

EEA Financial Mechanism 2009-2014

PROGRAMME AGREEMENT

between

The Financial Mechanism Committee
established by Iceland, Liechtenstein and Norway

and

The Ministry for Environment, Spatial Planning and Energy (MAOTE),
hereinafter referred to as the "National Focal Point",
representing Portugal,
hereinafter referred to as the "Beneficiary State"

together hereinafter referred to as the "Parties"

for the financing of the Programme "Public Health Initiatives"

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

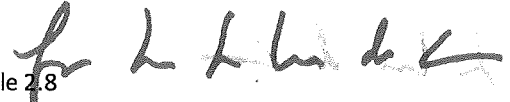
Programme implementation agreement

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.

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.

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

For the FMC

Signed in Ostlo on 22.11.2013



Anders Erdal
FMC Chairman

For the National Focal Point

Signed in Lisbon on 28/11/2013



Jorge Moreira da Silva
Minister for Environment, Spatial Planning and Energy

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.

Annex I - Programme Decision

1. Expected Outcomes & Indicators for Outputs

Expected Outcome(s): Reduced inequalities between user groups

Output

Educational and informative tools aimed at strengthening knowledge and skills of vulnerable groups about healthy and low price diets developed

Output indicator(s)	Baseline	Target	Source of Verification
Number of educational and interactive electronic tools produced to help and inform children, families and institutions about healthy eating, including choices at low prices and physical activity.	0	2	Educational and electronic tools and materials

Output

Capacity to deal with nutritional inequalities in schools improved

Output indicator(s)	Baseline	Target	Source of Verification
Number of new training programmes developed at regional level existing guidelines	0	7	Training programmes manuals and report of training sessions

Output

Institutional capacity to provide nutritional quality meals at social canteens for vulnerable groups improved

Output indicator(s)	Baseline	Target	Source of Verification
Number of new training programmes developed at regional level	0	7	Training sessions reports, guidelines and training material produced

Output

Training programme for professionals in the area of socio-economic inequalities and nutrition developed

Output indicator(s)	Baseline	Target	Source of Verification
Number of regional training sessions	0	20	Annual report

Output

Training programmes for health professionals aiming to improve the nutritional health status in elderly people completed

Output indicator(s)	Baseline	Target	Source of Verification
Number of implemented regional training programmes for community and primary care professionals (on different health regions)	0	5	Report of training sessions
Number of regional training programmes for hospital based professionals	0	2	Report of training sessions

Expected Outcome(s): Improved mental health services

Output

Mental Health Financing Systems Improved

Output indicator(s)	Baseline	Target	Source of Verification
Number of reports on evaluation of current mental health financing and management system	0	1	Progress report and final report
Number of improved mental health financing and management systems	0	1	Pilot implementation report and progress report

Output

Mental health at work and for population groups mostly affected by the economic crisis promoted

Output indicator(s)	Baseline	Target	Source of Verification
Number of intervention programmes on the promotion of mental health at the workplace promoted	0	3	Assessment of implementation / DG Health
Number of support programmes to those unemployed due to the economic crisis implemented	0	3	Assessment of implementation / DG Health

Output

Primary healthcare capacity to treat depression improved

Output indicator(s)	Baseline	Target	Source of Verification
Number of regional professional training sessions for depression treatment and suicide prevention in primary healthcare	0	3	Assessment of implementation / DG Health

Output

Prevention programmes at schools for promotion of mental health among children and adolescents developed

Output indicator(s)	Baseline	Target	Source of Verification
Number of regional professional training sessions in primary healthcare and schools	0	3	Assessment of training programmes
Number of regional programmes running in schools in liaison with primary healthcare implemented	0	3	Assessment of implementation

Output

Access to mental health services for population groups affected by the economic crisis improved

Output indicator(s)	Baseline	Target	Source of Verification
Number of reports on the impact of the economic crisis on the population mental health developed	0	1	Final report and analysis of survey
Number of plans developed to reduce health inequalities and mental health problems linked with the economic crisis	0	1	Plan and evaluation of the plan

Expected Outcome(s): National health registries and health information systems, data management and use improved

Output

Improved information on best practices on promotion of healthy diets collected and disseminated at national level

Output indicator(s)	Baseline	Target	Source of Verification
Number of databases with projects and good practices in the area of promotion of healthy diets for vulnerable groups	0	1	Annual progress report from project's management team and production of database as well as online availability

Output

Prevalence and socioeconomic determinants of food insecurity in the Portuguese population collected

Output indicator(s)	Baseline	Target	Source of Verification
Number of reports on prevalence and socioeconomic determinants of food insecurity	0	3	Report published and disseminated
Number of policy guidelines to reduce the prevalence of food insecurity in Portuguese population	0	1	Policy guidelines published and disseminated

Output

Information on food intake and physical activities at national level improved

Output indicator(s)	Baseline	Target	Source of Verification
Number of reports available from the national inquiry on food intake, physical activity and health, and their relation to the socioeconomic situation	0	3	Report published and disseminated

Output

Nationally representative Health Examination Survey implemented

Output indicator(s)	Baseline	Target	Source of Verification
Number of professional trainings in health examination survey held	0	5	Mission, regional training programmes, training session reports
Number of partial and final data report of health examination survey	0	4	1 database, 1 general report, 3 thematic reports
Number of final database for health examination survey developed	0	1	Written requests for use of database for specific analysis
Number of training manuals for regional teams	0	4	Information and training materials and activities for regional teams; information summaries for young and elderly population and health professionals

Output

National registry information system on healthcare associated infections and antimicrobial resistance improved

Output indicator(s)	Baseline	Target	Source of Verification
Number of registries / information systems improved	0	2	Annual progress report

Output

National Nutritional Status Surveillance for elderly people in communities undertaken

Output indicator(s)	Baseline	Target	Source of Verification
Number of reports on the National Nutritional status Surveillance in elderly people developed	0	1	Report published and disseminated

Expected Outcome(s): Improved prevention and treatment of communicable diseases (including HIV/AIDS and TB)

Output

Information systems for laboratory surveillance of communicable diseases (HIV recent infections, antiviral resistance, TB, STIs) healthcare associated infections and antimicrobial resistance developed and implemented

Output indicator(s)	Baseline	Target	Source of Verification
Number of sub-systems implemented	1	6	Public health reports on HIV and co-infections in most at risk populations / progress reports
Number of regional professional training (1 per healthregion / issue) actions	0	17	Progress reports and final reports

Output

Interventions aiming at assessing and reducing communicable and vaccine preventable diseases among defined groups at risk developed

Output indicator(s)	Baseline	Target	Source of Verification
Number of interventions / actions for reducing new infections in defined groups at risk in different health regions	0	5	Progress reports and final reports
Number of actions aimed to assess population susceptibility to vaccine preventable diseases	0	1	Progress reports and final reports

Output

Awareness on healthcare associated infections, antimicrobial resistance and use of antibiotics raised

Output indicator(s)	Baseline	Target	Source of Verification
Number of guidance frameworks	0	10	Guidance framework, progress reports, final reports
Number of regional professional training courses on healthcare associated infections, antimicrobial resistance and antibiotics use	0	10	Annual progress report

2. Conditions

2.1 General

- 1) The National Focal Point shall ensure that any public support under this Programme complies with the procedural and substantive state aid rules applicable at the time when the public support is granted. The National Focal Point shall, by way of the programme implementation agreement, ensure that the Programme Operator maintains written records of all assessments concerning compliance with state aid rules, particularly decisions to award grants and set grant rates, and provides such records to the FMC upon request. The approval of the Programme by the FMC does not imply a positive assessment of such compliance.
- 2) Bilateral, outcome and output indicators shall be reported on in the annual programme report.
- 3) The outcome and output indicators, as well as bilateral indicators shall be reviewed and submitted to the FMC for approval prior to the first disbursement to projects.
- 4) A methodology on the calculation in line with Article 7.13.4 of the Regulation for the flat rate to be applied to indirect eligible costs (overheads) in accordance with Article 7.4.1(b) of the Regulation shall be submitted to the FMO no later than two weeks prior to the deadline for providing to the FMC the text of the call for proposals, as required by Article 6.3.4 of the Regulation.
- 5) The National Focal Point shall ensure that the Programme Operator ensures that costs incurred by project partners, including partners of pre-defined projects, are covered from the project budget.

2.2 Pre-eligibility

Not applicable.

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2.3 Pre-payment

1) A detailed budget breakdown in respect of the pre-defined project shall be submitted to the FMC for approval before the signature of the project contract, and before any payments to the project will be made.

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): 15/04/2013-30/04/2017

Eligibility of programme proposal preparation costs: 30/03/2012-14/04/2013

3.2 Grant rate and co-financing

Programme estimated total cost (€)	€11,764,706
Programme estimated eligible cost (€)	€11,764,706
Programme grant rate (%)	85.0000%
Maximum amount of Programme grant (€)	€10,000,000

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

Budget heading	Eligible expenditure	Advance payment*
Programme management	€1,123,529	€227,252
Reduced inequalities between user groups	€2,372,200	€474,440
Improved mental health services	€2,700,000	€350,000
National health registries and health information systems, data management and use improved	€3,604,859	€720,972
Improved prevention and treatment of communicable diseases (including HIV/AIDS and TB)	€1,740,000	€154,295
Fund for bilateral relations	€176,471	€53,000
Complementary action	€28,580	€5,716
Preparation of programme proposal	€19,067	€19,067
Reserve for exchange rate losses	€0	€0
Total	€11,764,706	€2,004,742

Annex II - Operational Rules

1. Eligibility

1.1 Eligible measures (sub-measures if any):

The Programme Operator is the Portuguese Ministry of Health / Central Health Administration (ACSS). The Donor Programme Partner is the Norwegian Institute of Public Health.

The Programme will be implemented through open calls and a pre-defined project entitled "improvement of epidemiological health information to support public health decision and management in Portugal – towards reduced inequalities, improved health and bilateral cooperation".

The Programme has five main components, all of which are focused on improved public health and reduced social inequalities through targeted activities in health information and promotion, notably in the fields of nutrition, mental health, communicable diseases, reproductive, infantile and juvenile health as well as collection and dissemination of essential health information data.

1.2 Eligible applicants:

The rules on eligibility of applicants are set in Article 6.2 of the Regulation.

1.3 Special rules on eligibility of costs:

Costs are eligible in accordance with Article 7 of the Regulation.

2. Financial parameters

2.1 Minimum and maximum grant amount per project:

The minimum amount of grant assistance applied for is €175,000; the maximum amount is €850,000.

2.2 Project grant rate:

Grants from the Programme will not exceed 85% of total eligible project costs, except in the case of those projects where the Project Promoter falls under the definition of non-governmental organisations contained in 1.5.1(m) of the Regulation, where the grant from the Programme will not exceed 90% of total eligible project costs. The remaining costs of the project shall be provided or obtained by the Project Promoter.

3. Selection of projects

3.1 Selection procedures:

The selection procedures for projects shall in all cases be in accordance with Chapter 6 of the Regulation. The experts referred to in Article 6.5.2 of the Regulation shall be impartial and independent of the Programme Operator and the Selection Committee.

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

There shall be at least one call for proposal making available €9,064,654. The call for proposals will be launched no later than in the fourth quarter of 2013.

A second call may be launched if there are funds uncommitted as a result of the first call.

The calls shall be open for at least 2 months.

3.3 Selection criteria:

The detailed selection criteria will be specified in the text for the calls for proposals. The project selection criteria shall be developed by the Programme Operator and approved by the Cooperation Committee. In general the selection criteria will reflect the following:

- Contribution to the objectives of the Programme including contribution to the outcomes and outputs of the Programme;

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* The advance payment is composed of €1,704,031 in grant amount and €300,711 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	€95,500

3.5 Small Grant Scheme

Not applicable

- Capacity and expertise of the Project Promoter;
- Project feasibility;
- Sustainability of the project results;
- Project design in respect to the budget;
- Existence and quality of project partnerships.

The text for the calls for proposals shall ensure that the Programme focuses on local and regional actions and supports community action research.

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

4.1 Payment flows:

Payment flows towards final beneficiaries will take the form of advance payments, interim payments and payments of the final balance.

Project Promoters have the possibility to request an advance payment not exceeding 20% of the total grant amount, depending on liquidity needs. An advance payment is disbursed within 15 working days after the project contract is signed.

Interim payments shall be made to Project Promoters based on approved payment claims. The sum of the advance and interim payments may not exceed 90% of the total project grant at any time during the project. The payment of the final balance will be disbursed after the approval of the final report.

The Programme Operator shall ensure that payments to Project Promoters are done in a timely manner.

The deadlines for submitting and assessing interim financial reports (expense claims) will be set in the project contract. Project Promoters will report to the Programme Operator on incurred expenditures, actual progress and pre-payment forecast through the interim reports as per the terms of the project contract.

The payment flows procedure will be further outlined in the description of the Programme management and control systems according to article 4.8.2 of the Regulation.

4.2 Verification of payment claims:

Payment claims are submitted by the Project Promoter to the Programme Operator in line with the terms of the project contract. Verification and approval of payment claims will be performed by the Programme Operator through desk checks of the payment claims.

Supporting documents to verify incurred expenditure are submitted when required by the Programme Operator. The Programme Operator shall verify the expenditure declared by the Project Promoters by performing desk checks of the supporting documents based on risk assessment and/or using random samples.

In line with Article 7.13.3 of the Regulation, a report by an independent and certified auditor, certifying that the claimed costs are incurred in accordance with this Regulation, the national law and accounting practices of the project partner's country, shall, subject to Article 7.13.5 of the Regulation, be seen as sufficient proof of costs incurred by a Project Promoter or a project partner whose primary location is in a Donor State or a Beneficiary State.

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

4.3 Monitoring and reporting:

Project Promoters shall submit interim project progress report(s) on project implementation and one final report following project completion. The timing and the frequency of the submission of interim project progress report(s) shall be specified in the project contract.

The Programme Operator shall conduct annual monitoring of a sample of projects, selected based on risk assessment and including random samples. The projects will be monitored through project reports, reviews and project visits (on-site visits) based on the annual monitoring plan.

The aim of the interim project progress reports, project reviews and on-site visits is to make sure that the projects are implemented in accordance with the requirements of the Regulation and the project contracts, to verify procurement procedures and the cost efficiency of incurred expenditures and to assess the achievement of objectives and indicators and the impact of the results of projects.

On-site visits on an ad-hoc basis may also be carried out when suspicions arise that the information provided by the Project Promoter is incorrect or misleading. On-the-spot checks on an ad-hoc basis may also be organised for other reasons.

Irregularities will be handled in accordance with Chapter 11 of the Regulation.

Information on Reporting and Monitoring shall be further outlined in the description of the Programme's Management and Control System according to Article 4.8.2 of the Regulation.

5. Additional mechanisms within the programme

5.1 Funds for bilateral relations:

The Programme Operator will set aside minimum 1,5 % (€176,471) of the total programme budget for a fund for bilateral relations.

The following activities will be supported under the fund for bilateral relations:

- a) search for project partners from the Donors States prior to or during the preparation of a project application and the development of such partnerships. One third of the bilateral fund will be allocated to this measure. Funds not spent under measure a) might be transferred to measure b).
- b) networking, exchange, sharing and transfer of knowledge, technology, experience and best practices between Project Promoters and entities in the Donor States. Two thirds of the bilateral fund will be allocated to this measure.

The maximum grant rate under the fund for bilateral relations is 90%.

The details of use of the bilateral fund, the detailed procedures and criteria for awarding support from the fund, and any other relevant details will be further developed by the Programme Operator, shall be agreed with the Donor Programme Partner and decided upon in the Cooperation Committee.

Costs under the bilateral fund are eligible in accordance with Chapter 7.7 of the Regulation.

5.2 Complementary action:

The Programme Operator will set aside €28,580 (0,24% of the total programme budget) for complementary actions under the Programme.

Complementary action under this Programme shall be further defined by the Programme Operator in consultation with the Donor Programme Partner.

5.3 Reserve for exchange rate losses:

Not applicable.

5.4 Small Grant Schemes:

Not applicable.

6. Pre-defined projects

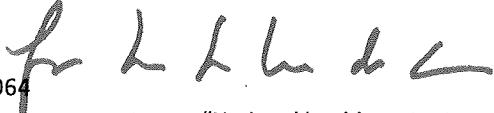
Title: "Improvement of epidemiological health information to support public health decision and management in Portugal – towards reduced inequalities, improved health and bilateral cooperation"

Project Promoter: The Portuguese National Institute of Public Health (INSA)

Donor project partner: The Norwegian Institute of Public Health, Department of Epidemiology

Maximum grant amount: €1,352,404

Project grant rate: 85%



Estimated total project cost: €1,591,064

This project shall contribute to the programme outcome "National health registries and health information systems, data management and use improved".

The main aim of the pre-defined project is to contribute to improved Public Health and reduced health inequalities among the Portuguese population, through improved delivery, communication and use of reliable epidemiological information based on strengthened national health information systems and health registries.

The pre-defined project will include the following activities:

1. Capacity-building on producing, disseminating and using epidemiological data;
2. Implementation of a system that delivers information resulting from the first health examination survey in Portugal (EHS/INSEF) to all relevant target audiences, thereby contributing to reducing inequalities in access to health information;
3. Fostering the use of a national health registry including biological material to support evidence based interventions aiming to reduce health inequalities.

7. Modification of the programme

Any modifications of the programme will follow the rules set forth in the Regulation 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 the version signed by the Programme Operator on 28 November 2012, and shall include all subsequent correspondence and communication between the FMC, the Financial Mechanism Office, the National Focal Point and the Programme Operator.

9. Miscellaneous

Not applicable.

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