

# STRATEGIC REPORT ON IMPLEMENTATION OF THE EEA GRANTS 2009-2014 IN PORTUGAL (2013)



**Reporting Period: 2013**

**National Focal Point - National Management Unit**

**FINAL VERSION: MARCH 2014**

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## ABBREVIATIONS

EEA	European Economic Area
EFTA	European Free Trade Association
EU	European Union
FBR	Fund(s) For Bilateral Relations
FMC	Financial Mechanism Committee
FMO	Financial Mechanism Office
IFDR	Financial Institute for Regional Development
IGF	General Finance Audit Body
MoU	Memorandum of Understanding
NFP	National Focal Point
NGO	Non Governmental Organizations
PO	Programme Operator
PMFA	Portuguese Ministry for Foreign Affairs

## Strategic Report PT2013

### EEA Financial Mechanism 2009-2014

#### Introduction

The European Economic Area (EEA) Agreement between the European Union (EU) and the EFTA States, entered into force in 1994, established a financial contribution (EEA Grants) aiming at reducing economic and social disparities in the EEA.

In 2010, the Protocol 38b to the EEA Agreement established the conditions for the EEA Financial Mechanism 2009-2014.

The Memorandum of Understanding (MoU) on the implementation of the Financial Mechanism 2009-2014 in Portugal, entered into Iceland, the Principality of Liechtenstein, the Kingdom of Norway and the Republic of Portugal, was signed on the 29th of March 2012.

For the current period (2009-2014) Portugal benefits of a total allocation of the EEA Grants of around € 58 M, with a net allocation of around € 53.6 M.

Eight Programme Areas are identified in the MoU to be supported by the Financial Mechanism 2009-2014 in Portugal:

<b>Portugal</b>	<b>EEA FM</b>
<b>Programme Area</b>	<b>Contribution</b>
Integrated Marine and Inland Water Management	€19.247.250
Renewable Energy	€ 4.000.000
Adaptation to Climate Change	€ 3.000.000
Civil Society (NGO)	€ 5.800.000
Public Health Initiatives	€ 10.000.000
Mainstreaming Gender Equality and Promoting Work-Life Balance	€ 2.500.000
Conservation and Revitalisation of Cultural and Natural Heritage	€ 4.000.000
Promotion of Diversity in Culture and Arts within European Cultural Heritage	€ 1.000.000
<b>Other Allocations</b>	
Technical assistance to the Beneficiary State	€ 869.250
Reserve for unforeseen developments	€ 2.897.500
Fund for bilateral relations at national level	€ 289.750
<b>Net allocation to Portugal</b>	<b>€ 53.603.750</b>

According to Article 2.2 of the Regulation on the Implementation of the EEA Financial Mechanism 2009-2014 (Regulation), the National Focal Point (NFP) shall submit to the Financial Mechanism Committee (FMC) an annual Strategic Report.

The National Management Unit (or *Unidade Nacional de Gestão*), integrated in the Ministry for Environment, Spatial Planning and Energy, acting as NFP, prepared a Provisional Version of the Strategic Report 2013 in October 2013 to form the basis of discussions at the Monitoring Committee held on the 30<sup>th</sup> October 2013 and Annual Meeting held with FMC/FMO in the 11<sup>th</sup> December 2013.

The first results on implementation of the programmes are available in the first quarter of 2014 after the presentation by the Programme Operators of their first Annual Reports until 15 February 2014, pursuant to Article 5.11 of the Regulation, albeit limited results can be reported in such an early stage of implementation of Programmes.

The present report is the Final Version of the Strategic Report 2013 which according with Article 2.2 of the Regulation follows the calendar year and shall be submitted no later than 31 March each year to the FMC.

The parties to the MoU agreed to endeavour to hold the Annual Meeting in the month of December every year.

According with Article 2.3 of the Regulation, if the date agreed to hold the Annual Meetings is later than 31 August, the Beneficiary State shall submit a brief update of the Strategic Report four weeks prior to the annual meeting.

Therefore, and as agreed with the FMO, the NFP will provide the FMC and Monitoring Committee an update on each Strategic Report in the following month of September of the same year.

## **1 EXECUTIVE SUMMARY**

Due to the initial phase of the implementation of the Financial Mechanism 2009-2014 in Portugal in 2013, the reporting period comprised mainly the following activities:

- Support to Programme Operators on discussions with FMO on programme proposals,
- Launching and implementation of the NGO Fund Programme,
- Launching and implementation of the Fund for Bilateral Relations (FBR) at national level,
- Approval of programmes, definition, preparation and signing of programme agreements and programme implementation agreements,
- Launching of programmes,
- Definition and set up of the Management and Control Systems at National and Programme level.

The present Strategic Report follows the template adopted by the Regulation (Annex 3) in the updated version notified by FMO on 26<sup>th</sup> November 2013 and aims to provide an overview of the EEA Grants management and contribution in the reporting period.

The present Strategic Report includes the development trends of Portugal as a baseline, representing the framework to further assess where support from the EEA Grants can be most relevant and effective (2.1). The EEA Grants cannot be directly identified in the development trends for the coming years, but the current scenario provides the framework to assess where support from the EEA Grants can be most relevant and effective, even if in an indirect way.

It also addresses the bilateral relations different levels of funding, describing the instruments through which cooperation will be reinforced (2.2). The reporting period does not reflect yet the partnerships with donor stated entities aimed for project level.

Reporting on Programmes, presented on 3, is limited due to initial implementation phase of the Programmes. Only the NGO Fund and the Fund for Bilateral Relations at national level were in full implementation phase during 2013. An overview of Programme Status is provided in 3.1 and Programme summaries on 3.2.

An explanation of the management and control systems status is provided (4.2) from which it is evident that at national level the compliance assessment was completed and that at Programme level will be delivered well ahead of the timeframe set on Article 4.8 of the Regulation.

Information of all the steps taken to ensure compliance with applicable legislation and the EEA legal framework is provided in 4.2. Modifications to the MoU due to changes in Public Administrations entities and the allocation of the Reserve are the most outstanding issues at this stage.

In the reporting period the audits, monitoring, reviews and evaluations were not initiated since there are no implementation results in such initial phase. Budgetary constraints were indentified and transmitted to the FMC by the NFP at the Annual Meeting regarding the performance of evaluations. The plan for the evaluations of the MFEED 2009-2014, pursuant Article 9.1, will be presented to FMC after budgetary constraints have been overcome.

Regarding information and publicity, a report on the compliance of the Communication Strategy adopted by the NFP is provided at 4.5. Considering the experience acquired during the reporting period, the NFP presented updated views on the Communication Strategy implementation during the Annual Meeting with a more focused design of the activities to be promoted in this matter, particularly regarding the external communication and a update of the targeted indicators related to the monitoring and assessment of the results achieved.

Finally, a summarised NFP's Work plan for the next reporting period is included in 4.6 and recommendations for the future reporting period are presented in 5.

## 2 ASSESSMENT OF IMPACT AT NATIONAL LEVEL

The Financial Mechanism 2009-2014 has two overall objectives:

- Contribute to reducing economic and social disparities in the EEA and
- Strengthen bilateral relations between Donor States and the Beneficiary States' entities.

### 2.1 Cohesion

In 17<sup>th</sup> of May 2011, Portugal signed with the European Commission, European Central Bank and International Monetary Fund the Memorandum of Understanding on Specific Economic Conditionality in which the financial assistance (€78.000.000.000) from the European Financial Stabilisation Mechanism and the European Financial Stability Facility depends of the accomplishment by the Beneficiary state of several measures to tighten public budget during the period 2011-2014.

The measures mainly focus on fiscal policy, financial sector regulation and supervision, fiscal-structural measures (public administration management, public-private partnerships, budgetary framework, state-owned enterprises and health care system), labour market and education, goods and services markets, transports, housing market, judicial system, competition, public procurement and business environment. The implementation of these measures included cuts in wages and pensions amounts, increase of taxes on labour income and property and reduction of social benefits.

For the last two years Portugal's macro level indicators have been the following:

Macro Indicator	Indicator Owner	2011	2012
<b>State of Social and Economic Affairs</b>			
Human Development Index	United Nations	41	43
Life Expectancy	United Nations	79,5	79,7
GDP Growth	Eurostat	-1,30%	-3,20%
GDP per capita (EU28=100)	Eurostat	78	75
Gross Debt (% GDP)	Eurostat	108,30%	123,60%
Gini-Coefficient (0-100)	Eurostat	34,5	34,2
At-Risk-of-Poverty or Social Exclusion	Eurostat	24,40%	25,3
At-Risk-of-Poverty after Social Transfers	Eurostat	18%	17,90%
Unemployment Rate	Eurostat	12,90%	15,90%
Youth Unemployment Rate	Eurostat	30,10%	37,70%
Gender Inequality Index	United Nations	0,14	0,114
Population Growth Rate	World Bank	-0,76%	-0,29%
<b>State of Social and Economic Affairs</b>			
TI Corruption Perception Index	Transparency International	32	33
Freedom House (status)	Freedom House	Free	Free
European Participation Index	European Trade Union Institute	NA	NA
<b>Other Macro Indicators</b>			
Labour Productivity per Person Employed (EU27=100)	Statistics Portugal (INE)	75,5	75,9
Private Consumption of Resident Households by Durability (nominal change rate)	Statistics Portugal (INE)	-0,9%	-4%
Public Consumption (nominal change rate)	Statistics Portugal (INE)	-9,2%	-11%
Gross Capital Formation (nominal change rate)	Statistics Portugal (INE)	-9,6%	-12,5%
Imports of Goods and Services (nominal change rate)	Statistics Portugal (INE)	1,60%	-5,3%
Exports of Goods and Services (nominal change rate)	Statistics Portugal (INE)	12,8%	4,6%

These indicators, except those related to imports and exports of goods and services and life expectation, show negative trends.

Based on current data it may be expectable that the economic recession, high unemployment rates and related low investment capacity will continue to characterize the macroeconomic scenario in Portugal in the coming years, with an important impact on the social and economic level and possible increase of disparities regarding other EEA countries.

The EEA Grants cannot be directly identified in the development trends for the coming years, but the current scenario provides the framework to assess where support from the EEA Grants can be most relevant and effective, even if in an indirect way.

## 2.2 Bilateral relations

The strengthening of bilateral relations between the Donor States and the Beneficiary States is one of the two overall objectives of EEA Grants.

This objective is pursued at national level and at programme and project level through three different layers of financing:

- Partnerships at programme and project level
- Fund for Bilateral Relations at national level
- Funds for Bilateral Relations at programme level

### Partnerships at programme and project Level

In the reporting period the appraisal of the programmes was concluded by the Donor States. Formal approvals were communicated to the NFP between April and October 2013. *Programme Agreements* and *Programme Implementation Agreements* were concluded until December for all programmes, except for Programme Area 17 Promotion of Diversity in Culture and Arts within European Heritage. Therefore implementation of programmes will be fully underway only in 2014.

Bilateral cooperation was relevant in the preparation of Programme Proposals, where 4 out of 8 programmes are Donor Partnership Programmes (DPP) and Donor Programme Partners actively participated in development of the programme proposals (see table below).

At project level the MoU foresees 3 Project Partners and involvement has already started at this early stage from which it can be expected a long term cooperation between Programme Operators and entities in Donors States.

Other partnerships are expected to be developed at project level once the programmes are fully in progress, but results on project level are not available on the reporting period.

Programme Area/ Programme ID	Programme Operator	Donor Programme Partner	Donor Project Partner
PA 1 Integrated Marine and Inland Water Management <b>PT02</b>	Direção-Geral de Política do Mar (DGPM)		The Norwegian Mapping Authority (Statens Kartverk) and The National Land Survey of Iceland (Landmaelingar Islands)
PA 6 Renewable Energy <b>PT03</b>	Electricidade dos Açores, SA (EDA)	The Icelandic National Energy Authority (OS)	
PA7 Adaptation to Climate Change <b>PT04</b>	Agência Portuguesa do Ambiente (APA)	Directorate for Civil Protection and Emergency Planning (DSB)	
PA 10 Civil Society (NGO) <b>PT05</b>	---	---	---
PA 13 Public Health Initiatives <b>PT06</b>	Administração Central do Sistema de Saúde, IP (ACSS)	Norwegian Institute of Public Health (FHI)	Norwegian Institute of Public Health, Department of Epidemiology
PA 14 Mainstream Gender Equality and Promoting Work-Life Balance <b>PT07</b>	Comissão para Cidadania e Igualdade (CIG)		Norwegian Association of Local and Regional Authorities (KS)
PA 16 Conservation and Revitalization of Cultural and Natural Heritage <b>PT08</b>	Direção Regional de Cultura do Centro (DRCC)		
PA 17 Promotion of Diversity in Culture and Arts within European Heritage <b>PT09</b>	Direção-Geral das Artes (DG Artes)	The Arts Council Norway	

### Funds for Bilateral Relations at programme level

According with Article 3.6 of the Regulation, each Programme sets aside a minimum of 1.5% of its total eligible expenditure for Bilateral Relations. The details of use of the Bilateral Relations Funds at Programme level is established by each Programme Operator according with procedures set out in each Programme Agreement.

Programmes	FBR
PT02 - Integrated Marine and Inland Water Management	€ 339.656
PT03 - Renewable Energy	€ 70.588
PT04 - Adaptation to Climate Change	€ 52.942
PT05 - Civil Society (NGO)	€ 87.000
PT06 – Public Health Initiatives	€ 176.471
PT07 – Mainstreaming Gender Equality and Promoting Work-Life Balance	€ 44.118
PT08 – Conservation and Revitalisation of Cultural and Natural Heritage	€ 70.588
PT09 – Promotion of Diversity in Culture and Arts within European Cultural Heritage	€ 92.400
<b>Total</b>	<b>€ 933.763</b>

The Programme Operators provided limited report on progress of bilateral relations at programme level during the reporting period at the respective Annual Reports. In most Programmes plans for the Fund for Bilateral Relations must be developed by the Programme Operators and be previously submitted to the FMC or the Cooperation Committee for approval, hence the limited report on such an early implementation phase. Only PT02 presented the Plan for Bilateral Relations in December 2013 to FMO.

Until the end of December 2013 there were no partnership agreements concluded at Donor Project Partners level, therefore there is no data available to report on Attachments 2 and 3 for 2013.

### Fund for Bilateral Relations at National Level

The Agreement on the *Technical Assistance and the Fund for Bilateral Relations at national level* was entered into by the NFP and the Donor States/FMC in September 2012.

The total amount set aside for the Fund for Bilateral Relations at national level is €289.750 and is managed by the NFP.

Details on the activities to be supported and procedures of implementation were developed in the *Work Plan* for the Fund for Bilateral Relations in consultation with FMO, the Norwegian Embassy, the Portuguese Ministry for Foreign Affairs (PMFA) and *Gabinete de Política e Planeamento* (GPP) of the then Ministry for Agriculture, Sea, Environment and Spatial Planning, and were discussed in the Annual Meeting with the Donors, held in Lisbon on the 12 December 2012.

The following table provides detail on the estimated timeline for distribution of the funds by activities proposed in the *Work Plan*:



			TIMELINE																							
			2012				2013				2014				2015				2016				2017			
PRIORITY AREAS	AMOUNT	%	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Social Exclusion in Urban Areas	100.000	35%																								
Good Governance	26.000	9%																								
Adaptation to Climate Change	16.000	6%																								
Horizontal Issues	60.000	21%																								
Bilateral Aspects of Programme Preparation	15.000	5%																								
Travel Schemes/Participation in Conferences (NFP and Others)	72.750	25%																								
TOTAL	289.750	100%																								

The *Work Plan* was approved by the Donor States/FMC on the 20<sup>th</sup> March 2013, with some conditions.

Reporting on the Fund for Bilateral Relations for the reporting period can be found in the chapter 3 (Reporting on Programmes).

### 3 REPORTING ON PROGRAMMES

#### 3.1 Overview of Programme Status

Between November 2012 and January 2013 the Programme Operators presented, through the NFP to the FMO, their Programme proposals.

The appraisal period of the Programme proposals ranged from 4 months to 11 months from the submission by PO/NFP until approval by FMC.

Completion of the signature of Programme Agreements consumed from 8 to 9 months since approval of the Programmes considering discussions on first PA drafts with FMO (1 to 2 months), changes in National Focal Point competent Minister and completion by PO of the necessary procedures for compliance with financial budgetary multiannual commitments.

Difference from date of the signature of the Programme Agreement and date of signature of the Programme Implementation Agreement ranged from 0 days to 24 days.

The next table gives an overview on the progress achieved in the approval procedures and implementation agreements for each Programme:

Programme	Programme Operator	Programme Proposal submission to FMO	Programme approval by FMC	Programme Agreement signature	Programme Implementation Agreement signature	Launching of calls for proposals
Technical Assistance and FBR at national level (PT01)	Unidade Nacional de Gestão (UNG/(NFP)	-----	-----	-----	24.09.2012	24.04.2013
Integrated Marine and Inland Water Management (PT02)	Direção-Geral de Política do Mar (DGPM)	13.11.2012	07.10.2013	16.11.2013	16.11.2013	
Renewable Energy (PT03)	Electricidade dos Açores, SA (EDA)	29.11.2012	31.05.2013	11.11.2013	18.12.2013	
Adaptation to Climate Change (PT04)	Agência Portuguesa Ambiente (APA)	15.11.2012	22.04.2013	07.10.2013	07.10.2013	
Fund for the NGOs (PT05)	Fundação Calouste Gulbenkian (FCG)	-----	06.12.2012	-----	22.03.2013	22.03.2013
Public Health Initiatives (PT06)	Administração Central do Sistema de Saúde (ACSS)	23.11.2012	15.04.2013	28.11.2013	02.12.2013	
Mainstreaming Gender Equality and Promoting Work-Life Balance (PT07)	Comissão Cidadania e Igualdade (CIG)	22.11.2012	12.04.2013	12.11.2013	29.11.2013	
Conservation and Revitalisation of Cultural and Natural Heritage (PT08)	Direção Regional de Cultura do Centro (DRCC)	01.02.2013	17.06.2013	(09.01.2014)	(09.01.2014)	
Promotion of Diversity in Culture and Arts within European Cultural Heritage (PT09)	Direção-Geral das Artes (DG Artes)	22.01.2013	05.05.2013	11.11.2013	29.11.2013	11.12.2013

Implementation results in the reporting period are available for PT01 Fund for Bilateral Relations at national level and PT05 Fund for the NGO and presented in detail in 3.2 and Attachment 1.

**Risk assessment at national level** for the implementation of the Financial Mechanism 2009-2014 in Portugal was presented by the NFP at the Annual Meeting, as follows:

Source	Risk	Mitigation Measure
Provisional Strategic Report and Oslo workshop	<b>Short time</b>	<b>Extension of the period of eligibility</b>
Provisional Strategic Report Oslo workshop	<b>New model of implementation (PO level)</b>	<b>more capacity building meeting/formation to the POs from FMO</b> POs to implement procedures to <b>ensure transparency and anti corruption practices on project contracts</b> POs to involve <b>human resources with professional skills and experience in managing and controlling</b>
Monitoring Committee and NFP	<b>Small number of proposals/low quality projects</b>	Promote <b>clarification sessions</b> and disseminate high quality information to the <b>target public of the calls</b>

The risk identified as short time for implementation of projects is also identified by all Programme Operators.

At the Annual Meeting, held on the 11th December 2013, the FMC/FMO informed that exceptional extension of time for implementing the projects according with Article 7.14 (4) of the Regulation is not being considered by the Donors and it cannot be regarded as a mitigation measure. The NFP notes there is a significant reduced time for implementation of the EEA Financial Mechanism 2009-2014 which could not be initially previewed by POs and Project Promoters, namely regarding programme approval timing (in average more than 4 months) and programme agreement signatures, which impacts on the implementation of programmes.

The new model for the EEA Grants' implementation, with Programme Operators responsible for the programmes, albeit concentrating management of Programmes and promoting an extra level for control, can pose difficulties. Distinctive levels of capacity and ownership of Programme Operators was observed within the different Programmes. Programme Operators which shall have strong ties to the sector to which the programme belongs, according to Article 4.2 (4) of the Regulation not necessarily hold experience in managing programmes/international funding. Close monitoring by the NFP and planned training by the FMO/NFP on key areas should be intensified in the next reporting period.

Communication on the EEA Grants is regarded by the NFP as central for transparency and success of the EEA Financial Mechanism 2009-2014. Continuous investment on this area should also be guaranteed with the view to mitigate the risk of insufficient and poor proposals for projects.

## 3.2 Individual Programme summaries

### PT01 FUND FOR BILATERAL RELATIONS AT NATIONAL LEVEL (FBR)

According to Article 3.5 of the Regulation the NFP shall report the use of the FBR on the Strategic Report.

The FBR *Work Plan*, which is a strategic document, previews in summary the following allocations:

1. € 15,000 to support activities of the Programme Operators in the preparation of programmes in 2012/2013;
2. € 22,750 to support the participation in events or conferences (within 2013-2017) aiming at fostering bilateral relations in the priority sectors identified in the MoU;
3. € 16,000 to support possible side-events at the EEA Grants International Conference for Adaptation to Climate Change in 2013 (held 7-9 October and organized by APA and the FMO), and
4. € 26,000 to finance the possible organization in 2013 of a major public event on Good Governance in cooperation with Transparency International.
5. € 210,000 to support initiatives (within 2013-2017) in the following areas: Travel Schemes and Conferences (TSC), Reducing Social Exclusion in Urban Areas (SEUA) and Horizontal Issues of the EEA Grants (HI);

Below is the current report on such allocations:

1. The NFP is to pay to PO of PT 03 – EDA – this year a total amount of € 7.765 related to the participation in the Iceland Geothermal Conference in 2013.  
The NFP is also to pay to PO of PT 07 – *Comissão para a Igualdade de Género* (CIG) – € 3.547 related to the travel costs of the Donor Project Partner (DPP) to Portugal (awaits proof of expenditure from DPP).
2. Nothing to report.
3. Following discussions on the matter and the low number of high level participants at the event, no side-event at the International Conference on Adaptation to Climate Change was identified by the organisers (APA and FMO) and by NFP, GPP and DGAE as to be financed in accordance to the FBR cooperation objectives.
4. For a matter of timing convenience and effectiveness, the NFP has duly informed the FMO that such public event should take place after the programmes started effective implementation (therefore not in 2013). The amount allocated to this activity may be used on other activities until the end the reporting period, under the approval of FMC.
5. On the 24<sup>th</sup> of April 2013, the NFP has launched, in a public ceremony presided by the then Portuguese Minister of Agriculture, Sea, Environment and Spatial Planning and by the State Secretary for Foreign Affairs of Norway, open calls for a total of € 210.000 for initiatives to be financed under the FBR at national level in the three above identified areas.

Details on results from the first calls for proposals are presented in Attachment 1.

The total committed allocation of the FBR in 2013 was € 58.706, a total of €162.531 are to be reallocated to new initiatives and the fund available for regranting on the remaining implementation period is of **€231.044**.

The chart below shows the financial execution of FBR at national level:

Total EEA Grants Commitments	EEA Grants Disbursements (by 31.12.2013)
€ 289.750	€ 104.299

An update to the FBR *Work Plan* was presented at the Annual Meeting held on the 11<sup>th</sup> December 2013 to be approved by the Donors.

### **PT05 FUND FOR THE NGOS**

In January 2013 the FMC selected *Fundação Calouste Gulbenkian* (CGF) as the Fund Operator for the NGO Programme (PT05) and in March 2013 the Agreement on the Implementation of the NGO Programme was signed.

### **Overview of the Programme**

The Programme Implementation Agreement between the FMO and CFG was signed on March 21<sup>st</sup> 2013. Total budget is 5.800.000 € to support projects promoted by NGOs in a set of predefined areas of support and selected via calls for applications, at a 90% grant rate.

Details on results from the first calls for proposals are presented in Attachment 1.

### **Following steps**

Preparation of grant contracts for the 32 small projects was underway and the first projects under the Programme were initiated still in 2013.

For the 27 large projects, a 2<sup>nd</sup> application phase will begin. Applicants will meet with the management unit and discuss the finer details involved in their proposals, and be informed of the recommendations issued by the independent experts which evaluated their applications, regarding the ways in which they are expected to improve their projects before they are again evaluated. These projects should be initiated by 1<sup>st</sup> quarter of 2014.

The next calls for applications are expected to open in March 2014. Large projects may only have duration of up to 18 months, because of the eligibility limit of April 2016, but otherwise it is expected that six calls will be launched on the same fields of intervention, for small and large projects, and again, on each field of intervention, 80% of the resources will be assigned to large projects and 20% to small projects. 1.423.258 € are to be assigned to these calls.

### **SUMMARIES ON THE REMAINING PROGRAMMES**

At this early stage of implementation of the Programmes the following launching of calls for proposals can be reported:

- PT09 launched a call for the Fund for Bilateral Relations (from 11.12.2013 to 10.01.2014) for the amount of 45.000€ and a call for proposals for the “Cultural Footprint” Programme under the (from 11.12.2013 to 31.03.2014) making available 870.000 €.

As major deviations from the programme agreements on the launching for calls for proposals, the NFP identified the following programmes:

- PT04 - launching of two calls for proposals making available 2.950.000 € due until the end of the fourth quarter 2013 were postpone for the first quarter 2014.
- PT06 – launching of one call for proposals making available 9.064.654 € due until the end of the fourth quarter 2013 was postpone for the first quarter 2014.
- PT07 – launching of one call for proposals making available 390.233 € due until the end of the fourth quarter 2013 was postpone for the first quarter 2014.

Programme modifications proposals to postpone these activities, with provisional approval by the NFP, were submitted by Programme Operators to the FMO.

**Risk assessment on Programmes** were provided by the Programmes Operators for the Training Session with FMO held in Lisbon on the 10<sup>th</sup> December 2013 and in some Annual Reports reflecting in general the following risk and mitigation measures:

MAIN RISKS	MITIGATION MEASURES
Short time	Eventual extension of eligibility of projects
Low financial and technical capacity of project promoters	Guidelines to project promoters and improvement of project selection methods
	Strengthening the control and monitor mechanisms at programme level and project level
	Ensure stability and technical quality of the Programme Operator management structure namely as regard the examination of applications, monitoring
Economic crisis impact on Programme Operators & Project Promoters (ex. budget cuts, limit access to funding)	More flexibility on the transfer of funds to the project promoters, mainly through the use of the advance payments

## 4 MANAGEMENT AND IMPLEMENTATION

### 4.1 Management and control systems

#### National level

Complying with article 4.8 of Regulation, the NFP sent to the FMO, on 8<sup>th</sup> of March 2013, the detailed description of the Management and Control Systems for the Financial Mechanism 2009-2014 duly adopted between the NFP, the Certifying Authority and the Audit Authority and the correspondent Report and Opinion issued by the Audit Authority.

That description establishes the procedures related with the institutional relations between the NFP, the Certifying Authority, the Audit Authority and the Programme Operators, the competences of each entity involved in the management and control systems at national level, namely regarding reporting on the implementation of programmes and monitoring, expenditure certification, payments, programme and project audit procedures and audit trails.

The compliance assessment of the Audit Authority states that the management and control systems at national level comply with the requirements and provisions of articles 4.1 to 4.6 of the Regulation.

By letter of the 18<sup>th</sup> November 2013 the FMO acknowledged the receipt of the description of the management and control system at national level and confirmed that it complies with paragraph 1 of Article 4.8 of the Regulation.

## Programme Level

In order to ensure compliance with the major objectives of the Financial Mechanism 2009-2014, the NFP prepared and sent to all Programme Operators specific guidelines for the preparation of their description of the management and control systems at programme level.

The guidelines take into account the best EU practices in this matter and cover the regulatory requirements, the general principles of the management and control systems, the responsibilities of the Programme Operators, the type and extent of administrative, financial, technical and on-spot verifications of the projects/operations, the audit trails and the reporting of irregularities.

By the end of 2013 the Audit Authority had provided the positive opinion and report for Programme Operator for PT07 – Mainstreaming Gender Equality and Promoting Work -Life Balance for *Comissão para a Cidadania e Igualdade de Género* (CIG) and, except for PT02, had provided the preliminary report on all of the other Programme Operators' descriptions of the Management and Control Systems.

Due to the very timely work of the Audit Authority it is expected that all final opinions and reports will be sent to FMO by the NFP in the first quarter of 2014.

## 4.2 Compliance with EU legislation, national legislation and the MoU

### FM 2009-2014 Legal Framework

A formal consultation to the legal services of the Portuguese Ministry for Foreign Affairs (PMFA) was conducted by the NFP, in May 2013, to assess the possible need of any national legal acts for the implementation of MoU and the Regulation in the internal legal system, in particular regarding the enforceability of the Programme Agreements as international binding acts for the Portuguese Government.

The opinion of the PMFA stated that the MoU, the Regulation and the Programme Agreements have an executive status to the binding Agreement on the EEA and its Protocol 38B on the EEA Financial Mechanism 2009-2014 and confirmed that the Regulation is fully applicable in Portugal in the terms of the Agreement, in particular Article 8º § 8 of Protocol 38B.

The MoU entered into force in the 30<sup>th</sup> March 2012, the following day of the last signature.

Due to Government and Public Administration reorganization, amendments to some dispositions from Annex A and Annex B of the MoU were discussed at the Annual Meeting in 11, December 2013, following preliminary information by NFP to FMO, to be further formalized:

#### Annex A

- Minister responsible for EEA Grants and which supervises the National Management Unit acting as NFP and representing the Portuguese Government:  
Minister of Environment, Spatial Planning and Energy, Mr. Jorge Moreira da Silva
- Other modifications from Government reorganization deemed necessary once the legislation on the reorganization of the designated entities is published

#### Annex B

- **Programme Area 01 (PT02)**  
Predefined project 1) Replacement of the Project Promoter as the Programme Operator (DGPM) for *Portuguese Institute for Sea and Atmosphere, P.I*

Predefined project 2) Replacement of the Project Promoter as Directorate-General for Natural Resources, Maritime Safety and Services (DGRM) for Task Group for the Extension of the Portuguese Continental Shelf (EMEPC)

- **Programme Area 16 (PT08)**

Replacement of the Programme Operator Secretariat of State for Culture for *Regional Directorate for Culture for Central Portugal*

- **Programme Area 17 (PT09)**

Replacement of the Programme Operator Secretariat of State for Culture for *Directorate General for Arts*

A formal revision of Annex B shall also include the decision from the Donors States on the allocation of the reserve for unforeseen events to the Programme for NGOs managed by *Fundação Calouste Gulbenkian*, corresponding to a total amount of €2.897.500 with focus on youth unemployment, youth out of school and youth at risk. The youth focus will include also green employment, social entrepreneurship, social inclusion through arts and culture, as well as civic participation related to human rights and environmental responsibility.

At the Annual Meeting it was agreed to proceed with the exchange of letters for formalization of the agreed amendments.

#### Programmes compliance

According with Article 4.7 of the Regulation the Programme Operators are responsible to ensure that all relevant local, national and EU legislation (including legislation on state aids and competition, public procurement and environment) are complied with.

All programmes have been prepared in a transparent way and in line with EU and national law and according with proposed revised version of the MoU.

The programmes approved were submitted, in August 2013, for screening and opinion on their legal compliance with EU legislation to the *Direção Geral para os Assuntos Europeus* (DGAE) in the PMFA.

DGAE issued a general opinion stating that the contents of the approved programmes raised no particular concerns concerning EU legislation compliance and that the nature of this screening could not be considered comprehensive of all circumstances, namely in regards to the definition of relevant markets. A special reference was made by DGAE regarding Programme PT03 Renewable Energy's compatibility with state aid rules. To ensure compliance with EU legislation, the Programme Operator for PT 03 – *Eletricidade dos Açores* (EDA) – addressed any potential concerns with the support of the Certifying Authority – *Instituto Financeiro para o Desenvolvimento Regional* (IFDR) – as it is also the competent body on state aids notifications on regional funds and consultations with the national regulatory entity for energy (Entidade Reguladora dos Serviços Energéticos – ERSE).

For the Fund for Bilateral Relations at national level an assessment was conducted by IFDR regarding state aid rules concluding that the financial supports to be provided to the potential beneficiaries under this fund were not qualified as state aids.

Moreover, clauses 1.5 and 3.9 of the Programme Implementation Agreement draft provided adequate framework for Programme Operators and Project Promoters compliance with EU and national legislation.

The draft Programme Implementation Agreement reviewed by the FMO also foresees that each Project Contract between the Programme Operators and the Project Promoters includes



provisions ensuring that the project is executed with high level environmental protection performance and particularly, in case of projects activities capable of generating waste, that this is treated in an environmentally sound way.

### 4.3 Irregularities

In compliance with the Article 11.5 (2) of the Regulation, the NFP is the national entity responsible for the preparation and submission of irregularities reports to FMC. Reports for the second, third and fourth quarters of 2013 provided no evidence of actual or suspected irregularities.

The description of management and control systems at national level establishes the procedures/measures regarding the prevention, investigation, reporting, recording, resolution and recovering of funds unduly paid.

The implementation of these procedures, including the set up of a complaints mechanism on the national EEA Grants website through which any suspicious irregular transaction/activity can be reported, represent a shared commitment between all entities involved directly in the management and control of the programmes in Portugal (NFP, IGF, IFDR and POs).

### 4.4 Audit, monitoring, review and evaluation

The Audit Authority submitted to the FMO, on the 27<sup>th</sup> December 2013, the Annual Report and Opinion, in accordance with Article 4.6 (1) (e) of the Regulation.

Since the Programmes were approved by FMC between April and October 2013 the **audit** strategies are to be presented to the FMC by the Audit Authority between December 2013 and June 2014.

The NFP promotes continuous and regular **monitoring** on programmes' implementation, (except for the NGO Programme operated by the FMO) through control meetings, reports and questionnaires. A Monitoring Plan for the NFP is available in Attachment 6.

Budgetary constraints were identified and transmitted to FMC by the NFP at the Annual Meeting regarding the performance of **evaluations** by the NFP. FMC confirmed that financial support cannot be covered outside the budget for Technical Assistance. Due to the budgetary constraints of the Technical Assistance in the MFEED 2009-2014 and other national sources, the timing of achievement of this task will depend on the possibility to overcome these constraints.

The plan for the NFP evaluations of the MFEED 2009-2014 will have to be presented to FMC after financial resources can be allocated to this task nationally.

### 4.5 Information and publicity

With the aim of increasing knowledge on the EEA Financial Mechanism 2009-2014 and ensure transparency, according with Article 4.3 § 4, (a) of the Regulation, the NFP provides information on existence of the EEA Grants in Portugal, its objectives, implementation status and, to the possible extend, its overall impact.

The Communication Strategy for the EEA Grants 2009-2014 in Portugal developed by the NFP, in accordance with the Information and Publicity Requirements of Annex 4, was approved by the FMO on the 2<sup>nd</sup> July 2013.

In short, the document defines the following:

<b>Objectives</b>	<ul style="list-style-type: none"> <li>• Increase awareness of the EEA Grants 2009-2014</li> <li>• Promote and facilitate the dissemination of information</li> <li>• Contribute to transparency and prevention of the potential misuse of funds</li> </ul>
<b>Stages</b>	<ul style="list-style-type: none"> <li>• Launch of the EEA Grants 2009-2014</li> <li>• Programmes approval</li> <li>• Closing of the programmes and the EEA Grants 2009-2014</li> </ul>
<b>Groups/Targets</b>	<ul style="list-style-type: none"> <li>• Internal communication</li> <li>• External communication</li> </ul>

Considering the defined stages, the reporting period corresponds to the programmes approval and implementation period. Therefore and according to the Communication Strategy for the promotion the EEA Grants 2009-2014, the NFP considered the following activities to be undertaken on the reporting period:

1. Website – Launching of the EEA Grants national dedicated website ([www.eeagrants.gov.pt](http://www.eeagrants.gov.pt));
2. Information brochure – Publication and distribution of an information brochure about the allocations to the programmes and their main goals;
3. Social networks – Creation of a Facebook dedicated page or informing periodically the FMO and the Norwegian Embassy with updated data due for publication on their webpages; Possible creation of a LinkedIn National profile;
4. Promotional material – EEA Grants logo to be featured in all official documents, including all communication material, business cards and posters. Display of a roll-up with representative pictures of all programmes displayed in all EEA Grants events;
5. Newsletter – Issuance of two newsletters each year with the update of most relevant information about the EEA Grants in Portugal;
6. Meetings, seminars, workshops and other events:
  - A. Three major promotional events during the implementation period, including a major event for the launching of the Programmes with the signatures of the agreements with Programme Operators,
  - B. Meetings and workshops for Programme Operators each year, including a seminar/workshop on the second quarter of 2013.
7. Media - Media coverage of major events.

The report on such activities during the reporting period is the following:

1. Website was created in August 2012 and duly and regularly updated with information in Portuguese and English languages;
2. In 2012 the first brochure was produced; 2013 brochure concluded with Norway Embassy after all programme agreements and programme implementation agreements were signed;
3. NFP has, instead of creating a dedicated Facebook page, forward permanently updated information to the FMO and Norwegian Embassy;
4. A second roll-up with the EEA Grants logo and representative pictures of all the Programme Areas was prepared on September 2013. The roll-up is usually displayed at

the headquarters of the NFP and in all EEA Grants events. All written official documents, e-mails sent, business cards and posters include the EEA Grants logo;

5. In November 2013 the release of the newsletter;
6. A) The following promotional events/media highlights on 2013 should be noted:
  - Launching of the Fund for Bilateral Relations at national level and of the first open call, on April 24<sup>th</sup>, 2013 with the participation of the former Portuguese Minister for Agriculture, Sea, Environment and Spatial Planning and the State Secretary for Foreign Affairs of Norway. The NFP organized the event with support from the Royal Norwegian Embassy.
  - Launching of all programmes with public presentation of their contents, on 7<sup>th</sup> June, 2013, in Chapitô, with the participation of the former Portuguese Minister for Agriculture, Sea, Environment and Spatial Planning and the Secretary-General for the Norwegian Ministry for Foreign Affairs. The Norwegian Embassy organized the event with the NFP.
  - Public signature of the agreements for Programme PT04 - Adaptation to Climate Change by the Minister for Environment, Spatial Planning and Energy (current NFP), the Norwegian Ambassador and the Programme Operator Chairman, on 7<sup>th</sup> October, 2013, during the EEA Grants International Conference on Adaptation to Climate Change, in Myriad Hotel, organized by Agência Portuguesa do Ambiente and FMO.
- B) The following activities for Programme Operators taking place in 2013 should be noted:
  - Several working meetings were held with each Programme Operator on different EEA Grants' programme implementation issues, sometimes involving third parties to the NFP. In particular, and as an example, meetings were held together with the Audit Authority to guide the description of the management and control systems at programme level.
  - A workshop was promoted by FMO and the NFP on "DoRIS Technical training for Programme Operators for Portugal" on Interim Financial Reports, on 4<sup>th</sup> October, 2013.
7. All major events had extensive media coverage, since all had the participation of Portuguese members of Government and high level representatives from Norway (newspapers; radio and TV).

In the approved Communication Strategy, indicators were identified, as well as their objectives, targets and source of verification for the monitoring and assessment of the information and publicity measures (table below).

The NFP acknowledged a rising on the awareness of the EEA Grants, shown by the growing number of phone calls, e-mails and meeting requests received during the period under review, asking for information on the Fund, the programmes, how to apply and requirement for inclusion on our contact lists.

Objective	Indicator	Target	Source of verification
Increase Awareness	Annual average of website visitors	2,000	Installation of a website visitor counter
	Degree of attendance of entities representing target groups at events held	70%	Attendance record
Transparency	Annual number of the complaints reported through website (irregularities complaint mechanism)	<5	Count of complains
	% of the programs that publish all the criteria of the selection of projects through open call	100%	Verification of publications
Dissemination	Events, conferences and seminars (partnerships with the FMO and Norwegian Embassy included)	4	Holding of events
	Articles published in the media	4	Article archive
	Press Releases	10	Press release archive

#### Reporting on the results:

- Annual average of website visitors – At this stage there are no data available to allow the verification of the annual average set for this indicator, nevertheless, from January to October 2013 5 434 unique visitors were accounted for, most Portuguese, on the Portuguese EEA Grants website;
- Degree of entities representing target groups attending events held – 80 to 100% of the target group entities expected attended the events and workshop promoted in 2013;
- Annual number of complaints reported through the website (Irregularities Complaint Mechanism) – One (on NGO Programme);
- Percentage of programmes that published all the criteria for the selection of projects, through open call - Only available for the PT 05 – Funds for NGO, PT 01 – Fund for Bilateral Relations at national level and PT09 Cultural Footprint, which launched open calls and published all the agreed major criteria for the selection of projects;
- Events, conferences and seminars – Two events, one workshop;
- Articles published in the media – At least nineteen press articles published in the national press, including widespread circulation newspapers, radio and TV, relating to, or about the EEA Grants during the reporting period;
- Press releases – The dissemination of press releases is done through the Press Office of the Focal Point Ministry (MAOTE) and the Norwegian Embassy's Public Relations Agency. The NFP prepared 3 press releases (on the Fund for Bilateral Relations; Launching of the Programmes; EEA Grants Conference on Adaptation to Climate Change and PT 04 agreements' signatures) and disseminated its relevant information on the EEA Grants national website and to the FMO.

Considering the elapsed time as well as the knowledge meanwhile acquired, an updated view of the NFP on the implementation of Communication Strategy was discussed during the annual meeting.

This updated view consists on a more focused design of the activities presented in the Communication Strategy to be promoted by the NFP, particularly regarding the external

communication and the clarification of the targeted indicators related to the monitoring and assessment of the results achieved.

Objective	Indicator	Target	Source of Verification
Increase Awareness	Average of website visitors	2.000/ <b>year</b>	<b>Google Analytics tool</b>
	Degree of attendance of entities representing target groups at events held	70%/Event	Attendance records
Transparency	Number of complaints reported through website (irregularities complaint mechanism)	<5/ <b>Year</b>	Complaints counting
	% of Programmes that published all the criteria for the selection of projects through open call	100%* *Regulation and PIA demand	Verification of publications
Dissemination	Events, conferences and seminars (partnerships with the FMO and Norwegian Embassy included)	4/ <b>Implementation period</b>	Holding of Events
	Articles published in the media	4/ <b>Year</b>	Article Archive
	Press Releases	10/ <b>Implementation period</b>	Press Releases Archive

In this early stage of implementation of programmes, the report on information and publicity activities implemented by the Programme Operators presented at the respective Annual Reports is limited.

## 4.6 Work plan 2014

## Work plan for the NFP

	Activities	J		F		M		A		M		J		J		A		S		O		N		D	
		1	2	1	2	1	2	1	2	1	2	1	2	1	2	1	2	1	2	1	2	1	2	1	2
NFP	Final Strategic Report 2013 submission to FMO																								
	FMO DoRIS Workshop on Project Level Information in Lisbon																								
	Monitoring on Programmes																								
	Project Contracts for FBR projects (first call)																								
	Administrative checks of expenditure of FBR at National Level Projects																								
	On-The Spot Verifications of FBR at National Level Projects																								
	Update Work Plan for FBR at National Level final submission to FMC																								
	Second Open Calls for the FBR at National Level																								
	Selection and approval of FBR at National Level proposals (2 <sup>nd</sup> call)																								
	Update on Strategic Report (2014)																								
	2 <sup>nd</sup> Meeting of the Monitoring Committee																								
	Annual Meeting NFP/FMC																								
	Communication Strategy Implementation																								
	Evaluation of programmes (*)																								

(\*) to be determined

Work plan for PO (not provided by Programme Operators in Annual Reports)

## 5 SUMMARY LIST OF ISSUES AND RECOMMENDATIONS

At the early stage of implementation of the Financial Mechanism 2009-2014 the main outstanding issues and recommendations for the next reporting period, the NFP outlines the following:

### 1. Short period for implementation of programmes

Albeit, the Regulation accommodates for a possible exceptional extension of the period of eligibility for projects, this possibility, discussed at the Annual Meeting, is considered not available by the Donor States.

The NFP notes significant reduced time for a very demanding framework of implementation of the EEA Financial Mechanism 2009-2014, with limited mitigation measures.

Programme Operators and FMO are key stakeholders for mitigation of the risk related with the short implementation time.

### 2. The new model of implementation of the EEA Grants

The new model for the EEA Grants' implementation, with Programme Operators responsible for the programmes, albeit concentrating management of Programmes and promoting an extra level for control, can pose difficulties. Distinctive levels of capacity and ownership of Programme Operators was observed within the different Programmes. Programme Operators which shall have strong ties to the sector to which the programme belongs, according to Article 4.2 (4) of the Regulation not necessarily hold experience in managing programmes/international funding. Close monitoring by the NFP and planned training by the FMO/NFP on key areas should be intensified in the next reporting period.

### 3. Small number of project proposals/poor quality of projects

Communication on the EEA Grants is regarded by the NFP as central for transparency and success of the EEA Financial Mechanism 2009-2014. Continuous investment on this area should also be guaranteed with the view to mitigate the risk of insufficient and poor proposals for projects.

## Outstanding issues for the next reporting Period

### 4. Work plan on FBR at national level to be approved by the Donors

Activities supported by this fund operated by the NFP will be resumed after approval of the revised Work Plan by the Donors.

### 5. Poor reporting on Programmes by Programme Operators unable the NFP to deliver a comprehensive Strategic Report with results on outcomes.

Further training and support to PO should be provided by FMO and NFP in order for PO to comply with the reporting obligations adequately.

### 6. Evaluations on Programmes dependent on budgetary availability

An Evaluation Plan will be presented after the overcome of current budget constraints of the NFP to promote this task.

## 6 ATTACHMENTS TO THE STRATEGIC REPORT

- Attachment 1 – Report on results from calls for proposals for PT01 (FBR) and PT05 (NGO)**
- Attachment 2 – Table with information on Donor Partnership Projects **(Information not available for 2013)**
- Attachment 3 – Summary on Donor Partnership projects on the Beneficiary State Level **(Information not available for 2013)**
- Attachment 4 – A list of irregularities at Beneficiary State and at programme Level **(nothing to report)**
- Attachment 5 – A list of irregularities detected at project level **(nothing to report)**
- Attachment 6 – Monitoring Plan for NFP** (non public attachment)
- Attachment 7 – A risk assessment at national and programme levels** (non public attachment)

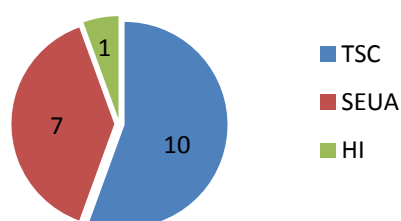


## ATTACHMENT 1

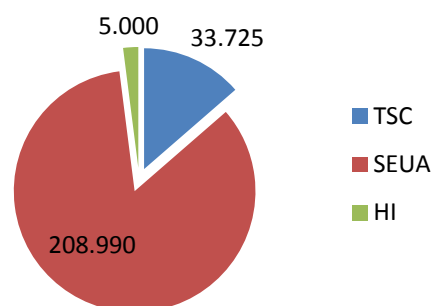
### Report on PT01 Fund for Bilateral relations

A total of 18 applications were received, between April 24<sup>th</sup> and June 24<sup>th</sup>, reaching the total requested support of € 247.715

**Applications by Programme Area**



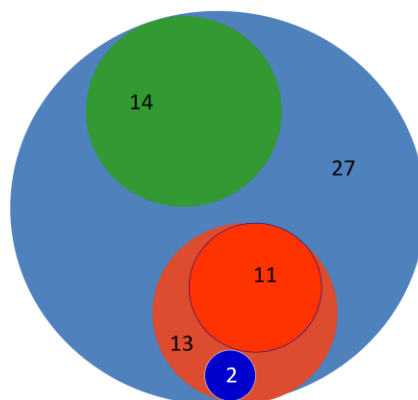
**Requested Supports €**



Given the appropriation values for each area, the amounts requested for Reducing Social Exclusion in Urban Areas (SEUA) more than doubled the total allocation available (€ 100.000), as for Horizontal Issues (HI) with only one application, the values were much lower than expected. The total number of entities involved, between promoters and partners was 27, of which 13 foreigners, predominantly originating from Norway (11).

The priority sector “Environmental Protection and Management”, in the open call for Travel Schemes & Conferences (TSC), received the highest preference for partnership proposals.

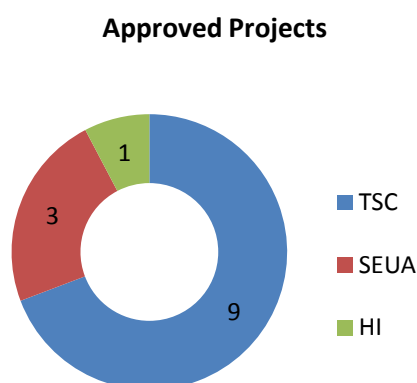
**Entities Involved**



The majority of preferences for partnership development under the call for proposals Reducing Social Exclusion in Urban Areas (SEUA), fell on reducing the “Effect of Crisis on Youth Employment”.

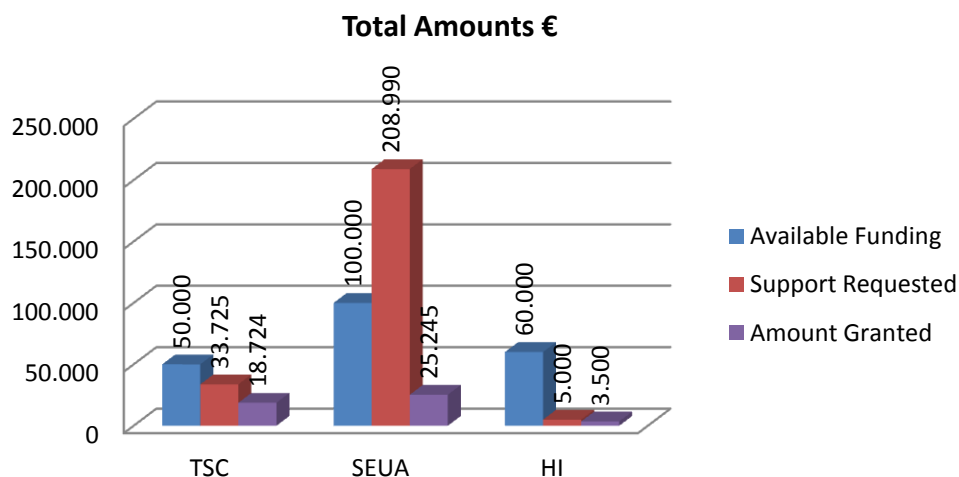
Cooperation and strengthening of bilateral relations with regard to horizontal issues, including “Promotion of Tolerance”, was the only application received under Horizontal Issues of the EEA Grants (HI) call for proposals.

The Selection Committee, constituted by representatives from the Norwegian Embassy, DGAE and GPP, recommended to the NFP Coordinator a decision to approve 13 applications which involved a financial support from the EEA Grants of € 47.469.



Three projects were excluded during the initial formal assessment of applications for not having partner in Portugal to promote bilateral cooperation in the priority sectors identified in the MoU, and two projects were not approved in the stage of merit assessment for not including elements allowing a positive evaluation of the compliance with the criteria established in the respective invitations.

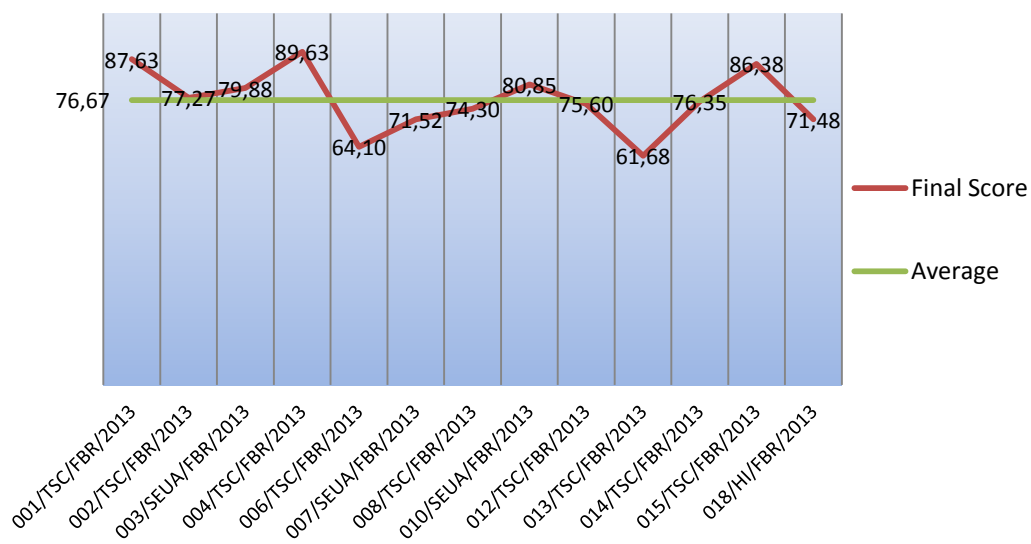
The chart below presents the statistics of the total amounts involved for the winning proposals. The relationship between the line of available funding, the amount of support requested and the amount to be granted is shown for each area available.



The amount of support to be granted was also limited by the score obtained by the proposed projects on the merit analysis performed over their quality. The average score for all the projects approved in this merit analysis was 76.67 points, which demonstrate the good overall quality of the proposals and the fact that most of them obtained a funding rate of 85% of the

total requested. Note that none of the proposals received scores likely to get 100% financing and two proposals obtained a score below 50, and were therefore excluded from funding.

### Scores



The final amounts granted, the name of the beneficiary and a small description of each project are shown in the next chart.

Beneficiary Name	NIF/NPC	Amount Granted €	Project Description
Fundação da Faculdade de Ciências da Universidade de Lisboa	503183504	2.550	Participation in a workshop, with the aim of strengthening the bilateral cooperation in the long term, between two Norwegian research institutions, and the Oceanography Centre of the Faculty of Science Foundation, Lisbon University
ADPMA - Associação para a Defesa do Património Marítimo dos Açores	512049734	1.275	Field trip to Iceland to prepare an interdisciplinary collaboration in the conservation and revitalization of cultural and natural heritage in fishing communities living in the Azores and Iceland
Instituto de Ciências Sociais - Universidade de Lisboa	506101347	2.550	Visit of ICS researchers to the University of Oslo to strengthen cooperation in the study of the impact of climate change and energy sustainability in various fields of social sciences
Universidade de Aveiro	501461108	2.503	Participation of a researcher from the UA in a seminar in Lofoten by the Norwegian Oil Spill Control Association (NOSCA) related to the prevention and combat of oil spills and their impact on marine ecosystems
Escola Superior de Enfermagem do Porto	507880803	2.550	Visit of elements from Capelle Damn Akademik (CDA-Norway) to the ESEP, to participate in a meeting and a workshop related to electronic tools to be used in the decision-making process of clinical practice
Associação Transumância e Natureza	505021340	2.550	Establishment and development of contacts between ATN and several similar organizations from Norway, to share experiences and knowledge in the areas of natural resources management, tourism and leisure visits, through short-term training
Raríssimas - Associação Nacional de Deficiências Mentais e Raras	506027244	2.100	Participation of Raríssimas staff on a training course sponsored by Frambu - Reference Centre for Rare Diseases, on chromosomal changes and rare diseases, with the aim of sharing knowledge and experiences
Associação dos Estudantes do Instituto Superior de Agronomia	501617493	1.050	Participation of a student master degree from ISA to the European Congress of Aquaculture to present his final work on Systems of Multitrophic Integrated Aquaculture and participation in the AquaNor fair
International Organization for Migration	501431594	1.596	Event to be held in Portugal, whose main objectives are the definition of a set of guidelines on access to health care and meeting the needs of migrants, the Roma people and other ethnic minorities and vulnerable groups, contributing to achieve the objectives of Europe 2020 Strategy for reducing inequalities in access to health care
Raríssimas - Associação Nacional de Deficiências Mentais e Raras	506027244	3.500	Raríssimas's staff study trip to camps of the Norwegian entity (Frambu), to observe and learn from the activities developed and visit to Portugal of Norwegian technicians, to the promoter's rehabilitation centers, for technical guidance and supervision of the new holiday camp (Marcos Camp) for children with rare diseases
Faculdade de Letras da Universidade de Lisboa	502657456	8.245	Set of actions, which aim, in stages, to map the entire academic and scientific information on the fisheries sector in Portugal, Iceland and Norway; to establish a network of associations and partners in this sector in the three countries, for sharing good practices and promote and advertise employment opportunities; and Workshop in Portugal for the dissemination of results and definition of new work strategies
Chapitô - Colectividade Cultural e Recreativa de Santa Catarina	501395458	10.000	Development of initiatives associated with the implementation of: a) two workshops on circus techniques taught by Norwegian artists (Circus Xanthi), b) a training session for trainers c) a trip to Norway to extend the platform for artistic pedagogical exchange between Chapitô and Norwegian counterpart's structures and d) individual and public presentations by Norwegian artists in Portugal
Instituto de Higiene e Medicina Tropical	501510168	7.000	Preparation of a meeting to be held in Portugal between various universities and research institutions that develop relief work in the areas of the traveler and/or the migrant

## Report on PT05 Fund for NGOs

Three fields of intervention have been defined, and in each of these, calls for applications regarding “large projects” (eligible cost between 25 000 € and 125 000 €, up to 24 months duration, 2-phase application process) and “small projects” (eligible cost between 10 000 € and 25 000 €, up to 12 months duration, single phase applications) have been envisaged for 2013 and subsequent years:

- A. Participation of NGOs in the implementation of public policy design and instruments at the local, regional and national levels (20% of the available regranting funds or 980 000 € have been assigned);
- B. Active role in Human Rights, minorities and anti-discrimination (40% of the available funds, 1 960 000 €); and
- C. Effectiveness of NGO action (40% of the available funds, 1 960 000 €).

Programme management, bilateral relations and complementary actions were assigned the remaining 900 000 €.

### Overview of the 2013 Calls

Applications to these calls could be submitted between April 29<sup>th</sup> and July 1<sup>st</sup>, and the evaluation and selection procedures were carried out between July and September. The CGF Board of Trustees issued its deliberation approving the recommendations of the Selection Committee on October 3<sup>rd</sup>, just 196 days after the Implementation Agreement was signed.

75% of the total regranting resources (3 675 000 €) have been assigned to the six 2013 calls. On each field of intervention, 80% of the resources have been assigned to large projects, 20% to small projects (see table below):

Call A11 – field of intervention A, large projects and Call A12 – field of intervention A, small projects;  
 Call B11 – field of intervention B, large projects and Call B12 – field of intervention B, small projects;  
 Call C11 – field of intervention C, large projects and Call C12 – field of intervention C, small projects.

Call	Received Applications		Admitted Applications		Call Appropriation [3]	[1]/[3]	[2]/[3]
	No.	Total Amounts Requested [1]	No.	Total Amounts Requested [2]			
A11	35	3 751 870 €	31	3 302 478 €	588 000 €	638%	562%
A12	20	400 790 €	13	259 628 €	147 000 €	273%	177%
B11	120	12 582 629 €	93	9 618 774 €	1 176 000 €	1070%	818%
B12	78	1 649 335 €	52	1 068 854 €	294 000 €	561%	364%
C11	60	6 100 108 €	48	4 850 740 €	1 176 000 €	519%	412%
C12	51	1 107 796 €	41	898 946 €	294 000 €	377%	306%
Total	364	25 592 528 €	278	19 999 420 €	3 675 000 €	696%	544%

A total of 364 applications were received, as shown in the table below, involving 772 organizations participating as promoters and/or partners. 278 of the received applications were admitted. Interest in the calls for large projects exceeded the set appropriations by a larger margin than in the calls for small projects. The score of each application was, on average, high (57.72 points out of 100), with averages on each call for small projects being lower than on the calls for large projects.

Call	Average Application Score	Requested amounts regarding applications scoring:					
		Over 60		50-60		Under 50	
A11	62.07	2 161 740 €	65%	445 948 €	14%	694 790 €	21%
A12	49.66	37 770 €	15%	99 307 €	38%	122 551 €	47%
B11	60.38	4 783 121 €	50%	3 555 915 €	37%	1 279 738 €	13%
B12	54.90	408 281 €	38%	334 968 €	31%	325 605 €	30%
C11	59.76	2 127 482 €	44%	1 290 638 €	27%	1 432 619 €	29%
C12	52.12	191 936 €	21%	290 327 €	32%	416 683 €	46%
Overall	57.72	9 710 331 €	49%	6 017 103 €	30%	4 271 986 €	21%

59 applications, or about 16% of all received applications, have been approved for support by the CGF Board of Trustees on October 3<sup>rd</sup> (32 small projects and 27 large projects). The 3 378 742 € to be disbursed in grants represent about 13% of the total grant amount requested on all received applications, and it should also be noted that 128 applications with a positive evaluation (71 of which with an overall score of at least 60 points) will not receive support from the Programme because of insufficient call appropriations.

Applications Proposed for Approval per Call				
Call	No.	Average Score	Proposed Support	Call Appropriation
A11	5	74.10	539 682 €	588 000 €
A12	5	59.25	92 077 €	147 000 €
B11	11	76.43	1 089 225 €	1 176 000 €
B12	14	71.98	277.291 €	294 000 €
C11	11	77.84	1 099.627 €	1 176 000 €
C12	13	64.19	280.840 €	294 000 €
Overall	59	71.29	3 378.742 €	3 675 000 €

All large projects selected for the 2<sup>nd</sup> application phase scored 71.75 or higher, due to the limited appropriations, but several small projects could be approved with lower scores. Only on call A12 was there an insufficient number of projects of appropriate quality to be supported. A total 296 258 € remains available for projects to be supported under future calls

## **ATTACHMENT 2**

**Table with information on Donor Partnership Projects**

**Information not available for 2013**

### **ATTACHMENT 3**

**Summary on Donor Partnership projects on the Beneficiary State Level**

**Information not available for 2013**



## **ATTACHMENT 4**

**A list of irregularities at Beneficiary State and at programme Level**

**Nothing to Report**

## **ATTACHMENT 5**

**A list of irregularities detected at project level**

**Nothing to Report**

## ATTACHMENT 6

### Plan of Monitoring Activities by NFP

NFP	Activities	J		F		M		A		M		J		J		A		S		O		N		D	
		1	2	1	2	1	2	1	2	1	2	1	2	1	2	1	2	1	2	1	2	1	2	1	2
	Progress Meetings with PO																								
	Questionnaires of specific subjects																								
	Quarterly reports from PO (Clause 3.10 PIA)																								

## ATTACHMENT 7

## 7.1 RISKS IDENTIFIED AT NATIONAL LEVEL

The following exercise is provided by the NFP as preliminary risk assessment conclusions, based on the risks identified by the time of the annual meeting (Training session for PO with FMO) together with risks identified during monitoring of programmes and analysis of annual reports).

Type	Description of risk	Mitigation
Cohesion objective	Short time for implementation	<ul style="list-style-type: none"> <li>- Extension of period of eligibility;</li> <li>- Constant support and monitoring from NFP / FMO to PO to minimize delays;</li> <li>- reducing FMO/FMC response timing on procedures necessary for progress on Programmes implementation (v.g approval of calls texts , pre-eligibility or pre-payment conditions, etc);</li> </ul>
	Small number of proposals/low quality of projects	<ul style="list-style-type: none"> <li>- Promote clarification sessions and disseminate high quality information to the target public of the calls;</li> </ul>
	Economic crisis and budgetary constraints	<ul style="list-style-type: none"> <li>- Timely transfer of funds to project promoters;</li> <li>- Advance payments on projects;</li> </ul>
	Low financial and technical capacity of project promoters	<ul style="list-style-type: none"> <li>- Guidelines from PO to project promoters and improvement of project selection methods;</li> <li>- Strengthening the control and monitor mechanisms at programme level and project level;</li> <li>- Ensure stability and technical quality of the Programme Operator management structure namely as regard the examination of applications, monitoring and verifications;</li> </ul>
Bilateral objective	Difficult search for Donor partners	<ul style="list-style-type: none"> <li>-Creation of a database of potential Donor partners by Donor Countries</li> </ul>
	Limited Availability for partnerships by potential DPP	<ul style="list-style-type: none"> <li>-Survey on potential partners and creation of database with interested and available partners by Donor countries</li> </ul>
	Partnerships may impose high costs	<ul style="list-style-type: none"> <li>-Clear and comprehensive budget agreements before signature partnership contracts.</li> </ul>
Operational issues	New model for implementation with Programme Operators (lack of capacity/ownership)	<ul style="list-style-type: none"> <li>- More capacity building to POs from FMO/NFP;</li> <li>- Regular report from POs;</li> <li>- POs to implement procedures to ensure transparency and anti corruption practices on project contracts;</li> <li>- POs to involve human resources with professional skills and experience in managing and control;</li> </ul>
	Political changes with potencial effects on designated entities	<ul style="list-style-type: none"> <li>- importance to organizational stability briefings to new designated members of government/heads of entities;</li> <li>- well documented history and archives and audit trails of implementation and management of the Grants, programmes and projects;</li> </ul>

## 7.2 RISK ASSESSMENT ON PROGRAMMES BY PROGRAMME OPERATORS

(December 2013 and/or Annual Reports)

Programme	Main risk identified	Mitigation Measures
PT02	The financial flows to projects are sufficient to ensure cash-flow and timely absorption of funds (bearing in mind the cuts in the public sector and the restrictions on the private funding)	Chance of advance payments at the project level
	The procedures in place are proportional to allow project promoters to concentrate on achievement of the project's objective	Provide a Manual of Procedures of the Beneficiary before the release of Calls
	The procedures in place and the experience of the Programme Operator are sufficient to deter irregular use of the funds	Ensure the implementation of the Management and Control System Programme Recourse to outsourcing' experts in auditing and consultancy
	The projects are implemented with the aim of achieving economic efficiency	Improve project selection methods in order to get the best value added ones

PT03 - Renewable Energy	Type of objective	Description of risk	Likelihood	Consequence	Mitigation planned/done
<b>"GA1a - Geothermal Azores Iceland Programme"</b>	Cohesion outcomes	Lack of time available for implementation of the Programme	4	4	- Extension of programme duration - <b>FMO's decision</b>
					- Launching calls for applications on high enthalpy geothermal energy training , asap - <b>done</b>
			3		- Release of the tender for the construction of a 3 MW geothermal power plant, after the completion of the long-term tests in progress, asap - <b>planned</b>
		Clarification of the results regarding the sustainability of the geothermal resource, considering the operation of the 3MW power plant	3	3	- There is no mitigation action because the sustainability of the geothermal resource depends on geological conditions. If it is concluded that geothermal power plant is not feasible with the actual wells on Terceira Island, a contingency plan for the funds is already in place and it is related with the expansion of the geothermal capacity in 5 MWe on São Miguel Island. For this propose a new application will be submitted to the PO.
		Deadlines for registration in the courses promoted by universities		3	- Launching calls for applications on high enthalpy geothermal energy training, asap, so that the selected candidates can attend these courses during the 2nd quarter of 2014 - <b>done</b>
			3		- The selection of trainees should be carried out in a short period of time - <b>planned</b>
		Changes in institutional level and their relevant tasks	3	3	- A letter of intent is needed from the institutions involved in this outcome - <b>planned</b>
	Operational issues	Complexity of the Financial Mechanism	2	2	- Promotion by the FMO of more capacity building meetings for Programme Operators on specific subjects of implementation their programmes under the EEA Grants, for instance, on risk management.

Risk Assessment on Programme PT04 by Programme Operator					
Out- come nr.	Outcome	Description of risk	Assessment		Risk mitigation plan
			Likelihood [low/medium/high]	Impact [low/medium/high]	
ALL	ALL	<p>The appraisal period for Programme AdaPT took one year from its initial submission, rather than the expected 4 months. This has considerably delayed the start-up of the programme implementation and the timeline foreseen in section 1.14.2 of the programme proposal is no longer applicable.</p> <p>The time available for project development (between signature of contracts and closing date for the programme in 2016) is too short, particularly for the larger calls. If left unchanged, project promoters may find the terms of the calls impossible to comply with, and thus the programme risks having less (in number or quality) applicants and/or that promoters are unable to deliver on the foreseen outcomes for the projects.</p>	High	High	Request FMO to reconsider closing dates for programme implementation in 2016 <b>prior to the launching of the calls.</b>
1	Increased capacity to assess vulnerability to climate change	<p>Given particular budget restrictions and the present financial and political situation, priority action does not include Adaptation to Climate Change in Municipalities. Municipal elections in autumn 2013 – many municipalities may change ruling party, which may make it difficult to establish compromises from their side before that date. Given the unfinished restructuring process of public administration, responses from entities responsible for sectoral work of ENAAC have been scarce.</p>	Medium/high	High	<p>Preparation of calls and communication plan with strong involvement of National Association of Municipalities.</p> <p>Projects grants at 100% (85% EEA-Grants + 15% FPC)</p> <p>The programme may have to accept changes to the municipality list due to changes in local government.</p> <p>Reinforcement of ENAAC soon after end of restructuring process in public administration (Autumn 2012)</p>
		<p>Some municipalities are small and have very limited human resources. That situation may limit the allocation of time to perform the activities foreseen in this project. Those municipalities are often on depressed rural areas and it is important to involve them in the project.</p>	Medium	Medium	To maintain the diversity of municipalities within the project, the training strategies may have to be diversified, possibly including different training locations, e-learning modules, and reducing the duration of each in session training session.

Risk Assessment on Programme PT04 by Programme Operator					
Out- come nr.	Outcome	Description of risk	Assessment		Risk mitigation plan
			Likelihood [low/medium/high]	Impact [low/medium/high]	
2	Increased awareness of and education in climate change	School curricula are being reformed. New orientations from Min. Education include elimination of disciplines and concentration of subjects in large curricula areas. Teachers' structures and schools boards are also in restructuring processes, aiming further autonomy.	Medium/high	High	Assure involvement of Min. Education in programme management (calls preparation, selection and execution)
		The restructuring process in the Min. of Education is leading to low motivation of teachers who may be less available for innovative activities	Medium	Low	The coordination of the activities and materials with school curricula and the attractiveness of the materials should be enough to reduce any "extra burden" on teachers. Additionally, the award was designed also to attract school boards attention to the activities of the project.
		The existence and processing possibilities of data for the local warming website may not correspond to the needs and expectations of sectoral users. The availability of future climate scenarios data at regional level may be limited to a small number of climate variables.	Medium	Medium	The expectation of data users will have to be managed by setting an interest group where data needs and calculation possibilities are discussed.
		Due to its contents and nature the local warming website may be perceived as "too scientific" for the general public, thus reducing its attractiveness and use.	Medium	Medium	The website may provide different levels of information, including basic climate data for the general public in a very user friendly format, and a set of more detailed data for mostly for professional users.





Type	Description	Likelihood	Consequence	Proposed mitigation measures	Follow up
Policy and Politics	Extreme budgetary constraints afflicting public finances limit NGO influence over decision-making processes	1	3	Help promoters find additional support within civil society for advocacy initiatives	Regular monitoring (see application section12)
Policy and Politics	Public decision-making processes take much longer than the Programme's duration	1	3	Mentoring applicants to design advocacy projects with more realistic targets	Applications approved / rejected
Policy and Politics	Dialogue mechanisms within the Civil Society take too long to impact on the Programme's success	1	3	Mentoring applicants to design projects that clearly impact within the Programme's timeframe	Normal feed-back from stakeholders
Policy and Politics	Support from local authorities is insufficient given other priorities	1	3	Help promoters find additional support within civil society for advocacy initiatives and/or more sustainable solutions for local problems	Normal feed-back from stakeholders
Governance	Technical capacity available for developing applications is insufficient in some NGOs	2	3	Provide comprehensive mentoring on developing applications	Applications approved / rejected
Governance	Some promoters have insufficient management skills at their disposal	2	3	Provide comprehensive mentoring before, throughout and at the end of project implementation	Regular monitoring (see application section12)
Governance	Higher than expected dropout levels on the last calls create the risk of unused grants	2	3	An adequate level of overbooking in the last calls may be considered, upon agreement by the CGF Board of Trustees	-
Corruption / Procurement	Attempts are made to mismanage the grants	2	3	Section 11 of the application outlines our proposals on ensuring transparency regarding calls for proposals, project selection processes and conflicts of interest	Regular monitoring (see application section12)
Socio-cultural, minorities, Roma, rights values	Lack of interest in the Programme from the minorities organizations and other civil society stakeholders	1	3	1. Find new ways, within the Programme's set goals and rules, to meet the needs of Portuguese civil society 2. Implement adequate communication tools	Normal feed-back from stakeholders
Socio-cultural, minorities, Roma, rights values	Lack of interest in the Programme from stakeholders particularly concerned with children and youth, as well as the Programme's core areas of support	1	3	Carry out specific communication initiatives as needed (dedicated newsletter issues and media materials, for example)	Normal feed-back from stakeholders
Socio-cultural, minorities, Roma, rights values	Discrimination allegations are brought forward	1	3	Investigate credible allegations and enforce any required corrective measure; ensure no EEA resources are granted to discriminating organizations	Regular monitoring (see application section12); Normal feed-back from stakeholders
Financial / fiduciary	Some promoters make mistakes submitting payment claims; slow payment process down	4	1	Formulate requests for additional information clearly, and extend technical support proactively	Regular monitoring (see application section12)



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Type	Description	Likelihood	Consequence	Proposed mitigation measures	Follow up
Financial / fiduciary	Some applicants and promoters struggle to co-finance their projects or are otherwise affected by the depressed economic environment	4	1	1. Help NGOs find available partners in civil society 2. Adequately consider this risk during the selection process	Normal feed-back from stakeholders
Economic	Some projects fail to ensure adequate effectiveness and/or the expected levels of sustainability	3	3	1. If feasible, identify and implement corrective measures during project implementation 2. Take the relevant lessons into account in future mentoring activities (especially with small, vulnerable NGOs) and selection processes	Regular monitoring (see application section 12); normal feed-back from stakeholders
Economic	The amounts budgeted for each of the three outcomes may be ill-adjusted to the actual demand by NGOs	3	3	1. Implement specific communication initiatives as needed, to increase demand in general or in a particular outcome 2. If necessary, adjust the budgeted amounts between outcomes	-
Economic	Excessive rigidity of the budgeted amounts for each call may exclude good applications (+60 points)	3	3	Adjust the amounts budgeted for each call to cover all good applications (+60 points)	-
Environmental / climate	The Programme has few applications of particular relevance for environmental and climate issues	3	2	On suitable applications, emphasise the need for awareness raising and advocacy on sustainable development	Regular monitoring (see application section 12)
Technical / technological	Some of the submitted applications may be excessively complex and/or ambitious	2	3	Require sufficient information on complex technical / technological aspects of applications and credible planning on financial sustainability after the project's implementation	Regular monitoring (see application section 12)
Role of donor project partners	Limited awareness of donor state NGOs; lack of interest in building partnerships	3	3	1. Produce additional information in English 2. Ask for Donor country organizations to facilitate contacts 3. Widen the range of available Donor country NGOs as much as possible	-
Role of donor project partners	Interested Portuguese NGOs fail to show adequate technical and financial capacity to participate in an international partnership project	3	3	1. Either help these NGOs secure the required capacity or remove them from the process 2. Maintain only a narrow group of "suitable" NGOs as potential international partnership promoters (those with robust capacity and potential interest for Donor NGO's)	-

Programa PT06	Principais riscos identificados *	Acções de mitigação sugeridas
	Low quality of project proposals regarding objectives of the Programme	Definition of <i>guidelines</i> to instruct applicants that lead to demonstration of quality of Project
	Difficulty in monitoring projects / limited time for financial execution of projects	Create and maintain a monitoring team of physical and financial execution of projects
	Exhaustion of funds on the Programme	Strict control of the level of implementation of the program and the respective financial schedule
	Lack of independence in analysis of applications / projects	Definition of objective criteria for analyzing the value of projects
	Lack of capacity for the analysis of the merits of applications	<input checked="" type="checkbox"/> Maintain a stable technical team affects the assessment of the merits of the projects

Programme PT07	Main risks	Mitigating actions
	Insufficient time available for the Programme implementation	Extension of programme duration
	Given the current situation of financial crisis, budget cuts may occur impacting on the PO's possibility to ensure the co-funding from 2014 onwards	Political negotiations and commitment at the highest level, including NFP, FMO and Donor countries
	The full accomplishment of bilateral relations may be constrained by unexpected problems concerning partnership with entities in the Donor States	Cole cooperation of the PO with the NFP, the FMO, the FMC, the Donor States and other relevant partners
	Low quality of the projects submitted in the Open-calls	Avoid complex projects; Facilitate matching of partners, On-the-spot visits for quality assurance; monitoring projects closely
	High number of applications received after the Open-call closing <b>vs</b> PO's capacity and insufficient time to analyze/select the projects	Reinforcement of the PO's Selection Committee

Programme PT08	Main risks identified	Suggested mitigation actions
	Effects of the late approval of the programme, in the implementation of the Project 2014-2016.	<ul style="list-style-type: none"> <li>Quarterly monitoring of physical and financial execution of projects;</li> <li>Appointment of a Project Coordinator, who will be the main contact with the Programme Operator for the purpose of concrete implementation of the Project;</li> <li>Obligation, contained in minute of Project Contract, the Promoter of the Project to complete the procedures for public works and procurement of goods and services no later than April 30, 2016;</li> <li>Obligation, contained in minute of Project Contract, of submission of payment requests, including information on the financial and physical implementation of the project and updated bank account statement dedicated to the Project;</li> <li>Performing external review by an independent body of pre-defined design;</li> <li>Performing administrative and on-the-spot checks, in order to assess the correct implementation of the operations inherent to the project.</li> </ul>
	Non-compliance by the Project Promoter, of international standards for the prevention and combating corruption and crimes associated with this, as well as the applicable legislation in matters of public procurement	<ul style="list-style-type: none"> <li>Accountability, constant in minute of Project Contract, the Project Promoter, its compliance;</li> <li>Providing minutes related to procurement procedures.</li> </ul>
	Lack of capacity	<ul style="list-style-type: none"> <li>The lack of capacity can be caused by cuts in the public sector can be expressed at the political level, to be exceeded;</li> <li>Provided and appropriate training of the Operator Programme would improve the ability to implement the Programme.</li> </ul>
	Breach of legislation related to the public procurement	<ul style="list-style-type: none"> <li>Production of checklist of the procedures to fulfil by the Promoter Project on works and procurement of goods and services and be sent to both the Project Promoter and the partners involved in the project execution.</li> </ul>
	Absence of maintenance/ownership of intervened properties under the Project for a period of 5 years and their use in accordance with the Programme goals	<ul style="list-style-type: none"> <li>Inclusion of a clause in the Project contract signed with the Project Promoter of the obligation to ensure that property owners keep in their ownership for at least 5 years and giving him the use compatible with the programme goals.</li> </ul>
	Absence of insurance against losses, such as fire, theft and other incidents that may affect the intervened buildings during project implementation, and for at least 5 years after project completion.	<ul style="list-style-type: none"> <li>Inclusion of a clause in the Project contract signed with Project Promoter regarding to the obligation to ensure that all buildings are insured during and after the implementation of the project for a period of 5 years.</li> </ul>
	Non-compliance by the Project Promoter relating to the ownership of the excepted equipment for 5 years after completion of the project and continued use of such equipment for the purposes of the programme	<ul style="list-style-type: none"> <li>Inclusion of a clause in the Project contract signed with Project Promoter regarding to the obligation that all excepted equipment remains ownership of the Project Promoter for a period of five years after the project completion</li> </ul>
	Absence of insurance against losses, such as fire, theft and other incidents that may affect the excepted equipment during project implementation, and for at least 5 years after project completion	<ul style="list-style-type: none"> <li>Inclusion of a clause in the Project contract signed with Project Promoter regarding to the obligation to ensure that all excepted equipment are insured during and after the project implementation for a period of five years</li> </ul>

Programme	Type of	Description of risk	Likelihood	Consequenc	Mitigation plan	Status of the mitigation measure	
						planned	done
PT09	Cohesion (Programme) outcomes:	Low broadening of audience	1	2	The criteria defined for the selection of projects emphasizes the need for reaching wider audiences		x
		The adjustment of the artistic works to the school context may hinder the artistic quality of the project	3	4	The call is directed at professional artistic organizations and the criteria for selection focus on the artistic value the project		x
		Irregularities in the development of the planned projects	1	3	Close follow-up and establishment of a rigorous system of reporting	x	
	Bilateral outcome(s):	Insufficient interest in the establishment of partnerships by the three parties required	2	3	Development of efficient matching actions and adequate communication of the programme		x
		Difficulties in project implementation due to and operational differences	2	3	Realization of problem-shooting workshops several times and under relevant themes	x	
	Operational issues:	Insufficient command of the rules of functioning of the eea grants on the part of the managing team at the PO	1	3	Weekly meetings of the team members at DGArtes to explore the regulation according to the needs of stages of the programme.		x
		Strictness of national legislation preventing flexibility and celerity of the open call process	3	3	Construction of regulation for the open call in line with fundamental laws, but accounting for solutions within the scope of the programme that ensure flexibility and		x
		The regional focus may be lost because the program operator is a central government service	2	4	The Regional Directorates for Culture and Education will be involved in the most relevant parts of the programme		x
		Programme operator's staff shortage and/or change	3	3	Assignment of at least one programme manager exclusively to the programme and continuous reporting to the Directors to ensure continuation in case of substitution		x