

19 JULI 2013

Norwegian Financial Mechanism 2009-2014

PROGRAMME AGREEMENT

between

The Norwegian Ministry of Foreign Affairs

and

The Ministry of Economic Development and Technology,
hereinafter referred to as the "National Focal Point",
representing Slovenia ,
hereinafter referred to as the "Beneficiary State"

together hereinafter referred to as the "Parties"

for the financing of the Programme "Norwegian Financial Mechanism Programme"

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 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 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 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 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; or

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.

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.

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.

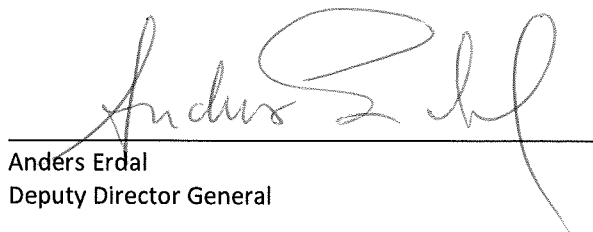
2. Nothing contained in the programme agreement shall be construed as imposing upon the NMFA or the FMO any responsibility of any kind for the supervision, execution, completion, or operation of the Programme or its projects.

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.

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

For the NMFA

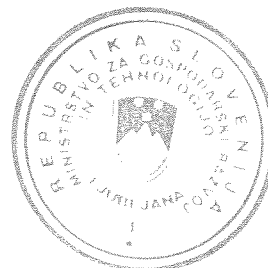
Signed in Oslo on 14.6.2013


Anders Erdal
Deputy Director General

For the National Focal Point

Signed in Ljubljana on 08-07-2013


Stanko Stepišnik
Minister of Economic Development and Technology



Annex I - Programme Decision

1. Expected Outcomes & Indicators for Outputs

Expected Outcome(s): Reduced inequalities between user groups

Output

New equity oriented programs and services for different user groups developed and implemented

Output indicator(s)	Baseline	Target	Source of Verification
Number of actions taken to reduce inequalities in health through increased access	0	10	project reports, field visits

Output

Capacity of professionals for health equity and work with vulnerable groups improved

Output indicator(s)	Baseline	Target	Source of Verification
Number of trained professionals in health inequality and related topics and issues	0	500	• project reports, field visits

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

Output

New integrated programmes and services for life-style related chronic diseases prevention for different user groups developed and implemented

Output indicator(s)	Baseline	Target	Source of Verification
Number of actions aiming to reduce or prevent life style related diseases at national/ local level.	0	15	project reports, field visits

Output

Capacity of professionals for work with vulnerable groups in life-style related chronic diseases prevention improved

Output indicator(s)	Baseline	Target	Source of Verification
Number of trained professionals in life-style related chronic diseases prevention	0	300	project reports (attendance lists), field visits

Expected Outcome(s): Improved mental health services

Output

Local capacity for mental health improved

Output indicator(s)	Baseline	Target	Source of Verification
Number of new local structures for mental health developed	0	3	project reports, field visits

Output

Capacity of primary health care and other professionals in mental health improved

Output indicator(s)	Baseline	Target	Source of Verification
Number of trained primary health care and other professionals in mental health	0	100	project reports, field visits

Expected Outcome(s): Awareness raised and research on gender issues promoted

Output

Understanding of equal / unequal power relations between women and men in order to identify adequate responses to imbalances that persist in a gender-based power structure in society increased.

Output indicator(s)	Baseline	Target	Source of Verification
Number of target audience reached (in %)	0	50	project reports, communication materials, analysis findings, studies reports, field visits
Number of implemented policies (action plans, measures)	0	2	project reports, communication materials, analysis findings, studies reports, field visits
Number of good practices identified and assessed	0	2	project reports, communication materials, analysis findings, studies reports, field visits

Output

Understanding of equal/unequal power relations between women and men increased

Output indicator(s)	Baseline	Target	Source of Verification
Number of reports disseminated to target groups	0	500	project reports, communication materials (i.e. video, print materials etc.), analysis findings, field visits
Level of satisfaction (in %)	0	60	project reports, communication materials (i.e. video, print materials etc.), analysis findings, field visits
Number of target audience reached using TV, radio spots and other means of communication (in %)	0	50	project reports, communication materials (i.e. video, print materials etc.), analysis findings, field visits
Number of implemented policies (action plans, measures)	0	2	project reports, communication materials (i.e. video, print materials etc.), analysis findings, field visits
Number of good practices identified and assessed	0	4	project reports, communication materials (i.e. video, print materials etc.), analysis findings, field visits

2. Conditions

2.1 General

- 1) Bilateral, output and outcome indicators shall be reported on in the annual programme report.
- 2) The use and implementation of the bilateral fund shall be agreed with the donor programme partner and decided upon in the Cooperation Committee.
- 3) Detailed selection criteria, developed by the Programme Operator and adopted by the Selection Committee will be submitted to the FMO before the deadline referred to in Article 6.3.4 of the Regulation.
- 4) Unit prices for voluntary work of in-kind contributions made in accordance with Article 5.4.5 of the Regulation shall be submitted to the FMO no later than four weeks prior to the deadline for providing to the NMFA the text of the call for proposals, as required by Article 6.3.4 of the Regulation.
- 5) A methodology on the calculation of the flat rate to be applied to indirect eligible costs (overheads) in accordance with Article 7.4.1(b) of the Regulation shall be submitted to the FMO no later than four weeks before the deadline referred to in Article 6.3.4 of the Regulation.
- 6) The Programme Operator will no later than three months after the National Focal Point signs this Programme Agreement, assign additional staff, temporarily or permanently to assist in the implementation of this Programme and the Programme SI02 "The EEA Financial Mechanism Programme".

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): 28/01/2013-31/03/2017

Eligibility of programme proposal preparation costs: 20/05/2011-27/01/2013

3.2 Grant rate and co-financing

Programme estimated total cost (€)	€13,727,059
Programme estimated eligible cost (€)	€13,727,059
Programme grant rate (%)	85.0000%
Maximum amount of Programme grant (€)	€11,668,000

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

Budget heading	Eligible expenditure	Advance payment*
Programme management	€945,410	€135,000
Reduced inequalities between user groups	€3,639,412	€653,294
Life-style related diseases prevented or reduced	€4,745,882	€844,314
Improved mental health services	€2,425,072	€435,313
Awareness raised and research on gender issues promoted	€1,626,951	€300,834
Fund for bilateral relations	€292,332	€48,000
Complementary action	€30,000	€0
Preparation of programme proposal	€22,000	€22,000
Reserve for exchange rate losses	€0	€0
Total	€13,727,059	€2,438,755

* The advance payment is composed of €2,072,942 in grant amount and €365,813 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	€80,360

3.5 Small Grant Scheme

Outcome	Awareness raised and research on gender issues promoted
Total Amount Reserved	€1,126,951
Grant Amount at Project Level	€50,000 – 250,000
Duration of the Project	12 – 24 months
Maximum Grant Rate at Project Level	100.00%

Annex II - Operational Rules

1. Eligibility

1.1 Eligible measures (sub-measures if any):

The Programme Operator is the Ministry of Economic Development and Technology (MEDT).

The Donor Programme Partner is the Norwegian National Institute of Public Health (NIPH).

The main objective of the Programme under the Programme Area 27 "Public Health Initiatives" is to strengthen the capacity of the public health sector and relevant partners at all levels (national, regional, local) in the area of identification and targeting of health inequalities, preventing chronic non-communicable diseases and improving mental health. This will be achieved by improving public health capacity and collaboration and cooperation across sectors, public institutions, professionals and among actors in the civil society.

The main objective of the Programme under the Programme Area 28 "Mainstreaming Gender Equality and Promoting Work-Life Balance" is to strengthen the capacity of public and private sector and general public in the area of identification, targeting and addressing gender inequality.

The Programme consists of two pre-defined projects, one open call and one small grant scheme.

1.2 Eligible applicants:

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

By way of derogation from the general rules on eligibility of applicants, private profit making entities shall not be eligible applicants for projects under the call for proposals. Under the small grant scheme commercial legal entities are eligible applicants if they are able to demonstrate that at least three partners will be included and will benefit from the results of a project and that funds from the small grant scheme will be used for non-profit activities.

1.3 Special rules on eligibility of costs:

The eligibility of costs is determined by reference to Chapter 7 of the Regulation. The rules on eligibility of costs shall apply equally and without limitation to both Project Promoters and project partners.

In-kind contributions made in accordance with Article 5.4.5 of the Regulation may be made for projects implemented by NGOs, as defined in Article 1.5.1(m) of the Regulation. Such contributions shall not amount to more than 50% of the co-financing provided by Project Promoters and will be calculated according to the minimum hourly labour expenses in the particular region and category of labour, including all required social security contributions.

In accordance with Article 7.4.1(b) of the Regulation, indirect eligible costs may be claimed by Project Promoters and project partners, by the application of a flat rate of up to 20% of total eligible direct costs. The Programme Operator shall describe a methodology that shall ensure the fair apportionment of the overall overheads in the open call text. All Project Promoters or project partners must apply the methodology established by the Programme Operator when setting the precise level of this flat rate.

2. Financial parameters

2.1 Minimum and maximum grant amount per project:

The minimum amount of grant assistance applied for is €170,000; the maximum amount is €1,000,000.

The level of grant assistance applied for in the small grant scheme is referred to under Section 5.4.

The level of grant assistance applied for in the pre-defined projects is referred to under Section 6.

2.2 Project grant rate:

In case of Project Promoters that fall within the definition of NGOs contained in Article 1.5.1(m) of the Regulation, the maximum grant rate is 90% of total eligible project costs. For all other Project Promoters, including all projects selected under the small grants scheme the grant rate can be up to 100% of total eligible project costs. The remaining costs of the project shall be provided or obtained by the Project Promoters.

The grant rate for the pre-defined projects is provided under Section 6.

The project grant rate shall in all cases be set at a level that complies with Article 5.4.2 of the Regulation.

3. Selection of projects

3.1 Selection procedures:

All selection procedures for projects under the call for proposals and the small grant scheme shall be in accordance with Article 6.5 of the Regulation.

A representative of the Fund Operator of the Programme "NGO Fund" under EEA Grants in Slovenia shall be invited to participate in the Selection Committee as an observer.

The independent and impartial experts referred to in Article 6.5.2 of the Regulation shall be independent of the Programme Operator, the Selection Committee and the project applicants.

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

There shall be at least one call for proposals for the Programme Area 27 "Public Health Initiatives". The call for proposals shall be launched no later than in the third quarter of 2013 and make available at least €8,457,425. At least €3,639,412 shall be allocated to the outcome "reduced inequalities between user groups". At least €2,392,941 shall be allocated to the outcome "life-style related diseases prevented or reduced". At least €2,425,072 shall be allocated to the outcome "improved mental health services".

There shall be at least one call for proposals under the small grant scheme. The call for proposals shall be launched no later than in the third quarter of 2013 and make available €1,126,951.

The calls shall be open at least for 2 months.

In case there are funds uncommitted as a result of this call the Programme Operator may conduct a supplementary call or calls. The same rules provided above shall apply mutatis mutandis to that/those call/s.

3.3 Selection criteria:

Detailed selection criteria for the call for proposals and the small grants scheme will be adopted by the Selection Committee following consultation with the Cooperation Committee prior to the launch of the calls for proposals.

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 Project Promoters may take the form of interim 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.

Project Promoters that are not direct budget users will issue a request for reimbursement to the Programme Operator. The Programme Operator will then prepare documents for payment to the Project Promoters, however will only authorise the payment order after the Programme Operator control unit has performed relevant controls and checked whether the payment is in line with the approved programme budget. The authorized payment order is then sent to the Public Accountancy Department which makes the disbursement to the Project Promoter. The Programme Operator retains 5% of every interim payment to the Project Promoter (if the Project Promoter is not a direct budget user), and the retention amount will be released with the approval of the project completion report.

Project Promoters that are direct budget users also issue request for reimbursement to the Programme Operator, however there is no actual payment transfer between the Programme Operator and the Project Promoter. In this situation the programme funding is stated as appropriations within the national budget on designated budget lines, and these appropriations are the basis for the budget expenditure. After the Programme Operator and the Certifying Authority have performed relevant controls, the percentage of the co-financing is verified and the correct amounts are transferred from the Certifying Authority accounts to the State Treasury accounts.

4.2 Verification of payment claims

The Programme Operator will be conducting 100% desk review for all requests for reimbursement submitted by Project Promoters. On the spot controls will be performed annually according to the monitoring plan. As a general rule, costs incurred by the Project Promoters shall be supported by receipted invoices. Where this cannot be done, costs shall be supported by accounting documents of equivalent probative value.

In case of verification of expenditures incurred by a 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 procedure for verification of payment claims and deadlines for reporting as 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 will monitor all projects.

The Programme Operator will carry out on-site monitoring visits based on the annual monitoring plan. On-site monitoring visits will be conducted every year on a sample of projects selected on the basis of risk analysis, where high risk level for technical, managerial, financial, legal or other external reasons was identified. Risk assessment of the projects will be updated on quarterly basis. All projects which have a significant impact on the overall objective of the Programme or if the grant exceeds €750,000 will be monitored at least once during the implementation of the Project. In addition, a random sample of at least 10% of all Projects will be monitored on-site annually.

The aim of on-site monitoring visits is to make sure that projects are implemented in accordance with the requirements of the Regulation and all documents governing Programme implementation and the project contract, to verify procurement procedures and the cost efficiency of incurred expenditures.

On-site monitoring visits on an ad hoc basis will also be carried out when suspicions arise that the information provided by the Project Promoter is incorrect or misleading. On-site monitoring visits on ad hoc basis can also be organised for other reasons. Information about the date of the on-site monitoring visits on ad hoc basis should normally not be provided to the Project Promoter in advance.

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

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

5. Additional mechanisms within the programme

5.1 Funds for bilateral relations

The Programme Operator will set aside 2.1 % of the total programme budget to a fund for bilateral relations.

The use and implementation of the bilateral fund shall be agreed with the Donor Programme Partner and decided upon in the Cooperation Committee.

5.2 Complementary action

Funds for complementary action have been set aside in the budget. Complementary action under this programme shall be further defined by the Programme Operator in accordance with Article 7.11 of the Regulation. Complementary action shall facilitate cooperation of the Programme Operator with the Program Operators from the other Beneficiary States in the same programme area and facilitate participation of the relevant stakeholders in the conferences, seminars and other activities agreed with the Donor. The Programme Operator shall ensure synergies with other EEA and Norway Grants Programmes in Slovenia, in particular the Programme "NGO Fund".

5.3 Reserve for exchange rate losses

Not applicable.

5.4 Small Grant Schemes

The small grant scheme will be organised for the Programme Area 28 "Mainstreaming Gender Equality and Promoting Work-Life Balance".

The minimum amount of grant assistance applied for under the small grant scheme is €50,000; the maximum amount is €250,000. The total amount is €1,126,951.

6. Pre-defined projects

There will be two pre-defined projects implemented.

1. Pre-defined project "Towards Better Health and Reducing Inequalities" in Programme Area 27 "Public Health Initiatives".

Project Promoter: the Institute of Public Health of the Republic of Slovenia.

Donor project partner: the Norwegian National Institute of Public Health.

Project grant rate: 100%
 Maximum Programme grant: €2,352,941.
 Total estimated project cost: €2,352,941.

The main objective of the pre-defined project is to strengthen public health and primary health care capacities in the area of disease prevention and health promotion with specific focus on non-communicable diseases, mental health and health inequalities.

The project will deliver results that support the expected programme outcome, "life-style related diseases prevented or reduced".

Activities under the project include the following:

- development and testing of different interdisciplinary implementation mechanisms at regional and local level;
- development of new tools such as screening questionnaires, educational material for target groups, recommendations and guidelines for professionals and decision-makers;
- development and testing of training programmes for users and experts in interdisciplinary teams.

2. Pre-defined project "Towards Equalizing Power Relations between Women and Men" in Programme Area 28 "Promoting Gender Mainstreaming and Work Life Balance".

Project Promoter: the Ministry of Labour, Family and Social Affairs of the Republic of Slovenia.

Donor project partner: the Norwegian Association of Municipal and Regional Authorities.

Project grant rate: 100%
 Maximum Programme grant: €500,000.
 Total estimated project cost: €500,000.

The main objective of the pre-defined project is to increase understanding of power relations between women and men in order to identify adequate responses to imbalances that persist in a gender-based power structure in society. The project will deliver results that support the expected programme outcome "awareness raised and research on gender issues promoted". Activities under the project include the following:

- Analysis of the historic development and present challenges in Slovenia, public launching and dissemination of the report to all relevant groups;
- Analysis of legislation in Slovenia relevant to gender equality and comparison with legislation in Norway and at the extent possible of other European countries;
- Identify present and required legislation as well as mechanisms for implementation and enforcement;
- Identifying existing European monitoring instruments (e.g. public opinion surveys), creating and testing a standardized monitoring instrument for Slovenia to measure men's and women's behaviour, attitudes and perceptions regarding selected gender equality issues in order to evaluate social changes over time;

7. Modification of the programme

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

8. Programme proposal version

Any reference to the programme proposal in this programme agreement shall be interpreted as the version signed by the PO on 14 November 2012 and shall include all subsequent correspondence and communication between the Donor, the Financial Mechanism Office, the National Focal Point and the Programme Operator.

9. Miscellaneous

Not applicable.

