EEA Financial Mechanism 2014-2021

Norwegian Financial Mechanism 2014-2021

PROGRAMME AGREEMENT

between

The Financial Mechanism Committee and the Norwegian Ministry of Foreign Affairs
Hereinafter referred to as the “Donors”

and

The Department of Assistance Programmes, Ministry of Development Funds and Regional Policy,
hereinafter referred to as the “National Focal Point”,
representing Poland,
hereinafter referred to as the “Beneficiary State”

together hereinafter referred to as the “Parties”

for the financing of the Programme “Research”

hereinafter referred to as the “Programme”

Chapter 1
Scope, Legal Framework, and Definitions

Article 1.1
Scope

This programme agreement between the Donors 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 and the Norwegian Financial Mechanisms 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 and Norwegian Financial Mechanisms 2014-2021:

(a) the Agreement between the Kingdom of Norway and the European Union on the Norwegian Financial Mechanism 2014-2021 (hereinafter referred to as the "Agreement") and Protocol 38c to the EEA Agreement on the EEA Financial Mechanism 2014-2021 (hereinafter referred to as "Protocol 38c";

(b) the Regulation on the implementation of the EEA Financial Mechanism 2014-2021 and the Regulation on the implementation of the Norwegian Financial Mechanism 2014-2021 (hereinafter referred to as the "Regulations") issued by the Financial Mechanism Committee in accordance with Article 10(5) of Protocol 38c and by the Norwegian Ministry of Foreign Affairs in accordance with Article 10(5) of the Agreement;

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

(d) any guidelines adopted by the Donors in accordance with the Regulations.

2. In case of an inconsistency between this programme agreement and the Regulations, the Regulations 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 Regulations, 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 Regulations.

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 and Norwegian Financial Mechanisms 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 Regulations 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 Regulations, 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 Donors 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. The Programme is supported by grants from both the EEA and the Norwegian Financial Mechanism. Nevertheless, this programme agreement may contain provisions applicable only to the support from the EEA Financial Mechanism and/or provisions applicable only to the support from the Norwegian Financial Mechanism.

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

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

(b) contain a breakdown between the support from the EEA Financial Mechanism and the Norwegian Financial Mechanism;

(c) 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 Donors with reference to paragraph 2 of Article 6.3 of the Regulations. 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 Regulations 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 Donors 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 Regulations as well as statistical reporting in accordance with guidelines adopted by the Donors.

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 Regulations 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 Donors.

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 Donors, the National Focal Point shall consult the Donors before such modifications take effect.

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

Article 2.10
Communication

1. All communication to the Donors 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 Donors 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 Donors 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 Donors 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 Regulations and this programme agreement.

2. Eligibility of project promoters and project partners is stipulated in Article 7.2 of the Regulations 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 Regulations.

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 Regulations.

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 Regulations. 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 Regulations.

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 Regulations.

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 Regulations, 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 Regulations, 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 Regulations and fall within the categories and fulfil the conditions of direct eligible expenditure set in Article 8.3 of the Regulations, the conditions regarding the use of standard scales of unit costs set in Article 8.4 of the Regulations as well as indirect costs in accordance with Article 8.5 of the Regulations.

3. The first date of eligibility of expenditures in projects shall be set in the project contract in accordance with Article 8.13 of the Regulations. 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 Donors of a positive appraisal of the pre-defined projects by the Programme Operator in accordance with paragraph 3 of Article 6.5 of the Regulations.

4. 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 Regulations.

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 Regulations 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 Regulations.

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 Regulations.

5. Chapter 9 of the Regulations 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 and Norwegian Financial Mechanisms 2014-2021 to the Programme in accordance with Article 9.8 of the Regulations.

Article 4.5
Irregularities, suspension and reimbursements

The Donors have the right to make use of the remedies provided in the Regulations, 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 Regulations 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 Donors 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 Donors 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 Regulations or a decision to suspend payments according to paragraph 1(h) of Article 13.1 of the Regulations has not been lifted within 6 months of such a decision;

(b) a suspension of payments according to Article 13.1 of the Regulations, 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 Regulations 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 Donors, 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 Donors to make use of the remedies provided in Chapter 13 of the Regulations.

Article 5.3
Waiver of responsibility

1. Any appraisal of the Programme undertaken before or after its approval by the Donors, 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 Donors or the FMO any responsibility of any kind for the supervision, execution, completion, or operation of the Programme or its projects.

3. The Donors do 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 Donors 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 Donors, the NMFA, the FMC, its members or alternate members, nor the EFTA States, can be held liable for any damages or injuries of whatever nature sustained by the National Focal Point or the Beneficiary State, the Programme Operator, Project Promoters or any other third person, in connection, be it direct or indirect, with this programme agreement.

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

Article 5.4
Entry into force and duration

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

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

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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 Warsaw on 07/06/2019	Signed in Warsaw on 07/06/2019
.....	.....
Olav Myklebust	Jerzy Kwiecinsky
Ambassador, Royal Norwegian Embassy, Poland	Minister of Investment and Economic Development

Annex I to the Programme Agreement

Programme Operators and Partners	
Programme Operator:	The National Centre for Research and Development
Donor Programme Partner:	Research Council of Norway (RCN)
IPO:	-
Other Programme Partner(s):	The National Centre for Research and Development

Programme Objective	Enhanced research-based knowledge development

PA	Outcome/Output	Expected programme results	Indicator	Disaggregation	Unit of measurement	Source of verification	Frequency of reporting	Baseline values	Baseline year	Target value
PA02	Outcome 1	Enhanced performance of Polish applied research	Number of new products/technologies developed	Financial Mechanism	Cumulative number	Project Promoters' records	Annually (APR)	0	N/A	53
			Number of registered applications for Intellectual Property Protection	Financial Mechanism	Cumulative number	Copies of filed application(s); Registration acknowledgement from relevant Patent Office	Annually (APR)	0	N/A	53
			Number of peer-reviewed scientific publications submitted	Financial Mechanism, Type of scientific publication	Cumulative number	Proof of submission	Annually (APR)	0	N/A	315
			Number of joint, peer-reviewed scientific publications in applied research submitted	Financial Mechanism, Donor State, Type of scientific publication	Cumulative number	Proof of submission	Annually (APR)	0	N/A	105
			Number of signed collaborative agreements between research	N/A	Cumulative number	Copies of contracts signed with Project	Semi-annually (APR and	0	N/A	45

			organisations and companies involved in the programme			Promoters, Project Promoters' and Project Partners' records, Partnership agreements	September IFR)			
	Output 1.1	Support to technology transfer for applied research to R&D based SMEs provided	Number of SMEs supported	Financial Mechanism	Cumulative number	Copies of contracts signed with Project Promoters; Project Promoters' reports, partnership agreements	Semi-annually (APR and September IFR)	0	N/A	50
	Output 1.2	Support to researchers conducting applied research provided	Number of donor states' researchers supported	Financial Mechanism, Gender	Cumulative number	Project Promoters' and Project Partners' records	Semi-annually (APR and September IFR)	0	N/A	105
			Number of Polish researchers supported	Financial Mechanism, Gender	Cumulative number	Project Promoters' records and project partners' records	Semi-annually (APR and September IFR)	0	N/A	420
	Output 1.3	Support to women researchers provided	Number of female researchers going abroad for research	N/A	Cumulative number	Project Promoters' and Project Partners' records	Annually (APR)	0	N/A	53
			Number of female researchers supported in applied research projects	Financial Mechanism	Cumulative number	Project Promoters' and Project Partners' records	Annually (APR)	0	N/A	263
	Output 1.4	Support to young researchers provided	Number of grant projects lead by young researchers	N/A	Cumulative number	Copies of contracts concluded with Project Promoters	Semi-annually (APR and September IFR)	0	N/A	6

			Number of mentor-mentee relationships established for young researchers	N/A	Cumulative number	Project Promoters' and Project Partners' records	Annually (APR)	0	N/A	53
	Output 1.5	Support to carbon capture and storage research (CCS)	Number of donor states' researchers supported for CCS Projects	Financial Mechanism, Gender	Cumulative number	Project Promoters' records and Project Partners' records	Semi-annually (APR and September IFR)	0	N/A	15
			Number of Polish researchers supported for CCS Projects	Financial Mechanism, Gender	Cumulative number	Project Promoters' records	Semi-annually (APR and September IFR)	0	N/A	55
			Number of CCS projects with support for a pre-commercial phase	N/A	Cumulative number	Project Promoters' and Project Partners' records	Annually (APR)	0	N/A	2
PA02	Bilateral Outcome	Enhanced collaboration between beneficiary and donor state entities involved in the programme	Level of trust between cooperating entities in Poland and donors states	N/A	Scale 1-7, Level of tust	Survey results	Annually (APR)	6.7	N/A	4.5[1]
			Level of satisfaction with the partnerships	N/A	Scale 1-7, Level of satisfaction	Survey results	Annually (APR)	6.54	N/A	4.5[2]
			Share of cooperating organisations who apply the knowledge acquired from bilateral partnership	N/A	Percentage, Cooperating entities, who apply the knowledge acquired from the bilateral partnership/Total number of respondents	Survey results	Annually (APR)	N/A	N/A	50[3]

[1] Target is ≥4.5, and an increase on the baseline value
[2] Target is ≥4.5, and an increase on the baseline value
[3] Target is minimum 50 %

			Number of joint applications for further funding	Donor State, Type of scientific publication	Cumulative number	Copies of the application for funding	Annually (APR)	0	N/A	6
	Bilateral Output 1	Cooperation between beneficiary and donor state entities supported	Number of projects involving the cooperation of 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	53

Conditions

General

1. The National Focal Point shall ensure that pursuant to Article 1.5.2 of the Regulation that the Programme Operator shall ensure that any additional provisions to the implementation of the Programme shall be kept to a minimum, and to this end the Donor Programme Partner shall be closely involved in and effectively contribute to the development of the project contract template and other templates of document(s) relevant to the implementation of the programme, especially those affecting the relation of the project promoter and partner(s).

2. The National Focal Point shall ensure that the Programme Operator closely cooperates during the implementation of the programme with the Programme Operator of the Basic Research Programme in Poland.

Pre-eligibility

Not applicable

Pre-payment

Not applicable

Pre-completion

Not applicable

Post-completion

Not applicable

Eligibility of costs - period	**First date**	**Final date**
Eligibility of costs	21/12/2017	30/04/2025
Grant rate and co-financing		
Programme eligible expenditure (€)		€ 81,392,548
Programme grant rate (%)		85.00 %
Maximum amount of Programme grant - EEA Financial Mechanism (€)		€ 6,000,000
Maximum amount of Programme grant - Norwegian Financial Mechanism (€)		€ 63,183,666
Maximum amount of Programme grant - Total (€)		€ 69,183,666

PA	Budget Heading	EEA Grants	Norway Grants	Total grant	Programme grant rate	Programme co-financing	Programme eligible expenditure	Advance payment
PA02	Programme management	€ 286,522	€ 2,865,153	€ 3,151,675	85.00 %	€ 556,178	€ 3,707,853	€ 953,742
PA02	Outcome 1 (EEA Grants)	€ 5,713,478		€ 5,713,478	85.00 %	€ 1,008,261	€ 6,721,739	€ 0
PA02	Outcome 1 (Norway Grants)		€ 60,318,513	€ 60,318,513	85.00 %	€ 10,644,443	€ 70,962,956	€ 0
Total		**€ 6,000,000**	**€ 63,183,666**	**€ 69,183,666**	**85.00 %**	**€ 12,208,882**	**€ 81,392,548**	**€ 953,742**

Retention of management costs	
Retention of management costs - Percentage of the management costs	5.00 %
Retention of management costs - Planned Euro value	€ 185,393

Research

Operational rules (Annex II)

1. **Programme summary**

This Annex sets out the operational rules for the programme. The programme agreement is based on the MoUs, the concept note, and comments made by the Donors. 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 National Centre for Research and Development (NCBR). The Research Council of Norway is the Donor Programme Partner (DPP).

The Programme objective: "Enhanced research-based knowledge development" shall be attained through projects to be selected within one outcome, "Enhanced performance of Polish applied research" as a result of three calls for proposals, 'POLNOR,' 'POLNOR CCS' and 'IdeaLab' and one small grant scheme (SGS).

In accordance with the Guideline for Research Programmes, the programme shall follow the principles and practice of European framework programmes (i.e. Horizon 2020 and to Horizon Europe) and the international best practice for research and innovation. The programme will pay particular attention to the implementation of principles and provisions on Open Science.

2. Eligibility

2.1 Eligible applicants:

a) Eligible project promoter (applicant):

* Research organisations, as defined in the Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty and as stipulated in the Polish Law on Higher Education and Science and in the Act on the National Centre for Research and Development, established as a legal person in Poland

* Enterprises, as defined in the Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, established in Poland

b) Eligible project partners:

In the 'POLNOR' and 'POLNOR CCS' calls,

* Norwegian research organisations, as defined in the Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty

* Research organisations, as defined in the Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty and as stipulated in the Polish Law on Higher Education

and Science and in the Act on the National Centre for Research and Development, established as a legal person in Poland

* Enterprises, as defined in the Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, established in Poland and Norway.

Minimum conditions for the composition of partnerships (type and number of participant), shall be specified in the call for proposal, following the advice of the Programme Committee. However, the lead Norwegian partner shall be approved by the RCN (DPP) in accordance with the provisions of the RCN (DPP) guidelines for approval of research organisation.

In the 'IdeaLab' call:

* Any public or private entity, commercial or non-commercial as well as non-governmental organisations, established as a legal person in Poland or Norway, Iceland and Liechtenstein.

* Partnerships are not eligible in the SGS call.

2.2 Special rules on eligibility of costs:
Chapter 8 of the Regulation contains the rules on eligibility of costs. The following exceptions are made:

* Article 10.8 of the Guideline for Research Programmes concerning indirect costs shall apply. Alternatively, Norwegian entities classified as 'Research Institutes' may use standard scales of unit costs in accordance with Article 8.4.1 (b) of the Regulation: According to the Research Council of Norway's procedure for 'Payroll and indirect costs', the Norwegian entities classed as 'Research Institutes' calculate the payroll and indirect costs together, as hourly rates for the staff participating in a project. The RCN will facilitate the verification of conformity of unit scales used by the project participants

* The purchase of real estate and/or land shall not be eligible.

3. Bilateral relations
3.1 Bilateral relations
The Programme shall contribute to strengthening bilateral relations between Poland and the Donor States.

The Programme shall as appropriate facilitate donor partnership projects by carrying out, inter alia, match-making events and activities in conjunction with launching the call for proposals, as well as by encouraging donor partnership projects in call texts.

The use of the funds for bilateral relations allocated to the programme shall be agreed between the Programme Operator and the Research Council of Norway. The NFP shall be involved in the process as observer. Parties of the bilateral initiatives might be specifically designated jointly by the Programme Operator and the Research Council of Norway or selected through an open call procedure.

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

The Programme will be implemented through;

1) one call for collaborative research projects, 'POLNOR';

2) one call for collaborative research projects in the area of carbon capture and storage (CCS), 'POLNOR CCS'. The grant support may include a dedicated budget for a feasibility study1 and/or pre-commercialisation phase2, in order to assess the technical or commercial potential of the project;

3) one call for ground-breaking research projects, 'IdeaLab', and;

4) one SGS that shall support female researchers in applied technical sciences.

An additional call(s) will be considered if there is not sufficient demand within the first call and there is enough funding left from the first call and the time scope is still sufficient. Such potential additional call(s) may be thematically restricted according to the advice of experts of the Programme Committee.

Call	Outcome	Estimated timing of the call	Total available amount	Planned minimum grant applied for	Planned maximum grant applied for
Call 1 (POLNOR)	Outcome 1	Q3 2019	€ 49,715,453	€ 500,000	€ 1,500,000
Call 2 (POLNOR CCS)	Outcome 1	Q3 2019	€ 11,764,706	€ 500,000	€ 5,000,000
Call 3 (IdeaLab)	Outcome 1	Q1 2020	€ 10,467,229	€ 500,000	€ 6,651,016
SGS 1	Outcome 1	Q3 2020	€ 5,737,307	€ 50,000	€ 200,000

The 'IdeaLab' call shall be financed under the EEA FM and the Norway FM, the other calls under the Norway FM.

4.2 Selection procedures:
The Programme Operator shall follow the selection procedure described in the Guideline for Research Programmes. The call documents shall be prepared in cooperation with the DPP and reviewed and approved by the Programme Committee (PC).

The 'IdeaLab' call is a new activity based on the RCN experience and is modelled on calls conducted by the RCN. It is agreed that the selection procedure for the 'IdeaLab' call meets the minimal requirements stipulated in the Guidelines for Research Programmes. The call documents shall be prepared in cooperation with the DPP and reviewed and approved by the Programme Committee (PC).

The Programme Operator shall be responsible for reviewing the applications for compliance with administrative and eligibility criteria. The Programme Committee shall be informed about the result of the administrative and eligibility assessment. Applicant whose application is rejected at this stage shall be informed of the reasons for rejection in writing and given 7 days to file a complaint about that decision to the Appeal Committee of the Council of the National Centre for Research and Development.

Each application that meets the administrative and eligibility criteria shall be reviewed by three international experts who will independently and separately score the proposal according to the evaluation criteria published with the call for proposals. International experts must be residing and working outside Poland and the Donors States. The pool of experts is established in cooperation with the RCN (DPP). The experts' evaluation might be followed by a panel review (to be decided by the Programme Operator in consultation with the Programme Committee and the DPP).

The Programme Committee shall consist of three members appointed by the Programme Operator and two appointed by the DPP from the Donor States. At the first meeting, the Programme Committee shall select a Chair from among their members. Representatives of the Programme Operator and the Donor Programme Partner shall take part in the meetings, without voting rights. The Programme Operator shall invite the NFP and the representatives of the Donors to participate in the Programme Committee as observers.

The Programme Committee shall review the ranked list of projects. The Programme 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 Programme Committee. The Chairman of the Programme Committee shall submit the minutes and the list of 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 shall verify that the selection process has been conducted in accordance with the Regulation and the Guideline for Research Programmes and that the grant award recommendation of the Programme 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 project grants are awarded by the Director of the Programme Operator.

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. The decision issued by the Director of the NCBR may be appealed against to the Appeal Committee of the Council of the National Centre for Research and Development. The opinions and scores given by experts and panels will not be subject to appeals. Grounds for appeals may include errors in procedure or other formal infringements.

'IdeaLab' call:

The selection process, including the content of the call for proposals shall be organized and developed in close cooperation between the Programme Operator, Programme Committee and the DPP, especially the topic of the call.

<u>Selection of cross-disciplinary participants of the 'IdeaLab' workshop</u>

The application shall present the skills and knowledge of an individual participant which shall include open and closed questions regarding i.a.:

1. Participant's knowledge and experience in the field;
2. Soft skills & personal characteristic.

The applications shall be evaluated by the 'IdeaLab' director and mentors (experts), who consist of at least three senior-level international experts, who shall be residents and working outside Poland and the Donor States. The list of experts shall be established in cooperation with the DPP.

Evaluation will include:

1. Individual assessment by experts,
2. Panel meeting with consensus assessment to prepare a ranking list of participants.

A group of approx. 20-30 participants shall be selected, and an additional group of approx. 5-10 substitutes, who are invited to the workshop if another participant resigns from attendance shall also be listed.

The list of participants shall be reviewed by the NCBR and approved by the Programme Committee. The applicants shall be informed by e-mail about the results of the assessment. Rejected applicants shall be provided with the reason for rejection.

Development of projects during the 'IdeaLab' workshop

The 'IdeaLab' workshop brings together participants selected in the previous stage, with the director and mentors (experts) with cross-disciplinary expertise. Collaborative projects are developed by cross-disciplinary participants seeking to find radical new solutions to existing and future challenges to society in areas where collaboration between different relevant actors is hindered.

The participation of experts shall ensure that the projects involve ground-breaking ideas, facilitating discussions, challenging the solutions and ideas presented by the participants, and advising and commenting the results. The aim of the event is to develop project outlines by the selected participants.

Project evaluation and selection are embedded in the 'IdeaLab' workshop procedure. The project proposals are submitted at the end of the workshop to international peer evaluation conducted by the

director and mentors (experts). Proposals shall be selected on the basis of the selection criteria and scoring in accordance with the provisions of the Guideline for Research Programme. In the initial phase of the evaluation each expert works individually and gives scores and comments for each criterion. Once all the experts have completed their individual assessments, the evaluation progresses to a consensus assessment, representing their common views. The outcome of the consensus step is the

consensus report, approved by all experts. Scores and comments are set out in the consensus report. The list of the final assessment is available at the end of the workshop.

Call for full proposals:

The call for full proposals shall be published approximately within one month from the end of the 'IdeaLab' workshop.

The Programme Operator shall carry out the eligibility assessment of the proposals as described in section 8.7 of Guideline for Research Programmes. The main criterion of the eligibility assessment shall be the positive assessment of the project outline received during the 'IdeaLab' workshop. The expert assessment shall be conducted by the mentors, who shall review the consistency of the proposal with the project outline developed during the workshop. Following the assessment, the Programme Operator shall prepare a preliminary ranking list.

Finalization of evaluation and award of project grants

The Programme Committee shall review the ranking list of projects. The Programme 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 Programme Committee. The Chairman of the Programme Committee shall submit the minutes and the list of 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 project grants are awarded by the Director of the Programme Operator.

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. The decision issued by the Director of the NCBR may be appealed against to the Appeal Committee of the Council of the National Centre for Research and Development. The opinions and scores given by experts and panels will not be subject to appeals. Grounds for appeals may include errors in procedure or other formal infringements.

4.3 Project grant rate:

Grants to all projects from the programme may be up to 100% of 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 and/or Project Partner(s).

It is expected that the eligible costs claimed by the Norwegian or Lichtenstein, Islandic and Norwegian entities participating in the project shall normally not exceed 40% of the total eligible costs of the project.

5. Additional mechanisms within the Programme

5.1 Pre-defined projects

Not Applicable

5.2 Financial Instruments
Not Applicable

6. Programme Management
6.1 Payment flows
Payments of the project grant shall take the form of advance instalments and provide the projects with a positive cash flow. The first advance instalment of a maximum 30% of the total grant amount will be transferred to the Project Promoter within 30 days from the signature of the project contract. Further advance instalment(s) (interim payments) will be transferred to the project in accordance with an individual schedule of payments and upon approval of the payment request(s), as stipulated in the project contract. These further instalments may be paid when at least 70% of the previous advance instalment(s) has been reported as incurred and not later than 15 days after the Programme Operator's approval of payment requests.

The amount of the final balance due by the Project Promoter to the Programme Operator shall be established on the basis of the final financial report and a certificate on the financial statements accompanying the final project report.

The Project Promoter shall ensure that all payments to the other project partners are made without unjustified delay, and not later than 15 days after the Project Promoter has received payment from the Programme Operator.

The periodicity of reporting and system of payments based on pre-defined payment schedules supported by payment requests, or any exception to these, as well as any requirements for the financial guarantees will be further detailed in the description of the Programme Operator's management and control systems.

6.2 Verification of payment claims
The payment request submitted by the Project Promoter to the Programme Operator shall contain a summary financial statement for the project.

The Project Promoter shall also submit an annual report within 60 days of the end of each reporting period as set out in the project contract. Requirements for annual reporting and a final project report shall be complied with the Guideline for Research Programmes

In line with point i) of Article 5.6.2 of the Regulation incurred expenditure reported through the annual reports will 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.

Requirements for the submission of proof of expenditure in the form of a certificate on financial statements shall be set in the project contract and the partnership agreement, where relevant, and shall be complied with the requirements set in the Guideline for Research Programmes. The following exception is made: in line with the Act of National Centre for Research and Development (Journal of Laws 2010 No 96, item 616), the proof of expenditure by means of a report by an independent auditor described in paragraph 4 of Article 8.12 of the Regulation is mandatory for project partners whose primary location is in Poland and in research projects awarded with a grant amount equal or superior to PLN 3 million[1]. Where applicable, this shall be submitted with the final project report.

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 by the Programme Operator.

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

[1] Notwithstanding the applicable national rules and any changes thereof, the threshold (EUR 325,000/promoter, partner) described in section 10.7 of the Guideline for Research Programmes shall prevail in case the national rules would require proof of expenditure for a higher amount.

6.3 Monitoring and reporting

The Programme Operator shall monitor, record and report on progress towards the programme's outcomes in accordance with provisions contained in the legal framework. The Programme Operator shall ensure that suitable and sufficient monitoring and reporting arrangement are made with the project promoters in order to enable the Programme Operator and the National Focal Point to meet its obligation to the Donor States.

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 and templates received from the FMO

6.4 Programme administrative structures

Not Applicable

7. Communication

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

8. Miscellaneous

Notwithstanding Article 6.9 of the Regulation, and pursuant to section 4.1 of Annex II, the FMC / NMFA shall aim to provide feedback to any proposal regarding reallocation of funds between the 'IdeaLab' call and other calls as specified in section 4.1 of Annex II, within two weeks following the receipt of the proposal.