EEA Financial Mechanism 2014-2021

PROGRAMME AGREEMENT

between

The Financial Mechanism Committee
established by Iceland, Liechtenstein and Norway

and

The International Relations Department, Ministry of Finance of the Czech Republic,
hereinafter referred to as the "National Focal Point",
representing Czech Republic,
hereinafter referred to as the "Beneficiary State"

together hereinafter referred to as the "Parties"

for the financing of the Programme "Culture"

hereinafter referred to as the "Programme"

Chapter 1
Scope, Legal Framework, and Definitions

Article 1.1
Scope

This programme agreement between the Financial Mechanism Committee (hereinafter referred to as the FMC) and the National Focal Point lays down the rights and obligations of the Parties regarding the implementation of the Programme and the financial contribution from the EEA Financial Mechanism 2014-2021 to the Programme.

Article 1.2
Legal Framework

1. This programme agreement shall be read in conjunction with the following documents which, together with this programme agreement, constitute the legal framework of the EEA Financial Mechanism 2014-2021:

(a) Protocol 38c to the EEA Agreement on the EEA Financial Mechanism 2014-2021;

(b) the Regulation on the implementation of the EEA Financial Mechanism 2014-2021 (hereinafter referred to as the "Regulation") issued by the Donor States in accordance with Article 10(5) of Protocol 38c;

(c) the Memorandum of Understanding on the Implementation of the EEA Financial Mechanism 2014-2021 (hereinafter referred to as the "MoU"), entered into between the Donor States and the Beneficiary State; and

(d) any guidelines adopted by the FMC in accordance with the Regulation.

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

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

Article 1.3
Definitions

Terms used and institutions and documents referred to in this programme agreement shall be understood in accordance with the Regulation, in particular Article 1.6 thereof, and the legal framework referred to in Article 1.2 of this programme agreement.

Article 1.4
Annexes and hierarchy of documents

1. Annexes attached hereto 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 annexes shall prevail, provided that these provisions are compatible with the Regulation.

3. Commitments, statements and guarantees, explicit as well as implicit, made in the preparation of the programme 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 principles of implementation as set out in the Regulation.

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

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

Article 2.2
Main responsibilities of the Parties

1. The National Focal Point is responsible and accountable for the overall management of the EEA Financial Mechanism 2014-2021 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 Irregularities Authority and the Programme Operator properly perform the tasks assigned to them in the Regulation, this programme agreement and the programme implementation agreement;

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

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

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

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

Article 2.3
Objective and outcomes of the Programme

1. This programme agreement 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 this programme agreement.

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

3. The financial plan annexed to this programme agreement shall:

(a) contain a breakdown between the Programme's budget headings;

(b) indicate the agreed advance payment, if any.

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

Article 2.5
Special conditions and programme specific rules

1. This programme agreement shall list any conditions set by the FMC with reference to paragraph 2 of Article 6.3 of the Regulation. The National Focal Point shall ensure compliance with these conditions and 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 this programme agreement.

Article 2.6
Programme implementation agreement

With reference to Article 6.8 of the Regulation and without prejudice to paragraph 2 thereof, the National Focal Point shall, before any payment is made to the Programme, sign a programme implementation agreement with the Programme Operator. The National Focal Point shall notify the FMC of such signing.

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 9 and Articles 6.11 and 6.12 of the Regulation as well as statistical reporting in accordance with guidelines adopted by the FMC.

Article 2.8
External monitoring

The external monitoring and audit referred to in Articles 11.1, 11.2, 11.3 and 11.4 of the Regulation shall not in any way relieve the National Focal Point or the Programme Operator of their obligations under the legal framework regarding monitoring of the Programme and/or its projects, financial control and audit.

Article 2.9
Modification of the Programme

1. Unless otherwise explicitly stipulated in this programme agreement, any modification of the Programme is subject to prior approval by the FMC.

2. Programme specific exceptions from paragraph 1, if any, are set in the annexes to this programme agreement.

3. Expenditures incurred in breach of this article are not eligible.

4. Should there be a doubt as to whether the proposed modifications require approval by the FMC, the National Focal Point shall consult the FMC before such modifications take effect.

5. Requests for modifications shall be submitted and assessed in accordance with Article 6.9 of the Regulation.

Article 2.10
Communication

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

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

Article 2.11
Contact information

1. The contact information of the Programme Operator is as specified in this programme agreement.

2. The contact information for the FMC and the Financial Mechanism Office are:

Financial Mechanism Office
Att: Director
EFTA Secretariat
Rue Joseph II, 12-16
1000 Brussels
Telephone: +32 (0)2 286 1701
Telefax (general): +32 (0)2 211 1889
E-mail: fmo@efta.int

3. Changes of or corrections to the contact information referred to in this article shall be given in writing without undue delay by the Parties to this programme agreement.

Article 2.12
Representations and Warranties

1. This programme agreement and the awarding of the programme grant is based on information provided by, through, or on behalf of the National Focal Point to the FMC 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 connection with the implementation or conclusion of this programme agreement are authentic, accurate and complete.

Chapter 3
Projects

Article 3.1
Selection of projects and award of grants

1. The National Focal Point shall ensure that the Programme Operator selects projects in accordance with Chapter 7 of the Regulation and this programme agreement.

2. Eligibility of project promoters and project partners is stipulated in Article 7.2 of the Regulation and, in accordance with paragraph 4 thereof, subject only to the limitations stipulated in this programme agreement.

3. Pre-defined projects shall be outlined in this programme agreement.

4. The National Focal Point shall take proactive steps to ensure that the Programme Operator complies fully with Article 7.5 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 or the project contract shall comply with Article 7.6 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 1.6 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 7.7 of the Regulation.

2. The partnership agreement shall be in English if one of the parties to the agreement is an entity from the Donor States.

3. The eligibility of expenditures incurred by a project partner is subject to the same limitations as would apply if the expenditures were incurred by the Project Promoter.

4. The creation and implementation of the relationship between the Project Promoter and the project partner shall comply with the applicable national and European Union law on public procurement as well as Article 8.15 of the Regulation.

5. The National Focal Point shall ensure that the Programme Operator verifies that the partnership agreement complies with this article. A draft partnership agreement or letter of intent shall be submitted to the Programme Operator before the signing of the project contract.

Chapter 4
Finance

Article 4.1
Eligible expenditures

1. Subject to Article 8.7 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.

2. Eligible expenditures of projects are those actually incurred by the Project Promoter or project partners, meet the criteria set in Article 8.2 of the Regulation and fall within the categories and fulfil the conditions of direct eligible expenditure set in Article 8.3 of the Regulation, the conditions regarding the use of standard scales of unit costs set in Article 8.4 of the Regulation as well as indirect costs in accordance with Article 8.5 of the Regulation.

4. The first date of eligibility of expenditures in projects shall be set in the project contract in accordance with Article 8.13 of the Regulation. The first date of eligibility of any pre-defined projects shall be no earlier than the date on which the National Focal Point notifies the FMC of a positive appraisal of the pre-defined projects by the Programme Operator in accordance with paragraph 3 of Article 6.5 of the Regulation.

5. The maximum eligible costs of the categories referred to in paragraph 1 are set in this programme agreement. Programme specific rules on the eligibility of expenditure set in this programme agreement 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 8.12 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 9.2, 9.3 and 9.4 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 this programme agreement.

4. The National Focal Point shall ensure that payments are transferred in accordance with paragraph 2 of Article 9.1 of the Regulation.

5. Chapter 9 of the Regulation shall apply to all aspects related to payments, including currency exchange rules and handling of interests on bank accounts.

Article 4.4
Transparency and availability of documents

The National Focal Point shall ensure an audit trail for financial contributions from the EEA Financial

Mechanism 2014-2021 to the Programme in accordance with Article 9.8 of the Regulation.

Article 4.5
Irregularities, suspension and reimbursements

The FMC has the right to make use of the remedies provided in the Regulation, in particular Chapter 13 thereof. The National Focal Point has a duty to take all necessary measures to ensure that the provisions in Chapter 12 and 13 of the Regulation regarding irregularities, suspension of payments, financial corrections and reimbursement are complied with.

Chapter 5
Final provisions

Article 5.1
Dispute settlement

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

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

Article 5.2
Termination

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

(a) a general suspension decision according to Article 13.6 of the Regulation or a decision to suspend payments according to paragraph 1(h) of Article 13.1 of the Regulation has not been lifted within 6 months of such a decision;

(b) a suspension of payments according to Article 13.1 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 13.2 of the Regulation has not been complied with within one year from such a decision;

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

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

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

3. Termination does not affect the right of the Parties to make use of the dispute settlement mechanism referred to in Article 5.1 or the right of the FMC to make use of the remedies provided in Chapter 13 of the Regulation.

Article 5.3
Waiver of responsibility

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

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

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

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

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

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

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.

Article 5.4
Entry into force and duration

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

For the Donors	For the National Focal Point
Signed in Prague on 20/02/2019	Signed in Prague on 20/02/2019
.....	.....
Niels Engelschiøn Chairman EEA Financial Mechanism Committee	Zusana Matyášová Director of the International Relations Department, Ministry of Finance of the Czech Republic

Annex I to the Programme Agreement

Programme Operators and Partners	
Programme Operator:	Ministry of Finance of the Czech Republic
Donor Programme Partner:	Norwegian Directorate for Cultural Heritage (RA) Arts and Culture Norway (ACN) Icelandic Centre for Research (RANNIS)
IPO:	-
Other Programme Partner(s):	Ministry of Culture of the Czech Republic Arts and Theatre Institute (ATI)

Programme Objective	Social and economic development strengthened through cultural cooperation, cultural entrepreneurship and cultural heritage management

PA	Outcome/Output	Expected programme results	Indicator	Disaggregation	Unit of measurement	Source of verification	Frequency of reporting	Baseline values	Baseline year	Target value
PA14	Outcome 1	Cultural heritage management enhanced	Annual number of visitors to supported cultural heritage sites and cultural activities	N/A	Annual number	Project Promoter´s records - sold tickets, statistics and qualified estimates	2021 and then annually	537,799	2021[1]	645,359[2]
			Annual revenue (in €) generated by revitalised cultural heritage	N/A	Annual number	Project Promoter´s records - accounts	2023, 2024	32,803,111	2021[3]	34443266.55[4]
			Number of jobs created	Gender, Age	Cumulative number	Payroll records, employment agreements	Annually (APR)	0	N/A	20
			Share of visitors to supported cultural	N/A	Percentage	Survey results	2023, 2024	N/A	N/A	70 %

[1] Average annual number during 5 years before the start of the project.
[2] Target +20% from the baseline.
[3] Average annual number during 5 years before the start of the project.
[4] Target +5% from the baseline.

			heritage sites reporting increased knowledge of the cultural heritage of minorities, including Roma[5]							
	Output 1.1	Cultural heritage sites restored and revitalised	Memorial to the victims of Roma holocaust in Lety – Pisek built and operational[6]	N/A	Binary	Final inspection report/certificate of occupancy/handover certificate	Semi-annually (APR and September IFR)	No	N/A	Yes
			Number of immovable cultural heritage sites restored and revitalised[7]	Type of cultural heritage	Cumulative number	Final inspection report/certificate of occupancy/handover certificate	Semi-annually (APR and September IFR)	0	N/A	14
			Number of professional staff trained in restoration and revitalisation of immovable cultural heritage	Gender	Cumulative number	Project Promoters' records, Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	42
			Visitor centre of the Roma holocaust memorial in Lety built and operational[8]	N/A	Binary	Final inspection report/certificate of occupancy/handover certificate	Semi-annually (APR and September IFR)	No	N/A	Yes
	Output 1.2	Cultural heritage objects restored and revitalised	Number of movable cultural heritage objects digitised and made	Type of cultural heritage	Cumulative number	Handover certificate or confirmation of transfer of the fixtures and fittings	Semi-annually (APR and September IFR)	0	N/A	60

[5] Surveys are to be conducted among those visiting the relevant cultural heritage sites supported by the programme – at the end or after their visit.
[6] Subset indicator of output 1.1 indicator "Number of immovable cultural heritage sites restored and revitalised" (the memorial and the visitor centre are considered as one cultural heritage site).
[7] Including Roma and Jewish cultural heritage sites. Disaggregated achievements to be kept by the PO and submitted to FMO upon request
[8] Subset indicator of output 1.1 indicator "Number of immovable cultural heritage sites restored and revitalised" (the memorial and the visitor centre are considered as one cultural heritage site).

			available for the public[9]			to the ownership of the Project Promoter				
			Number of movable cultural heritage objects restored and made available for the public[10]	Type of cultural heritage	Cumulative number	Handover certificate or confirmation of transfer of the fixtures and fittings to the ownership of the Project Promoter	Semi-annually (APR and September IFR)	0	N/A	80
			Number of professional staff trained in restoration and/or digitization of movable cultural heritage	Gender	Cumulative number	Project Promoters' records, Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	42
	Output 1.3	Innovative use of cultural heritage sites and objects supported	Number of entrepreneurship strategies developed and implemented	N/A	Cumulative number	Copy of the strategy document	Semi-annually (APR and September IFR)	0	N/A	28
			Number of interactive tools applied for the presentation of cultural heritage	N/A	Cumulative number	Project Promoters' records	Semi-annually (APR and September IFR)	0	N/A	10
			Number of professional staff trained in entrepreneurship	Gender	Cumulative number	Project Promoters' records, Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	45
			Number of supported events at cultural heritage sites	N/A	Cumulative number	Project Promoters' records	Semi-annually (APR and September IFR)	0	N/A	129

[9] Disaggregated achievements to be kept by the PO and submitted to FMO upon request
[10] Including Roma and Jewish cultural heritage objects. Disaggregated achievements to be kept by the PO and submitted to FMO upon request

			Programme of educational activities aimed at increasing knowledge and awareness of the cultural heritage of minorities, including Roma, developed and implemented	N/A	Binary	Project promoters' records	Semi-annually (APR and September IFR)	No	N/A	Yes
PA14	Outcome 2	Improved access to contemporary arts	Number of jobs created	Gender, Age	Cumulative number	Payroll records, employment agreements	Annually (APR)	0	N/A	45
			Number of people attending supported contemporary art events[11]	Type of contemporary art event	Cumulative number	Project Promoters 'records, sold tickets, statistics and qualified estimates	Annually (APR)	0	N/A	45,000
			Number of private (individual and corporate) patrons supporting contemporary arts	N/A	Cumulative number	Copies of contracts with patrons, Project Promoters 'records	Annually (APR)	7,750	2022	8,137[12]
			Number of cultural entities with strengthened capacity	N/A	Cumulative number	Project promoters' records	Annually (APR)	0	N/A	200
	Output 2.1	Support for contemporary arts provided	Number of contemporary arts events related to social, ethnic or cultural minorities (including Roma) supported[13]	N/A	Cumulative number	Project Promoters 'records	Semi-annually (APR and September IFR)	0	N/A	45

[11] Type of contemporary art events: events related to social, ethnic or cultural minorities (including Roma)/events not related to social ethnic or cultural minorities. Disaggregated achievements to be kept by the PO and submitted to FMO upon request

[12] Target is +5% from baseline.

[13] Subset indicator of the output 2.1 indicator "Number of contemporary arts events supported"

			Number of contemporary arts events supported[14]	N/A	Cumulative number	Project Promoters 'records	Semi-annually (APR and September IFR)	0	N/A	140
			Number of interdisciplinary contemporary arts events supported[15]	N/A	Cumulative number	Project Promoters 'records	Semi-annually (APR and September IFR)	0	N/A	45
	Output 2.2	Capacity development for cultural players supported	Number of audience development strategies implemented	N/A	Cumulative number	Copies of strategy documents	Semi-annually (APR and September IFR)	0	N/A	22
			Number of contemporary arts networks supported	N/A	Cumulative number	Copies of contracts/pacts between the networks	Semi-annually (APR and September IFR)	0	N/A	24
			Number of cultural players trained[16]	Gender	Cumulative number	Project Promoters' records, Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	240
			Number of activities promoting art and cultural criticism	N/A	Cumulative number	Project promoters' records	Annually (APR)	0	N/A	30
PA14	Bilateral Outcome	Enhanced collaboration between	Level of satisfaction with the partnership	N/A	Scale 1-7	Survey results	Annually (APR)	6.33[17]	2022	6.34[18]

[14] Including events related to Roma and other cultural minorities.

[15] Subset indicator of the output 2.1 indicator "Number of contemporary arts events supported"

[16] Includes cultural players of social, ethnic and cultural minorities (including Roma). Training can be on cultural entrepreneurship skills and artistic/technical skills improving the capacity of cultural players. The individual numbers of trained cultural players in 1) cultural entrepreneurship skills 2) artistic and technical skills will be tracked on project level.

[17] Survey carried out by the FMO

[18] Target was set to be ≥4.5 but also an increase on the baseline value - as the baseline value is 6.33 the target is minimum 6.34.

		beneficiary and donor state entities involved in the programme	Level of trust between cooperating entities in Beneficiary States and Donor States	N/A	Scale 1-7	Survey results	Annually (APR)	6.44[19]	2022	6.45[20]
			Share of cooperating organisations that apply the knowledge acquired from bilateral partnership	N/A	Percentage	Survey results	Annually (APR)	N/A	N/A	50 %[21]
	Bilateral Output 1	Cooperation between donor and beneficiary state entities supported	Number of projects involving cooperation with a donor project partner	N/A	Cumulative number	Copies of contracts concluded with Project Promoters, Partnership agreements between Project Promoters and project partners	Semi-annually (APR and September IFR)	0	N/A	63
			Number of staff from beneficiary states in exchanges	Donor State, Gender, Type of exchange	Cumulative number	Project Promoter's records	Semi-annually (APR and September IFR)	0	N/A	63
			Number of staff from donor states in exchanges	Donor State, Gender, Type of exchange	Cumulative number	Project Promoter's records	Semi-annually (APR and September IFR)	0	N/A	63

[19] Survey carried out by the FMO
[20] Target was set to be ≥4.5 but also an increase on the baseline value - as the baseline value is 6.44 the target is minimum 6.45.
[21] Target is minimum 50 %

Conditions

General

I) The National Focal Point shall ensure that the Programme Operator ensures that an ex ante control of public procurement procedures and documentation carried out for the pre-defined project under section 5.1 of Annex Il to the Programme Agreement, is carried out by a con)petent independent entity, other than the respective project promoter.

2) The maximum level of funding available from the total eligible expenditure of the progrmnme for infrastructure (hard measures) shall be 60%.

3) For Outcome I indicators "Annual number of visitors to supported cultural heritage sites and cultural activities" and Annual revenue (in €) generated by revitalised cultural heritage where the baseline value is "to be determined" (TBD), the Programme Operator shall submit to the FMO for approval the baseline value, together with a description of the data collection method used, no later than 6 months following the selection of projects under call I and updated following the selection of projects under call 2. The updated baseline values shall be agreed upon through modifications of the programme agreement.

4) For Outcome 2 indicator "Number of private (individual and corporate) patrons supporting contemporary arts," where the baseline value is "to be determined" (TBD), the Programme Operator shall submit to the FMO for approval the baseline value, together with a description of the data collection method used, no later than 6 months following the last open call in the area of contemporary arts (expected as Call 4). The updated baseline values shall be agreed upon through a modification of the programme agreement.

5) For the pre-defined project under Section 5.1 of Annex Il to the Programme Agreement, the National Focal Point shall ensure that the Programme Operator takes all reasonable measures to ensure that the project promoter of the pre-defined project obtains all necessary building permits within 6 months following the appraisal of the project as defined in Article 6.5.3 of the Regulation, but no later than 31 December 2020. The specific means for implementation of this obligation shall be specified in the project contract.

6) The National Focal Point's responsibilities regarding continuous structured risk assessment described in Alticle 5.3.3 of the Regulation, and the regular monitoring of the Programme described in Article 5.3.4 of the Regulation shall be externalised and be carried out by a legal entity independent of and unrelated to the National Focal Point as further described in the description of management and control systems in accordance with Article 5.7. I of the Regulation. The National Focal Point shall inform the FMC on the selection of the entity. The methodology followed by this entity shall be developed in cooperation with the National Focal Point. The methodology shall be submitted to the FMC for review.

7) The National Focal Point shall ensure that the Programme Operator ensures that Project Promoters:

- Keep any buildings purchased, constructed, renovated or reconstructed under the project in their ownership for a period of at least 5 years following the completion of the project and continue to use such buildings for the benefit of the overall objectives of the project for the same period;
- Keep any buildings purchased, constructed, renovated or reconstructed under the project 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
- Set aside appropriate resources for the maintenance of any buildings purchased, constructed, renovated or reconstructed under the project 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.

8) The National Focal Point shall report on the overall progress made towards addressing the mainstream concern on Roma inclusion on a yearly basis as described in the specific concerns of the Memorandum of Understanding.

Pre-eligibility

No costs shall be eligible under the pre-defined project under Section 5.1 of Annex Il to the Programme Agreement before the detailed description and budget (inclucling a specific allocation for educational activity in the amount of approx. EUR 500.000) for the pre-defined project have been submitted to the FMC and the FMC has confirmed the grant to the project as described in Annex Il to the Programme Agreement.

Pre-payment

Prior to disbursing the first payment to the programme, the National Focal Point shall submit to the FMC the detailed clescription of the management and control systems of the Programme Operator in English in accordance with paragraph 4 of Article 5.7 of the Regulation.

Pre-completion

Not applicable

Post-completion

Not applicable

Eligibility of costs - period	**First date**	**Final date**
Eligibility of costs	05/09/2017	30/04/2025
Grant rate and co-financing		
Programme eligible expenditure (€)		€ 35,000,000
Programme grant rate (%)		85.00 %
Maximum amount of Programme grant - EEA Financial Mechanism (€)		€ 29,750,000
Maximum amount of Programme grant - Norwegian Financial Mechanism (€)		-
Maximum amount of Programme grant - Total (€)		€ 29,750,000

PA	Budget Heading	EEA Grants	Total grant	Programme grant rate	Programme co-financing	Programme eligible expenditure	Advance payment
PA14	Programme management	€ 2,215,000	€ 2,215,000	85.00 %	€ 390,882	€ 2,605,882	€ 0
PA14	Outcome 1 (EEA Grants)	€ 19,835,000	€ 19,835,000	85.00 %	€ 3,500,294	€ 23,335,294	€ 0
PA14	Outcome 2 (EEA Grants)	€ 7,700,000	€ 7,700,000	85.00 %	€ 1,358,824	€ 9,058,824	€ 0
Total		**€ 29,750,000**	**€ 29,750,000**	**85.00 %**	**€ 5,250,000**	**€ 35,000,000**	**€ 0**

Retention of management costs	
Retention of management costs - Percentage of the management costs	10.00 %
Retention of management costs - Planned Euro value	€ 260,588

Culture

Operational rules (Annex II)

1. **Programme summary**

This Annex sets out the operational rules for the programme. The programme agreement is based on the MOU, the concept note and comments made by the FMC. Commitments, statements and guarantees, explicit as well as implicit, made in the concept note, are binding for the National Focal Point and the Programme Operator unless otherwise explicitly stipulated in the annexes to this programme agreement.

The Programme Operator (PO) is the Ministry of Finance. The Ministry of Culture (PP-MoC) and the Arts and Theatre Institute (PP-ATI) are the Programme Partners. The Arts and Culture Norway (ACN), the Norwegian Directorate for Cultural Heritage (RA) and the Icelandic Centre for Research (Rannis) are the Donor Programme Partners (DPP).

The programme objective: ***"Social and economic development strengthened through cultural cooperation, cultural entrepreneurship and cultural heritage management"*** shall be attained through two outcomes:

- The outcome ***"Cultural heritage management enhanced" (Outcome I)*** shall be supported by way of one pre-defined project: "Building of a memorial to the victims of the Roma holocaust in Lety" (PDP I) and two calls for proposals: "Immovable and movable cultural heritage" (Call I) and "Value creation and innovative use of cultural heritage" (Call 2) with the aim of enhancing the cultural heritage management in the Czech Republic. Projects supported under this outcome will encompass the preservation, restoration and presentation of cultural heritage. In addition, the projects will develop sustainable entrepreneurship strategies including the creation of networks of owners, administrators and managers with support from local communities and local and regional governments. The projects that seek to promote the cultural heritage of minorities (including Roma and Jewish cultural heritage) and the inclusion of minorities shall be awarded extra points in the selection process.
- The outcome ***"Improved access to contemporary arts" (Outcome 2)*** shall be supported by the way of five open calls for proposals: "Cultilt•al cooperation and exchange — contemporary arts" (Calls 3-4), "Cultural cooperation and exchange — art criticism" (Call 5), "Cultural cooperation and exchange— capacity building of umbrella associations, networks and platforms" (Call 6-7) with the aim to improve the access to contemporary arts by supporting contemporary art events and capacity development for cultural players. Projects that will contribute to greater awareness about the culture of social, ethnic and cultural minorities, and improving the access to minority groups (such as Roma) to culture and at addressing the needs of these minorities are encouraged, and shall be awarded extra points in the selection process (as relevant).

2. Eligibility

2.1 Eligible applicants:

	Eligible applicants (Project Promoters)	**Eligible partners**
Call 1 and Call 2	Legal entities established or active[1] in the Czech Republic and being owners or managers of cultural heritage[2].	Legal entities established or active[3] in the Czech Republic or Donor States and natural self-employed persons[4] who are legal residents in the Donor States

Call 3 and Call 4	Legal entities established or active[5] in the Czech Republic and natural self-employed persons providing cultural service, activities and goods in the area of professional contemporary art, legally registered for minimum 2 years	Legal entities established or active[6] in the Czech Republic Legal entities established in the Donors States whose principal activity is in the cultural and creative sectors as defined in Regulation (EU) No 1295/2013 on the Creative Europe Programme Natural persons who are legal residents in Liechtenstein
Call 5	Legal entities established or active[7] in the Czech Republic providing cultural services, activities and goods in the area of professional arts criticism, legally registered for minimum 2 years	Legal entities established or active[8] in the Czech Republic or Donor states in accordance with Article 7.2.2 of the Regulation. Natural persons who are legal residents in Liechtenstein and Iceland in accordance with Article 7.2.3 of the Regulation.
Call 6 - 7	Legal entities established or active[9] in the Czech Republic registered as umbrella associations, networks and platforms in the area of professional contemporary arts.	Legal entities established or active[10] in the Czech Republic or Donor states

[1] In case of international organisations, bodies or agencies thereof.

[2] Cultural heritage shall be registered in the Central Register of cultural Heritage (National Heritage Institute) or in the Central Register of Collections or in Libraries registered at the Ministry of Culture of the Czech Republic. Excluding the category of the National cultural monuments and UNESCO cultural monuments.

[3] In case of international organisation or body or agency thereof, actively involved in, and effectively contributing to, the implementation of a project.

[4] Natural self-employed persons are defined in § 9 Pension Insurance Act No. 155/1995. Natural self-employed persons are legally registered as an entrepreneur in line with § 421 Civil Code Act No.89/2012.

[5] In case of international organisations, bodies or agencies thereof active in the Czech Republic.

[6] In case of international organisation or body or agency thereof, actively involved in, and effectively contributing to, the implementation of a project.

[7] In case of international organisations, bodies or agencies thereof.

[8] In case of international organisation or body or agency thereof, actively involved in, and effectively contributing to, the implementation of a project.

[9] In case of international organisations, bodies or agencies thereof.

[10] In case of international organisation or body or agency thereof, actively involved in, and effectively contributing to, the implementation of a project.

2.2 Special rules on eligibility of costs:
Costs are eligible in accordance with chapter 8 ofthe Regulation.

3. Bilateral relations
3.1 Bilateral relations
The programme shall contribute to strengthening bilateral relations between the Czech Republic and the Donor States.

The prograllme shall as appropriate facilitate donor partnership projects by carrying out, inter Cilia, activities supporting bilateral partnerships in conjunction with launching calls for proposals, as well as by encouraging donor partnership projects in call texts.

The programme will facilitate bilateral cooperation between the Czech Republic and the Donor States on the management of industrial cultural heritage.

The further use of the funds for bilateral relations allocated to the programme shall be agreed in the Cooperation Committee.

4. Selection of projects and financial parameters
4.1 Open calls and availability of funds (including number of calls, duration of calls, and estimated size):

Call	Outcome	Estimated timing of the call	Total available amount	Planned minimum grant applied for	Planned maximum grant applied for
Call no.1	Outcome 1	Q2 2019	€ 18,764,705	€ 200,000	€ 1,500,000
Call no. 2	Outcome 1	Q2 2020	€ 3,070,589	€ 50,000	€ 250,000
Call no. 3	Outcome 2	Q2 2019	€ 4,318,316	€ 50,000	€ 200 000
Call no. 4	Outcome 2	Q1 2021	€ 3,000,000	€ 50,000	€ 200 000
Call no. 5	Outcome 2	Q2 2019	€ 385,267	€ 10,000	€ 50,000
Call no. 6.	Outcome 2	Q2 2019	€ 614,733	€ 10,000	€ 50,000/60,000[1]
Call no. 7.	Outcome 2	Q1 2021	€ 740,508	€ 10,000	€ 50,000/60,000[1]

Amounts uncommitted following one call may be transferred to subsequent calls within the same outcome.

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[1] Maximum amount of grant in case of donor partnership project.

4.2 Selection procedures:
The project evaluation and award of grants shall be in accordance with Article 7.4 of the Regulation.

The Programme Operator shall be responsible for project evaluation and the award of grants. The Programme Operator shall closely cooperate in the evaluation and selection of project with the Programme Partners.

The Programme Partner — MOC shall be responsible for the selection process of calls 1-4, whereas the Programme Partner — ATI shall be responsible for the selection process of calls 5-7.

The Programme Partner shall be responsible for reviewing the applications for compliance with administrative and eligibility criteria. Applicants whose application is rejected at this stage shall be informed of the reasons of rejection in writing and given 15 days to appeal that decision to the Programme Operator.

Each application that meets the administrative and eligibility criteria shall be reviewed by two impartial experts appointed by the Programme Partner, at [east one of which shall be independent of and external to the Programme Operator and the Programme Partner. The experts shall separately score the project according to the selection criteria published with the call for proposals. For the purposes of ranking the projects, the average of the scores awarded by the experts shall be used. If the difference between the scores given by the two experts is more than 20% of the higher score (in case of calls 1-2) or 30% (in case of calls 3-7), a third expert, who shall be impartial and independent of the Programme Operator and the Programme Partner as well as of the Selection Committee, shall be commissioned by the Programme Partner. In such cases, the average score of the two closest scores shall be used for the ranking of the projects.

The Programme Partner shall establish the Selection Committee. The Selection Committee shall consist of a Chairman and a secretary — representatives of the Programme Partner — without voting rights, and at least three voting members, including at least one external expert to the Programme Operator and Programme Partners. The Programme Operator, the FMC, the DPPs, and the National Focal Point shall be invited to participate in the Selection Committee as observers.

The number of Selection Committees to be established, the composition, including the number of voting members as well as the Rules of Procedure of the Selection Committee, shall be discussed and agreed in the Cooperation Committee.

The Programme Partner shall provide the Selection Committee with a list of the ranked projects. The Selection Committee shall review the ranked list of projects. The Selection Committee may modify the ranking of the projects in justified cases. The justification for modifications shall be detailed in the minutes of the meeting of the Selection Committee. The minutes shall be signed by all members of the Selection Committee. The Chairman of the Selection Committee shall submit the minutes and the list of the recommended projects, together with a reserve list and the list of rejected project applications and the reason for their rejection, to the Programme Operator.

The Programme Operator (in cooperation with the external agency to be selection via public procurement) shall verify that the selection process has been conducted in accordance with the Regulation and that the grant award recommendation of the Selection Committee complies with the rules and objectives of the Programme. Following such verification, the Programme Operator shall make a decision on which projects shall be supported.

The Programme Operator shall notify the applicants about the results of the selection process within reasonable time and publicise the results. All unsuccessful applicants shall be provided with a brief description of the reasons for the decision.

4.3 Project grant rate:

Grants to all projects form the programme may be up to 90% Of total eligible expenditure of the project. In Call 1 for private, commercial entities grants to projects from the programme may be up to 60% of the total eligible expenditure of the project. The project grant rate shall in all cases be set at a level that complies with the State Aid rules in force and takes into account any and all other forms of public support granted to projects. The remaining costs of the project shall be provided or obtained by the project promoter.

Pursuant to Article 6.4.2 of the Regulation when deciding on the grant rate of the project, the Programme Operator shall take into account the economic benefits that are expected to be generated in the course of the project as a result of receiving a financial contribution.

5. Additional mechanisms within the Programme

5.1 Pre-defined projects

1) "Building of a memorial to the victims of the Roma holocaust in Lety"

Project Promoter:	The Museum of Romani culture
Donor project partner(s):	Falstad Centre
Other project partner(s):	Municipality of Lety University of West Bohemia
Total maximum eligible costs:	€ 1,500,000
Project grant rate:	100.00 %
Maximum project grant amount:	€ 1,500,000

Programme outcome the project contributes to: Outcome l: "Cultural heritage management enhanced"

The project aims to increase knowledge and awareness of Roma cultural heritage, human rights and the rights of minorities.

The project shall include, inter alia, the following activities:

- The restoration and revitalisation of the Roma holocaust site in Lety as a centre for memorial, education and awmeness-raising;
- The construction of a visitor/ information centre for the memorial;
- Educational activities for the Roma community, the general population and schools.

5.2 Financial Instruments
Not applicable.

6. Programme Management
6.1 Payment flows
The Programme Operator shall ensure that payments to projects are made in a timely manner. Interim and final payments to the projects shall be based on approved project reports.

Payments of the project grant shall take the form of advance payments, interim payments and a final payment. The level of advance payment to projects shall be set out in the project contract. The maximum level of advance payment shall be linked to the type of project promoter. The maximum level of advance payment is 60% for private entities and for public entities not associated with the state budget and 70% for NGOs and natural self-employed persons. There is no advance for public entities associated with the state budget.

Project Promoter	Advance payment	Interim payments	Final payment
Public entity associated with the state budget	No advance payment	90%	10%
Public entity not associated with the state budget	Up to 60%	0% - 90%	10%
Private entity	Up to 60%	0% - 90%	10%
NGOs and natural self-employed persons	Up to 70%	0% - 90%	10%

The first advance instalment shall be paid following the signature of the project contract. An advance payment of a percentage of the total grant amount shall be paid within I month from the submission of a request after signature of the project contract.

Subsequent payments shall be paid after the approval of project interim reports. The interim payments shall be paid within I month after the approval of project interim reports.

The final payment will be paid after approval of the final report. Upon approval of the final project report a final balance payment, if applicable, shall be made within I month.

The approval of project interim and final reports shall take place within 2 months from the submission of the required information.

The periodicity of reporting periods, and deadlines for reporting will be further detailed in the description of the Programme Operator's management and control systems.

6.2 Verification of payment claims

Project promoters shall submit interim and final project reports containing information on project progress and incurred expenditure.

In line with point i) of Article 5.6.2 of the Regulation incurred expenditure reported shall be subject to administrative verifications before the report is approved. Verifications to be carried out shall cover administrative, financial, technical and physical aspects of projects, as appropriate and be in accordance with the principle of proportionality.

Additionally, in line with point ii) of Article 5.6.2 of the Regulation on-the-spot verifications of projects, which may be carried out on a sample basis, shall be carried out.

The detailed procedure for verification will be further detailed in the description of the Programme Operator's management and control systems.

6.3 Monitoring and reporting

The Programme Operator shall monitor, record and report on progress towards the programme's outcomes in accordance with the provisions contained in the legal framework. The Programme Operator shall ensure that suitable and sufficient monitoring and repotting arrangements are made with the project promoters in order to enable the Programme Operator and the NFP to meet its obligations to the Donors.

When reporting on progress achieved in Annual and Final Programme Reports, the Programme Operator shall disaggregate results achieved as appropriate and in accordance with instructions received from the FMC). Information related to the progress on the Programme's contribution to the improvement of the situation of disadvantaged groups, including Roma, shall also be included.

6.4 Programme administrative structures

Not applicable.

7. Communication

The Programme Operator shall comply with Article 3.3 of the Regulation, the Information and Communication Requirements in Annex 3 of the Regulation and the Communication plan for the programme.

8. Miscellaneous

Notwithstanding Article 6.9 of the Regulation and Article 2.9 of the programme agreement, approval of the Final Programme Report in accordance with Article 6.12 of the Regulation, shall be considered as fulfilment of Articles 1.4.3 and 2.3.2 of the programme agreement.