EEA Financial Mechanism 2014-2021

PROGRAMME AGREEMENT

between

The Financial Mechanism Committee
established by Iceland, Liechtenstein and Norway

and

The Ministry of Investments, Regional Development and Informatization of the Slovak Republic,
hereinafter referred to as the "National Focal Point",
representing Slovakia,
hereinafter referred to as the "Beneficiary State"

together hereinafter referred to as the "Parties"

for the financing of the Programme "Cross-border Cooperation / Good Governance, Accountable Institutions, Transparency"

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 Oslo on 30/10/2018	Signed in Bratislava on 12/11/2018
.....	.....
Niels Engelschiøn	Matus Sutaj Estok
Chairman of the Financial Mechanism Committee	Head of Government Office of the Slovak Republic

Annex I to the Programme Agreement

Programme Operators and Partners	
Programme Operator:	Ministry of Investments, Regional Development and Informatization of the Slovak Republic
Donor Programme Partner:	Norwegian Barents Secretariat (BAR)
IPO:	Organisation for Economic Co-operation and Development (OECD)
Other Programme Partner(s):	-

Programme Objective	Integrity and accountability of public administration improved

PA	Outcome/Output	Expected programme results	Indicator	Disaggregation	Unit of measurement	Source of verification	Frequency of reporting	Baseline values	Baseline year	Target value
PA16	Outcome 1	Integrity of public administration improved	Control of Corruption indicator score (CCI - World Bank)	N/A	Annual number	CCI World Bank	Annually (APR)	63.5	2016	65
			Corruption perception index score (Transparency International)	N/A	Annual number	Transparency International CPI	Annually (APR)	51	2016	56
			Annual number of detected corruption cases registered by the Ministry of Interior	N/A	Annual number	Ministry of Interior's records	Annually (APR)	357	2016	500
	Output 1.1	Measures to improve integrity of public administration implemented	Number of capacity building workshops organised	N/A	Cumulative number	Event agendas and attendance sheets	Semi-annually (APR and September IFR)	0	N/A	3
			Number of line ministries whose policies in the field of integrity of public administration are coordinated	N/A	Cumulative number	Meeting agendas and attendance sheets	Semi-annually (APR and September IFR)	0	N/A	5
			Number of public servants lectured on ethical conduct	Gender	Cumulative number	Workshop agendas and	Semi-annually (APR and	0	N/A	350

						attendance sheets	September IFR)			
			Public Integrity Review conducted	N/A	Binary	Copy of Public Integrity Review report	Semi-annually (APR and September IFR)	No	N/A	Yes
			Set of standards to measure the integrity of public administration developed	N/A	Binary	Copies of standards	Semi-annually (APR and September IFR)	No	N/A	Yes
PA21	Outcome 2	Quality of the judicial system improved	Number of beneficiaries of services provided or improved	N/A	Cumulative number	Project Promoters' records	Semi-annually (APR and September IFR)	0	N/A	360
			Number of family law cases prosecuted by the courts which are supported by the programme	N/A	Cumulative number	Justice department's records	Annually (APR)	0	N/A	120
			Number of professionals trained who self-report increased competence and capacity for working with victims of crimes and protection of minors	N/A	Cumulative number	Survey results	2022, 2024	N/A	N/A	180
	Output 2.1	Quality of family law prosecution improved	Number of court premises refurbished	N/A	Cumulative number	Acceptance documents (building certificate)	Semi-annually (APR and September IFR)	0	N/A	8
			Number of educational programmes for mediators and judges developed	N/A	Cumulative number	Copies of educational programmes' curricula	Semi-annually (APR and September IFR)	0	N/A	1
	Output 2.2	Access to the justice for the	Number of educational programmes for judges and	N/A	Cumulative number	Copies of educational	Semi-annually	0	N/A	2

		victims improved	prosecutors, focused on improving handling victims			programmes' curricula	(APR and September IFR)			
			Number of enforcement officers trained	N/A	Cumulative number	Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	36
			Number of inter-ministerial meetings promoting cooperation on the protection of the rights of the victim	N/A	Cumulative number	Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	30
PA16	Outcome 3	Slovak-Ukrainian institutional cooperation enhanced	Level of (self-reported) knowledge among Ukrainian participants involved in cooperation with SK (on issues related to procurement, justice, etc.) targeted by projects' activities	N/A	Scale 1-10	Survey results	Annually (APR)	5.63	2022	10[1]
			Number of cooperation partnerships remaining between Slovak and Ukrainian Line Ministries at completion of the programme	N/A	Cumulative number	Project Promoters' records	Annually (APR)	0	N/A	5
	Output 3.1	Measures fostering Slovak-Ukrainian cooperation implemented	Number of best practices transferred in the field of transparency from Slovakia to Ukraine	N/A	Cumulative number	Project promoter's records	Semi-annually (APR and September IFR)	0	N/A	10
			Number of people attending joint workshops organised between Slovak and Ukrainian public sector entities	Gender	Cumulative number	Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	500

[1] The target is +100% from baseline (plus one hundred percent and not plus one hundred percentage points), but capped at the maximum of 10.

			Number of secondments from Ukraine to Slovakia	N/A	Cumulative number	Project promoter's records	Semi-annually (APR and September IFR)	0	N/A	20
	Output 3.2	Measures fostering Slovak-Ukrainian-Norwegian institutional cooperation related to CBRN (chemical, biological, radioactive, nuclear) safety	CBRN defence education and training systems for Security Forces of Ukraine established	N/A	Binary	Attendance sheets	Semi-annually (APR and September IFR)	No	N/A	Yes
			Number of assessments of the current status of Internal Acts in the field of CBRN safety and cross-border flow of information	N/A	Cumulative number	Copies of assessments	Semi-annually (APR and September IFR)	0	N/A	2
			Number of exercises of Slovak security forces with international observation[2]	N/A	Cumulative number	Project promoter's records	Semi-annually (APR and September IFR)	0	N/A	1
			Number of international exercises conducted[3]	N/A	Cumulative number	Project promoter's records	Semi-annually (APR and September IFR)	0	N/A	1
			Number of private sector representatives trained on handling illicit CBRN materials	Gender	Cumulative number	Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	45
			Number of Slovak police specialists educated and trained	Gender	Cumulative number	Attendance sheets, feedback questionnaires	Semi-annually (APR and September IFR)	0	N/A	160

[2] Reaction to CBRN incident.
[3] Reaction to CBRN incident

			Number of Ukrainian Security Forces specialists educated and trained	Gender	Cumulative number	Attendance sheets, feedback questionnaires	Semi-annually (APR and September IFR)	0	N/A	100
PA16	Outcome 4	Increased application of the Value for Money principle in public procurement	Average annual number of bidders in public procurements	N/A	Annual number	Project promoter's records	Annually (APR)	3.6	2016	4
			Number of cases in which the pre-tender market consultations have been used	N/A	Cumulative number	Project promoter's records	Semi-annually (APR and September IFR)	0	N/A	50
			Share of public procurements using MEAT criteria[4]	N/A	Percentage	Project promoter's records	Annually (APR)	20 %	2016	40 %
	Output 4.1	MEAT (“Most Economically Advantageous Tenders”) criteria applied	Number of professional chambers and institutions involved in the preparation of the standards/templates	N/A	Cumulative number	Project promoter's records	Semi-annually (APR and September IFR)	0	N/A	3
			Number of standards/templates for the application of MEAT criteria developed	N/A	Cumulative number	Copies of standards	Semi-annually (APR and September IFR)	0	N/A	6
			Number of workshops for the biggest Contracting Authorities on MEAT criteria	N/A	Cumulative number	Copies of workshop materials, attendance sheets	Semi-annually (APR and September IFR)	0	N/A	6
PA16	Bilateral Outcome	Enhanced collaboration between beneficiary and donor	Level of satisfaction with the partnership	N/A	Scale 1-7	Survey results	Annually (APR)	6.63	2021	≥4.5, and an increase on the baseline

[4] Most economically advantageous tender

		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)	6.75	2021	≥4.5, and an increase on the baseline
			Share of cooperating organisations that apply the knowledge acquired from bilateral partnership	N/A	Percentage	Survey results	Annually (APR)	N/A	N/A	≥50%
	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	Project contracts and partnership agreements	Semi-annually (APR and September IFR)	0	N/A	4
			Number of staff from the beneficiary country participating in study visits to Norway	N/A	Cumulative number	Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	36
			Share of projects implemented in trilateral partnerships between Slovakia, Ukraine and the Donor States	N/A	Percentage	Project contracts and partnership agreements	Semi-annually (APR and September IFR)	0 %	N/A	33.3 %

Conditions

General

1. The maximum level of funding available from the total eligible expenditure of the programme for infrastructure (hard measures) shall be 30%.

2. For pre-defined project no. 1 (numbering under Section 5.1 of Annex II to the Programme Agreement), the National Focal Point shall ensure that the Programme Operator ensures that the appraisal foreseen in Article 6.5.3 of the Regulation is externalised and carried out by a legal entity independent of and unrelated to the Programme Operator.

3. 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

4. For the outcome 3 indicator "Level of (self-reported) knowledge among Ukrainian participants involved in cooperation with SK (on issues related to procurement, justice, etc.)" targeted by projects' activities, 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 after the finalisation of the selection of projects under Open call and the Call of the Small Grant Scheme. The updated baseline value shall be agreed upon through a modification of the programme agreement.

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	29/11/2016	30/04/2025
Grant rate and co-financing		
Programme eligible expenditure (€)		€ 8,789,017
Programme grant rate (%)		85.00 %
Maximum amount of Programme grant - EEA Financial Mechanism (€)		€ 7,470,665
Maximum amount of Programme grant - Norwegian Financial Mechanism (€)		-
Maximum amount of Programme grant - Total (€)		€ 7,470,665

PA	Budget Heading	EEA Grants	Total grant	Programme grant rate	Programme co-financing	Programme eligible expenditure	Advance payment
PA16	Programme management	€ 815,000	€ 815,000	85.00 %	€ 143,823	€ 958,823	€ 170,000
PA16	Outcome 1 (EEA Grants)	€ 1,019,527	€ 1,019,527	85.00 %	€ 179,916	€ 1,199,443	€ 191,250
PA21	Outcome 2 (EEA Grants)	€ 860,606	€ 860,606	85.00 %	€ 151,872	€ 1,012,478	€ 153,000
PA16	Outcome 3 (EEA Grants)	€ 3,684,213	€ 3,684,213	85.00 %	€ 650,155	€ 4,334,368	€ 318,750
PA16	Outcome 4 (EEA Grants)	€ 1,091,319	€ 1,091,319	85.00 %	€ 192,586	€ 1,283,905	€ 191,250
Total		**€ 7,470,665**	**€ 7,470,665**	**85.00 %**	**€ 1,318,352**	**€ 8,789,017**	**€ 1,024,250**

Retention of management costs	
Retention of management costs - Percentage of the management costs	10.00 %
Retention of management costs - Planned Euro value	€ 95,882

Cross-border Cooperation / Good Governance, Accountable Institutions, Transparency

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 is the Ministry of Investment, Regional Development and Informatization of the Slovak Republic. The Norwegian Barents Secretariat is the Donor Programme Partner (DPP). The Organisation for Economic Cooperation and Development (OECD) is the International Partner Organisation (IPO).

The programme objective is "Integrity and accountability of public administration improved". The programme shall support projects within the following Programme Areas (PAs):

- PA 16 "Good Governance, Accountable Institutions, Transparency"

Within this PA, the programme shall support the outcome "Integrity of public administration improved" (Outcome 1), the outcome "Slovak-Ukrainian institutional cooperation enhanced" (Outcome 3) and the outcome "Increased application of the Value for Money principle in public procurement" (Outcome 4).

Outcome 1 shall be supported by way of the pre-defined project (PDP) "Improving Integrity of the Public Administration/IIPA" (PDP no. 1).

Outcome 3 shall be supported by way of a call for projects focusing on institutional cross-border cooperation between Slovakia and Ukraine related to good governance. There will also be one small grant scheme (SGS) with the same theme and focus as the call for projects mentioned above. Finally, outcome 3 shall be supported by the pre-defined project "TRIGLAV- Strengthen the fight against CBRN threats at the Slovakian-Ukrainian border" (PDP no. 4).

Outcome 4 shall be supported by way of the pre-defined project "Responsible public procurement" (PDP no. 3).

- PA 21 "Effectiveness and Efficiency of the Judicial System, Strengthening Rule of Law"

Within this PA, the programme shall support the outcome "Quality of the judicial system improved" (Outcome 2) by way of the pre-defined project "Enhancing the efficiency of the judicial system through the protection/empowerment of victims and vulnerable parties" (PDP no. 2).

2. Eligibility

2.1 Eligible applicants:

The rules on eligibility of project promoters and project partners are set in Article 7.2 of the Regulation. In accordance with Article 7.2.4, the following entities shall be eligible:

	Eligible applicants (Project Promoters)	Eligible partners
Call for proposals Outcome 3"Slovak-Ukrainian institutional cooperationenhanced"	Any public entity established as a legal person in the Slovak Republic	In accordance with Article 7.2.2 of the Regulation

SGS Outcome 3“Slovak-Ukrainian institutional cooperation enhanced”	Any public entity established as a legal person in the Slovak Republic	In accordance with Article 7.2.2 of the Regulation

All projects funded under the call for proposals and the SGS must include at least one public entity established as a legal person in Ukraine, as a partner.

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

In accordance with Article 8.5.1 e) of the Regulation, project promoters or project partners that are international organisations or bodies or agencies thereof, may identify their indirect costs in accordance with the relevant rules established by such organisations.

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

The programme shall as appropriate facilitate donor partnership projects by carrying out, inter alia, matchmaking events and activities in conjunction with launching calls for proposals, as well as by encouraging donor partnership projects in call texts.

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):

	Indicative timing	Total available amount	Maximum/Minimum grant applied for
Call for proposals Outcome 3“Slovak-Ukrainian institutional cooperation enhanced”	Second semester 2019	€ 2,500,000	€ 1,000,000/ € 200,000
SGS Outcome 3“Slovak-Ukrainian institutional cooperation enhanced”	Second semester 2019	€0	N/A

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 for the award of grants.

The Programme Operator shall establish a Selection Committee that shall recommend the projects to be funded within the programme. The Selection Committee shall consist of at least six persons possessing the relevant expertise. At least two of them shall be external to the Programme Operator and its Partners. The DPP shall be voting member of the Selection Committee. The IPO, the FMC and the National Focal Point shall be invited to participate in the meetings of the Selection Committee as observers.

The Programme Operator shall review the applications for compliance with administrative and eligibility criteria. Applicants whose applications are rejected at this stage shall be informed and given a reasonable time to appeal that decision.

Each application that meets the administrative and eligibility criteria shall be reviewed by two experts: one of these experts shall be appointed by the Programme Operator and the other shall be appointed by the DPP. The experts shall be impartial and independent of the Programme Operator and the Selection Committee.

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 30 % of the higher score, a third expert shall be commissioned by the Programme Operator to score the project independently. In such cases the average score of the two closest scores shall be used for the ranking of the projects.

The Programme Operator shall provide the Selection Committee with a list of the ranked projects. The Selection Committee shall review the ranked list of projects. It may modify the ranking of the projects in justified cases. The justification for the modifications shall be detailed in the minutes of the meeting of the Selection Committee. If such a modification results in a project's rejection, the affected applicant shall be informed in writing about the justification for the modification. The Selection Committee shall submit the list of recommended projects to the Programme Operator.

The Programme Operator shall verify that the selection process has been conducted in accordance with the Regulation and that the recommendations from the Selection Committee comply with the rules and objectives of the programme. Following such verification, the Programme Operator shall, based on the recommendation of the Selection Committee, make a decision on which projects shall be supported. Prior to making such decision, an on the spot visit may be carried out by the Programme Operator. If the Programme Operator modifies the decision of the Selection Committee or suggests modification of the project, it shall inform the applicants affected and provide them with a justification.

The Programme Operator shall notify the applicants about the results of the selection process within a reasonable time and publicise the results.

The process set out in this Article shall apply to all calls for proposals, including the SGS, under this programme.

4.3 Project grant rate:
Grants to 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. Any remaining costs of the project shall be provided or obtained by the project promoter.

5. Additional mechanisms within the Programme
5.1 Pre-defined projects
There will be four pre-defined projects implemented under the programme:

1) "Improving Integrity of the Public Administration / IIPA"

Project Promoter:	Government Office of the Slovak Republic
Other project partner(s):	Organisation for Economic Co-operation and Development (OECD)

Total maximum eligible costs:	€ 1,199,443
Project grant rate:	100.00 %
Maximum project grant amount:	€ 1,199,443

Programme outcome the project contributes to: “Integrity of public administration improved”.

The project shall primarily focus on horizontal coordination in the public sector, targeting management of human resources in the area of integrity.

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

- An Integrity Review elaborated by the OECD, focused on strengthening the public integrity system, monitoring and evaluation of integrity policies for a strategic and evidence-based approach to public integrity, fostering an open culture of integrity in the public sector and related issues;

- A Pilot initiative on behavioural insights shall be carried out, implemented in specific areas identified through the Integrity Review, where the effectiveness of additional law and legal instruments to counter corruption and prevent integrity violation is limited;

- An opinion survey, containing questions related to experience and incidence of corrupt practices, tolerance vis-à-vis integrity violations, or questions related to the observed effectiveness of specific integrity policies;

- As part of the Review, the OECD will facilitate the development of an action plan to be co-drafted and implemented by the project promoter. A progress report on monitoring and evaluation of the action plan shall be drafted by the OECD in consultation with the project promoter;

- Codes of ethics and codes of conduct elaborated and implemented by the project promoter, in consultation with the OECD;

- Model sectoral anti-corruption programmes and methodological tools for the corruption risk management shall be developed by the project promoter to be implemented horizontally in the public sector, in consultation with the OECD;

- Establishment and maintenance of a register of sensitive positions and processes in the public sector exposed to corruption and integrity violations shall be elaborated and maintained by the project promoter, in cooperation with the OECD;

- A set of indicators to measure various aspects of integrity of the civil administration, including corruption risk registers a risk scoring tool, shall be developed in cooperation with the OECD;

- Comprehensive capacity-building and awareness-raising activities on corruption prevention and the protection of whistle-blowers shall be carried out by the project promoter, based on the ongoing mapping of the Slovak legislation recently carried out by the OECD.

2) "Enhancing the efficiency of the justice system through the protection/empowerment of victims and vulnerable parties"

Project Promoter:	Ministry of Justice of the Slovak Republic
Other project partner(s):	District Court Galanta District Court Bratislava II

	District Court Spišská Nová Ves District Court Rožňava District Court Zvolen District Court Rimavská Sobota Regional Court Prešov District Court Prešov
Total maximum eligible costs:	€ 1,012,478
Project grant rate:	100.00 %
Maximum project grant amount:	€ 1,012,478

Programme outcome the project contributes to: "Quality of the judicial system improved".

The overall aim of the project is to contribute to the increased efficiency and quality of the judicial system in two areas: a) protection of victims of crime, and b) protection of minors within family law disputes. The project will focus on settling family law disputes in so called "family courts", complementing the "Domestic and Gender-based Violence" programme implemented in Slovak Republic under the 2014-2021 Norwegian Financial Mechanism.

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

- Refurbishment of the court premises in 8 courts in order to make them more child-friendly;
- Educational programme for mediators and judges, aimed to make judges and mediators more sensitive towards the needs of minors, and specialise them on family-law matters;
- Two study visits to Norway involving judges and prosecutors. A number of inter-ministerial meetings will be held;
- A media campaign on the rights of victims targeting both the general public and experts, through the development of an interactive website, information leaflets as well as through a campaign targeting television and the printed press;
- Two education programmes targeting judges and prosecutors aiming at improving the knowledge about handling of victims.

3) "Responsible Public Procurement"

Project Promoter:	Public Procurement Office (PPO)
Other project partner(s):	Organisation for Economic Co-operation and Development (OECD)
Total maximum eligible costs:	€ 1,283,905
Project grant rate:	100.00 %
Maximum project grant amount:	€ 1,283,905

Programme outcome the project contributes to: "Increased application of the Value for Money principle in public procurement".

The pre-defined project will contribute to a more effective system of public procurement, mainly through strengthening of the application of the value for money principle including the Most Economically Advantageous Tender (MEAT) criteria in international cooperation with the OECD as well as possibly with other institutions from the donor states.

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

- Functional review of the Public Procurement Office (PPO) and the existing public procurement legislation and methodology, focused on:
    - Appraisal of risk areas in the procurement processes and practice of the PPO, taking into consideration the future application of more sophisticated award criteria as the MEAT criteria and their implications on control, transparency and accountability frameworks;
    - The existing methodology, guidance and practical tools to achieve value for money (VfM) in the procurement process;
    - An analysis of the current working practices of Public Procurement Office (PPO) vis-à-vis the Contracting Authorities, to improve the effectiveness of their guidance.
- Elaboration of specific methodology, in cooperation among the PPO, the OECD, and the professional chambers, including methodology and standardised templates on:
    - Pre-tender market consultations
    - MEAT criteria
    - Green procurement, social aspects in public procurement and the procurement of innovations in connection with MEAT criteria
    - Workshops, training and promotion of application of the above mentioned, in order to reach public consensus and understanding of the need for more transparent (market consultations), more efficient (MEAT criteria) and more effective (Green, Social and Innovation Procurement) public procurement. The PPO will manage through own capacities several special working groups - with the focus on green, social and innovative aspects of the public procurement and other criteria than price (MEAT).
- Transfer of best practices in two specific sectors, transport and health, in cooperation between the Public Procurement Office (PPO) and the OECD, related to:
    - A list of possible measures based on world-wide best practices from which a strategy could be developed to carry out infrastructure with a focus on value for money and integrity
    - Workshops with relevant experts directed to specific groups of people to share best practices in selected areas in line with the main topics related to implementation of infrastructure projects identified in the review.
- New web portal with relevant information from public procurement area /with the focus on green, social and innovative aspects of the public procurement, MEAT criteria/ will be created.
- A number of professional workshops will be organized by the PPO for Slovak contracting authorities per year.

4) "TRIGLAV – Strengthen the fight against CBRN threats at the Slovak-Ukrainian border"

Project Promoter:	Ministry of Interior of the Slovak Republic
Donor project partner(s):	Norwegian Radiation and Nuclear Safety Authority (DSA)
Other project partner(s):	State Border Guard Service of Ukraine Secret Service of Ukraine International CBRN Risk Mitigation Research Centre
Total maximum eligible costs:	€ 1,940,602
Project grant rate:	100.00 %

Maximum project grant amount: € 1,940,602

Programme outcome the project contributes to: "Slovak-Ukrainian institutional cooperation enhanced"

This project aims to strengthen cross-border cooperation in order to enhance the detection and interception of illicit CBRN (chemical, biological, radioactive and nuclear) materials on the Slovakian-Ukrainian border. It is a continuation of a project funded under the "Cross-border Cooperation" programme implemented in the Slovak Republic under the 2009-2014 Norwegian Financial Mechanism.

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

- Workshops with the participation of experts competent in the fight against illegal handling of CBRN materials from the Slovak Republic, Ukraine and Norway, in order to implement the Joint Concept of Operation in Internal Acts of relevant stakeholders;
- Study visits to countries with a functional effective system of fight against the illegal handling of CBRN materials and with an effective and consistent form of education and training in this area;
- Workshops with the participation of experts competent in the fight against illegal handling of CBRN materials from the Slovak Republic, Ukraine and Norway in order to create and formalise an effective and consistent system of education and training in the field of fight against illegal handling with CBRN materials;
- Seminars and trainings for employees competent in the fight against illegal handling of CBRN materials of the Slovak Republic and Ukraine in order to improve their level of skills and knowledge in the field;
- Purchase of detection devices and protective equipment for the authorities competent in the fight against illegal handling of CBRN materials in the Slovak Republic and Ukraine in order to ensure the compatibility between the security forces allowing the joint interventions or joint investigations and facilitating subsequent cooperation of these entities in the area of continuous education of its employees;
- Seminars on the issue of illicit handling of CBRN materials for private companies handling legally with CBRN materials.

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 payment, 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 project budget and duration as follows:

Project implementation duration[5]	Advance payment	1st Interim payment	2nd Interim payment	3rd Interim payment	4th Interim payment	Final payment[6]
Less than 24 months	20%	40%	30%	-	-	10%
24-36 months	15%	30%	25%	20%	-	10%
More than 36 months	10%	20%	20%	25%	15%	10%

The advance payment shall be paid following the signature of the project contract. Subsequent payments shall be paid after the approval of project interim reports. The final payment will be paid after approval of the final report.

An advance payment, if any, of a percentage of the total grant amount shall be paid within 15 working days from the submission of a request or within the period set in the project contract. The interim payments shall be paid within 1 month after the approval of project interim reports.

Upon approval of the final project report a final balance payment, if applicable, shall be made within one month.

The approval of project interim and final reports shall take place within three 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. Examination of proof of expenditure related to the administrative verifications may be carried out on a sample basis.

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 reporting arrangements are made with the

[5] The project contract may set suspensive conditions related to advance, interim and/or final payments. In justified cases, at the Programme Operator´s discretion, a project promoter may receive extraordinary payments to ensure sufficient funds for the projects during the implementation so as to avoid any liquidity problems, provided that the Programme Operator has sufficient capacity to proceed with these payments.

[6] Retention may be applied at the end of the implementation or pro rata from each advance payment and interim payments.

project promoters in order to enable the Programme Operator and the National Focal Point 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 FMO.

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
Not applicable