MEMORANDUM OF UNDERSTANDING

ON THE IMPLEMENTATION OF THE EEA FINANCIAL MECHANISM

2021-2028

Between

ICELAND,

THE PRINCIPALITY OF LIECHTENSTEIN,

THE KINGDOM OF NORWAY,

hereinafter referred to as the “Donor States”

and

THE REPUBLIC OF POLAND,

hereinafter referred to as the “Beneficiary State”

together hereinafter referred to as the “Parties”,

WHEREAS Protocol 38d to the EEA Agreement, incorporated into the EEA Agreement by the Agreement between the European Union, Iceland, the Principality of Liechtenstein and the Kingdom of Norway on the EEA Financial Mechanism 2021-2028, establishes a financial mechanism (hereinafter referred to as the "EEA Financial Mechanism 2021-2028") through which the Donor States will contribute to the reduction of economic and social disparities in the European Economic Area;

WHEREAS the EEA Financial Mechanism 2021-2028 aims to strengthen relations between the Donor States and the Beneficiary State to the mutual benefit of their peoples;

WHEREAS by decision of the Standing Committee of the EFTA States No. 4/2024/SC of 24 October 2024 the Donor States have given the Financial Mechanism Committee, established by a decision of the Standing Committee of the EFTA States No. 4/2004/SC of 3 June 2004, a mandate to manage the EEA Financial Mechanism 2021-2028;

WHEREAS the enhanced co-operation between the Donor States and the Beneficiary State will contribute to securing a stable, peaceful and prosperous Europe, based on good governance, democratic institutions, the rule of law, respect for human rights and sustainable development;

WHEREAS the Parties agree to establish a framework for cooperation in order to ensure the effective implementation of the EEA Financial Mechanism 2021-2028;

HAVE AGREED on the following:

Article 1
Objectives

1. The overall objectives of the EEA Financial Mechanism 2021-2028 are to contribute to the reduction of economic and social disparities in the European Economic Area and to strengthen bilateral relations between the Donor States and the Beneficiary States through financial contributions in the thematic priorities listed in paragraph 2. Accordingly, the Parties to this Memorandum of Understanding shall select programmes for funding that aim to contribute to the achievement of these objectives.

2. The financial contributions shall be available in the following thematic priorities:

(a) European green transition;

(b) Democracy, rule of law and human rights;

(c) Social inclusion and resilience.

Article 2
Legal Framework

This Memorandum of Understanding shall be read in conjunction with the following documents which, together with this Memorandum of Understanding, constitute the legal framework of the EEA Financial Mechanism 2021-2028:

(a) Protocol 38d to the EEA Agreement on the EEA Financial Mechanism 2021-2028;

(b) the Regulation on the implementation of the EEA Financial Mechanism 2021-2028 (hereinafter referred to as the "Regulation") issued by the Donor States in accordance with Article 9.4 of Protocol 38d;

(c) the programme agreements that will be concluded for each programme; and

(d) any guidelines adopted by the Financial Mechanism Committee in accordance with the Regulation.

Article 3
Financial Framework

1. In accordance with Article 2 of Protocol 38d, the total amount of the financial contribution is € 1 805 million in annual tranches of € 257.86 million over the period running from 01 May 2021 to 30 April 2028, inclusive.

2. In accordance with Article 6 of Protocol 38d, a total of € 472,614,415 shall be made available to the Beneficiary State over the period referred to in Paragraph 1.

3. In accordance with Article 9.7 of Protocol 38d and Article 1.9 of the Regulation, the management costs of the Donor States shall be covered by the overall amount referred to above. Further provisions to this effect are set out in the Regulation. The net amount of the allocation to be made available to the Beneficiary State is € 394,681,262.

Article 4
Roles and responsibilities

1. The Donor States shall make funds available in support of eligible programmes proposed by the Beneficiary State and agreed on by the Financial Mechanism Committee within the thematic priorities listed in Article 3.1 of Protocol 38d and the programme areas listed in the Annex to Protocol 38d. The Donor States and the Beneficiary State shall cooperate on the preparation of concept notes defining the scope and planned results for each programme.

2. The Beneficiary State shall assure the full co-financing of programmes that benefit from support from the EEA Financial Mechanism 2021-2028 in accordance with Annex B and the Programme Agreements.

3.The Beneficiary State shall ensure an enabling environment for the unimpeded implementation of the Civil Society Fund in the Beneficiary State and shall refrain from taking any measures that might prevent Fund Operators from independently exercising their role.

4. The Financial Mechanism Committee shall manage the EEA Financial Mechanism 2021-2028 and take decisions on the granting of financial assistance in accordance with the Regulation.

5. The Committee shall be assisted by the Financial Mechanism Office (hereinafter referred to as the "FMO"). The FMO shall serve as a contact point for the Beneficiary State for the day-to-day operations of the EEA Financial Mechanism 2021-2028.

Article 5
Designation of authorities

The Beneficiary State has authorised a National Focal Point to act on its behalf. The National Focal Point shall have the overall responsibility for reaching the objectives of the EEA Financial Mechanism 2021-2028 as well as for the implementation of the EEA Financial Mechanism 2021-2028 in the Beneficiary State in accordance with the Regulation. In accordance with Article 5.2 of the Regulation, the National Focal Point, the Certifying Authority, the Audit Authority are designated in Annex A.

Article 6
Multi-annual Programming Framework

1. In accordance with Article 2.5 of the Regulation, the Parties have agreed on an implementation framework consisting of the following financial and substantive parameters:

(a) a list of agreed programmes, the financial contribution from the EEA Financial Mechanism 2021-2028 and from the Beneficiary State;

(b) identification of programmes, their objective(s), the Programme Operators, the grant amount and amount of co-financing by programme, the bilateral ambitions as well as any specific concerns relating to the implementation of the programmes;

(c) conditions and/or specific concerns at Beneficiary State level relating to target groups, geographical areas or other issues;

(d) identification of Donor Programme Partners, as appropriate;

(e) identification of International Partner Organisations, as appropriate; and

(f) identification of pre-defined projects to be included in relevant programmes.

2. The implementation framework is outlined in Annex B.

Article 7
Fund for bilateral relations

In accordance with Article 4.6.1 of the Regulation the Beneficiary State shall set aside funds to strengthen bilateral relations between the Donor States and the Beneficiary State. The agreed amount is reflected in Annex B and is allocated to the funds for bilateral relations at national and programme level. The National Focal Point shall manage the use of the fund for bilateral relations at national level and shall establish a Joint Committee for the Bilateral Fund in accordance with Article 4.9.1 of the Regulation. The Programme Operators shall manage the use of the funds for bilateral relations allocated to their programmes. For donor partnership programmes, decisions on the use of the funds for bilateral relations in the programme shall be taken by consensus between the Programme Operator and the Donor Programme Partner(s).

Article 8
Country Report

In accordance with Article 2.6 of the Regulation, the National Focal Point shall submit to the FMC an Annual Country Report on the implementation of the EEA Financial Mechanism 2021-2028 in the Beneficiary State. The Country Report shall be submitted to the FMC no later than 10 March each year.

Article 9
Annual meetings

In accordance with Article 2.7 of the Regulation an annual meeting shall be held between the FMC and the National Focal Point. The annual meeting shall allow the FMC and the National Focal Point to examine progress achieved over the previous reporting periods, discuss risks and agree on any necessary measures to be taken. The annual meeting shall provide a forum for discussion of issues of bilateral interest.

Article 10
Modification of the MoU

1. Annex A and B may be amended through an exchange of letters between the FMC and the National Focal Point.
2. Cumulative transfers up to 10% of the total eligible expenditure of a programme may be made between programmes without a modification of the Annexes to this Memorandum of Understanding, provided that the change has been agreed by the FMC through modifications of the relevant Programme Agreements.

3. In addition, cost savings and amounts not committed to projects may be transferred to the funds for bilateral relations without a modification of the Annexes to this Memorandum of Understanding or the approval of the FMC, provided that the transfer has been the subject of prior consultation with the Cooperation Committee of the concerned programme. Any such transfer of funds from a programme shall not affect the objectives or outcomes of the Programme. The National Focal Point shall notify the FMC of such transfers without delay and the FMC shall update the concerned Programme Agreements and the Bilateral Funds Agreement, as relevant.
4. All transfers made in accordance with paragraphs 2 and 3 shall not affect any specific concerns, conditions, objectives or other priorities referred to in this Memorandum of Understanding and shall be in accordance with the provisions of the legal framework.

Article 11
Control and Access to Information

The Financial Mechanism Committee, the EFTA Board of Auditors and their representatives have the right to carry out any technical or financial mission or review they consider necessary to follow the planning, implementation and monitoring of programmes and projects as well as the use of funds. The Beneficiary State shall provide all necessary assistance, information and documentation.

Article 12
Governing Principles

1. The implementation of this Memorandum of Understanding shall in all aspects be governed by the Regulation and subsequent amendments thereof.

2. The objectives of the EEA Financial Mechanism 2021-2028 shall be pursued in a framework of close co-operation between the Donor States and the Beneficiary State, respecting the common values and principles of respect for human dignity, freedom, democracy, equality, the rule of law and the respect for human rights, including the rights of persons belonging to minorities. The Parties agree to apply the highest degree of transparency, accountability and cost efficiency as well as the principles of good governance, partnership and multi-level governance, sustainable development, gender equality and non-discrimination in all implementation phases of the EEA Financial Mechanism 2021-2028.

3. All programmes and activities funded by the EEA Financial Mechanism 2021-2028 shall be consistent with respect for these values and principles and abstain from supporting operations that may fail to do so. Their implementation shall comply with the fundamental rights and obligations enshrined in relevant instruments and standards.

4. The Beneficiary State shall take proactive steps in order to ensure adherence to these values and principles at all levels involved in the implementation of the EEA Financial Mechanism 2021-2028.

Article 13
Entry into Force

This Memorandum of Understanding shall enter into force on the day after the date of its last signature.

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This Memorandum of Understanding is signed in four originals in the English Language.

Signed in Warsaw on 23/04/2025
For Iceland

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Iceland

Signed in Warsaw on 23/04/2025
For the Republic of Poland

.....
Poland

Signed in Warsaw on 23/04/2025
For the Principality of Liechtenstein

.....
Liechtenstein

Signed in Warsaw on 23/04/2025
For the Kingdom of Norway

.....
Norway

ANNEX A

National management and control structures

1. National Focal Point

The Department of Assistance Programmes of the Ministry of Development Funds and Regional Policy shall act as the National Focal Point. The Head of the National Focal Point shall be the Director of the Department of Assistance Programmes.
The Director of the Department of Assistance Programmes reports to the Undersecretary of State responsible for the implementation of EEA and Norwegian Financial Mechanisms. The Undersecretary of State reports to the Minister of Development Funds and Regional Policy.
The roles and responsibilities of the National Focal Point are stipulated in the Regulation, in particular Article 5.3 thereof.
In addition, the National Focal Point shall:
- act as the Certifying Authority, except for programmes where it takes the role of Programme Operator;

- act as the Programme Operator for the Local Development programme.

2. Certifying Authority

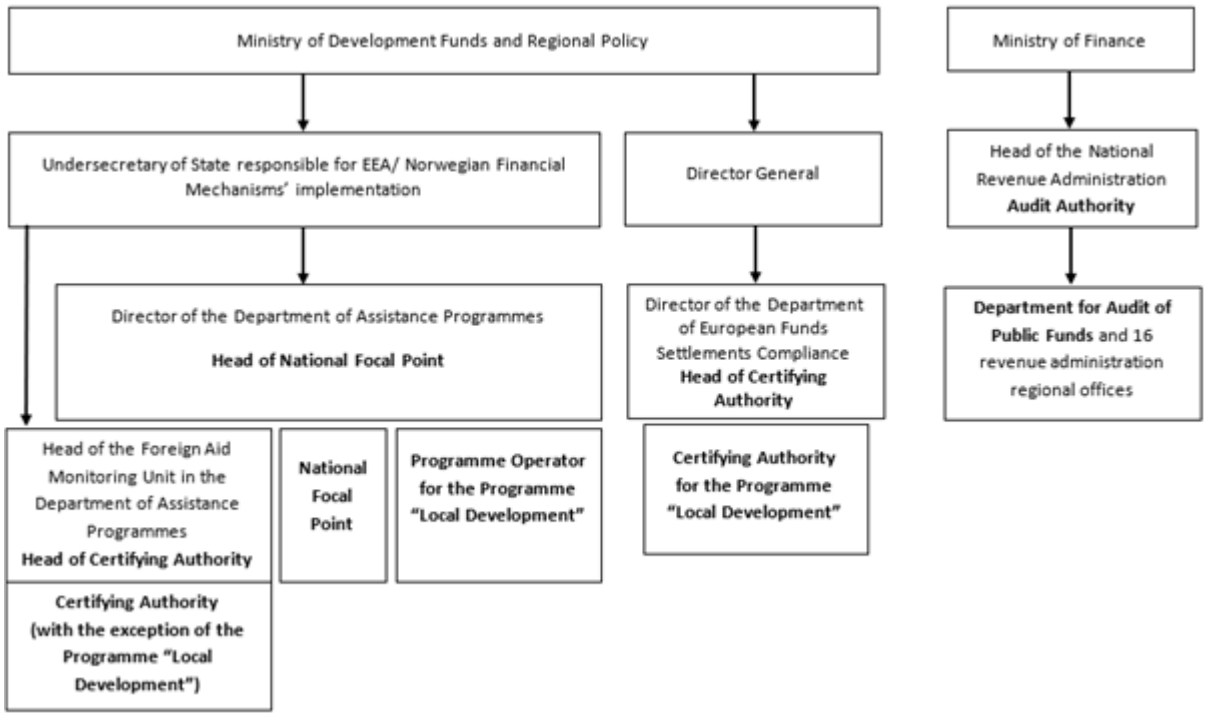
The Foreign Aid Monitoring Unit within the Department of Assistance Programmes of the Ministry of Development Funds and Regional Policy shall act as the Certifying Authority, except for programmes where the National Focal Point takes the role of Programme Operator. The Head of the Certifying Authority shall be the Head of the Foreign Aid Monitoring Unit.
The separation of tasks between the National Focal Point and the Certifying Authority is ensured by excluding the Director and Deputy Directors in the Department of Assistance Programmes from tasks related to the Certifying Authority function. For these tasks, the Head of the Foreign Aid Monitoring Unit shall operate independently from both the Deputy Directors and the Director of the Department and shall report directly to the Undersecretary of State.
When the National Focal Point takes the role of Programme Operator, the Department of European Funds Settlements Compliance of the Ministry of Development Funds and Regional Policy shall act as the Certifying Authority.
In such case, the Head of the Certifying Authority shall be the Director of the Department of European Funds Settlements Compliance. The Director of the Department of European Funds Settlements Compliance reports directly to the Director General of the Ministry of Development Funds and Regional Policy, who reports to the Minster of Development Funds and Regional Policy.
The National Focal Point shall ensure the adequate functional separation of tasks related to payments from other tasks within the National Focal Point and that the certification carried out in relation to its responsibility as the Certifying Authority shall be in full compliance with Article 5.4.1 of the Regulation.

The roles and responsibilities of the Certifying Authority are stipulated in the Regulation, in particular Article 5.4 thereof.
In addition, the Certifying Authority shall be responsible for the preparation and submission of irregularities reports. This task shall be performed by the Foreign Aid Monitoring Unit in the Department of Assistance Programmes. When the National Focal Point takes the role of Programme Operator, this task shall be performed by the Department of European Funds Settlements Compliance.

3. Audit Authority

The Head of the National Revenue Administration shall act as the Audit Authority. The Head of the National Revenue Administration shall be the Secretary of State in the Ministry of Finance. The Head of the National Revenue Administration shall perform its tasks through the Department for Audit of Public Funds and 16 Revenue Administration Regional Offices. The responsibility for the performance of these tasks remains with the Audit Authority.
The roles and responsibilities of the Audit Authority are stipulated in the Regulation, in particular Article 5.5 thereof.
The Audit Authority shall be functionally independent of the National Focal Point and the Certifying Authority.

4. Organigram



ANNEX B

Implementation framework

In accordance with Article 2.5 of the Regulation, the Parties to this Memorandum of Understanding have agreed on an implementation framework outlined in this annex.

1. Financial parameters of the implementation framework

	Poland	**EEA Grants contribution**	**National contribution**
	Programmes		
1	Applied Research and Innovation	€ 80,000,000	€ 14,117,647
2	Basic Research	€ 60,000,000	€ 10,588,235
3	Green Transition	€ 160,000,000	€ 28,235,294
4	Culture	€ 80,000,000	€ 14,117,647
	Other allocations		
	Technical Assistance to the Beneficiary states (Art. 1.10)	€ 6,193,493	N/A
	Funds for bilateral relations at national level (Art. 4.7)	€ 5,987,769	N/A
	Reserve for completing projects under FM 2014-2021	N/A	N/A
	Funds for bilateral relations at programme level (Art. 4.10)	€ 2,500,000	N/A
	Net allocation to Poland	**€ 394,681,262**	**€ 67,058,824**

2. Conditions

3. Specific concerns

The amount of funds for bilateral relations allocated to each programme shall be included in the respective programme agreements.

The agreed allocations to the programmes and bilateral funds include the contribution related to the challenges experienced as a result of invasion of Ukraine. Across the EEA and Norwegian Financial Mechanisms, the contribution totals € 46,525,980. Reporting on the use of the contribution related to the challenges experienced as a result of invasion of Ukraine shall be included in the country reports and the final programme reports.

Gender equality and digitalization will be mainstreamed and form part of all relevant programme areas.

The possibility of cooperating with International Partner Organisations (IPOs) shall be explored under relevant programmes during the concept note phase. The Fund for capacity building and cooperation with international partner organisations and institutions shall finance the work of the IPOs.

4. Substantive parameters of the implementation framework

The programmes described below are to be implemented subject to the approval of the FMC, in accordance with Article 6.3 of the Regulation.

A. Programme Applied Research and Innovation

Programme objective: Enhanced excellence in research and research-based innovation, strengthening the foundations for the green transition, democracy, rule of law, human rights, social inclusion, and resilience.
Programme grant: € 80,000,000
Programme co-financing: € 14,117,647
Programme Operator: The National Centre for Research and Development

Donor Programme Partners(s): Research Council of Norway (RCN)
Icelandic Centre for Research (RANNIS)

Programme area(s):	Research and innovation
Programme specific conditions:	The programme shall include activities to overcome barriers for the career progression of early-stage and female researchers.
Pre-defined projects:	The possibility of pre-defining project(s) will be explored when developing the concept note.

B. Programme Basic Research

Programme objective:	Enhanced excellence in research and research-based innovation, strengthening the foundations for the green transition, democracy, rule of law, human rights, social inclusion, and resilience.
Programme grant:	€ 60,000,000
Programme co-financing:	€ 10,588,235
Programme Operator:	National Science Centre (NCN)
Donor Programme Partners(s):	Research Council of Norway (RCN) Icelandic Centre for Research (RANNIS)
Programme area(s):	Research and innovation
Programme specific concerns:	The programme shall, inter alia, include support to research in social sciences and the humanities, and polar research. The programme shall include activities to overcome barriers for the career progression of early-stage and female researchers.
Pre-defined projects:	The possibility of pre-defining project(s) will be explored when developing the concept note.

C. Programme Green Transition

Programme objective:	Acceleration of the green transition towards a more sustainable society.
Programme grant:	€ 160,000,000
Programme co-financing:	€ 28,235,294
Programme Operator:	Ministry of Climate and Environment with support from the National Fund for Environmental Protection and Water Management
Donor Programme Partners(s):	Norwegian Environment Agency (NEA) Norwegian Water Resources and Energy Directorate (NVE) Icelandic Centre for Research (RANNIS)
International Partner Organisation(s):	Organisation for Economic Co-operation and Development (OECD) - to be decided
Programme area(s):	Green transition
Programme specific concerns:	Measures related to capture of CO2 for storage and utilisation that contribute to the area of support “Industrial carbon management” shall be agreed in the concept note phase.
Pre-defined projects:	The possibility of pre-defining project(s), inter alia with IPOs, including measures that contribute to the area of support “Green governance” and evidence-based dialogue will be explored when

	developing the concept note. The possibility of a pre-defined project with Liechtenstein's National Agency of International Education Affairs (AIBA) shall be explored when developing the concept note. The possibility of pre-defining further project(s) will be explored when developing the concept note.

D. Programme Culture

Programme objective:	Increased participation, sustainability, and diversity in culture and cultural heritage.
Programme grant:	€ 80,000,000
Programme co-financing:	€ 14,117,647
Programme Operator:	Ministry of Culture and National Heritage
Donor Programme Partners(s):	Arts and Culture Norway (ACN) Norwegian Directorate for Cultural Heritage (RA) Icelandic Centre for Research (RANNIS)
Programme area(s):	Culture
Programme specific concerns:	The maximum level of funding for investment in infrastructure and equipment (hard measures) shall be set in the programme agreement. At least 20 % of the total eligible expenditure of the programme shall be set aside for projects that contributes to the area of support "cultural and artistic creation and cooperation, capacity-building, outreach, and exchange, with specific regard to cultural diversity". Partnership between entities from Poland and the Donor States is mandatory in these projects.
Pre-defined projects:	The possibility of pre-defining a project on Polish Capitals of Culture (Bielsko-Biała, Katowice, Kołobrzeg) with a grant from the programme of approximately € 3,000,000 will be explored when developing the concept note. The possibility of pre-defining a project with the National Libraries of Poland and Norway and National and University Library of Iceland, concerning the role of libraries as arenas for public debates/civic education/media literacy, possibly including cooperation with educational institutions, IPOs and/or other donor state entities, with a grant from the programme of approximately € 2,000,000 will be explored when developing the concept note. The possibility of pre-defining further project(s) will be explored when developing the concept note.

The programme will be implemented in conjunction with the programme Culture implemented under the Norwegian Financial Mechanism 2021-2028.