

19 AUG 2013

EEA Financial Mechanism 2009-2014

PROGRAMME AGREEMENT

between

The Financial Mechanism Committee  
established by Iceland, Liechtenstein and Norway

and

The Ministry of European Funds,  
hereinafter referred to as the "National Focal Point",  
representing Romania ,  
hereinafter referred to as the "Beneficiary State"

together hereinafter referred to as the "Parties"

for the financing of the Programme "Scholarships"

hereinafter referred to as the "Programme"



## Chapter 1 Scope, Legal Framework, and Definitions

### Article 1.1 Scope

This programme agreement between the Financial Mechanism Committee (hereinafter referred to as the FMC) and the National Focal Point lays down the rights and obligations of the Parties regarding the implementation of the Programme and the financial contribution from the EEA Financial Mechanism 2009-2014 to the Programme.

### Article 1.2 Legal Framework

1. This programme agreement shall be read in conjunction with the following documents which, together with this programme agreement, constitute the legal framework of the EEA Financial Mechanism 2009-2014:

- a. Protocol 38b to the EEA Agreement on the EEA Financial Mechanism 2009-2014;
- b. the Regulation on the implementation of the EEA Financial Mechanism 2009-2014 (hereinafter referred to as the "Regulation") issued by the Donor States in accordance with Article 8(8) of Protocol 38b;
- c. the Memorandum of Understanding on the Implementation of the EEA Financial Mechanism 2009-2014 (hereinafter referred to as the "MoU"), entered into between the Donor States and the Beneficiary State; and
- d. any guidelines adopted by the FMC in accordance with the Regulation

2. In case of an inconsistency between this programme agreement and the Regulation, the Regulation shall prevail.

3. The legal framework is binding for the Parties. An act or omission by a Party to this programme agreement that is incompatible with the legal framework constitutes a breach of this programme agreement by that Party.

### Article 1.3 Definitions

Terms used and institutions and documents referred to in this programme agreement shall be understood in accordance with the Regulation, in particular Article 1.5 thereof, and the legal framework referred to in Article 1.2 of this programme agreement.

## Article 1.4 Annexes and hierarchy of documents

1. The programme decision, including the financial plan (Annex I), and the operational rules (Annex II) form an integral part of this programme agreement. Any reference to this programme agreement includes a reference to its annexes unless otherwise stated or clear from the context.

2. The provisions of the annexes shall be interpreted in a manner consistent with this programme agreement. Should the meaning of any provision of the said annexes, so interpreted, remain inconsistent with this programme agreement, the provisions of the former shall prevail, provided that these provisions are compatible with the Regulation.

3. Commitments, statements and guarantees, explicit as well as implicit, made in the programme proposal are binding for the National Focal Point and the Programme Operator unless otherwise explicitly stipulated in the annexes to this programme agreement.

## Chapter 2 The Programme

### Article 2.1 Co-operation

1. The Parties shall take all appropriate and necessary measures to ensure fulfilment of the obligations and objectives arising out of this programme agreement.

2. The Parties agree to provide all information necessary for the good functioning of this programme agreement and to apply the highest degree of transparency, accountability and cost efficiency as well as the principles of good governance, sustainable development, gender equality and equal opportunities.

3. The Parties shall promptly inform each other of any circumstances that interfere or threaten to interfere with the successful implementation of the Programme.

4. In executing this programme agreement the Parties declare to counteract corrupt practices. Further, they declare not to accept, either directly or indirectly, any kind of offer, gift, payments or benefits which would or could be construed as illegal or corrupt practice. The Parties shall immediately inform each other of any indication of corruption or misuse of resources related to this programme agreement.



## Article 2.2

## Main responsibilities of the Parties

1. The National Focal Point is responsible and accountable for the overall management of the EEA Financial Mechanism 2009-2014 in the Beneficiary State and for the full and correct implementation of this programme agreement. In particular, the National Focal Point undertakes to:

a. comply with its obligations stipulated in the Regulation and this programme agreement;

b. ensure that the Certifying Authority, the Audit Authority, the Monitoring Committee and the Programme Operator properly perform the tasks assigned to them in the Regulation, this programme agreement and the programme implementation agreement;

c. take all necessary steps to ensure that the Programme Operator is fully committed and able to implement and manage the Programme;

d. take the necessary measures to remedy irregularities in the implementation of the Programme and ensure that the Programme Operator takes appropriate measures to remedy irregularities in Projects within the Programme, including measures to recover misspent funds;

e. make all the necessary and appropriate arrangements in order to strengthen or change the way the Programme is managed.

2. The FMC shall, subject to the rules stipulated in the legal framework referred to in Article 1.2 of this programme agreement, make available to the Beneficiary State a financial contribution (hereinafter referred to as "the programme grant") to be used exclusively to finance the eligible cost of the Programme.

## Article 2.3

## Objective and outcomes of the Programme

1. The programme decision sets out the objective, outcome(s), outputs, indicators and targets for the Programme.

2. The National Focal Point shall ensure that the Programme Operator implements and completes the Programme in accordance with the objective, outcome(s), outputs, indicators and targets set for the Programme.

## Article 2.4

## Programme grant

1. The maximum amount of the programme grant, the programme grant rate, and the estimated eligible cost of the Programme shall be as specified in the programme decision.

2. In case the Programme is also supported by the Norwegian Financial Mechanism, this programme agreement shall be interpreted in conjunction with the agreement regulating that support.

3. The financial plan shall:

a. contain a breakdown between the Programme's budget headings using the description put forward in the template for the programme proposal;

b. indicate the agreed advance payment, if any.

4. The management cost of the Programme Operator shall not exceed the amount specified in the programme decision.

## Article 2.5

## Special conditions and programme specific rules

1. The programme decision shall list any conditions set by the FMC with reference to paragraph 3 of Article 5.3 of the Regulation. The National Focal Point shall ensure compliance with these conditions and, in a timely manner, take the necessary steps to ensure their fulfilment.

2. The National Focal Point shall ensure compliance with any other programme specific rules laid down in the operational rules.

## Article 2.6

## Programme implementation agreement

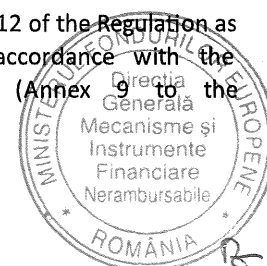
1. With reference to Article 5.8 of the Regulation and without prejudice to paragraph 2 thereof, the National Focal Point shall, before any payment is made to the Programme, sign a programme implementation agreement with the Programme Operator. The National Focal Point shall notify the FMC of such signing.

2. The signed programme implementation agreement shall be identical to the draft programme implementation agreement confirmed by the FMC in accordance with paragraph 5 of Article 5.8 of the Regulation with regard to the content required according to paragraph 3 thereof. The National Focal Point shall inform the FMC of any deviation from that confirmed draft which may be subject to a new confirmation according to paragraph 5 of Article 5.8 of the Regulation prior to any payment to the Programme.

## Article 2.7

## Reporting

The National Focal Point shall ensure that the Programme Operator provides financial reports, annual programme reports and a final programme report in accordance with Chapter 8 and Articles 5.11 and 5.12 of the Regulation as well as statistical reporting in accordance with the Programme Operator's Manual (Annex 9 to the Regulation).



## Article 2.8

## External monitoring

The external monitoring and audit referred to in Articles 10.1, 10.2, 10.3 and 10.4 of the Regulation shall not in any way relieve the National Focal Point or the Programme Operator of its obligations under the programme agreement regarding monitoring of the Programme and/or its projects, financial control and audit.

## Article 2.9

## Modification of the Programme

1. Unless otherwise explicitly stipulated in this programme agreement, any modification of the Programme is subject to prior approval by the FMC.
2. Modifications that do not affect the objective, outcomes, outputs, indicators or targets of the Programme are permitted without FMC's prior approval provided that they are limited to the following:
  - a. cumulative transfers between budget headings related to outcomes of an amount less than 10 % of total eligible expenditure of the Programme or € 1,000,000, whichever is higher, and
  - b. changes of internal practices of the Programme Operator that are not stipulated in the programme agreement.
3. Programme specific exceptions from paragraphs 1 and 2, if any, are set in the operational rules.
4. Expenditures incurred in breach of this article are not eligible.
5. Should there be a doubt as to whether the proposed modifications require approval by the FMC, the National Focal Point shall consult the FMC before such modifications take effect.
6. Requests for modifications shall be submitted and assessed in accordance with Article 5.9 of the Regulation.

## Article 2.10

## Communication

1. All communication to the FMC regarding this programme agreement shall take place in English and be directed to the Financial Mechanism Office (hereinafter referred to as the FMO), which represents the FMC towards the National Focal Point and the Programme Operator in relation to the implementation of the Programme.

2. To the extent that original documents are not available in the English language, the documents shall be accompanied by full and accurate translations into English.

3. The National Focal Point shall bear the responsibility for the accuracy of the translation that it provides and the possible consequences that might arise from any inaccurate translations.

4. The FMC shall ensure that the National Focal Point is informed about communication between the FMC and the Programme Operator that is relevant for the responsibilities of the National Focal Point under this programme agreement.

## Article 2.11

## Contact information

1. The contact information of the National Focal Point and the Programme Operator is as specified in the programme proposal.
2. The contact information for the FMC and the Financial Mechanism Office are:  
Financial Mechanism Office  
Att: Director  
EFTA Secretariat  
Rue Joseph II, 12-16  
1000 Brussels  
Telephone: +32 (0)2 286 1701  
Telefax (general): +32 (0)2 211 1889  
E-mail: fmo@efta.int
3. Changes of or corrections to the contact information referred to in this article shall be given in writing without undue delay by the Parties to this programme agreement.

## Article 2.12

## Representations and Warranties

1. This programme agreement and the awarding of the programme grant is based on information provided by, through, or on behalf of the National Focal Point to the FMC in the programme proposal or other communication prior to the signing of this programme agreement.
2. The National Focal Point represents and warrants that the information provided by, through, or on behalf of the National Focal Point in the programme proposal, in connection with the programme proposal, the implementation or conclusion of this programme agreement are authentic, accurate and complete.



## Chapter 3 Projects

### Article 3.1 Selection of projects

1. The National Focal Point shall ensure that the Programme Operator selects projects in accordance with Chapter 6 of the Regulation and the operational rules.
2. Eligibility of applicants is stipulated in Article 6. 2 of the Regulation and, in accordance with paragraph 3 thereof, subject only to the limitations stipulated in the operational rules.
3. Pre-defined projects shall be outlined in the operational rules.
4. The National Focal Point shall take proactive steps to ensure that the Programme Operator complies fully with Article 6.6 of the Regulation.

### Article 3.2 Project contract

1. For each approved project a project contract shall be concluded between the Programme Operator and the Project Promoter.
2. In cases where a project contract cannot, due to provisions in the national legislation, be made between the Programme Operator and the Project Promoter, the Beneficiary State may instead issue a legislative or administrative act of similar effect and content.
3. The content and form of the project contract shall comply with Article 6.7 of the Regulation.
4. The National Focal Point shall ensure that the obligations of the Project Promoter under the project contract are valid and enforceable under the applicable law of the Beneficiary State.

### Article 3.3 Project partners and partnership agreements

1. A project may be implemented in a partnership between the Project Promoter and project partners as defined in paragraph 1(w) of Article 1.5 of the Regulation. If a project is implemented in such a partnership, the Project Promoter shall sign a partnership agreement with the project partners with the content and in the form stipulated in Article 6.8 of the Regulation.
2. The partnership agreement shall be in English if one of the parties to the agreement is an entity from the Donor States.
3. The eligibility of expenditures incurred by a project partner is subject to the same limitations as would apply if the expenditures were incurred by the Project Promoter.

4. The creation and implementation of the relationship between the Project Promoter and the project partner shall comply with the applicable national and European Union law on public procurement as well as Article 7.16 of the Regulation.

5. The National Focal Point shall ensure that the Programme Operator verifies that the partnership agreement complies with this article before the signing of the project contract.

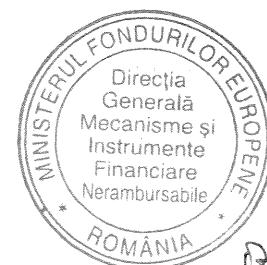
### Article 3.4 Reallocation of funds

1. Reallocation of unused or cancelled financial contributions to projects shall be made in compliance with Article 6.9 of the Regulation.
2. Project grants not reallocated shall be reimbursed to the FMC in accordance with Article 6.9 of the Regulation.

## Chapter 4 Finance

### Article 4.1 Eligible expenditures

1. Subject to Article 7.6 of the Regulation, eligible expenditures of this Programme are:
  - a. management costs of the Programme Operator in accordance with the detailed budget in the financial plan;
  - b. payments to projects within this Programme in accordance with the Regulation, this programme agreement and the project contract;
  - c. expenditure of funds for bilateral relations in accordance with Article 7.7 of the Regulation;
2. Expenditure related to the categories referred to in subparagraphs (d), (e) and (f) of Article 7.1 of the Regulation are eligible in accordance with Chapter 7 thereof if such expenditures are explicitly approved by the FMC in the programme decision. The implementation of the activities under these categories shall be in compliance with the operational rules.
3. Eligible expenditures of projects are those actually incurred by the Project Promoter or project partners, meet the criteria set in Article 7.2 of the Regulation and fall within the categories and fulfil the conditions of direct eligible expenditure set in Article 7.3 of the Regulation as well as indirect costs in accordance with Article 7.4 of the Regulation.



## Article 4.5

## Irregularities, suspension and reimbursements

The FMC has the right to make use of the remedies provided in the Regulation, in particular Chapter 12 thereof. The National Focal Point has a duty to take all necessary measures to ensure that the provisions in Chapter 11 and 12 of the Regulation regarding irregularities, suspension of payments, financial corrections and reimbursement are complied with.

## Chapter 5

## Final provisions

## Article 5.1

## Dispute settlement

1. The Parties waive their rights to bring any dispute related to the programme agreement before any national or international court, and agree to settle such a dispute in an amicable manner.

2. If a demand for reimbursement to the FMC is not complied with by the Beneficiary State, or a dispute related to a demand for reimbursement arises that cannot be solved in accordance with paragraph 1, the Parties may bring the dispute before Oslo Tingrett.

## Article 5.2

## Termination

1. The FMC may, after consultation with the National Focal Point, terminate this programme agreement if:

a. a general suspension decision according to Article 12.6 of the Regulation or a decision to suspend payments according to paragraph 1(h) of Article 12.1 of the Regulation has not been lifted within 6 months of such a decision;

b. a suspension of payments according to Article 12.1 of the Regulation, other than under paragraph 1(h), has not been lifted within one year of such a decision;

c. a request for reimbursement according to Article 12.2 of the Regulation has not been complied with within one year from such a decision;

d. the Programme Operator becomes bankrupt, is deemed to be insolvent, or declares that it does not have the financial capacity to continue with the implementation of the Programme; or

e. the Programme Operator has, in the opinion of the FMC, been engaged in corruption, fraud or similar activities or has not taken the appropriate measures to detect or prevent such activities or, if they have occurred, nullify their effects.

4. The first date of eligibility of expenditures in projects shall be set in the project contract in accordance with Article 7.14 of the Regulation. The first date of eligibility of any pre-defined projects shall be no earlier than the date on which the National Focal Point notifies the FMC of a positive appraisal of the pre-defined projects by the Programme Operator in accordance with paragraph 3 of Article 5.5 of the Regulation.

5. The maximum eligible costs of the categories referred to in paragraphs 1 and 2 are set in the programme decision. Programme specific rules on the eligibility of expenditure set in the programme decision or in the operational rules shall be complied with.

## Article 4.2

## Proof of expenditure

Costs incurred by Programme Operators, Project Promoters and project partners shall be supported by documentary evidence as required in Article 7.13 of the Regulation.

## Article 4.3

## Payments

1. Payments to the Programme shall be made when all relevant conditions for payments stipulated in this programme agreement and the Regulation have been fulfilled.

2. Payments to the Programme shall take the form of an advance payment, interim payments and payment of the final balance and shall be made in accordance with Articles 8.2, 8.3 and 8.4 of the Regulation.

3. Payments of the project grant to the Project Promoters may take the form of advance payments, interim payments and payments of the final balance. The level of advance payments and their off-set mechanism is set in the operational rules.

4. The National Focal Point shall ensure that payments are transferred in accordance with paragraph 2 of Article 8.1 of the Regulation.

5. Chapter 8 of the Regulation shall apply to all aspects related to payments, including currency exchange rules and handling of interests on bank accounts.

## Article 4.4

## Transparency and availability of documents

The National Focal Point shall ensure an audit trail for financial contributions from the EEA Financial Mechanism 2009-2014 to the Programme in accordance with Article 8.8 of the Regulation.



2. This programme agreement can be terminated by mutual agreement between the Parties.

3. Termination does not affect the right of the Parties to make use of the dispute settlement mechanism referred to in Article 5.1 or the right of the FMC to make use of the remedies provided in Chapter 12 of the Regulation.

Article 5.3  
Waiver of responsibility

1. Any appraisal of the Programme undertaken before or after its approval by the FMC, does not in any way diminish the responsibility of the National Focal Point and the Programme Operator to verify and confirm the correctness of the documents and information forming the basis of the programme agreement.

2. Nothing contained in the programme agreement shall be construed as imposing upon the FMC or the FMO any responsibility of any kind for the supervision, execution, completion, or operation of the Programme or its projects.

3. The FMC does not assume any risk or responsibility whatsoever for any damages, injuries, or other possible adverse effects caused by the Programme or its projects including, but not limited to inconsistencies in the planning of the Programme or its projects, other project(s) that might affect it or that it might affect, or public discontent. It is the full and sole responsibility of the National Focal Point and the Programme Operator to satisfactorily address such issues.

4. Neither the National Focal Point, the Programme Operator, entities involved in the implementation of projects, nor any other party shall have recourse to the FMC for further financial support or assistance to the Programme in whatsoever form over and above what has been provided for in the programme agreement.

5. Neither the European Free Trade Association, its Secretariat, including the FMO, its officials or employees, nor the FMC, its members or alternate members, nor the EFTA States, can be held liable for any damages or injuries of whatever nature sustained by the National Focal Point or the Beneficiary State, the Programme Operator, Project Promoters or any other third person, in connection, be it direct or indirect, with this programme agreement.

6. Nothing in this programme agreement shall be construed as a waiver of diplomatic immunities and privileges awarded to the European Free Trade Association, its assets, officials or employees.

Article 5.4  
Entry into force and duration

1. This programme agreement shall enter into force on the date of the last signature of the Parties.

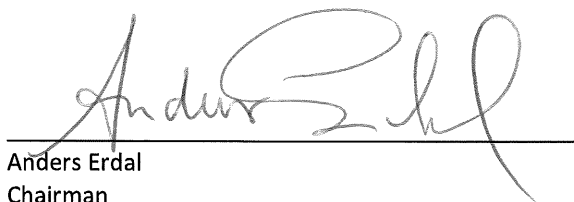
2. This programme agreement shall remain in force until five years have elapsed after the date of the acceptance of the final programme report.

\*\*\*\*\*

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

For the FMC

Signed in Oslø on 12.8.2013

  
Anders Erdal  
Chairman

For the National Focal Point

Signed in BUCHAREST on 10.09.2013

  
Eugen Orlando Teodorovici  
Minister of European Funds



## Annex I - Programme Decision

### 1. Expected Outcomes & Indicators for Outputs

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

#### Output

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

| Output indicator(s)   | Baseline | Target | Source of Verification  |
|---|----------|--------|---|
| Number of mobility project applications received by PO                                | 24       | 30     | PO statistics related to the selection process                  |
| Number of promotional events where EEA/NRW Grants scholarship programme was presented | 3        | 6      | PO's events files (agenda, list of participants, presentations) |

#### Output

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

| Output indicator(s)  | Baseline | Target | Source of Verification |
|--|----------|--------|------------------------|
| Number of mobile students as part of new or existing mobility agreements                   | 127      | 336    | Final reports of HEIs  |
| Number of mobile staff (including teachers) as part of new or existing mobility agreements | 46       | 120    | Final reports of HEIs  |
| Number of HE students involved in work placements  | 20       | 40     | Final reports of HEIs  |

**Expected Outcome(s):**

Increased and strengthened institutional cooperation at all levels of the education sector (school education, higher education, vocational training/education and adult education) between Beneficiary and EEA EFTA States

#### Output

Mobility programme for institutional cooperation effectively implemented

| Output indicator(s)   | Baseline | Target | Source of Verification  |
|---|----------|--------|---|
| Number of institutional cooperation project applications received by PO               | 0        | 15     | PO's statistics on the selection process                        |
| Number of promotional events where EEA/NRW Grants scholarship programme was presented | 3        | 6      | PO's events files (agenda, list of participants, presentations) |
| Number of education faculty/teaching staff  | 24       | 70     | Final reports of HEIs   |
| Number of educational administrative staff  | 22       | 50     | Final reports of HEIs   |

#### Output

Joint projects identified and implemented by partner institutions

| Output indicator(s)                        | Baseline | Target | Source of Verification                  |
|--|----------|--------|---|
| Number of bilateral partnership agreements | 41       | 50     | POs statistics on the selection process |
| Number of projects                         | 0        | 10     | PO's statistics on the selectin process |

## 2. Conditions

### 2.1 General

1. Bilateral, outcome and output indicators shall be reported on in the annual programme report. More qualitative bilateral indicators reflecting the increased country and education sector knowledge of the cooperating countries shall be developed.





2. The indicators under section 1. above shall be revised and submitted to the FMC for approval prior to the first disbursement to the projects.

3. At least 10 % of the total eligible costs of the Programme shall target the improvement of the situation of the Roma population. The fulfilment of this condition shall be reported on, through the use of quantitative and qualitative data, inter alia, in the annual and final programme reports as well as a semi-annual report submitted six months from the submission date of the annual programme report.

4. A concise plan on the manner in which the allocation of at least 10% of the total eligible costs of the Programme to target the improvement of the situation of the Roma population is to be achieved, shall be submitted to the FMC for approval no later than three months from the signature of the Programme Agreement. This plan shall be developed together with relevant stakeholders.

5. Without prejudice to the Programme Operator's responsibilities under Article 4.7 of the Regulation the Programme Operator shall regularly consult the stakeholders concerning the implementation of the plan indicated in section 2.1.4 above.

## 2.2 Pre-eligibility

Not applicable.

## 2.3 Pre-payment

Not applicable.

## 2.4 Pre-completion

Not applicable.

## 2.5 Post-completion

Not applicable.

## 2.6 Other

Not applicable.

## 3. Eligibility of costs

### 3.1 Eligibility of costs - period

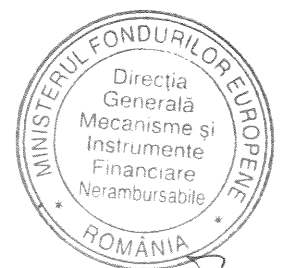
Eligibility of costs (excluding prog prep costs): 17/06/2013-30/04/2017

Eligibility of programme proposal preparation costs: 24/03/2012-16/06/2013

### 3.2 Grant rate and co-financing

|                                       |            |
|---------------------------------------|------------|
| Programme estimated total cost (€)    | €4,444,444 |
| Programme estimated eligible cost (€) | €4,444,444 |
| Programme grant rate (%)              | 90.0000%   |
| Maximum amount of Programme grant (€) | €4,000,000 |

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



| Budget heading   | Eligible expenditure | Advance payment* |
|--|----------------------|------------------|
| Programme management   | €420,000             | €59,760          |
| Increased higher education student and staff mobility between Beneficiary and EEA EFTA States  | €3,081,000           | €684,000         |
| Increased and strengthened institutional cooperation at all levels of the education sector (school education, higher education, vocational training/education and adult education) between Beneficiary and EEA EFTA States | €765,000             | €169,200         |
| Fund for bilateral relations   | €86,000              | €63,000          |
| Complementary action   | €36,000              | €0               |
| Preparation of programme proposal  | €12,000              | €12,000          |
| Reserve for exchange rate losses   | €44,444              | €8,000           |
| <b>Total</b>   | <b>€4,444,444</b>    | <b>€995,960</b>  |

\* The advance payment is composed of €896,364 in grant amount and €99,596 in co-financing.

### 3.4 Retention of management costs

|  |         |
|--|---------|
| Retention of management costs - percentage of the management costs | 10.00%  |
| Retention of management costs - planned Euro value                 | €37,800 |

### 3.5 Small Grant Scheme

Not applicable



## Annex II - Operational Rules

### 1. Eligibility

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

The Programme Operator is the National Agency for Community Programmes in the Field of Education and Vocational Training.

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

The Programme shall support individual mobility and institutional cooperation in the field of higher education between the Donor States (Norway, Iceland, and Liechtenstein) and Romania.

The following three measures shall be implemented under the Programme:

- Measure 1: Preparatory visits
- Measure 2: Mobility projects in higher education
- Measure 4: Inter- institutional cooperation projects

(Measures are numbered in line with the Scholarship Guidelines)

#### 1.2 Eligible applicants:

For measures 1, 2 and 4:

Applicants must be Romanian higher education institutions (HEIs). Individuals apply for grants via an institution.

The following specifications apply:

Measure 1: Donor State higher education institutions may apply.

Measure 2: Applicants must hold an Erasmus University Charter and cooperate with at least one partner in a Donor State:

For mobility from HEI to HEI, inter-institutional agreements are required.

Measure 4:

In case of intensive programmes and the development of common modules, eligible institutions apply on behalf of a consortium. The consortium must consist of at least three institutions, at least one of which must be a HEI from a Donor State and one a HEI from Romania. In addition, other types of institutions may participate.

#### 1.3 Special rules on eligibility of costs:

Costs are eligible in line with chapter 7 of the Regulation. The following specifications apply:

- Overheads at programme level will be based on incurred costs. Overheads will not be allowed at project level.

### 2. Financial parameters

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

Measure 1:

Financing shall be granted in the form of lump sums as follows:

Travel and insurance costs: €500 per visit per person.

Subsistence allowance: €250 per day per person.

The maximum duration for visits under this measure is 5 days.

All payments are made to the institution and not to individual persons.

80% of the grant is paid in conjunction with the signing of the project contract, the remaining amount is paid based on an approved report.

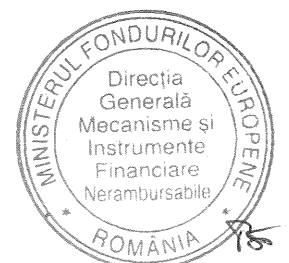
Measure 2:

The following grant amounts shall apply per person:

#### Target group

#### Grant / person

**Outgoing HE students**      Travel and insurance costs: €500 (lump sum)  
 Monthly stipend: €1,200 per month  
 Duration:  
 - Study periods or practical placements: 3-12 months



- Combined periods according to ERASMUS rules

**Incoming HE students**      Travel costs: €500 (lump sum)  
 Monthly stipend: €700 per month  
 Duration:  
 - Study periods or practical placements: 3-12 months  
 - Combined periods according to ERASMUS rules

**Outgoing teacher /  
 trainer / staff**            Travel costs: €500 (lump sum)  
    Grants depend on the duration of the travel:  
 - €250 per day  
 - €1,250 per week  
 - €2,200 for two weeks  
 Duration:  
 - Teaching assignments: up to 2 weeks  
 - participation in seminars etc.: up to 1 week  
 - Job shadowing: up to 1 week

**Incoming teacher /  
 trainer / staff**            Travel costs: €500 (lump sum)  
    Grants depend on the duration of the travel:  
 - €150 per day  
 - €750 per week  
 - €1,250 for two weeks  
 Duration:  
 - Teaching assignments: up to 2 weeks  
 - participation in seminars etc.: up to 1 week  
 - Job shadowing: up to 1 week

In addition, the host HEIs will receive €300 for the organisation of mobility per chosen end beneficiary, paid as a lump sum.

#### Measure 4:

The minimum amount of grant assistance applied for is €20,000; the maximum amount is €100,000 per project.

#### 2.2 Project grant rate:

Measures 1 and 2:

As long as the grants from the programme are within the thresholds set in section 2.1 of this Annex II, they will cover 100% of the total eligible project costs. In this case, none of the remaining costs of the project shall be provided or obtained by the Project Promoter.

If the thresholds are exceeded, the remaining costs shall be provided by the Project Promoter or the end beneficiary.

#### Measure 4:

Grants from the programme will cover up to 90% of the total eligible project costs. Any remaining costs of the project shall be provided or obtained by the Project Promoter.

### 3. Selection of projects

#### 3.1 Selection procedures:

The selection procedures may result in a reserve list for each of the measures.

For all measures:

The Programme Operator carries out an assessment of the administrative and eligibility criteria.

#### Measure 1:

In line with Article 6.5.8 of the Regulation, the quality assessment will be undertaken by one expert of the Programme Operator.

The final decision will be taken by the director of the Programme Operator.

#### Measure 2:

No content-related assessment will be carried out by the Programme Operator or independent experts. The final decision will be taken by the director of the Programme Operator.



**Measure 4:**

In line with Article 6.5.8 of the Regulation, the following selection procedure shall apply:

Applications are assessed by experts chosen from the pool of experts used regularly by the Programme Operator, in line with Article 6.5.2-6.5.4 of the Regulation. The experts will draw up a recommendation list, which shall be approved by the Selection Committee. The final decision on the projects to be funded / to be rejected shall be taken by the director of the Programme Operator.

**3.2 Open calls and availability of funds (including number of calls, duration of calls, and estimated size):****Measure 1:**

There shall be one call for applications, which shall be launched no later than in the third quarter of 2013. The call shall make available €35,000 and will operate with a rolling deadline until 30 June 2015.

**Measure 2:**

There shall be three calls for applications, making available €3,081,000 in total. The first call shall be launched no later than in the third quarter of 2013 and make available €950,000. The second call shall be launched no later than in the first quarter of 2014, and make available €1,050,000. The third call shall be launched no later than in the first quarter of 2015, and make available €1,081,000.

**Measure 4:**

There shall be three calls for applications, making available €765,000 in total. The first call shall be launched no later than in the third quarter of 2013 and make available €235,000. The second call shall be launched no later than in the first quarter of 2014, and make available €255,000. The third call shall be launched no later than in the first quarter of 2015, and make available €275,000.

The first call for proposals will not be limited to certain pre-defined areas, whereas subsequent calls may be limited to certain pre-defined areas, to be specified in the text of the call concerned.

In case of an insufficient number of applications, insufficient value, or insufficient quality of the applications submitted in the planned open calls, the Programme Operator may conduct one or several supplementary calls, to be launched no later than in the first quarter of 2015.

All calls under measures 2 and 4 shall be open at least for 2 months.

**3.3 Selection criteria:**

In addition to the administrative and eligibility check carried out by the Programme operator, the following qualitative selection criteria shall be taken into account:

**Measure 1:**

- Existence of an agenda and plan for the activities to be undertaken during the visit;
- Description of the role of each participant;
- Contribution of the activities planned during the visit to the establishment of a new project;
- Letter of intent from the host institution and letter of intent from the home institution, confirming that the institutions are supporting the visit in view of preparation of a new project.

**Measure 2:**

The home HEI will be responsible for promotion, recruitment, selection, monitoring and reporting of the beneficiaries, following the ERASMUS procedures and rules.

No additional quality criteria will be applied.

**Measure 4:**

- Relevance;
- Quality of the work programme;
- Innovative character;
- Quality of the consortium (partnership);
- The cost-benefit ratio and structure of the budget according to the work programme;
- Impact;
- Dissemination and exploitation of results (valorization);



- Sustainability.

All measures:

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

The selection committee shall, in selecting projects to be funded, have regard to the requirement in the MoU that at least 10% of the total eligible costs of relevant Programmes shall target the improvement of the situation for the Roma population. The Cooperation Committee shall examine the results of the achievement of this target.

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

##### **4.1 Payment flows**

The Programme Operator shall ensure that funds are available for payments to projects in a timely manner. Payments towards end beneficiaries will be in the form of advance payments, and a final balance payment in the form of reimbursement of incurred expenditures. Payments to projects are made on the basis of approved interim reports.

##### **Measure 1: Preparatory visits**

An advance payment of 80% will be made upon signature of the contract between the PO and the project promoter. The remaining balance, if applicable will be disbursed upon approval of the final report.

##### **Measure 2: Mobility Projects in Higher Education**

An advance payment of up to 80% will be made upon signature of the contract between the PO and the project promoter. An interim payment of up to 20% of the funds allocated to mobility will be made provided 70% of the previously received advance payment has been incurred. The remaining balance, if applicable will be disbursed upon approval of the final report.

##### **Measure 4: Inter-institutional Cooperation**

An advance payment of up to 80% will be made upon signature of the contract between the PO and the project promoter. The remaining balance, if applicable will be disbursed upon approval of the final report. For projects with a duration exceeding 12 months or project grants higher than €50,000, an initial advance payment of 40% will be disbursed upon signature of the project implementation contract. An interim payment of up to 40% will be made provided at least 70% of the previously received advance payment has been incurred. The remaining balance will be paid upon approval of the final report.

On project level, the grant amount for Measure 4, institutional cooperation, will not exceed 90% of total eligible project costs. Co-financing does not apply for Measures 1 and 2, individual mobility, where the grant rate will be 100% of total eligible project costs.

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

Project Promoters shall submit interim and final reports to the PO containing information on project outcomes, advance and final payment requests where applicable, and incurred expenditure.

The interim reports of the PO are verified and approved by the Certifying Authority. The PO will control the eligibility of expenditure under payment claim verification procedures following chapter 7 of the Regulation. The eligible expenses will be mentioned in the Calls and listed in the related guidelines.

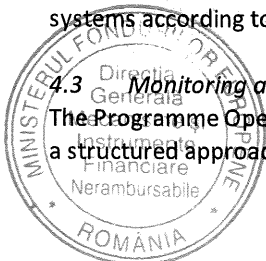
The financial verification of payment claims shall be conducted by the financial expert, who is functionally separate from the technical experts responsible for the implementation of the Programme. A second verification will be carried out by the financial preventive controller, an independent role within the PO's internal control chain. The PO will carry out 100 % verification of the final reports submitted by the Project Promoters.

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

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

##### **4.3 Monitoring and reporting**

The Programme Operator monitors the execution of supported programme actions through the monitoring strategy, which offers a structured approach, adequate methods and tools. The monitoring strategy will be integrated in the current monitoring



approach of the PO, regulated by the European Commission under the framework of Lifelong Learning programme (focusing both on content and financial matters) and focuses on measuring the progress in achieving the outcomes.

The PO's monitoring system consists of three levels:

- Desk-monitoring; the evaluation of intermediary and final reports, providing advice by phone and email, etc.
- Monitoring visits which may take place at any time during the lifetime of a project. The visits are intended to give support and advice to beneficiaries and collect information on the management of the project by the beneficiary, with the overall goal being to secure good management of supported activities, including financial matters.
- Monitoring meetings at national and/or regional level aiming to bring together project promoters and provide an opportunity to learn through the exchange of experiences.

In order to ensure efficient desk monitoring, the reporting procedures will be defined in the financial agreement that will be concluded between the PO and the project promoter. The PO will support the applicants and promoters by elaborating guides for applicants and financial and administrative guidelines that shall be published on the PO's website.

No monitoring visits are envisaged for Measure 1. For measure 2 a sample of 10% of the projects will be monitored. All projects under measure 4 will be monitored.

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

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

## 5. Additional mechanisms within the programme

### 5.1 Funds for bilateral relations

The Fund for bilateral relations at programme level shall contain 1.94% of the eligible expenditure of the programme.

€35,000 from the fund shall be used to fund measure 1 under this Programme. Detailed information regarding measure 1 is provided in the relevant sections of this Annex II.

The remainder of the fund is to be used to organise a contact seminar with participants from Donor State and Romanian institutions.

The details of use of the bilateral fund, the procedures and criteria for awarding support from the bilateral fund, the grant rate, the minimum and maximum grant amounts, and any other relevant details will be further developed by the Programme Operator and shall be approved in the Cooperation Committee.

### 5.2 Complementary action

€36,000 is set aside for complementary action.

Complementary action shall be organised in accordance with Article 7.11 of the Regulation.

### 5.3 Reserve for exchange rate losses

A reserve of €44,444 is set aside for exchange rates losses at programme level. The methods of calculation and settlement of any exchange rate losses are described in the programme proposal.

### 5.4 Small Grant Schemes

Not applicable.

## 6. Pre-defined projects

Not applicable.

## 7. Modification of the programme

The rules on modifications of Programmes are contained in the Regulation and are further supplemented in Article 2.9 of the Programme Agreement.

## 8. Programme proposal version

Any reference to the Programme proposal in this Programme Agreement shall be interpreted as version signed by the Programme Operator on 09 July 2012, including any subsequent correspondence and communication between the Donors, the Financial Mechanism Office, the National Focal Point and the Programme Operator.

## 9. Miscellaneous



Not applicable.

