



**Ministry of Environment, Spatial Planning and Regional Development**

**European Economic Area**

**Financial Mechanism 2004- 2009**

**National Focal Point**

**Portugal**

**ANNUAL REPORT for 2008 ACTIVITIES**

**May 2009**



## Table of Contents

Abbreviations.....	3
Executive Summary.....	4
1. Institutional Framework.....	5
1.1. Financial Allocation Status of the Programming Framework .....	5
1.2. Auditing Activities .....	6
1.2.1. Focal Point Actions.....	6
1.2.2. IGF and IFDR Actions.....	7
1.3. Bilateral Relations .....	7
2. Technical Assistance Fund .....	10
3. Block Grants .....	11
3.1. Implementation of the Scholarship and Training Fund .....	11
3.2. Implementation of the NGO Fund.....	13
4. Individual Projects.....	15
4.1. Projects Data .....	15
4.2. Impacts of the Projects.....	17
4.3. Monitoring and Evaluation .....	20
5. Information and Communication .....	21
5.1. Communication Action Plans .....	21
5.2. Publicity Friendly Projects List .....	22
6. Action Plans.....	23
6.1. Work Plan for 2009 .....	23
6.2. Communication Action Plan .....	24
Annexes.....	25
Annex 1 - Annual Meeting Summary .....	26
Annex 2 – Projects’ Status (first quarter 2009) .....	33
Annex 3 – Template for Monitoring Data .....	34
Annex 4 - Expenses Flow .....	37
Annex 5- List of Selected Projects - NGO FUND .....	38



## **Abbreviations**

APA – Agência Portuguesa do Ambiente (Portuguese Environment Agency)

CIG – Comissão para a Cidadania e Igualdade de Género (Citizenship and Gender Equality Commission)

DS – Donor States

EEA – European Economic Area

FCT – Fundação para a Ciência e Tecnologia (Foundation for Science and Technology)

FM – Financial Mechanism

FMC – Financial Mechanism Committee

FMO – Financial Mechanism Office

GOL – Grant Offer Letter

GA – Grant Agreement

IB – Intermediary Bodies

IFDR – Instituto Financeiro para o Desenvolvimento Regional (Regional Development Financial Institute)

IGF – Inspeção Geral de Finanças (National Financial Auditing Organization)

IHRU – Instituto da Habitação e Reabilitação Urbana (Housing and Urban Rehabilitation Institute)

MoU – Memorandum of Understanding

NFP – National Focal Point

NGO – Non Governmental Organizations

STF – Scholarship and Training Fund

PIP – Project Implementation Plan

PIR – Project Interim Report

TA – Technical Assistance



## **Executive Summary**

The present report presents the work done in the implementation of the 2004-2009 Financial Mechanism during 2008 until the final commitment date of the Fund, 30<sup>th</sup> of April 2009. This is a period of clarification of almost all the procedures inside the Management Unit and outside of it, in the relationships with the promoters of Individual Projects and Block Grants, on one side, and with the Paying Authority on the other side.

During this period, difficulties were identified and solutions were sought, particularly in respect to delays in the financial implementation of the projects. These difficulties are now overcome and procedures are running smoothly. The number of payment claims in the first quarter of 2009, covering periods of 6 to 12 months, is very significant.

In spite of this effort, the current financial implementation rate is still very low. However, we are confident that the analysis, validation and certification of all the payment claims that are currently being processed will change significantly the situation.

Until April 30<sup>th</sup> 2009, all the available funds for Portugal under the EEA FM 2004-2009 were committed, after the Donor States approval to the allocation of the remaining amounts from the Individual Projects to the Critical Urban Areas Programme.

Regarding the monitoring activities, besides the permanent monitoring actions performed to all projects by the NFP, an external monitoring action for one project was promoted by the FMO. Regular meetings with the Monitoring Committee were initiated in June 2008 and continued in February 2009.

Concerning the auditing activities, the Management Unit was submitted to a high-level action carried out by IGF, the major auditing body. On another level, negotiations with the Payment Authority were initiated for the design of an auditing plan.

Bilateral relations were strengthened in this period, as in the second call for proposals there was a stronger requirement for the establishment of partnerships with institutions from the Donor States.

Some relevant documents are available in the appendices.



## 1. Institutional Framework

### 1.1. Financial Allocation Status of the Programming Framework

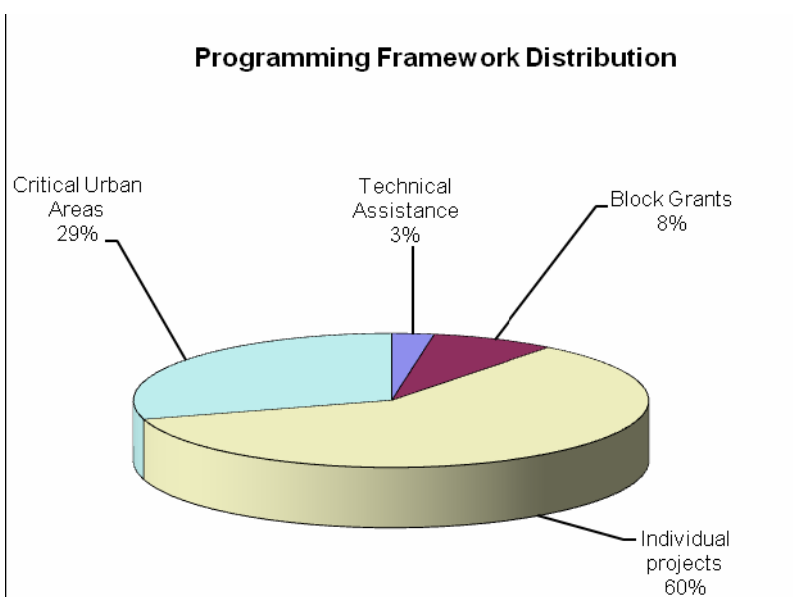
Having reached the final commitment date for the current FM – April 30<sup>th</sup>, 2009 – the overall commitment of funds represents 100% of the total allocated amount of the Financial Mechanism 2004-2009, as shown in the following table.

Description	Amounts in Euros	Committed Amounts	Committed %	Observations
<b>Total allocated amount 2004-2009</b>	<b>31.320.000</b>	<b>31.320.000</b>	<b>100,0</b>	
FMO management costs	1.252.800	1.252.800	100,0	
<b>Total net amount 2004- 2009</b>	<b>30.067.200</b>	<b>30.067.200</b>		
FMO costs for appraisal, monitoring and ex-post evaluation	360.806	360.806	100,0	Revised in 2007
<b>Total available for Projects, Programmes and other Funds</b>	<b>29.706.394</b>	<b>29.706.394</b>	<b>100,0</b>	
Technical Assistance Fund	783.000	783.000	100,0	
NGO Fund	2.038.930	2.038.930	100,0	At IB level
Scholarship Fund	291.276	291.276	100,0	At IB level
Individual Projects	18.055.356	17.801.193	98,59	All calls closed
Critical Urban Areas Programme	8.537.832	8.791.995	102,98	Alloc. remaining amounts

One of the most relevant features of the EEA FM 2004-2009 implementation in Portugal is its appropriation by end beneficiaries.

As shown in the following picture, the vast majority (near 70%) of the funds were distributed to projects selected through public open call procedures, of which 60% directly to Individual Projects and 8% to NGO and Scholarship end beneficiaries through Block Grants.





## 1.2. Auditing Activities

### 1.2.1. Focal Point Actions

Diverging from the 2008 work plan, no auditing activities were promoted by the NFP during the last year. This is justified by the very low financial completion rate of most projects.

To understand the reasons for these low rates, several monitoring actions were carried out aiming at facilitating processes and improving direct information flows between project promoters and the NFP, particularly regarding payment claims and reprogramming some of the projects that presented larger delays.

The FMO announced his intention to carry out during 2009 external monitoring actions in projects PT0014, PT0017, PT0020, PT0022, PT0028, PT0029, PT0032, PT0033 and PT0046. These actions will take place during the 2nd semester 2009, concentrated mostly in September and October.

Considering that, the overall amount of certified and paid expenses is below 10% at the end of the first quarter of 2009, selecting a significantly representative sample of projects to be audited in addition to those already mentioned is not possible for the moment. However, considering the number of payment claims currently being processed at the Management Unit, it is possible to anticipate a substantial increase of the financial completion rate in 2 to 3 months. At that moment, the Management Unit, in close cooperation with the Control and Auditing Services of the Paying Authority, will develop an auditing plan to implement during the 2nd semester 2009.



### 1.2.2. IGF and IFDR Actions

A second audit to the Technical Assistance project (PT0005) was done by IGF (high level auditing authority) at the end of 2008 as a follow-up of the recommendations of the previous audit to the managing and control systems. The final report is about to be sent to the NFP and it will to be sent to the FMO.

The draft conclusions of this report can be summarized as follows:

- The financial completion rate is still low in Individual Projects and in Block Grants. This affects the possibility of stating an opinion about the functioning of the management and control systems;
- The National Management Unit is planning operation control actions to be carried out by external auditors. The definition of methodologies and criteria for sample selection is not yet concluded;
- The adoption by the National Focal Point of the responsibility for the presentation of the Annual Audit Syntheses, although in line with the terms of the MoU, collides with the principle of independence between the control and auditing systems.

According to the IGF recommendations the NFP and the Paying Authority will review the management and control instruments and procedures in order to respect the principle of segregation of functions and to speed the completion of projects. The NFP will use the IFDR segregated audit structure to carry out his auditing actions, the methodologies and sampling criteria being defined in close cooperation with the Management Unit.

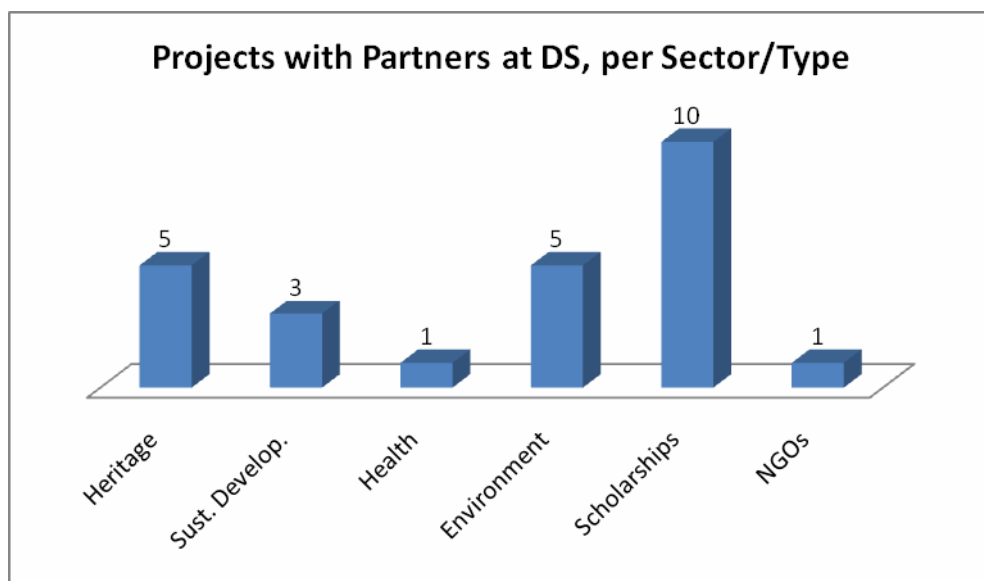
### 1.3. Bilateral Relations

The Annual Meeting held in 2<sup>nd</sup> April 2008 gathered the National Focal Point and the Donor States at the political and technical levels, giving the opportunity to discuss several issues around the Annual Report for 2007 activities and working on the priorities for 2008. The Minutes are available in Annex 1.

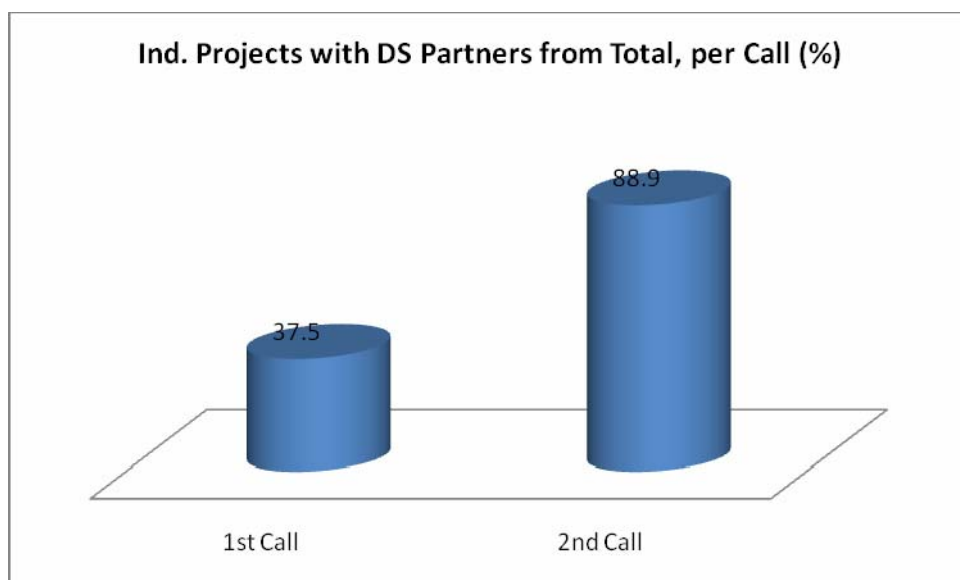
In line with the cooperation achievements from previous years of the current FM, the establishment of various partnerships between the Donors and Beneficiary States' institutions marked 2008.



The Grant Agreements of Individual Projects approved upon the last open call concluded an interesting framework of bilateral relations, as shown below.

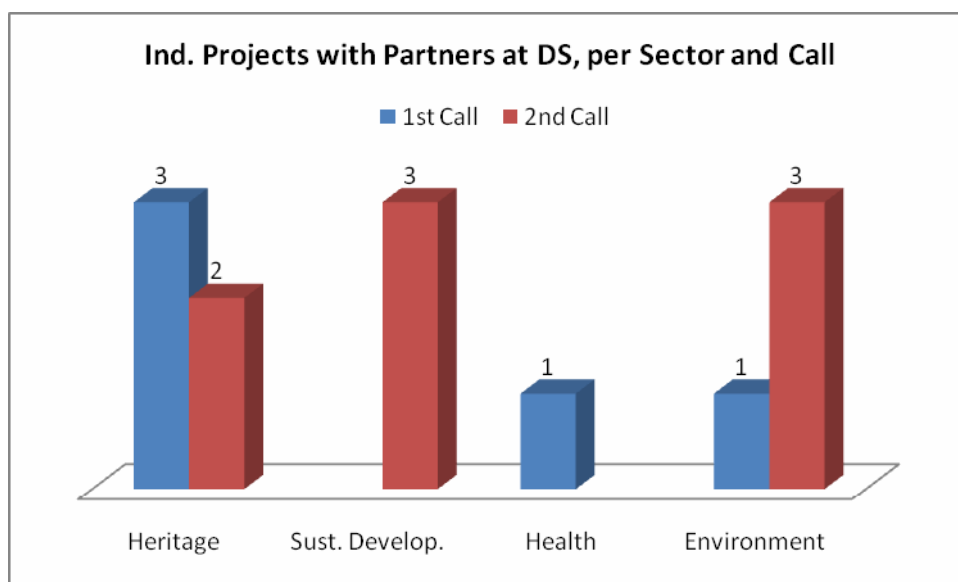


Comparing the selected Individual Projects in the two rounds of open calls, we can observe that there was a considerable increase of projects including a partner from the Donor States, from 37,5% in the first round to 88,9% in the second round.





This data shows that cooperation in the Cultural Heritage sector was sustained and it was increased in the Environment and the Sustainable Development sectors.



With the objective to increase bilateral cooperation, the Royal Embassy of Norway had an active participation in the organization the two NGO Funds' launching seminars by inviting several institutions from the Donor States, to introduce them to the portuguese NGO applicants and to motivate partnerships in the projects.



## 2. Technical Assistance Fund

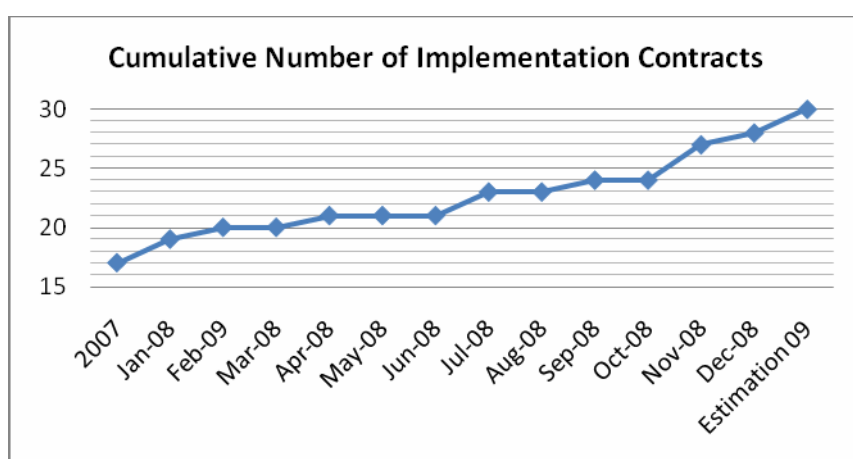
The TA Fund reached the first quarter of 2009 with a financial completion rate of 35,51%.

The expected workload increase at the Management Unit due to the growing number and volume of payment requests justified contracting of a fourth staff element, as foreseen in the Act of constitution of the National Focal Point Management Unit, to perform as projects financial manager and counterpart to the Paying Authority.

The implementation of the TA Fund has been running as expected, reaching an estimated 55% of physical implementation and all the previously set targets for the defined indicators, as shown below:

- 25 approved individual projects + 3 approved individual projects of the “Critical Urban Areas Initiative”;
- 3 approved “Block Grants” (FCT, CIG and APA);
- Implementation contracts for 28 individual projects and for 3 “Block Grants”;
- Monitoring actions in all running projects.

As shown below, the number of running projects almost doubled in 2008, making this year particularly focused on the second open call decision process, considering the National Focal Point support to the Financial Mechanism Office appraisal of the submitted projects, the promoters’ replies, Grant Offer Letters, Grant Agreements and Implementation Contracts’ signatures.



These achievements meant also a second focus area, as the National Focal Point’s efforts were mostly directed towards monitoring activities, ensuring the effective and efficient implementation of approved projects.



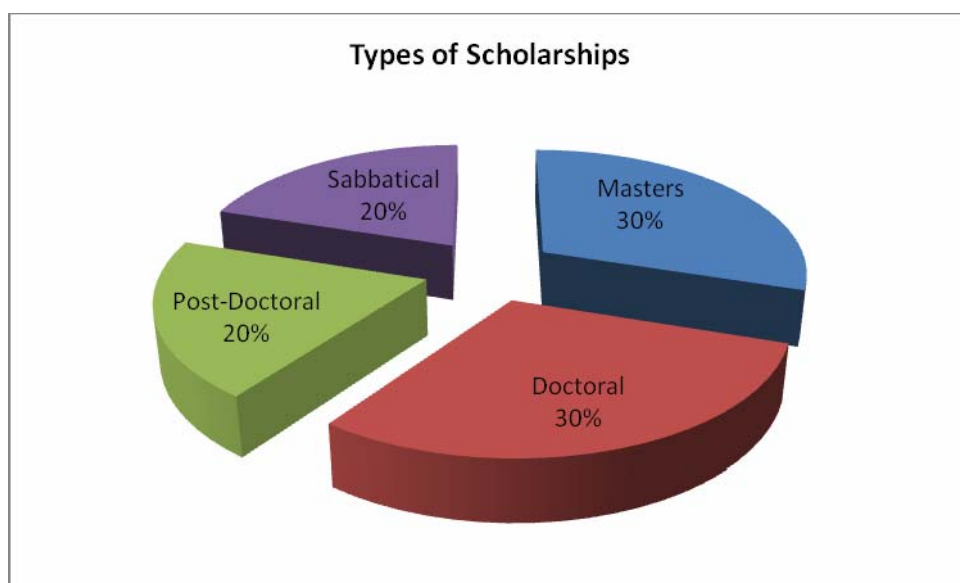
### 3. **Block Grants**

#### 3.1. **Implementation of the Scholarship and Training Fund**

In the Framework of PT007 - Research and development training on Biological, Ocean, Environment and Health Sciences, the National Science and Technology Foundation delivered 10 scholarships, 9 of which were in full implementation during 2008. An eleventh application was considered not eligible, since the hosting institution was located in the Netherlands.

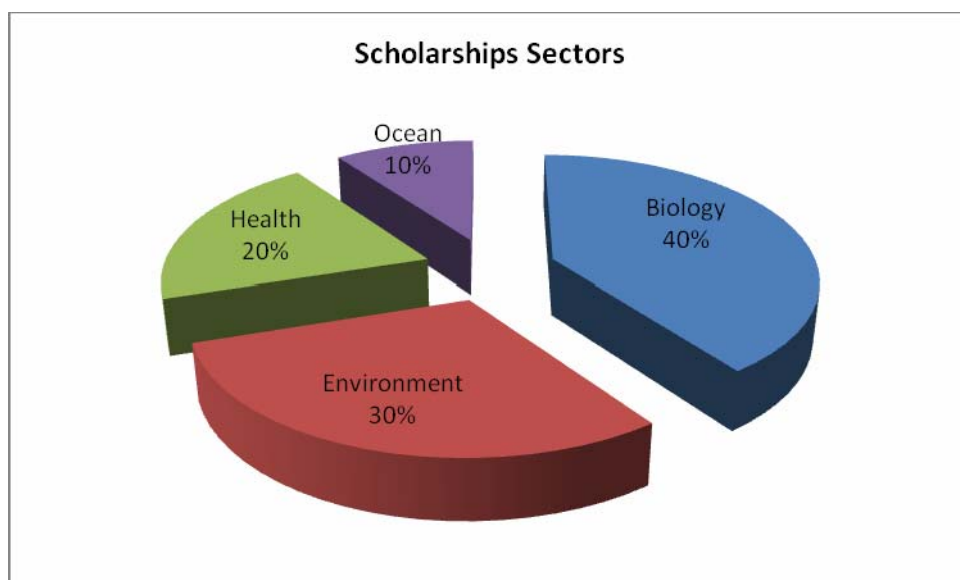
From the total number of scholarships, 60% of the granted students are women and 80% are under 35 years old.

The distribution by type of scholarship is as follows:

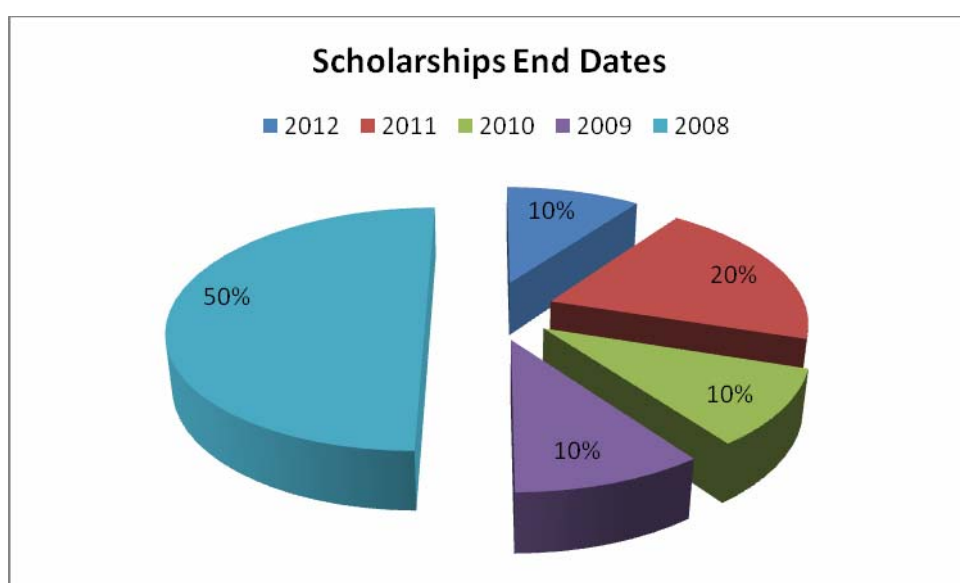




Among the four eligible areas in this programme, Biological Sciences and Environmental Sciences cover 70% of the total scholarships. Distribution by scientific area is as shown below:



Half the scholarships have been concluded in 2008 and the remaining end dates are distributed in the following calendar years until 2012, as shown below. The expenses incurred beyond the final eligibility date of the EEA FM will be covered by the national budget at FCT.





## **3.2. Implementation of the NGO Fund**

### **3.2.1. Social component**

The NGO Fund, divided into two separate sub-funds, one of which was allocated to the Commission for Citizenship and Gender Equality (CIG), the governmental body acting as Intermediary Body for the Social NGO Fund.

The overall fund amount was made available to the social NGO community in a single open call procedure with the following priority areas:

1. Protection of Human Rights and strengthening of Citizenship;
2. Enhancing the skills of youngsters in social responsibility (namely sexual and reproductive health, parental responsibility, gender stereotypes and non discrimination, multiculturalism and healthy friendship, environmental education)
3. Promoting the entrepreneurship and employment opportunities of individuals belonging to especially vulnerable social groups.

The call was opened from February 25th until May 15th 2008.

Two seminars for potential applicants were held, one in Lisbon and the other in Oporto. The Lisbon seminar was attended by 142 participants. It was organized in cooperation with the Royal Embassy of Norway in Lisbon to promote the establishment of bilateral partnerships between the Donors States and the Portuguese NGOs. The Embassy sponsored the participation of the Norwegian Association for Adult Learning,, Adults for Children, Association of NGO's in Norway; Reform Resource Centre for Men; Community Based Natural Resource Management Network; Norwegian Children and Youth Council and a Northern Feminist University; and Norwegian Helsinki Committee.

During the open call the Intermediary Body registered approximately 60 requests for information and held 20 meetings with potential project promoters.

Out of the 108 applications received, 14 projects/institutions were selected for funding. Additional information in Annex 5.



### 3.2.2. Environment component

The second component of the NGO Fund was oriented to environmental issues, managed by the Portuguese Environmental Agency (APA) as the Intermediary Body.

As in the social component, the entire amount of the fund was made available to the environment NGO community in a single open call procedure with the following priority areas:

1. Policies and measures for prevention and adaptation to climate change;
2. Promotion of the reduction of energy consumption, including energy efficiency and the self-production through micro generation;
3. Promotion of sustainable management of natural resources, including biodiversity conservation;
4. Promotion of environmental citizenship, in the areas of public awareness, education, training and participation.

The intermediary body organized a seminar for potential applicants, in Lisbon, which had the same kind of support from the Royal Embassy of Norway, sponsoring the participation of Norwegian institutions and promoting partnerships with Portuguese NGOs.

The following entities were represented in this seminar: The Norwegian Helsinki Committee; Confederation of Vocational Unions; Junior Achievement – Young enterprise Norway; Nature and Youth ; OIKOS – Organic Norway; and Norconsult.

The call was opened between April 15th and June 30th 2008. 143 applications were received, 57 of which were excluded for not respecting the call requirements and the intermediary body made 45 requests for missing administrative documents in the submitted applications.

16 projects from 14 institutions were selected for funding and 8 applicants, among those which did not receive funding, formally presented complaints about the tender results.

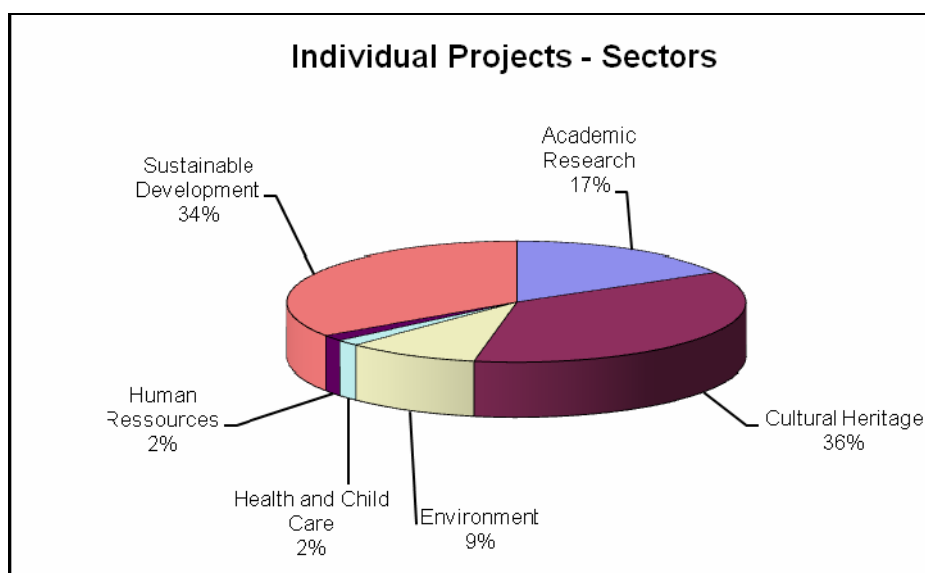
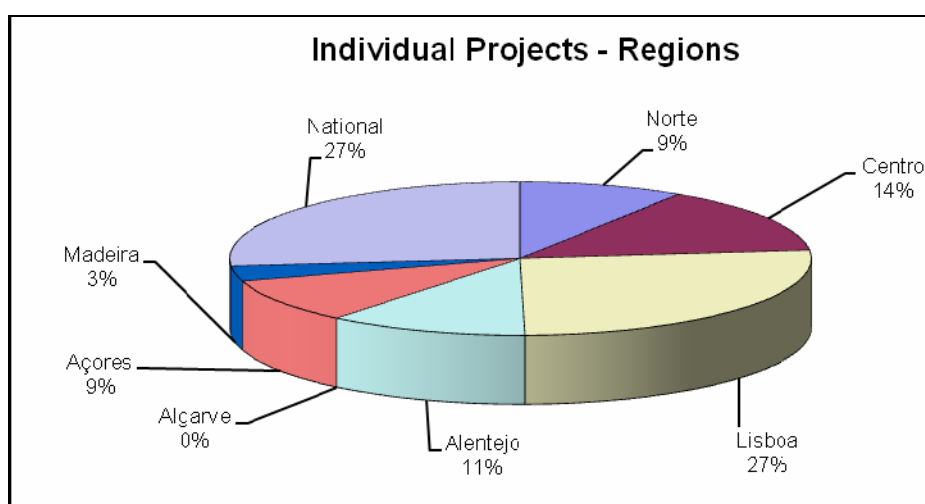
Additional information in Annex 5.



## 4. Individual Projects

### 4.1. Projects Data

The distribution of the projects give now a full picture of the regional and sector outreach of the EEA FM, covering the entire national territory and a variety of priority sectors, where Cultural Heritage and Sustainable Development take the lead.



The table below combines a set of core indicators that give sense to the major progress in 2008, the year that marks the accomplishment of the commitment of funds to the end-beneficiaries, reaching a completion rate of 100%. This data reflects the conclusion of signed Grant Agreements and a new stage of implementation of the EEA



FM in Portugal, now focused on the development of projects, after a successful allocation of funds.

**Core Indicators** (dated 30<sup>th</sup> April, 2009)

Amount committed by the DS	<b>29.706.394 €</b>
<i>% of committed amount</i>	100%
Number of approved projects	32
<i>% with Grant Agreement and Implementation Contract</i>	100%
Completion amount	1.400.583 €
% of Completion amount	3,66%
Amount disbursed by the DS	2.941.660 €
<i>Certified and paid amount</i>	921.601 €
<i>Advance amount waiting for offset</i>	2.020.059 €
Estimated % physical completion	>20 %

Of the 2.9 million euros already disbursed by the Donor States to end beneficiaries, little less than 70% of this amount is related to advance payments waiting for the offset mechanism.

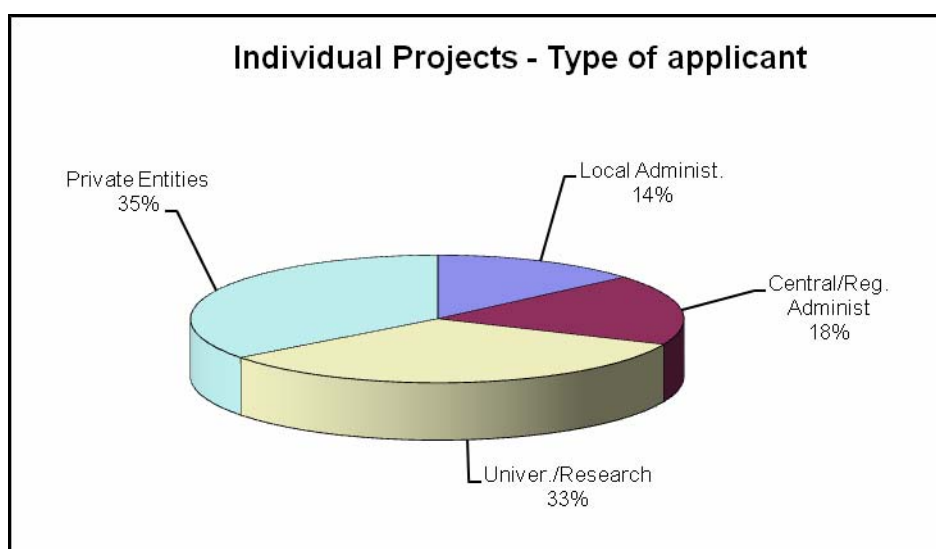
Nevertheless, circa 1.4 millions euros were already justified by the promoters as eligible expenses, representing 3,66% of total project costs. However, this figure doesn't reflect the actual implementation stage of the project, especially when considering the estimated physical completion rate of over 20%.

This gap is mainly related to the fact that there are significant time-gaps between the moment the expenses are made, the moment the expenses are presented to the NFP (there are several PIRs with 6 and 12 months pre-defined periods), and the moment the expenses are verified and certified by the Paying Authority.

Notwithstanding, the project promoter typology and the dimension of the project partnership seems also to influence the capacity to reach full speed and constant expenses reporting periods.



Some local, regional and central administration bodies tend to have some bottlenecks related in the decision processes, while universities and research units tend to collide more with eligibility provisions. Private entities (often non-for-profit organizations), which are the majority of applicants, tend to have smoother implementation performance.



More project data is available in Annex 2.

#### 4.2. Impacts of the Projects

As some projects of the first tender are reaching more than 50% of physical implementation, interim results start to point out some impacts in the social, economic or knowledge framework.

These impacts are directly related to actual changes in projects' objects, such as historical buildings or sites recovery, reconstruction or restoration of movable heritage.

Some scientific results also start to show up, as international expert seminars and congresses take place and with the publication of research papers.

The following table highlights the interim results of some projects:



Project number	Project PP/ name	Estimated physical implement. rate(%)	Interim Results
PT0009	Prevention and Early Diagnosis of Cancer and Precancerous Lesions of Cervix, Stomach, Breast and Thyroid	10	12 patients examined regarding correlation between the presence of aggressive H.Pylori strains, host genotype and gastric lesions; 45 physicians and technicians trained through advanced courses; materials developed for health education sessions for students.
PT0011	ENEAS - European Network for Environment and Services	23	17 gathering points in schools; 72 environmental experiments running; 4 counties involved
PT0015	AWAKE of GREEN BIOTECH in Portugal – waste elimination using genetically manipulated fungal species in an ionic liquid environment	52	3 non toxic ionic liquids which carry high solvency ability towards waste residues; 2 rounds of synthesis, each which cover twenty different ionic liquids (covering all different target functionalities); 1 publication
PT0016	Territory Infrastructures and Forest Fires Prevention and Protection	10	2 Technicians from the Project Team trained in Expropriation Code; 2 implementation plans for Cordilheira Central concluded (by December 2008)
PT0017	RECURSUS - Exploration of Agro-forest systems in left bank of Guadiana's River - a Sustainable Strategy of Agricultural Way	22	17 information to consumers' workshops held; Demonstration land acquired.
PT0019	CCC - Celebration of Coastal Culture	60	30 national and local inventory makers trained; Documentation system developed; 4 seminars accomplished.
PT0020	Restoration of garden's hydraulic systems, walls and trails	40	3 gardens with completely restored hydraulic systems, including water capture, circulation and drainage; 2 gardens with completely restored supporting, boundary and dividing walls; 4 analyses of water quality and availability in gardens
PT0021	BALEIAÇOR - Preservation, recovering, survey and spreading of whalers heritage	50	6 out of 10 boats fully recovered; remaining 5 under reconstruction; 50% of regattas accomplished; relevant appropriation from population with project results; high cultural impact of the activities.
PT0022	Schist Heritage Network	20	8 on-site training sessions/workshops for artisans; 13 Portuguese and Norwegians craftsmen trained in the repair and maintenance of schist buildings; 2 symposiums; 50 participants in each symposium.
PT0023	RIRCE – Regional Registry for Children with Epilepsy in the RAA	55	Informatics Web database developed for children with Epilepsy and other Neurodevelopment Diseases;



			Team complete; all equipment acquired.
PT0024	FORMAR - Project for Training and qualification of Human Resources of Local Government Bodies of São Miguel	60	57 Training courses held; 5 Municipalities involved.
PT0026	Restoration of historic buildings in the cultural landscape of Sintra, a world heritage site	40	80 % of the project design plan for the restoration of the Palace concluded; 350m2 of restored square metres inside area in the Monserrate Palace concluded; 90% of the plan for visiting the Palace during restoration works concluded; 70% of the project design plan for the restoration of the Chalet concluded; 55m2 of restored square metres inside area in the Chalet concluded; 90% of the plan for visiting the Chalet during restoration works concluded.
PT0027	Historical Route of defensive Lines of Torres Vedras	15	Communication plan defined; 4 fortifications restored; 1 interpretation centre inaugurated; 1 international seminar held.
PT0028	Critical Urban Areas – COVA DA MOURA	10	Housing survey – completed Definition of the terms of reference for the detail urban plan 2 seminars involving residents 1 workshop on recycling involving 40 youngsters Local technical office – designation of the Project Leader 1 <sup>st</sup> phase external evaluation – concluded
PT0029	Critical Urban Areas – VALE DA AMOREIRA	25	Definition of the functional programme of the Artistic Experimental Centre 1 workshop on the creation of artistic experimental spaces Artistic summer programme involving 40 youngsters in 7 workshops and organization of 2 events Training sessions for teachers in cooperation with a national cultural foundation (Serralves Foundation) Logistics for computer training sessions 3 technical support seminars Local technical office – designation of the Project Leader 1 <sup>st</sup> phase external evaluation – concluded
PT0032	NGO Social Fund – CIG	8	Preparation of the Open Call. Promotion of 2 workshops in Lisbon and Oporto to present the NGO Fund. CIG received 108 applications. The Steering Committee selected to finance 14 projects. On 5th of December took place the Contracts' Signature Ceremony.



PT0033	NGO Environment Fund – APA	15	16 contracts with the selected end-beneficiaries were signed in December 2008, who, in the meantime, started the activities programmed within their projects.  The delay in the advance payments is causing serious problems.
PT0042	MONICAN - MONItoring of the Nazaré CANyon area	10	2 wave and currents monitoring equipment installed;

### 4.3. Monitoring and Evaluation

The National Focal Point has on-going information on all the running projects as the technical managers from the NFP implement its monitoring model and actions at the operational level. These actions include: visiting all the approved projects in a first moment, observing the ground conditions for project implementation and confirming the baselines of project indicators; as well as visiting the projects on a regular basis, in an average of two visits a year for each project.

The Monitoring Committee was established as described in the Memorandum of Understanding, Annex A, and its first meeting was held on June 4<sup>th</sup> 2008, with the representatives of the following institutions:

- National Focal Point
- Paying Authority
- Ministry of Environment, Spatial Planning and Regional Development
- Ministry of Agriculture, Rural Development and Fisheries
- Regional Government of the Autonomous Region of Azores
- Ministry of Culture
- Ministry of Internal Affairs
- Royal Embassy of Norway, as observer

All the available information about the running projects was presented to the Monitoring Committee and the agenda of the first meeting was focused on the development and approval this body's rules and procedures, as well as the reporting templates to provide information about the projects and block grants.

The project reporting template is available in Annex 3.



## 5. Information and Communication

### 5.1. Communication Action Plans

In addition to the close and frequent communication channels held with the various stakeholders of the EEA FM, the following specific communication activities were developed in line with the communication action plans.

Period January – June 2008

Activity	Target Group	Date
Publication of the FMC 2 <sup>nd</sup> open call approved projects' list on website	General public	Dependant of FMO/FMC schedules
Requests for additional information to the 2 <sup>nd</sup> open call applicants	Applicants	January/February
Submission of the Annual Report 2007	FMO / Donor States	January
Submission of the Annual Meeting 2008 Agenda	FMO / Donor States	January
Publication of the 2007 Annual Report on website	General public	February/ March
Publication of the 2008 Annual Meeting's Minutes on website	General public	February/ March
Meetings with promoters to discuss critical aspects of the projects' implementation	1 <sup>st</sup> open call approved promoters	Dependent on GAs signatures
2 <sup>nd</sup> Call applications submission	FMO	January to March
Support to launching events of NGO Funds	NGO community	Dependant on Intermediary Bodies schedules
Data collection from implementing Individual Projects	General public, NFP and FMO	Along all the period
Monitoring Committee launching	Members of the MC	June



Period July – December 2008

Activity	Target Group	Date
Publication of the FMC 2 <sup>nd</sup> open call approved projects' list on website	General public	Dependant of FMO/FMC schedules
Meetings with promoters for Grant Agreements signatures	Project promoters	As GA are received
Meetings with promoters to discuss critical aspects of the projects implementation	2 <sup>nd</sup> open call approved promoters	Dependant on GAs signatures
Site visits public information portfolio from implementing Individual Projects	General public	October

## 5.2. Publicity Friendly Projects List

Adding the second open call projects to the first round of approved projects from the first open call for Individual Projects, the following were, in 2008, considered to have a good potential for dissemination of the EEA Grants, and therefore the National Focal Point categorized them as “publicity friendly projects”, as requested by the Financial Mechanism Office. These projects will be monitored as any other project under implementation, but its ongoing results will be collected with more tangible evidence for an effective communication of the Financial Mechanism developments to outside stakeholders.

Project Number	Project Promoter	Project Title	Priority Sector
PT0019	Mútua dos Pescadores	Celebration of Coastal Culture	Cultural heritage
PT0021	Direção Regional Cultura	BALEIAÇOR - Preservation, Recovering, survey and spreading of whalers patrimony	Cultural heritage
PT0022	Pinus Verde	Schist Heritage Network	Cultural heritage
PT0026	Parques de Sintra Monta da Lua	Restoration of Historic Buildings in the Cultural Landscape of Sintra, A world Heritage Site	Cultural heritage
PT0027	Câmara Municipal de Torres Vedras	Historical Route of Defensive Lines of Torres Vedras	Cultural heritage
PT0028	Instituto da Habitação e Reabilitação Urbana	Initiative "Qualification and Rehabilitation of Critical Urban Areas" - Cova da Moura	Sustainable development
PT0029	Instituto da Habitação e Reabilitação Urbana	Initiative "Qualification and Rehabilitation of Critical Urban Areas" - Vale da Amoreira	Sustainable development
PT0036	Associação Portuguesa de Famílias Numerosas	Twinning Conciliation - Twinning Portuguese and Norwegian Institutions for the Conciliation between Work and Family life	Sustainable development
PT0042	Instituto Hidrográfico	MONICAN – MONItoring of the Nazaré CANyon area	Sustainable development



## 6. Action Plans

### 6.1. Work Plan for 2009

Moving beyond the final commitment date of the EEA FM, the NFP activities will mainly relate to the physical and financial flow of the projects.

Continuing with monitoring activities, the NFP shall ensure that all problems are identified in a timely manner, avoiding major delays that may compromise the achievement of foreseen project results and, if needed, activating control and auditing activities at various levels.

Following-up closely the implementation of projects activities, the NFP is able to prevent potential difficulties in the projects, contributing to its smooth implementation.

Finally, as the projects implementation time move ahead, the pressure to have constant and regular disbursement will increase and the NFP will continue its work, in cooperation with the Paying Authority, to ensure that promoters have the correct information and instruments to present project expenses and that these are certified within the desired timetable.

The critical factors to succeed in this purpose are identified, namely:

- ❖ Effective verification /validation instruments
- ❖ Articulation between NFP and PA
- ❖ Timeframe for clarifications (from Promoter)
- ❖ Timeframe for FMO replies

The NFP and the PA will continue the implementation of inter-coordination arrangements to facilitate the communication with the promoters and to avoid duplication of work between these two entities. This will be achieved by completing the development of procedures and instruments:

- ❖ New templates for expenses verification
- ❖ Recent procedures and roles redefined between NFP and PA (see flow chart in Annex 4)



- ❖ Setting deadlines for expenses lacking clarifications, migrating those to the next PIRs
- ❖ Checklist and report for eligibility analysis at NFP
- ❖ Keeping up-to-date communication with the financial department of the FMO

## 6.2. Communication Action Plan

Period January – June 2009

Activity	Target Group	Date
Submission of commitment proposals to remaining amounts	FMO/FMC	January
Monitoring Committee 2 <sup>nd</sup> meeting	Monitoring Committee members and observers	February
Submission of the Annual Report 2008	FMO / Donor States	April
Submission of the Annual Meeting 2008 Agenda	FMO / Donor States	April
Publication of the 2008 Annual Report on website	General public	June
Publication of the 2008 Annual Meeting's Minutes on website	General public	June
Site visits public information portfolio from implementing Individual Projects	General public, FMO, Monitoring Committee	Along all the period



## **Annexes**



## **Annex 1 - Annual Meeting Summary**

### **ANNUAL MEETING SUMMARY PORTUGAL 2<sup>nd</sup> April 2008**

#### **1. Adoption of the Agenda**

The participants list is in Annex. The following agenda was adopted:

**14:30 – Annual Meeting Welcoming Address** by the Secretary of State for Spatial Planning and Towns.

#### **14:45 – High-level session for the EEA Financial Mechanism**

- Opening comments from donors
- Brief presentation of the Annual Report by the NFP
- Annual Report feedback from the Donors
- Programming framework considerations
- Block grants – NGO, STF and TA Fund implementation
- Critical Urban Areas Projects
- Status of 2<sup>nd</sup> open call for Individual Projects
- Work plan for 2008
- Brief description of the EU National Strategic Reference Framework for Portugal

#### **16:00 – Coffee Break**

#### **16:15 – Working-level session for the EEA Financial Mechanism**

- High-level session conclusions
- Annual Report and feedback from FMO/Donors
- Individual Projects – schedule for approvals, monitoring approved projects
- Block Grants – NGO and Scholarship Fund implementation
- Critical Urban Areas Projects
- Activities of the FP and preparedness for the implementation stage
- Work Plan for 2008

#### **17:30 – Conclusions**

#### **17:45 – Closing Session**



## 2. Summary

The Annual Report for 2007 activities was formally submitted and approved.

Several issues concerning the implementation methodology were discussed, focusing on the grant decisions and projects monitoring activities.

An assessment of the overall implementation of the Funds in Portugal was made, highlighting the good results achieved and the role of the close cooperation between the National Focal Point, the Financial Mechanism Office and the Donor States.

## 3. Decisions and Action Points

<p><b>Annual Meeting</b></p> <p><b>Welcoming Address</b></p> <p>by the Secretary of State for Spatial Planning and Towns</p>	<p>The Secretary of State Mr. João Ferrão (SEOTC) expressed his satisfaction with the work done during the past year, which represents a step forward in the implementation of the 2004-2009 Financial Mechanism in Portugal.</p> <p>Mentioning the major decision milestones of 2007, the SEOTC highlighted the number of approved projects, the relevant partnerships with the Donor States (DS), the coverage of the 6 priority sectors and a fair geographical distribution along the entire country.</p> <p>Comments were made concerning the second open call procedure, where the learning experiences were relevant inputs and where an emphasis was made in bilateral cooperation with the DS.</p> <p>The SEOTC considered that the overall results are representative of a responsible and hard work done by the management structures, for which he congratulated both the National Management Unit and the FMO.</p> <p>Finally, considering the governmental project of CUA, the SEOTC informed that during April the MoU for Lagarteiro in Oporto, the 3<sup>rd</sup> neighbourhood, would be signed.</p> <p>During this point of the agenda, the Grant Agreement for the project PT0028 was signed by the Chairman of the EEA Financial Mechanism Committee and Beneficiary States, Mr. Anders Erdal and Mr. João Ferrão.</p>
<p>Opening comments from donors</p>	<p>The DS appreciated the SEOTC's welcoming address, referring the very good work carried out by the Portuguese National Focal Point</p>



	<p>(NFP), mentioning that Portugal is the leading country in the implementation phase of the Financial Mechanism, along with the Czech Republic.</p> <p>The DS also made a positive remark on the previous day site visit to PT0026, in Sintra.</p> <p>The dialogue between the NFP, the Donors and the FMO was considered a relevant component of success and that the promising partnerships with the DS will ensure the post project bilateral cooperation between the countries.</p>
Brief presentation of the Annual Report by the NFP	<p>The executive head of the NFP, Mr. Manuel Pisco, presented a summary of the major components of the Annual Report, referring to the 16 grant decision that took place, the three block grants allocated to the intermediary bodies and the approved projects' kick-off activities initiating the monitoring processes. The second open call was mentioned, to which 72 projects were received.</p>
Annual Report feedback from the Donors	<p>The DS approved the Annual Report, considering it a comprehensive report and a clear outline of the running processes in 2007 and a good focus on bilateral relations.</p> <p>As the year 2008 will be more focused on the projects' implementation phase, the DS highlighted the need for next years report focus on field results, lessons learned and impact on cross-cutting issues.</p> <p>The DS also referred to the Web based tools developed by the NFP as good support for the implementation phase.</p>
Programming framework considerations	<p>Mrs. Ana Catita gave a general presentation concerning the overall Fund's programming framework, where 73,7% is committed with Grant Agreements and concluded that there is no need for additional adjustments in the programmed allocation of funds .</p>
Block grants – NGO, STF and TA Fund implementation	<p>The Intermediary Bodies (IB) were invited to share some words. They used the opportunity to thank for the support from the embassy and NFP in implementing their block grants and manifested the expectation of good cooperation with the DS due to the possible participation of Norwegian NGOs in projects funded from the NGO funds.</p> <p>The DS replied by characterizing a fruitful meeting in Oslo with the NGO IB, in which the Portuguese participation had an active role. Mr Erdal also mentioned the Scholarship and Training Fund diversity of partnerships, which foresees and fruitful academic cooperation that may lead to future project partnerships.</p>



	<p>Being asked by the DS, the NFP replied that the Technical Assistance (TA) work will mainly focus in monitoring and auditing and that will hire one more person at the NFP , directed to the financial support to implementing projects.</p>
Critical Urban Areas Projects	<p>The promoter of the projects, Instituto da Habitação e Reabilitação Urbana IHRU, was invited to give a brief status report on the development of the two approved projects.</p> <p>The promoter gave information on the interventions at the two territories and gave information on the major activities under development, namely on rehabilitation, diagnosis and detailed plans discussion with the local stakeholders in Cova da Moura.</p> <p>The DS replied, considering the overall project as a complex one and with important contribution to Portugal.</p> <p>The DS also asked for a status appraisal on the developments of the third CUA in Porto, before end of April, stating that delays shouldn't have negative impacts on the financial execution of the Fund and, if necessary, flexible reallocation of funds should be considered.</p>
Status of 2 <sup>nd</sup> open call for Individual Projects	<p>NFP stated that all projects under the 2<sup>nd</sup> open call were submitted to the FMO until the beginning of January and believes the work done, interacting with the short listed project promoters and conducting external appraisals, will save time for the FMO decision processes due to better preparation of applications on behalf of the NFP.</p> <p>The DS confirmed that the quality of the submitted projects is very good, which will have positive impact on the FMO appraisal and that no problems are foreseen during the decision process. The DS added that before the end of June 2008 all the 10 projects will most likely be approved.</p> <p>The participants exchanged some information on projects' payment claims to the FMO, considered by the DS as an urgent step of the implementation phase of the projects.</p>
Work plan for 2008	<p>Mr. Lourenço Carvalho gave a brief description on the focus and activities for 2008, which have close interactions with TA activities, stating that the NFP's efforts will be, on one hand, mostly directed to facilitating for the grant decision processes between the DS, FMO and promoters. On the other hand, they will focus on the monitoring activities, on a first moment, having site visits to all projects to confirm their preparedness to the implementation phase and afterwards</p>



	<p>investing in an prevention approach by having a close communication with the promoters, both through the developed web-based tools and on-site visits.</p> <p>The NFP also informed that the Monitoring Committee will have its first meeting during the second half of May.</p> <p>The DS agreed with the relevance of the proposed activities and considered that, among the identified projects in the annual report, which have the highest potential for publicity, the CUA projects and PT0019 should be object of higher communication to external audiences, giving more visibility to the EEA Grants.</p>
Brief description of the EU National Strategic Reference Framework for Portugal	<p>Mr. Nuno Vitorino made a brief update on the National Strategic Reference Framework for Portugal (QREN), informing that all Operational Programmes had been approved by mid 2007. Since then, efforts have been on the setting up until February 2008, when the first calls were launched. These calls will be closing during April. The main point is that the whole QREN is set up through open calls procedures.</p> <p>He further stated that the Urban sub-programme within QREN was partially inspired on the methodology developed through the preparation of the CUA projects of the EEA Financial Mechanism, mainly, on the urban regeneration partnerships.</p> <p>The DS appreciated the fact that the Financial Mechanism was a reference model to QREN and underlined the complementary fields of EEA Grants compared to EU mechanisms, where the EEA Grants supports smaller projects, e.g. in the field of environment. The EEA grants also supports areas where little or no EU funding is available, for instance in cultural heritage and civil society.</p>
<b>Working-level session for the EEA Financial Mechanism</b>	<p>During this session, the FMO addressed issues related to the new format of the grant offer letters (GOL), which requests PIP information immediately from the promoters, with expected impacts in shortening the approval process. NFP replied that most of this information is in the application form, being able to accelerate the PIP formatting at the FMO.</p> <p>The publishing of the approved Annual Report was agreed, by removing the annex with the audit plan</p>



	<p>The FMO asked for clarification on the statute of the Paying Authority, concerning recent changes in the Portuguese Central Administration bodies. The NFP replied that no actual changes occurred with the competences neither decision circuits of the Paying Authority, which responds to the same Ministry as before, and that only the name and nature changed from a Directorate General to a Public Institute. The NFP agreed to send to the FMO the new organisational chart of the institution, compared with the previous one.</p> <p>Mrs. Ana Resende gave a brief presentation on the status of the projects under implementation between January to April 2008, highlighting the fact that the recent activities already bring inputs for assessment of results of the projects, which shall be object of reporting in 2009.</p> <p>FMO asked about PIR processes in the Portugal and NFP referred to the difficulties with presenting the first PIRs. The NFP informed that the delays from the promoters on submitting the first payment claim is related to, on one hand, the fact that most of them don't have the conditions to start making expenses before the grant agreement and implementation contract is signed (even having a GOL). On another hand, it is also a result of several reprogramming procedures on most of the projects.</p> <p>FMO asked if the NFP wants to cut CUA 3<sup>rd</sup> project to finance the 10<sup>th</sup> short listed Individual Projects from the 2<sup>nd</sup> call, which exceed the available budget allocation. NFP will look into it and keep communication with FMO on the issue.</p> <p>Finally, the FMO asked the NFP to send the highlights of the IGF audit report and the NFP agreed to submit it in the following days.</p> <p>Considering the fluent and permanent communication between the FMO and the NFP during the year, the participants acknowledged that no relevant issues lack discussion, therefore the session was closed.</p>
--	--

#### Analysed Documents:

- Annual Report 2007



## List of Participants

Entity	Name	Title
<b>Norwegian Ministry of Foreign Affairs</b>	Anders Erdal	Deputy Director General, NMFA
	Hilde Berit Eide	Senior Adviser Section for Central Europe and the EEA FM
	Inga Magistad	Norwegian Ambassador to Portugal
	Gro Dahle	First Secretary, Norwegian Embassy
<b>Financial Mechanism Office</b>	Stine Lundin Andresen	Director
	Ágústa Ýr Thorbergsdóttir	Country Portfolio Officer
	Hjörtur Bragi Sverrisson	Senior Legal Officer
	Marie Osnes	Project Officer
<b>Secretary of State for Spatial Planning and Towns</b>	João Ferrão	Secretary of State
	Nuno Vitorino	QREN Expert
	Ana Cristina Catita	Adviser
<b>European Economic Area Financial Mechanism</b>	Manuel Leal Pisco	NFP's Management Unit Coordinator
	Ana Isabel Resende	Adviser and Financial Manager
	Lourenço Xavier de Carvalho	Adviser and Information Manager
<b>Financial Institute for Regional Development</b>	Margarida Caleiro	Technical adviser
<b>Foundation for Science and Technology</b>	Isabel Reis (absent)	Science and Technology Officer
<b>Housing and Urban Rehabilitation Institute</b>	Maria João Freitas	Member of Administration Board
<b>Portuguese Environment Agency</b>	Maria do Carmo Cunha	Technical Officer
<b>Comission for Citizenship and Gender Equality</b>	João Pereira	Technical Officer



**Annex 2 – Projects' Status** (dated 30<sup>th</sup> April, 2009)

Project number	Project PP/ name	Implementation contract date	Project cost €	Advance payment €	Completion to date		
					amount €	rate %	PIR number
PT0005	TA	NA	951.700	0	337.936	35,51	9
PT0007	FCT	20-09-2007	342.678	102.803	51.295	14,97	1
PT0009	IPATIMUP	29-11-2007	1.513.113	151.311	3.086	0,20	1
PT0010	CIMAR	17-01-2008	1.073.550	106.369	0	0,00	0
PT0011	FEUP	12-07-2007	1.059.420	105.942	159.165	15,02	2
PT0012	IBET	25-10-2007	424.973	42.497	17.140	4,03	1
PT0014	SOLTGEST	08-11-2007	775.075	0	0	0,00	1
PT0015	ITQB-UNL	13-12-2007	1.550.459	147.014	14.842	0,96	1
PT0016	FLORESTAS	08-11-2007	1.209.939	0	16.221	1,34	1
PT0017	BARRANCOS	27-09-2007	894.650	89.465	111.891	12,51	1
PT0019	MÚTUA	12-07-2007	555.244	0	149.160	26,86	3
PT0020	JARDINS	20-09-2007	1.084.324	108.432	101.552	9,37	2
PT0021	BALEIAÇOR	25-10-2007	450.500	0	0	0,00	1
PT0022	XISTO	12-07-2007	1.237.950	0	115.457	9,33	2
PT0023	RIRCE	08-11-2007	407.000	0	0	0,00	1
PT0024	FORMAR	27-09-2007	384.275	0	25.024	6,51	2
PT0026	SINTRA 1	27-09-2007	1.760.000	0	166.618	9,47	2
PT0027	TORRES VEDRAS	13-12-2007	2.016.219	0	0	0,00	1
PT0028	COVA DA MOURA	10-04-2008	3.919.606	380.000	53.683	1,41	1
PT0029	VALE DA AMOREIRA	17-01-2008	3.869.606	375.000	71.165	1,90	1
PT0032	CIG	29-11-2007	1.199.371	23.987	1.845	0,15	1
PT0033	APA	08-02-2008	1.199.371	16.911	4.503	0,38	2
PT0036	CONCILIAÇÃO	18-11-2008	862.235	86.224	0	0,00	0
PT0038	ADERE	14-04-2009	699.086	0	0.00	0	0
PT0039	SAFESEA	16-09-2008	481.141	48.114	0	0,00	0
PT0040	CONDOR	09-07-2008	1.031.242	103.124	0	0,00	1
PT0041	RURAL VALUE	26-02-2009	864.447	86.445	0	0,00	0
PT0042	MONICAN	09-07-2008	961.385	96.139	0	0,00	0
PT0043	AWARE	16-12-2008	1.308.558	130.856	0	0,00	0
PT0044	HERCULES	18-11-2008	922.500	92.250	0	0,00	0
PT0045	SINTRA 2	18-11-2008	710.000	35.500	0	0,00	0
PT0046	LAGARTEIRO	13-02-2009	2.554.312	249 451	0	0,00	
TOTAL			38.273.929	2.577.834	1.400.583	3,66	



## Annex 3 – Template for Monitoring Data

**Monitoring Summary Project Report**

Project Number	PT000
Promoter Organization	
Project Title	
Total Project Cost (Euros)	000.000,00€
Grant Applied (Euros)	000.000,00€
Grant rate requested (%)	85%
Promoter Contacts	Drª XYZ <a href="mailto:eeagrants@xyz.pt">eeagrants@xyz.pt</a>

Priority Sector	Sustainable Development
Region	Alentejo
Partner Organizations	
Project Planned Start Date	Nov. 2007
Project Planned Completion Date	Fev. 2011
Average Percentage Complete	25%
Key Words	

Grant Offer Letter	22/07/2007
Grant Agreement	15/09/2007
Advance Payment	00.000,00€
Project Interim Report Number (Number/Executed)	1 100.000,00€
Reported Irregularities	
Risk Analysis	

Number of Field Visits	3
Last Field Visit Date	19/8/2008
Main Observations	



Description of Objective - Results	Indicator	Baseline	Project to Date	Target

Comments about the development of the project



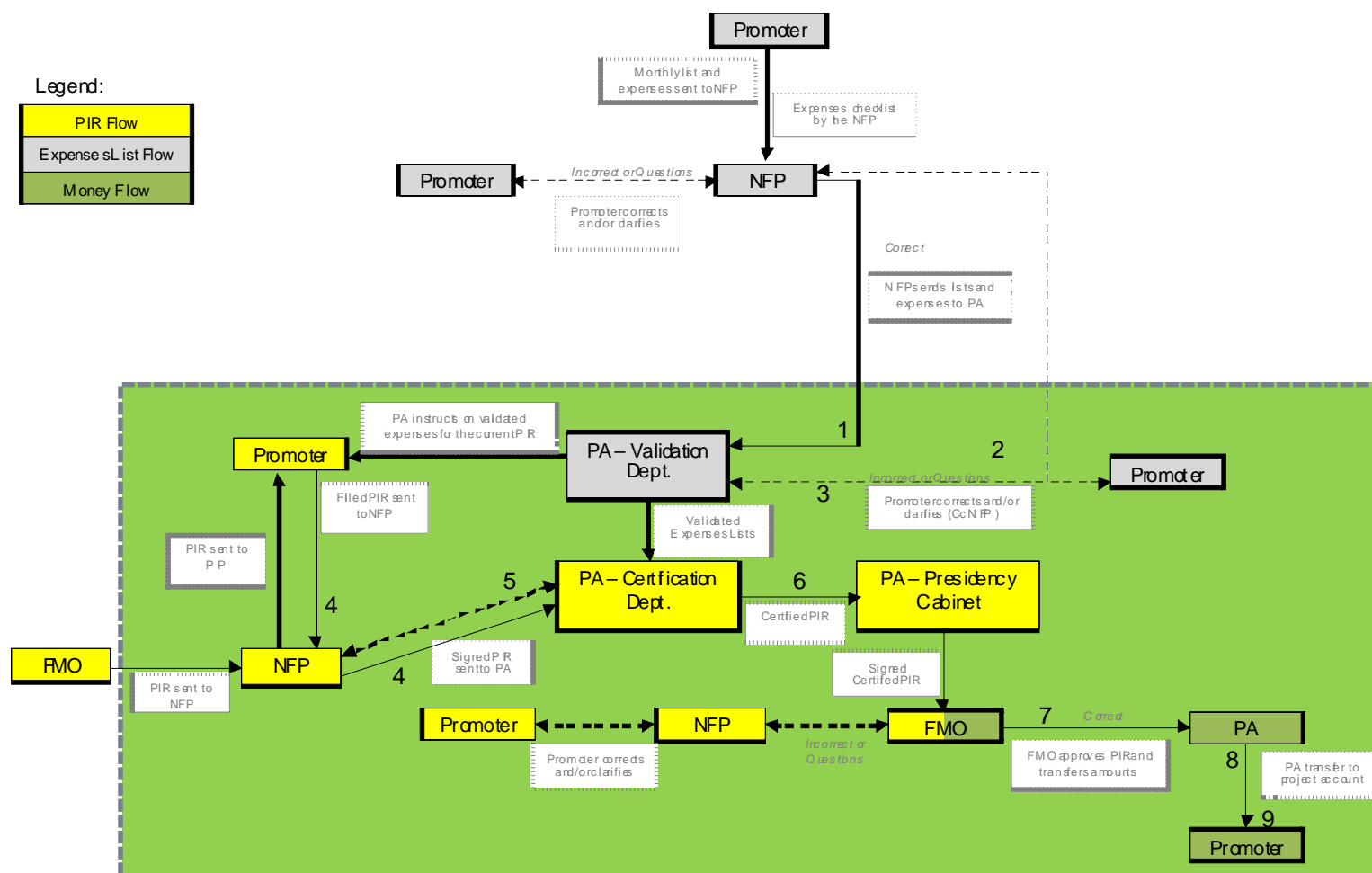




## Annex 4 - Expenses Flow



## European Economic Area Financial Mechanism Overall Expenses Flow





## Annex 5- List of Selected Projects - NGO FUND

PT0032

Ranking	Institution	Project Title	Total Cost Euros	Grant Awarded Euros	Priority Sector
1	Arruaça	Assoma-te	126.118	107.200	2.2 Non discrimination.
2	Chapitô	Artes de Viver	115.000	98.100	2.2 Non discrimination.
3	Cooperativa Espaço das Aguncheiras	Casa Eco Criativa	86.470	73.500	2.1 Sexual education.
4	Associação ILGA Portugal	Centro LGBT: um espaço de cidadania, de integração social e de valorização dos Direitos Humanos	82.000	69.500	1.2 Strengthening of Citizenship
5	Rede Ex Aequo	Projecto Inclusão	47.059	40.000	2.1 Sexual education.
6	Associação Sons da Lusofonia	Oficina Portátil de Artes	93.059	79.100	2.2 Non discrimination.
7	PAR - respostas sociais	Na Europa EU Conto	87.035	73.980	1.1 Protection of Human Rights
8	Instituto Luso-ilírio para o Desenvolvimento Humano	SET - Ética da Sexualidade e Parentalidade: Ferramentas de Aprendizagem	105.507	89.680	2.1 Sexual education.
9	REDE INDUCAR, CRL	Democracia Participativa e Igualdade de Oportunidades - uma estratégia de capacitação de agentes de intervenção social local	152.676	107.996	1.2 Strengthening of Citizenship
10	CPR - Conselho Português para os Refugiados	Começar de Novo - Apoio aos Projectos de Vida dos Refugiados em Portugal	110.588	94.000	3.1 Promoting the entrepreneurship and employment
11	Associação dos Africanos do Concelho De Vila Franca de Xira	Jovens em Acção	67.076	57.000	2.2 Non discrimination.
12	Sentidos e Sensações - Associação de Promoção e Educação para a Saúde	Promoção da saúde sexual e reprodutiva na população portadora de deficiência visual	70.627	60.000	2.1 Sexual education.
13	Movimento SOS Racismo	Agita-te pelos direitos Humanos	91.764	78.000	2.2 Non discrimination.
15	CerciPortalegre	Aprender a Crescer	60.000	51.000	2.1 Sexual education.



**PT0033**

Ranking	Institution	Project Title	Total Cost Euros	Grant Awarded Euros	Priority Sector
1	LPN	OrganicGreen - Composting and Valorisation of Organic Waste in Castro Verde	82.224	74.001	Reducing the biodegradable waste
2	QUERCUS	Ecological restoration of Cabeço Santo	59.800	29.800	Ecological restoration
3	TAGIS	Natura 2000 Biodiversity Stations	85.500	75.000	Environmental education
4	ADPMértola	RUMUS - Good Practices in Agriculture, Forestry and Grazing for the Guadiana Valley	81.490	73.341	Nature conservation and biodiversity
5	LPN	ECOs-Locais - Think Environment, Change Locally	120.206	51.855	Environmental citizenship
6	Associação Terras de Sicó	Sicó's Flora...Naturally!	83.070	74.763	Environmental education and nature conservation
7	Centro de Estudos Vasco da Gama	EC3 - Eco-Centre for Home Composting	223.891	75.000	Eco-Centre for home composting
8	Solidários	Ecocitizenship - Ecological citizenship	83.323	74.991	Ecological citizenship
9	SPEA	Seeding the Future II - Farming with Biodiversity	80.000	72.000	Conservation of biodiversity and maintenance of environmental quality
10	CEAI	Biodiversity in archive	90 496	75.000	Biodiversity
11	ADESGAR	Gardunha's Biodiversity Observatory	75.000	67.500	Biodiversity in a sustainable way trails.
12	Lisboa E-Nova	Sustainable refurbishment for Lisbon	94.996	75.000	Refurbishment of buildings
13	LAC	Conservation of nature and biodiversity	75.000	67.500	Biodiversity and conservation
14	QUERCUS	EcoBrigades - Fostering Awareness and Reducing Energy Consumption	82.750	74.475	Energetic efficiency and energy conservation
15	FPCUB	Benfica by bike	85.000	75.000	Sustainable mobility
16	Salta Fronteiras	Rivers as ways of life and tradition	75.839	68.255	Reforestation of damaged areas.