

# Framework Co-operation Agreement

between

## the Financial Mechanism Office

European Free Trade Association (EFTA)

Rue Joseph II 12-16

B-1000 Brussels

Belgium

hereinafter referred to as “FMO”

and

## the Council of Europe

67075 Strasbourg

France

together hereinafter referred to as “the Parties”

### **Preamble**

Within the framework of the European Economic Area (EEA) and Norwegian Financial Mechanisms 2009-2014, the EEA EFTA states Iceland, Liechtenstein and Norway will provide €1.79 billion to reduce economic and social disparities within the EEA and also to strengthen bilateral relations between the Donor and Beneficiary States. The funds will be channelled through two financial mechanisms, namely the EEA Financial Mechanism and the Norwegian Financial Mechanism, the latter being financed exclusively by Norway. The day-to-day management of the financial mechanisms has been delegated to the FMO. The EEA Financial Mechanism and the Norwegian Financial Mechanism will fund *inter alia* programmes in the field of justice and home affairs, human and social development and target Bulgaria, Cyprus, the Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia, Slovenia and Spain as beneficiaries (“Beneficiary States”). Each Beneficiary State will implement a number of programmes to be agreed with the Donor States in a Memorandum of Understanding (MoU). A national focal point within the Beneficiary State’s government is responsible for reaching the overall objectives and will report to the Donor States. Programme operators in the Beneficiary States will design and implement the programmes. The programme operators will establish donor partnership programmes with international organisations, called donor programme partners. Their role is to advise the programme operator on both the design and the implementation phase of the programmes. The modes

of co-operation as well as their roles and responsibilities will be defined in a programme proposal to be approved by the Donor State.

The core objective of the Council of Europe is to preserve and promote human rights, democracy and the rule of law across the European continent. Council of Europe action revolves around the complete cycle of standard setting, monitoring and co-operation activities. In its areas of expertise, the Council of Europe sets recognised international standards, including over 200 international treaties, and identifies best practices. Compliance with a number of these standards is then assessed and monitored by specific Council of Europe bodies and mechanisms. The Council of Europe also has significant experience in managing and implementing technical assistance and capacity-building activities based on these standards and, where appropriate, on the results of the various monitoring exercises.

The FMO wishes to call on the Council of Europe's expertise to advise the Beneficiary States and the Donor States within the framework of the EEA Financial Mechanism and the Norwegian Financial Mechanism and therefore intends to conclude a framework co-operation agreement.

#### **Article 1      Scope and objective**

Co-operation between the FMO and the Council of Europe is based on shared aims and values, having regard to the objectives of the EEA Financial Mechanism and the Norwegian Financial Mechanism of reducing economic and social disparities in the EEA and bearing in mind the Council of Europe's core objective, the protection and promotion of human rights, democracy and the rule of law.

In the execution of this Framework Co-operation Agreement, the Council of Europe shall advise programme operators on the preparation and implementation of the programmes by sharing its unique expertise, ensuring that the programmes reflect best practice and international standards, *inter alia* by assisting the Beneficiary States in applying the Council of Europe standards. The Council of Europe will thereby influence actions in its member states within the area of its core mandate. The Council of Europe's involvement at the programme level will also facilitate networking and professional exchange within or beyond the specific programme, thus being likewise beneficial for the Council of Europe. The Council of Europe might also be called on to give advice to the Donor States.

This Agreement must be interpreted in such a manner as to be consistent with the legal framework governing the EEA Financial Mechanism and the Norwegian Financial Mechanism, as defined in the "Regulation on the Implementation of the EEA Financial Mechanism" and the "Regulation on the Implementation of the Norwegian Financial Mechanism" (hereinafter referred to as "the Regulations"). In case of a conflict between this Agreement and the Regulation, the provisions of this Agreement shall prevail.

## **Article 2      Obligations and Responsibilities of the Parties**

The Council of Europe shall assign qualified and experienced staff as advisors in support of the implementation of the EEA and Norwegian Financial Mechanisms in the 15 Beneficiary States. The modalities, such as the number of staff members concerned and the level of their commitment shall be set out in subsequent agreements to be concluded between the Council of Europe and the FMO. In order to compensate the Council of Europe for this commitment of human resources and in order to cover any costs and expenses expected to be incurred, the FMO will make contributions to the Council of Europe in respect of each Agreement, commensurate with the Council of Europe's commitment. This contribution will be determined at the outset and indicated in each Agreement.

The exact role of the Council of Europe may vary in different programmes. The Council of Europe and the programme operator should clarify *inter alia* the level of ambition for the partnership, their mutual expectations and working methods, meeting frequency, taking into account the provisions laid down in the Regulation. The tasks assigned to the Council of Europe may include, but not necessarily be limited to:

### *In the preparation phase*

- Advising the Donors and the Beneficiary States on the feasibility and scope of eventual donor partnership programmes in specific beneficiary states, assess potential programme partners and clarify to what extent the institution might add value to the proposed focus of the programme areas.
- Advising the Donors and the Beneficiary States on potential Programme Areas within the Council of Europe's field of expertise.

### *In the programme development phase*

- Advising the programme operator on the elaboration of the programme proposal in line with international best practice regarding all aspects including:
  - Problem definition;
  - Objectives;
  - Strategy, including expected outcomes and target groups;
  - Indicators and baselines;
  - Procedures for open calls for proposals and project selection criteria;
  - Budget, administration;
  - Risk management; and
  - The communication plan;
- Advising on possible pre-defined projects to be included in the programme proposal;
- Advising on possible activities within the programme to strengthen the bilateral aspects.

*During implementation*

- Participating in the “Co-operation Committee”, as defined in the Regulations. The frequency of meetings shall be defined in the programme proposal;
- Within the Co-operation Committee:
  - advising on selection criteria and the text for calls for proposals;
  - advising on possible project partners in the Donor States
  - reviewing progress made towards achieving the outcome(s) and objective(s) of the programme;
  - examining the results of the implementation of the programme;
  - reviewing the annual programme reports as well as the draft final report; and
  - advising the programme operator of any revision of the programme likely to facilitate the achievement of the programme’s expected outcomes and objectives;
- Contributing to exchange of experience and capacity building.
- Facilitating any study tours, technical seminars, experience sharing, etc included in the programme;
- Participating, in an advisory capacity, in the meetings of the Selection Committee which is the committee that recommends the projects to be funded within the Programme;
- Providing input to the Annual Programme Report and participating, as appropriate, as observer in annual meetings between the Donors and the National Focal Point in the Beneficiary States.

The Council of Europe shall inform any relevant stakeholders, including potential project promoters and project partners, about the EEA Financial Mechanism and the Norwegian Financial Mechanism, as well as about the programme co-operation.

The Parties agree to provide all information necessary for the good functioning of this Agreement and to apply the highest degree of transparency and accountability as well as to promote the principles of good governance, sustainable development and gender equality.

The Parties shall promptly inform each other of any circumstances that interfere or threaten to interfere with the successful implementation of this Agreement. In particular, the Council of Europe shall immediately inform the FMO of any cases of suspected or actual fraud, corruption or other illegal activity that come to its attention, at any level or any stage of implementation of the EEA Financial Mechanism and/or the Norwegian Financial Mechanism.

### **Article 3      Duration and termination of the Agreement**

This agreement shall come into effect on the date of the later signature of the Agreement and shall remain in force until the last donor partnership programme has been fully implemented.

This Agreement may be terminated by either party by written notice of six months. The provisions of this Agreement shall, however, remain in effect beyond the date of termination to the extent necessary to allow for completion of donor partnership programmes already underway.

Either party may terminate the Agreement if the other party is in breach of the provisions of this Agreement, in particular in the cases listed under Article 4.

#### **Article 4 Code of conduct and conflict of interest**

##### **(1) Ethical standards**

The Parties shall observe the highest ethical standards during the implementation of the Agreement, and shall ensure the application of adequate and effective means to prevent illegal or corrupt practices. The Council of Europe confirms that its own relevant internal rules and regulations provide for the same standards as established in this Article.<sup>1</sup>

If one of the Parties or any of its sub-contractors or staff members offer to give or agree to offer or to give or give to any person, any bribe, gift, gratuity or commission as an inducement or reward for doing or forbearing to do any act in relation to this Agreement, or for showing favour or disfavour to any person in relation to this Agreement the other Party may terminate this Agreement forthwith, without prejudice to any accrued rights of the Institution under the Agreement.

##### **(2) Other income**

The contributions to the Council of Europe under any future Co-operation Agreements shall constitute the only financing it may receive in connection with the Agreement and neither it nor its staff shall accept any commission, discount, allowance, indirect payment or other consideration in connection with, or in relation to, or in discharge of, its obligations under this Agreement.

##### **(3) Professional secrecy**

Both parties and their staff shall maintain professional secrecy, for the duration of this Agreement and after completion thereof. In this connection, except with the prior written consent of the other Party, neither Party nor the personnel employed or engaged by it shall at any time communicate to any person or entity any information that may adversely affect the successful implementation of the Programme Agreement.

##### **(4) Conflict of interest**

The Parties shall take all necessary measures to prevent or end any situation that could compromise the impartial and objective execution of the Agreement. Such conflict of interests could arise in particular as a result of economic interest, political or national affinity, family or emotional ties, or any other relevant connection or shared interest. Any

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<sup>1</sup> Charter on professional ethics of 15 July 2005 ; Council of Europe Purchasing Code of Ethics of 25 October 2005 ; Rule No. 1282 of 18 October 2007 on the declaration of interests in the context of procurement; Rule No. 1327 of 10 January 2011 on awareness and prevention of fraud and corruption

conflict of interests, which could arise during the execution of the Agreement, must be notified in writing to the other Party without delay.

The Parties shall refrain from any contract, which would compromise their independence or that of their staff. If one of the Parties fails to maintain such independence, the other Party may, without prejudice to compensation for any damage, which it may have suffered on this account, terminate this Agreement forthwith, without giving formal notice thereof.

#### **Article 5 Health and Social Cover**

The Council of Europe will arrange for health, social and travel insurance for its staff members carrying out the activities described under Article 2. It shall cover any risks concerning illness, maternity and accident which might occur during the implementation of this Agreement.

#### **Article 6 Audits and controls**

The activities performed by the Council of Europe under this Agreement shall be subject to the same audits and controls to which the organisation is subject in connection with its normal activities.

In addition, the Council of Europe is subject to any audit and control done by the FMO, the Financial Mechanism Committee and/or the EFTA Board of Auditors. The audits and controls performed by these institutions are limited to the activities performed by the Council of Europe in connection with the donor partnership programme and expenses related to these activities. The Council of Europe shall be notified in writing at least two working days before any such audits or controls.

The Council of Europe shall, upon request, ensure that the authorised representatives carrying out such audits and controls are accompanied by relevant personnel and provide them with the necessary assistance.

The Council of Europe shall give the FMO, the Financial Mechanisms Committee or the EFTA Board of Auditors prompt, full, and unimpeded access to all information, documents, persons, locations and facilities, relevant to the costs covered by the FMO under this Agreement.

It is understood that the audits and controls will be carried out in consultation and liaison with the External Auditor of the Council of Europe.

#### **Article 7 Public Access to Information**

The Parties shall make their best efforts to communicate results and experiences arising out of this Agreement to the public, including in their annual reporting and other relevant publications.

**Article 8 Force Majeure**

In the event of force majeure, both parties shall be released from the application of this Agreement. Force majeure is defined as any event that can neither be anticipated nor controlled by either party. In the event of such circumstances, each Party shall notify the other Party accordingly in writing within a period of seven calendar days.

**Article 9 Dispute settlement**

The Parties waive their rights to bring any dispute related to this Agreement before any national or international court, and agree to settle such a dispute in an amicable manner. Nothing in this Agreement shall be deemed as a waiver of any of the privileges and immunities of the Council of Europe or of the European Free Trade Association.

**Article 10 Language**

All communication between the Parties shall take place in English.

**Article 11 Modifications**

The provisions of this agreement cannot be modified without a written agreement between both parties.

**Article 12 Contact Details**

All communication related to the implementation of this agreement should be directed to the relevant contact persons.

Contact person for the Council of Europe:

Mr Matthew Barr  
Resource Mobilisation and Donor Relations  
Directorate General of Democracy and Political Affairs  
Council of Europe  
F-67075 Strasbourg Cedex  
matthew.barr@coe.int

Contact person for the Financial Mechanism Office:

Anne Marie Borgvad  
Senior Sector Specialist – Justice and Home Affairs  
abo@efta.int

This Agreement has been prepared in two originals, of which each Party has received one.

Brussels, 2 May 2011

For the Financial Mechanism Office

For the Council of Europe

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Ms Stine Andresen  
Director

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Mr Jean-Louis Laurens  
Director General of Democracy  
and Political Affairs