Norwegian Financial Mechanism 2009-2014

PROGRAMME AGREEMENT

between

The Norwegian Ministry of Foreign Affairs

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 "Public Health Initiatives"

hereinafter referred to as the "Programme"
Chapter 1
Scope, Legal Framework, and Definitions

Article 1.1
Scope

This programme agreement between the Norwegian Ministry of Foreign Affairs (hereinafter referred to as the NMFA) 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 Norwegian 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 Norwegian Financial Mechanism 2009-2014:

   a. the Agreement between the Kingdom of Norway and the European Union on the Norwegian Financial Mechanism 2009-2014 (hereinafter referred to as the Agreement);

   b. the Regulation on the implementation of the Norwegian Financial Mechanism 2009-2014 (hereinafter referred to as the "Regulation") issued by Norway in accordance with Article 8(8) of the Agreement;

   c. the Memorandum of Understanding on the Implementation of the Norwegian Financial Mechanism 2009-2014 (hereinafter referred to as the "MoU"), entered into between the Kingdom of Norway and the Beneficiary State; and

   d. any guidelines adopted by the NMFA 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 2.2
Main responsibilities of the Parties

1. The National Focal Point is responsible and accountable for the overall management of the Norwegian 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 NMFA 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 EEA 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 NMFA 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 NMFA of such signing.

2. The signed programme implementation agreement shall be identical to the draft programme implementation agreement confirmed by the NMFA 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 NMFA 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 NMFA.

2. Modifications that do not affect the objective, outcomes, outputs, indicators or targets of the Programme are permitted without NMFA’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 NMFA, the National Focal Point shall consult the NMFA 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 NMFA 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 NMFA 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 NMFA shall ensure that the National Focal Point is informed about communication between the NMFA 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 NMFA 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 NMFA 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 Norway.

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 NMFA 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 NMFA 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 fulfill 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.
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 NMFA 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 Norwegian Financial Mechanism 2009-2014 to the Programme in accordance with Article 8.8 of the Regulation.

Article 4.5
Irregularities, suspension and reimbursements

The NMFA 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 NMFA 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 NMFA 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;

e. the Programme Operator has, in the opinion of the NMFA, been engaged in corruption, fraud or similar activities or has not taken the appropriate measures to detect or prevent such activities or, if they have occurred, nullify their effects.
2. This programme agreement can be terminated by mutual agreement between the Parties.

3. Termination does not affect the right of the Parties to make use of the dispute settlement mechanism referred to in Article 5.1 or the right of the NMFA 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 NMFA, 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 NMFA or the FMO any responsibility of any kind for the supervision, execution, completion, or operation of the Programme or its projects.

3. The NMFA 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 NMFA 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 NMFA, its officials or employees, 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 NMFA

Signed in _______ on 12.12.2013

Anders Erdal
Deputy Director General

For the National Focal Point

Signed in _______ on 16.01.2014

Eugen Orlando Teodorovici
Minister of European Funds
Annex I - Programme Decision

1. Expected Outcomes & Indicators for Outputs

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

Output

Drug-resistant tuberculosis patients identified

<table>
<thead>
<tr>
<th>Output indicator(s)</th>
<th>Baseline</th>
<th>Target</th>
<th>Source of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of patients reached through the programme</td>
<td>0</td>
<td>10000</td>
<td>Project documents: - laboratory testing bulletins - DOT supporters' reports - suppliers' reports - on-site M&amp;E visits reports - dissemination reports</td>
</tr>
</tbody>
</table>

Output

Full course second-line quality anti-TB drug regimens provided for MDR/XDR-TB patients

<table>
<thead>
<tr>
<th>Output indicator(s)</th>
<th>Baseline</th>
<th>Target</th>
<th>Source of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of TB patients assisted during the ambulatory phase of the treatment</td>
<td>0</td>
<td>1000</td>
<td>Project partners' reports Training reports Patients medical records</td>
</tr>
</tbody>
</table>

Output

HIV, HVB, HVC Infections among Injecting Drugs Users (IDUs) reduced through targeted interventions

<table>
<thead>
<tr>
<th>Output indicator(s)</th>
<th>Baseline</th>
<th>Target</th>
<th>Source of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number / range of preventive interventions addressing IDU’s in situations of vulnerability (women, commercial sex workers, homeless, HIV+)</td>
<td>0</td>
<td>8</td>
<td>Project reports Training reports</td>
</tr>
</tbody>
</table>

Output

Effort to educate, diagnose, care and monitor the HIV, HVB and HVC infections among the general population increased

<table>
<thead>
<tr>
<th>Output indicator(s)</th>
<th>Baseline</th>
<th>Target</th>
<th>Source of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of programme beneficiaries (people informed and those receiving specialized support under the programme)</td>
<td>0</td>
<td>35750</td>
<td>Project reports</td>
</tr>
</tbody>
</table>

Output

Institutional capacity to address communicable diseases such as HIV, HVB and HVC developed

<table>
<thead>
<tr>
<th>Output indicator(s)</th>
<th>Baseline</th>
<th>Target</th>
<th>Source of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of professional staff trained</td>
<td>0</td>
<td>100</td>
<td>Sustainable institutional network for HIV/ HVB/HVC control</td>
</tr>
<tr>
<td>Number of regional network of 8 regional centers developed</td>
<td>0</td>
<td>8</td>
<td>Sustainable institutional network for HIV/ HVB/HVC control</td>
</tr>
<tr>
<td>Number of National hepatitis registry developed</td>
<td>0</td>
<td>1</td>
<td>Sustainable institutional network for HIV/ HVB/HVC control</td>
</tr>
</tbody>
</table>

Expected Outcome(s): Developed resources for all levels of health care
Output

Community care centres network providing services to vulnerable communities established

<table>
<thead>
<tr>
<th>Output indicator(s)</th>
<th>Baseline</th>
<th>Target</th>
<th>Source of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of centres established in targeted locations</td>
<td>0</td>
<td>45</td>
<td>Agreements with local authorities</td>
</tr>
</tbody>
</table>

Output

Access to basic community health services increased for vulnerable people in 45 disadvantaged communities

<table>
<thead>
<tr>
<th>Output indicator(s)</th>
<th>Baseline</th>
<th>Target</th>
<th>Source of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of vulnerable people served by the health mediators and community nurses</td>
<td>97250</td>
<td>108500</td>
<td>Patients medical records On-site M&amp;E visits reports</td>
</tr>
</tbody>
</table>

Output

The role of primary care in the context of the 2014-2020 EU programmatic period is strengthened

<table>
<thead>
<tr>
<th>Output indicator(s)</th>
<th>Baseline</th>
<th>Target</th>
<th>Source of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structural fund interventions in primary care developed based on the Norway Grants project</td>
<td>0</td>
<td>3</td>
<td>Structural funds applications submitted in the sphere of primary health care</td>
</tr>
</tbody>
</table>

Expected Outcome(s): Life-style related diseases prevented or reduced

Output

The capacity to effectively implement preventive interventions addressed to major lifestyle risk factors (nutrition, physical activity, alcohol) is improved at primary health care (PHC) centres

<table>
<thead>
<tr>
<th>Output indicator(s)</th>
<th>Baseline</th>
<th>Target</th>
<th>Source of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of health professionals who attended training sessions</td>
<td>0</td>
<td>250</td>
<td>Training evaluation reports (post-training participants satisfaction evaluation and pre-post knowledge tests)</td>
</tr>
</tbody>
</table>

| Number of end-beneficiaries who benefit from the project (end-beneficiaries for component A of the project) | 0        | 25000  | Project documents and other relevant project reports incorporating quantitative and/or qualitative information. |

| Percentage of PHC facilities included in the project that are compliant to the new health risk assessment methodology/guidelines promoted under the project. | 0        | 75     | Project documents and other relevant project reports incorporating quantitative and/or qualitative information. |

Output

Healthy nutrition and physical activity lifestyle messages are being communicated to children and adolescents at community level

<table>
<thead>
<tr>
<th>Output indicator(s)</th>
<th>Baseline</th>
<th>Target</th>
<th>Source of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of teachers/education professionals who attended training sessions</td>
<td>0</td>
<td>800</td>
<td>Project documents (e.g. list of participants in training sessions, list of participants in regional facilitation workshops), and project evaluation reports (ex. KAP report) project website, etc.</td>
</tr>
</tbody>
</table>

Number of children and adolescents who benefit from the project (end-beneficiaries for component B of the project) | 0        | 20000  | Project documents (e.g. list of participants in training sessions, list of participants in regional facilitation workshops), and project evaluation reports (ex. KAP report) project website, etc. |
Output

A new legal framework needed for sustainable action has been developed and endorsed

<table>
<thead>
<tr>
<th>Output indicator(s)</th>
<th>Baseline</th>
<th>Target</th>
<th>Source of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of new proposals of policy, legislation and/or</td>
<td>0</td>
<td>1</td>
<td>Draft proposals for new regulations/legislation</td>
</tr>
<tr>
<td>regulation elaborated.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of consensus building/ dissemination meetings held</td>
<td>0</td>
<td>1</td>
<td>Project documents and reports (e.g. list of participants)</td>
</tr>
<tr>
<td>with stakeholders.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. Conditions

2.1 General

1) The National Focal Point shall ensure that any public support under this Programme complies with the procedural and substantive state aid rules applicable at the time when the public support is granted. The National Focal Point shall, by way of the programme implementation agreement, ensure that the Programme Operator maintains written records of all assessments concerning compliance with state aid rules, particularly decisions to award grants and set grant rates, and provides such records to the NMFA upon request. The approval of the Programme by the NMFA does not imply a positive assessment of such compliance.

2) The National Focal Point shall ensure that the Programme Operator ensures that Project Promoters who have, in line with this Agreement, received an exception from the general rule in Article 7.3.1(c) of the Regulation with respect to any equipment (the excepted equipment):
   a. Keep the excepted equipment in their ownership for a period of at least five years following the completion of the project and continue to use that equipment for the benefit of the overall objectives of the project for the same period;
   b. Keep the excepted equipment properly insured against losses such as fire, theft and other normally insurable incidents both during project implementation and for at least 5 years following the completion of the project; and
   c. Set aside appropriate resources for the maintenance of the excepted equipment for at least 5 years following the completion of the project. The specific means for implementation of this obligation shall be specified in the project contract; provided however that the Programme Operator may release any Project Promoter from the above obligations with respect to any specifically identified excepted equipment where the Programme Operator is satisfied that, having regard to all relevant circumstances, continued use of that equipment for the overall objectives of the project would serve no useful economic purpose. The National Focal Point shall furthermore ensure that the Programme Operator keeps a list of the excepted equipment for each project.

3) Bilateral, output and outcome indicators shall be reported on in the annual programme report.

4) A plan for the use of the fund for bilateral relations and the fund set-up shall be submitted to the NMFA for approval, no later than six months following the signature of the Programme Agreement.

5) The National Focal Point shall ensure that the Programme Operator ensures that an ex ante control of public procurement procedures and documentation carried out within projects implemented under the Programme is carried out by a competent independent entity, other than the respective project promoter.

6) The National Focal Point shall ensure that Article 7.16 of the Regulation, as well as national and European Union law on public procurement are complied with at any level in the implementation of the programme and the projects. The National Focal Point shall, by way of the Programme Implementation Agreement, ensure that the Programme Operator maintains written records of all assessments concerning the organization of procurement procedures and compliance with procurement rules, and provides such records to the NMFA upon request. The approval of the Programme by the NMFA does not imply a positive assessment of such compliance. When competitive procurement procedures are applied, the National Focal Point shall ensure that the Programme Operator ensures that Project Promoters in their tender documents do not describe the object of the contract in a manner which could restrict fair competition, e.g. by reference to trade marks, patents or origin, unless such references are specifically authorized by law.

7) At least 10% of the total eligible costs of the Programme shall target the improvement of the situation of the Roma population. The fullfilment 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.

8) The Programme Operator shall inform and coordinate its actions with the Fund Operator of the NGO Programme and the
Children and Youth at Risk Programme in Romania in order to avoid overlap and to seek and achieve synergies.

9) The Programme Operator shall inform and coordinate its actions with the Global Fund to Fight AIDS, Tuberculosis and Malaria in order to avoid overlap and to seek and achieve synergies.

10) The National Focal Point shall ensure that the Programme Operator ensures that there is no funding overlap with activities financed by other sources, especially under the Structural Funds and the Global Fund to Fight AIDS, Tuberculosis and Malaria.

11) The Grant Offer is subject to any comments or observations made by the European Commission in relation to the screening process.

12) 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 NMFA for approval no later than three months from the signature of the Programme Agreement.

13) The National Focal Point shall ensure that the Programme Operator develops and presents by the end of 2014, specific plans on TB prevention and treatment including financing beyond the funding from the Norwegian Financial Mechanism 2009-2014. The National Focal Point shall report on these specific plans in the Strategic Reports.

2.2 Pre-eligibility
Not applicable.

2.3 Pre-payment
Not applicable.

2.4 Pre-completion
1) Prior to the approval of the Final Programme Report, the National Focal Point shall present plans on TB prevention and treatment, including committed financing, beyond the funding from the Norwegian Financial Mechanism 2009-2014.

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): 19/11/2013-30/04/2017
Eligibility of programme proposal preparation costs: 22/03/2012-18/11/2013

3.2 Grant rate and co-financing

| Programme estimated total cost (€) | €9,534,118 |
| Programme estimated eligible cost (€) | €9,534,118 |
| Programme grant rate (%) | 85.0000% |
| Maximum amount of Programme grant (€) | €8,104,000 |

3.3 Maximum eligible costs (€) and Advance payment amount (€)
<table>
<thead>
<tr>
<th>Budget heading</th>
<th>Eligible expenditure</th>
<th>Advance payment*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programme management</td>
<td>€333,639</td>
<td>€71,770</td>
</tr>
<tr>
<td>Improved prevention and treatment of communicable diseases (including HIV/AIDS and TB)</td>
<td>€6,772,100</td>
<td>€1,693,025</td>
</tr>
<tr>
<td>Developed resources for all levels of health care</td>
<td>€1,052,910</td>
<td>€247,495</td>
</tr>
<tr>
<td>Life-style related diseases prevented or reduced</td>
<td>€1,115,120</td>
<td>€200,000</td>
</tr>
<tr>
<td>Fund for bilateral relations</td>
<td>€153,915</td>
<td>€0</td>
</tr>
<tr>
<td>Complementary action</td>
<td>€43,000</td>
<td>€0</td>
</tr>
<tr>
<td>Preparation of programme proposal</td>
<td>€0</td>
<td>€0</td>
</tr>
<tr>
<td>Reserve for exchange rate losses</td>
<td>€63,434</td>
<td>€0</td>
</tr>
<tr>
<td>Total</td>
<td>€9,534,118</td>
<td>€2,212,290</td>
</tr>
</tbody>
</table>

* The advance payment is composed of €1,880,446 in grant amount and €331,844 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                           | €28,359              |

3.5 Small Grant Scheme

Not applicable
Annex II - Operational Rules

1. Eligibility

1.1 Eligible measures (sub-measures if any):

The Programme Operator is the Ministry of Health.

The programme will support measures to improve public health in Romania and to reduce health inequalities through targeted interventions in the fields of communicable and non-communicable diseases with particular emphasis on vulnerable groups, including Roma.

The programme consists of four pre-defined projects corresponding to the programme’s expected outcomes, as follows:

Expected Outcome “Improved prevention and treatment of communicable diseases (including HIV/AIDS and TB)”:
- Pre-defined project 1: “Improving the health status of the Romanian population in Romania by increasing Tuberculosis control”
- Pre-defined project 2: “Strengthening the prevention and control of HIV/AIDS, HVB, HVC in Romania”

Expected Outcome “Developed resources for all levels of health care”:
- Pre-defined project 3: “Strengthening the National Network of Roma Health Mediators to Improve the Health Status of Roma Population”.

Expected Outcome “Life-style-related diseases prevented and reduced”:
- Pre-defined project 4: “Multi-level interventions for prevention of lifestyle related non-communicable diseases (NCD) in Romania”.

1.2 Eligible applicants:

Not applicable.

1.3 Special rules on eligibility of costs:

The eligibility of costs is determined by reference to Chapter 7 of the Regulation.

By way of exception from Article 7.3.1(c) of the Regulation, the entire purchase price of new and second hand equipment will be eligible in projects where the equipment is an integral and necessary component for the implementation of the project and is essential for achieving the outcomes of the project and it’s use after project completion is limited to activities in line with the objectives of the project.

Indirect costs in projects shall be claimed in accordance with the Regulation and in particular, Article 7.4.1 thereto. Where a flat-rate is applied, this shall be set in line with Article 7.4.1(b) of the Regulation and the level of the flat rate shall be set in accordance with a methodology provided by the Programme Operator.

2. Financial parameters

2.1 Minimum and maximum grant amount per project:

Not applicable.

2.2 Project grant rate:

Not applicable.

3. Selection of projects

3.1 Selection procedures:

Not applicable.

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

Not applicable.
3.3 Selection criteria:

Not applicable.

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 the projects in a timely manner.

Payments towards the projects will take the form of advance payment, interim payments and final balance payment. The advance payment shall be set in the financial plan of each project and shall not exceed 25% of the project grant. The advance shall be gradually set off in equal proportions, starting from the first payment claim until 80% of the grant is reached.

Interim payments to the projects are made on the basis of approved interim reports.

The projects interim reports are to be submitted to the Programme Operator three times per year. The Project Promoters will report to the Programme Operator on incurred expenditures during the reporting period, actual progress and pre-payment forecast for the reporting period following the payment date.

The Programme Operator may withhold up to 10% of the total grant amount for the payment of the final balance. The payment of the final balance will be disbursed within 15 working days after the approval of the final report, accompanied by an audit report conducted by external auditor.

The procedures for payment flows will be further outlined in the description of the Programme Management and Control System according to article 4.8.2 of the Regulation.

4.2 Verification of payment claims:

Verification and approval of the interim and final reports of the Project Promoters will be conducted by the Programme Operator.

The Programme Operator will duly verify all expenditures declared by the Project Promoters ensuring its correctness and regularity in line with the set procedures. Verification and approval of interim and final reports will be based on information on financial status and project progress contained in the reports, and on additional information to be submitted together with the reports.

In case of verification of expenditure incurred by the donor project partner, a report by an independent and certified auditor, certifying that the claimed costs are incurred in accordance with the Regulation, the national law and accounting practices of the donor project partner's country, shall be seen as sufficient proof of costs incurred.

The verification procedures for payment claims will be further outlined in the description of the Programme Management and Control System according to article 4.8.2 of the Regulation.

4.3 Monitoring and reporting:

The Programme Operator shall continuously monitor the projects through the review of reports submitted by the Project Promoters and on-site monitoring visits. On-site monitoring visits shall be carried out and shall include all projects. Depending on the level of complexity of the projects and other relevant factors, on-site monitoring visits may be carried out in cooperation with technical experts and/or financial officers.

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

Project Promoters shall be required to report on projects' progress and outputs in interim and final reports.

Interim reports shall be submitted every 4 months and shall as a minimum describe:

a) the technical project progress, fulfilment of project outputs, information on tender procedures, project time schedule, project modifications, fulfilment of project conditions if relevant and risk management;
b) the financial progress of the project, including a list of claimed expenditures and requests for payments, and information on any financial audit if relevant.

The final report shall contain the same information as the interim reports. In addition, it shall describe the achievement of the overall objective of the project and contain information on cross-cutting issues relevant to the project, fulfilment of project conditions and sustainability of the project. It shall also include summary information on financial management and findings from the final financial audit (if applicable).

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 shall be used in line with sub-paragraph (b) of Article 3.6.1 of the Regulation. The details of use of the bilateral fund, the selection procedures and criteria for awarding support from the fund, the maximum grant amount and the grant rate and any other relevant details will be developed by the Programme Operator in cooperation with the Royal Norwegian Embassy in Bucharest and will be in line with a plan approved by the NMFA.

Costs under the bilateral fund are eligible in accordance with Chapter 7 of the Regulation.

5.2 Complementary action:

Complementary actions in line with the Regulation shall be organised by the Programme Operator, in line with the objectives of the Programme, in order to strengthen co-operation between the Programme Operator and similar entities within the Donor State and the Beneficiary States. These will include the exchange of experience and best practice related to the implementation of the Programme.

Complementary actions shall also facilitate the participation of all relevant stakeholders in events, seminars and activities agreed with the NMFA.

5.3 Reserve for exchange rate losses:

The reserve for exchange rate losses will be used to cover exchange rate losses arising from fluctuations of the RON against the Euro, incurred during the Implementation of the Programme and the projects. The amounts that will be granted from the reserve shall be calculated at the final settlement of the projects.

The Programme Operator shall, in the detailed description of the Management and Control System for the Programme, provide a clear and transparent method of calculating the exchange rate losses and of their settlement.

5.4 Small Grant Schemes:

Not applicable.

6. Pre-defined projects

There are four pre-defined projects under the programme:

**PDP1:**
Project title: "Improving the health status of the Romanian population in Romania by increasing Tuberculosis control";
Project Promoter: Marius Nasta Institute of Pneumology
Project partner: to be selected
Estimated total eligible project cost: €5,398,630
Project grant rate: 100%
Maximum contribution from the Programme: €5,398,630
Expected outcome: "Improved prevention and treatment of communicable diseases (including HIV/AIDS and TB)"

The overall objective of the Project is to strengthen Tuberculosis (TB) control in Romania with focus on multidrug-resistant tuberculosis (MDR-TB) and poor and vulnerable populations.
Main project activities include the following:
- Capacity building for the NTP Central Coordination Unit;
- Upgrade of the electronic national TB database;
- Capacity building regarding TB control (case-management and surveillance) for the National TB Programme network;
- Early Diagnosis of MDR-TB cases (including procurement of laboratory diagnosis equipment and consumables);
- Provision of quality, complete, non-interrupted treatment to 1,000 MDR/XDR-TB patients;
- Provision of integrated community support interventions to prevent the TB spread in poor communities and to enhance the treatment adherence in TB cases.

The project shall be implemented in partnership with the non-governmental organisation(s) working in the field of TB prevention and care. The responsibilities of the partner(s) shall include enourmance of the adherence to treatment by deploying efforts at community level to follow up on MDRTB cases.

**PDP 2:**
Project title: “Strengthening the prevention and control of HIV/AIDS, HVB, HVC in Romania”
Project Promoter: National Institute of Infectious Diseases “Prof. Dr. Matei Bals”
Project partner: to be selected
Estimated total eligible project cost: €1,373,470
Project grant rate: 100%
Maximum contribution from the Programme: €1,373,470
Expected outcome: “Improved prevention and treatment of communicable diseases (including HIV/AIDS and TB)”

The overall objective of the project is to increase the access of vulnerable groups to primary and secondary prevention programmes for HIV, HVB, HVC.

Main project activities include the following:
- The production and distribution of a manual/operation tools for harm reduction professionals;
- The information/ education/ counselling on HIV/AIDS prevention in places where Injecting Drug Users (IDUs) work and/or live;
- The provision of protection materials, including the exchange of the used syringes.
- Involving IDU’s in advocacy activities
- Testing for HIV/ HVB/ HVC targeted to the Most at Risk Populations;
- The development of a National Hepatitis Registry;
- The development of training programs for medical staff with focus groups on family doctors, gynaecologists, dermatologists, haematologists, psychologists and nurses;
- The development of an information and education campaigns against HIV, HVB, HVC.

The project shall be implemented in partnership with non-governmental organisation(s). The responsibilities of the partner(s) shall include carrying out harm reduction activities and out-reach activities in places where IDUs work and/or live.

**PDP 3:**
Project title: “Strengthening the National Network of Roma Health Mediators to improve the Health Status of Roma Population”
Project Promoter: National Public Health Institute
Project partner: to be selected
Estimated total eligible project cost: €1,052,910
Project grant rate: 100%
Maximum contribution from the Programme: €1,052,910
Expected outcome: “Developed resources for all levels of health care”

The overall objective of the project is to strengthen institutional capacity of local authorities through the further development of the network of Roma health mediators and community nurses, focusing on mother and child health, reproductive health and MDR TB control.

Main project activities include the following:
- Establishment of Community care centers in the targeted areas;
- Developing Health Promotion support materials to be used by health mediators and community nurses;
- Conduct a ToT training session for PHD professionals;
- Provide professional training sessions for Roma health mediators and for community nurses;
- Selection/recruitment and employment of Roma health mediators and community nurses;
- National and regional meetings with central and local authorities to develop legislative initiatives for the Roma mediation activity;
- Creation of inter-sectoral partnerships at decentralized level.
The project shall be implemented in partnership with non-governmental organisation(s). The responsibilities of the partner(s) shall include facilitating access in Roma communities and providing expertise in the field of community nursing and Roma health mediation.

PDP 4:  
Project title: "Multi-level interventions for prevention of lifestyle related non communicable diseases (NCD) in Romania"  
Project Promoter: National Public Health institute  
Project partner: to be selected  
Estimated total eligible project cost: €1,115,120  
Project grant rate: 100%  
Maximum contribution from the Programme: €1,115,120  
Expected outcome: “Life-style diseases prevented or reduced”

The overall objective of the project is to increase access to high quality NCD prevention services by multi-level evidence-based interventions and an integrated community-based approach.

Main project activities include the following:

- Upgrade the clinical prevention guideline;
- Develop IT capability for data collection, management & usage in reporting, monitoring and interventions actions
- Develop and pilot supporting operational tools and service delivery systems in 100 selected PHC practices
- Development of training methodologies for training family doctors in NCD risk management focused on healthy nutrition, control of alcohol consumption and promotion of physical activity;
- Training of PHC health staff in the provision of motivational interviews;
- Training family doctors and community nurses in using the above mentioned tools
- Training educators and teachers;
- Outreach activities;
- Research on Health Behavior in School Aged Children (HBSC);
- Advocacy actions and legislative and policies initiatives.

The project shall be implemented in partnership with relevant entities including non-governmental organisation(s) (NGO). The responsibilities of the NGO partner(s) shall include organizing outreach activities aimed at increasing awareness among vulnerable groups on healthy lifestyle.

The combined share of expenditure for outreach activities shall be at least 20% of the total eligible expenditures of the pre-defined project.

7. Modification of the programme

Any modifications of the programme will follow the rules set forth in the Regulation and in Article 2.9 of the programme agreement.

8. Programme proposal version

Any reference to the programme proposal in this programme agreement shall be interpreted as version signed by the Programme Operator on 25 July 2013 and shall include all correspondence and communication between the NMFA, the Financial Mechanism Office, the National Focal Point and the Programme Operator as of 3 June 2013.

9. Miscellaneous

Relevant stakeholders should be consulted during the implementation of the programme. In particular, the Programme Operator shall establish a steering committee composed of main stakeholders of the Programme, including those representing the WHO, UNICEF in Romania and Roma non-governmental organisations. The steering committee shall discuss the sustainability efforts of TB prevention and treatment beyond the funding from the Norwegian Financial Mechanism 2009-2014 and monitor the implementation of the programme. The Programme Operator shall report on the work of the steering committee, including the progress of sustainability efforts of TB prevention and treatment, in the annual and final programme reports.