in learning/study/research activities other activities of the participating organizations
  - o Project Management
    - Work programme and timeline
    - Planned monitoring, evaluation and dissemination activities
- Formal assessment of the requested budget in relation to activities proposed.

Social sustainability issues, in particular initiatives that help combat discrimination and intolerance, shall be reflected in the content related selection criteria in the open calls and shall be reported on to the Donors.

One of several equally ranked projects can be given preference on the basis of geographical, institutional and thematic considerations.

#### **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 to beneficiaries, both institutions (other than auspiced bodies and their subsidiary organizations) and individuals, will be made in two installments, 80 % upon signature of the project contract and 20 % upon approval of the final report.

Private bodies which do not have sufficient financial liquidity, will initially be paid 40 % of the overall allocation at the latest 45 days after the signature of the grant agreement. The second 40 % installment will be paid in the middle of project implementation upon submission of the obligatory interim report.

The remaining balance of up to 20% of the overall allocation will be paid to the beneficiary upon approval of the final report. This is applicable to Measure 2 (with the exception of individual mobility) and Measure 3.

State auspiced bodies and their subsidiary organizations will be paid in two installments, initially 50% of the allocation and the remaining installment will be paid upon submission of the interim report.

On project level, the grant amount for Measure 3, institutional cooperation will not exceed 90% of total eligible project costs. Co-financing does not apply for Measure 2, individual mobility, where the grant amount will be 100% of total eligible project costs.

##### *4.2 Verification of payment claims:*

Project Promoters shall submit final reports to the Programme Operator containing information on project outcomes, final payment requests and incurred expenditure.

Verification and approval of the financial part of final reports of Project Promoters will be performed by the Programme Operator. The interim reports of the Programme Operator are verified and approved by the Certifying Authority. The Programme Operator will control the eligibility of expenditure under payment claim verification procedures following chapter 7 of the Regulation. The

eligible expenses will be mentioned in the calls and listed in the related guidelines.

During the verification of payment claims, following the Programme Operator's internal standards, the claim will be certified by a financial consultant. There will be 3 possible levels of financial checks during the verification of payment claims:

- Assessment of final reports – i.e. routine control including checks of basic financial documents;
- Desk checks of supporting material – i.e. desk checks of provided copies of all financial documents;
- On the spot checks – i.e. controls in the beneficiary premises focused on original financial documents.

Desk checks and on the spot checks are foreseen to be realized on a sample of randomly selected projects. The Programme Operator however reserves the right to carry out additional desk checks and on the spot checks as deemed necessary.

Furthermore the payment claim will be verified by a financial manager, director, budget officer and accountant. Payments will be realized using an electronic banking system, where one person prepares the payment order and another person certifies the order.

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 Programme Operator monitors the execution of supported programme actions through a strategy of monitoring, which offers a structured approach, adequate methods and tools. The Programme Operator monitors both types of programme actions; Mobility projects and placements as well as Institutional cooperation projects, in accordance with the monitoring plan.

Monitoring activities will include the following:

- Assessment of final reports.
- Desk checks of supporting material.
- On the spot checks focusing on the financial aspects of the supported actions.
- Monitoring visits focusing on collecting information on qualitative aspects of programme management and on the effectiveness and impact of the supported actions.

To ensure a balanced spread of the sample of beneficiaries to be monitored, the selection criteria shall include at least the following:

- o Institutional cooperation projects:
  - the size of the beneficiary institution/organisation, ensuring a fair mix between large, medium and small ones;
  - the type of beneficiary institution (primary/secondary/tertiary level of education)
  - the geographical spread throughout the country;
  - the level of grant awarded
- o Mobility projects and placements:
  - the type of mobility (student/educational sector staff);
  - the duration of the stay
- Evaluation meetings
- Administration of the monitoring actions

## 5. Additional mechanisms within the programme

### 5.1 *Funds for bilateral relations:*

The Fund for bilateral relations at programme level shall contain 1,5% of the eligible expenditure of the programme. The fund shall be used to fund the following activities:

- Measure 1

Detailed information regarding Measure 1 is provided under the relevant sections of this Annex II.

- Other activities of the Programme Operator aimed at the support of the sustainability of the project partnerships:
  - o Organization of seminars by the Programme Operator with participation of the former Project Promoters and partners in order to contribute to the sustainability of partnerships and evaluation of the Programme.

### 5.2 *Complementary action:*

Not applicable.

### 5.3 *Reserve for exchange rate losses:*

Not applicable. The reserve for exchange rate losses is secured by the Czech Ministry of Finance.

**5.4 Small Grant Schemes:**

Not applicable.

**6. Pre-defined projects**

Not applicable.

**7. Modification of the programme**

Any modifications of the programme will follow the rules set forth in the Regulations and 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 PO on 15 February 2012, including all subsequent correspondence and communication between the Donors, the Financial Mechanism Office, the National Focal Point and the Programme Operator, including inter alia the latest consolidated programme proposal recorded in DoRIS prior to the signing of the programme agreement.

**9. Miscellaneous**

Not applicable.