EEA Financial Mechanism 2021-2028

PROGRAMME AGREEMENT

between

The Financial Mechanism Committee
established by Iceland, Liechtenstein and Norway

and

The National Management Unit,
hereinafter referred to as the "National Focal Point",

representing Portugal,
hereinafter referred to as the "Beneficiary State"

together hereinafter referred to as the "Parties"

for the financing of the Programme "Green Transition"
hereinafter referred to as the "Programme"

Table of Contents

Chapter 1 Scope, legal framework, and definitions 3
Article 1.1 Scope 3
Article 1.2 Legal Framework 3
Article 1.3 Definitions 3
Article 1.4 Annexes and hierarchy of documents 3
Chapter 2 The Programme 3
Article 2.1 Co-operation 3
Article 2.2 Main responsibilities of the Parties 3
Article 2.3 Objective(s) of the Programme 4
Article 2.4 Programme grant 4
Article 2.5 Special conditions and programme specific rules 4
Article 2.6 Reporting 4
Article 2.7 Monitoring and audits 4
Article 2.8 Modification of the Programme 4
Article 2.9 Communication 5
Article 2.10 Contact information 5
Article 2.11 Representations and warranties 5
Chapter 3 Projects 5
Article 3.1 Selection of projects and award of grants 5
Article 3.2 Project contract 5
Article 3.3 Project partners and partnership agreements 5
Chapter 4 Finance 6
Article 4.1 Eligible expenditures 6
Article 4.2 Proof of expenditure 6
Article 4.3 Proof of conditions fulfilled for simplified cost options 6
Article 4.4 Payments 6
Article 4.5 Transparency and availability of documents 6
Article 4.6 Irregularities, suspension and reimbursements 6
Chapter 5 Final provisions 6
Article 5.1 Dispute settlement 6
Article 5.2 Termination 7
Article 5.3 Waiver of responsibility 7
Article 5.4 Entry into force and duration 7

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 2021-2028 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 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");

c) the Memorandum of Understanding on the Implementation of the EEA Financial Mechanism 2021-2028, 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 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, including risk assessment and response analysis, 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 or giving rise to a conflict of interest. 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 2021-2028 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 and the Programme Operator properly perform the tasks assigned to them in the Regulation and this Programme Agreement;

c) take all necessary steps to ensure that the Programme Operator is fully committed and able to implement and manage the Programme, including ensuring the appropriate allocation of staff and other resources, throughout the programme period;

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; and

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(s) of the Programme

1. This Programme Agreement sets out the objective(s), 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(s), 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 budget annexed to this Programme Agreement shall:

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

b) indicate the agreed advance payment, if any.

3. 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 Article 6.3.2 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
Reporting

The National Focal Point shall ensure that the Programme Operator provides financial reports and a Final Programme Report in accordance with Chapter 9 and Article 6.8 of the Regulation as well as other reporting in accordance with guidelines adopted by the FMC.

Article 2.7
Monitoring and audits

The monitoring and audits referred to in Chapter 10 and Chapter 11 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 2.8
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. Budget reallocations to and from calls and pre-defined projects (both within the same outcome and between outcomes) are permitted without a modification of the Programme Agreement or prior approval by the FMC for an amount of up to 10% of the total allocation for each planned call or pre-defined project.

3. Changes to the Programme which have been agreed in their entirety through a modification of the relevant Memorandum of Understanding do not require a modification of the Programme Agreement. In such cases, the Programme Agreement shall be updated by the FMC.

4. Programme specific exceptions from paragraph 1, if any, are set in the annexes to this Programme Agreement.

5. Expenditures in breach of this Article are not eligible.

6. Should there be a doubt as to whether a modification of the Programme Agreement is

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

7. Requests for modifications shall be submitted and assessed in accordance with Article 6.7 of the Regulation.

Article 2.9
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 in 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 2.10
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: Managing Director

EFTA House

Avenue des Arts, 19H

1000 Brussels

Telephone: +32 (0)2 286 1701

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 2.11
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 7.5.2 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 7.9 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 point (y) 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 7.10 of the Regulation.

2. If one of the parties to the agreement is an entity from the Donor States, the partnership agreement

shall be in English and shall be based on a template provided by the FMC.

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

4. 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. Without prejudice to Article 8.9 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; and

c) payments to activities funded by the bilateral funds allocated to the programme.

2. Expenditures of Project Promoters and project partners are eligible provided that they are in accordance with the provisions of Chapter 8 of the Regulation and any further provisions contained in this Programme Agreement.

3. The first date of eligibility of expenditures in projects shall be set in the project contract in accordance with Article 8.14 of the Regulation. The first date of eligibility of any pre-defined project shall be no earlier than the date of entry into force of the Programme Agreement.

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 Regulation.

Article 4.3
Proof of conditions fulfilled for simplified cost options

Costs of the Programme Operators, Project Promoters and project partners that are covered by simplified cost options shall be supported by the proof of conditions fulfilled in accordance with Article 8.13 of the Regulation.

Article 4.4
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 9.5 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.

4. The National Focal Point shall ensure that payments are transferred in accordance with Article 9.1.2 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 4.5
Transparency and availability of documents

The National Focal Point shall ensure an audit trail for financial contributions from the EEA Financial Mechanism 2021-2028 to the Programme in accordance with Article 9.8 of the Regulation.

Article 4.6
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 point (h) of Article 13.1.1 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 point (h) of Article 13.1.1, 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.

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 Lisbon on 02/07/2026	Signed in Lisbon on 02/07/2026
.....	.....
Ambassador of Norway to Portugal	Head of National Focal Point

Annex I to the Programme Agreement

Roles	
Programme Operator:	Portuguese Agency for Climate (ApC)
Donor Programme Partner:	Norwegian Environment Agency (NEA)
IPO:	-
Other Programme Partner(s):	-

Indicator	Disaggregation	Unit of measurement	Data source	Baseline	Planned Target[1]
PA01 objective: Acceleration of the green transition towards a more sustainable society.					
Outcome 1: Reduced air, water and soil pollution					
Amount of sludge reused by agriculture (m3)		Cumulative number	Project promoter records	0	50
Estimated amount of Greenhouse Gas (GHG) emissions avoided (tonnes CO2eq)		Cumulative number	Project promoter records	0	3,500
Number of jobs created or sustained	Gender	Cumulative number	Project promoter records	0	19
Output 1.1: Biowaste and food waste processed and converted to biogas and biomethane					
Number of pilot projects that successfully valorised food and bio-waste solutions		Cumulative number	Project promoter records	0	5
Number of innovative technologies or solutions tested		Cumulative number	Project promoter records	0	4
Amount of bio-waste processed (tonnes)		Cumulative number	Project promoter records	0	6,000
Amount of biomethane production capacity installed (Nm3/h)		Cumulative number	Project promoter records	0	200
Biomethane Market Roadmap in Portugal developed		Binary	Project promoter records	No	Yes
Output 1.2: Nature-based solutions applied in (peri) urban areas					
Total area of restored or regenerated urban/peri-urban soil (hectares)		Cumulative number	Project promoter records	0	60
Number of nature-based solutions applied		Cumulative number	Project promoter records	0	12
Operational guidelines developed for the Free Technological Zone		Binary	Project promoter records	No	Yes
PA01 objective: Acceleration of the green transition towards a more sustainable society.					
Outcome 2: Increased biodiversity and restored ecosystems					

[1] Planned targets included in the above table represent the level of ambition at the time of Programme Agreement conclusion or following major modifications of the Programme. These targets shall not be used to measure the level of success of the programme. Actual targets following project contracting shall be reported on annually in the Country Reports and the Final Programme Report.

Number of kilometres of river courses restored		Cumulative number	Project promoter records	0	100
Number of hectares of ecosystems restored		Cumulative number	Project promoter records	0	250
Number of hectares protected against desertification		Cumulative number	Project promoter records	0	35
Number of sites monitored for pollinator abundance and diversity		Cumulative number	Project promoter records	0	35
Output 2.1: Ecosystems and biodiversity promoted and protected					
Number of educational and awareness campaigns carried out		Cumulative number	Project promoter records	0	3
Number of people that took an action in response to educational and awareness campaigns		Cumulative number	Project promoter records	0	500
Number of wetlands restored		Cumulative number	Project promoter records	0	3
Number of invasive alien species whose negative impact is controlled or reduced		Cumulative number	Project promoter records	0	9
PA01 objective: Acceleration of the green transition towards a more sustainable society.					
Outcome 3: Enhanced circularity in urban water management, construction and agriculture					
Volume of treated wastewater reused (hm^3/year)		Cumulative number	Project promoter records	0	0.5
Estimated area of agricultural land irrigated with treated wastewater (hectares)		Cumulative number	Project promoter records	0	212
Output 3.1: Urban Water Cycle Management Improved					
Number of monitoring systems installed for managing water quality and quantity		Cumulative number	Project promoter records	0	3
Number of optimised solutions applied to reduce water loss		Cumulative number	Project promoter records	0	3
Output 3.2: Endogenous and regenerative materials tested for circular construction					
Number of pilot projects that tested innovative solutions for circular construction		Cumulative number	Project promoter records	0	13
Number of circular construction solutions tested		Cumulative number	Project promoter records	0	13
Output 3.3: Treated wastewater used in agricultural irrigation					
Volume of treated water reused in agricultural irrigation (hm^3/year)		Cumulative number	Project promoter records	0	0.5
Area of agricultural land irrigated with treated wastewater (hectares)		Cumulative number	Project promoter records	0	200
Bilateral Outcome: Enhanced collaboration between beneficiary and donor state entities involved in the programme					
Level of relevance of the partnership		Scale 1-5	FMO survey	N/A	4
Level of efficiency of the partnership		Scale 1-5	FMO survey	N/A	4
Level of effectiveness of the partnership		Scale 1-5	FMO survey	N/A	4
Level of added value of the partnership		Scale 1-5	FMO survey	N/A	4

Level of sustainability of the partnership		Scale 1-5	FMO survey	N/A	4
Level of involvement of the donor project partner in project activities		Scale 1-5	FMO survey	N/A	4
Level of trust between partners		Scale 1-5	FMO survey	N/A	4
Level of overall satisfaction with the partnership		Scale 1-5	FMO survey	N/A	4

Conditions

General

1. The maximum level of funding for investment in infrastructure and equipment (hard measures) under the Programme Area Disaster prevention and preparedness is set at 50% of the total eligible expenditure for Outcome 2.

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.

Pre-eligibility

2. No costs shall be eligible under the pre-defined project *4) "Enhance water resilience in the Arade irrigation perimeter and the Querença-Silves's groundwater body (Algarve)"* before all requested information on the budget for the pre-defined project has been submitted by the Programme Operator and the NMFA has confirmed the grant to the project as described in Annex II to this Programme Agreement.

Pre-payment

Not applicable

Pre-completion

Not applicable

Post-completion

Not applicable

Eligibility of costs - period	**First date**	**Final date**
Eligibility of costs	08/07/2025	30/04/2032
Grant rate and co-financing		
Programme eligible expenditure (€)		€ 35,005,882.35
Programme grant rate (%)		85.00 %
Maximum amount of Programme grant - EEA Financial Mechanism (€)		€ 29,800,000.00
Maximum amount of Programme grant - Norwegian Financial Mechanism (€)		-
Maximum amount of Programme grant - Total (€)		€ 29,800,000.00

PA	Budget Heading	EEA Grants	Total grant	Programme grant rate	Programme co-financing	Programme eligible expenditure	Grant advance payment
PM	Programme management	€ 2,337,850.00	€ 2,337,850.00	85.00 %	€ 412,561.76	€ 2,750,411.76	€ 92,111.00[2]
PA01	Outcome 1 (EEA Grants)	€ 7,225,000.00	€ 7,225,000.00	85.00 %	€ 1,275,000.00	€ 8,500,000.00	€ 107,327.00
PA01	Outcome 2 (EEA Grants)	€ 10,162,150.00	€ 10,162,150.00	85.00 %	€ 1,793,320.59	€ 11,955,470.59	€ 197,292.00
PA01	Outcome 3 (EEA Grants)	€ 9,775,000.00	€ 9,775,000.00	85.00 %	€ 1,725,000.00	€ 11,500,000.00	€ 203,270.00
BF	Bilateral funds at programme level	€ 300,000.00	€ 300,000.00	n/a[3]	n/a[4]	€ 300,000.00	€ 50,000.00
Total		**€ 29,800,000.00**	**€ 29,800,000.00**	**85.00 %**	**€ 5,205,882.35**	**€ 35,005,882.35**	**€ 650,000.00**

Retention of management costs	
Retention of management costs - Percentage of the management costs	10.00 %
Retention of management costs - Planned Euro value	€ 275,041.18

[2] In addition to the amount of € 92,111 an amount of € 92,111.36 for programme development activities has been disbursed in accordance with Article 9.1.1 of the Regulation prior to the signature of this Agreement.

[3] Grant amount of Bilateral fund at programme level is not relevant for the calculation of programme grant rate

[4] Grant amount of Bilateral fund at programme level is not relevant for the calculation of programme co-financing

Green Transition

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 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 covers the programme area "Green Transition" (PA01). The programme area objective *"Acceleration of the green transition towards a more sustainable society"* shall be attained through projects contributing to three outcomes.

Outcome 1 *Reduced air, water and soil pollution* will support the transition towards a low carbon and resource efficient economy, addressing key national priorities such as bio-waste management, sustainable land use and urban environmental quality. Outcome 1 will be implemented through two calls for proposals and two pre-defined projects (PDPs). Call 1 *Solutions for the disposal of biological and food waste developed* shall support projects that convert organic waste into biogas and biomethane, strengthen separate bio-waste collection systems, and promote circular value chains in agriculture and industry. Call 2 *Improving urban air quality and soil health through nature-based solutions* shall support projects that apply sustainable land use practices, green infrastructure, and nature-based solutions to reduce pollution and improve climate resilience in urban and peri-urban areas. PDP 1 *Roadmap for Biomethane Market in Portugal Created* shall support the revision of the National Biomethane Action Plan and the development of a biomethane-based business model to incentivise agricultural feedstock and investment. PDP 2 *Free Technological Zone roadmap for tests in the Mira River irrigated perimeter* shall establish a regulatory and operational framework for testing innovative solutions in sustainable agriculture and land use under real conditions.

Outcome 2 *Increased biodiversity and restored ecosystems* will contribute to the implementation of the EU Biodiversity Strategy, the Nature Restoration Regulation, and Portugal's National Strategy for Nature Conservation and Biodiversity. Outcome 2 will be implemented through one call for proposals and one pre-defined project. Call 3 *Restoration of ecosystems and biodiversity in Natura 2000 areas* shall support projects that restore terrestrial, coastal, and freshwater ecosystems, rehabilitate forest habitats, recover pollinator populations, and enhance ecological connectivity, with a strong focus on climate resilience and ecosystem services. PDP 3 *Lagoons of the Gândaras Region* shall support the ecological restoration and environmental management of lagoon ecosystems, including improving water quality, controlling invasive species, restoring habitats, and strengthening resilience to climate-related risks such as droughts and floods.

Outcome 3 *Enhanced circularity in urban water management, construction, and agriculture* will promote circular economy principles, water efficiency, and sustainable resource management, in line with the EU Circular Economy Action Plan and national water strategies. Outcome 3 will be implemented through two calls for proposals and one pre-defined project. Call 4 *Urban water cycle management improved* shall support projects that increase water efficiency, reduce water losses, promote reuse of treated wastewater and rainwater harvesting, and optimise water infrastructure systems. Call 5 *New endogenous and regenerative materials for circular construction tested* shall

support projects that promote circular construction practices through the use of renewable, regenerative and locally sourced materials. PDP 4 *Water resilience in the Arade irrigation perimeter and Querença Silves groundwater body* shall support the reuse of treated wastewater for agricultural irrigation, enhance water availability in drought-prone regions, reduce pressure on groundwater resources and fertiliser use, and strengthen institutional capacity for safe and sustainable water reuse.

2. Selection of projects

2.1 Calls and availability of funds (including number of calls, duration of calls, and estimated size):

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 and/or the project partner(s).

Modality	**Available amount (€)**	**Project grant rate (%)**	**Minimum and maximum project grant amount (€)**	**Indicative launch date and duration of call**
Outcome 1				
Call 1	€ 4,000,000	85%	€ 600,000 – € 1,000,000	Launch date: Q1 2027 Duration: min. 3 months
Call 2	€ 3,180,000	85%	€ 200,000 – € 300,000	Launch date: Q3 2027 Duration: min. 3 months
Outcome 2				
Call 3	€ 9,529,000	90%	€ 400,000 – € 800,000	Launch date: Q4 2026 Duration: min. 3 months
Outcome 3				
Call 4	€ 5,000,000	85%	€ 400,000 – € 800,000	Launch date: Q2 2027 Duration: min. 3 months

Call 5	€ 4,000,000	85%	€ 150,000 – € 300,000	Launch date: Q4 2027 Duration: min. 3 months

In all Calls, bilateral partnerships with one or more entities from the Donor States shall be encouraged through the award of additional points.

The Commission for Citizenship and Gender Equality shall be consulted in developing the calls for proposals to ensure effective gender mainstreaming.

Call 3 specifics: The national authority for biodiversity (ICNF) shall be involved in the preparation of the call text and provide technical guidance.

2.2 Eligible applicants and project partners:

Modality	**Eligible applicants**	**Eligible partners**
Call 1	As per Article 7.2.1 of the Regulation.	Any public or private entity, commercial or non-commercial, as well as non-governmental organisations, established as a legal person either in the Donor States or in Portugal
Call 2	Public administration bodies and municipalities.	Any public or private entity, commercial or non-commercial, as well as non-governmental organisations, established as a legal person either in the Donor States or in Portugal.
Call 3	Public administration bodies and municipalities with responsibilities in Portugal's terrestrial area under Natura 2000 Universities Non-governmental organisations	Public administration bodies and municipalities with responsibilities in Portugal's terrestrial area under Natura 2000 Universities Non-governmental organisations established as a legal person either in the Donor States or in Portugal
Call 4	Waste management and water management entities	Universities Non-governmental organizations Public administration bodies

Modality	Eligible applicants	Eligible partners
		Municipalities and Associations of Municipalities Parishes Waste management and water management entities established as a legal person either in the Donor States or in Portugal
Call 5	As per Article 7.2.1 of the Regulation.	Any public or private entity, commercial or non-commercial, as well as non-governmental organisations, established as a legal person either in the Donor States or in Portugal.

2.3 Selection procedures:

Each application that meets the administrative and eligibility criteria shall be reviewed by two impartial experts appointed by the Programme Operator. At least one of the experts shall be independent of the Programme Operator and the Selection Committee.

The experts shall separately score the project according to the selection criteria published in the call for proposals. For the purposes of ranking the projects, the average of the scores awarded by the experts shall be used.

In case the difference between the scores given by the two experts is more than 30% of the highest score, a third expert shall be commissioned by the Programme Operator to score the project independently. In such case, the average score given by the three experts shall be used for the ranking of the projects.

For Call 3, the national authority for biodiversity (ICNF) shall be invited to participate as an observer in the Selection Committee.

3. Pre-defined projects

1) "Roadmap for Biomethane Market in Portugal"

Project Promoter:	Directorate-General for Energy and Geology - DGEG
Donor project partner(s):	Norwegian Institute for Sustainability Research (NORSUS)
Other project partner(s):	Portuguese Environment Agency (APA) National Laboratory of Energy and Geology (LNEG)
Total maximum eligible costs:	€ 300,000
Project grant rate:	100.00 %

Maximum project grant amount:	€ 300,000
Estimated duration:	36 months

The project aims to address structural, environmental and regulatory barriers hindering the development of a sustainable, low carbon and resource efficient biomethane sector in Portugal. By supporting the assessment and revision of the National Biomethane Action Plan (PAB) and designing a viable biomethane based business model for agricultural feedstock, the project seeks to strengthen the legal and regulatory framework, improve market conditions and unlock investment. It also focuses on addressing challenges related to feedstock availability, stakeholder engagement and social acceptance, promoting a coordinated and evidence based approach aligned with advanced international practices.

NORSUS shall contribute to the project by providing scientific and technical advice. NORSUS shall only be reimbursed on a cost basis from the project in accordance with Chapter 8 of the Regulation.

The main activities shall include:

1. Analysis to Support the Revision of the National Biomethane Action Plan (PAB) Conduct analysis and provide input in support of the 2026 assessment and revision of the PAB, incorporating expertise and lessons learned from more advanced biomethane markets.

2. Design of a Biomethane-Based Business Model for Agricultural Feedstock Develop a business model that incentivises farmers to supply feedstock by ensuring simplicity, profitability and sustainability compared to alternative uses of agricultural biomass.

2) "Establishment of a Free Technological Zone roadmap for tests the Mira River irrigation perimeter"

Project Promoter:	Directorate-General for Energy and Geology - DGEG
Donor project partner(s):	Norwegian University of Science and Technology (NTNU)
Other project partner(s):	Directorate-General for Agriculture and Rural Development (DGADR) Portuguese Environment Agency APA (AHR Alentejo)
Total maximum eligible costs:	€ 1,020,000
Project grant rate:	100.00 %
Maximum project grant amount:	€ 1,020,000
Estimated duration:	36 months

The project aims to establish a fully operational Free Technological Zone (FTZ) in the Mira Irrigation Perimeter to accelerate the adoption of innovative solutions in sustainable agriculture, particularly agrivoltaics, through real-world testing under regulatory supervision. The project seeks to optimise the water-energy-food nexus, to enable dual land use for food and energy production, to enhance climate resilience and support regulatory adaptation. The project addresses technical, economic, environmental and social barriers, while promoting synergies between agriculture, energy and environmental protection, aligned with sustainable development and the European Green Deal objectives.

The main activities shall include:

1. Conduct a case study to define the selection process and predefined areas for testing technologies within the FTZ, including the respective Ordinance.
2. Identify and develop the FTZ/ZLT Roadmap
3. Investment Calculation and Risk Analysis
4. Preparation of Governance Guidelines and Ordinance: Develop governance frameworks and draft the legal ordinance defining operational rules, regulatory supervision and coordination mechanisms for the FTZ.
5. Development of the FTZ Operational Manual
6. Consolidation of Partnerships and Local Structure
   Strengthen cooperation among public authorities, farmers, technology providers, research institutions and other stakeholders, and establish the organisational structure of the FTZ.
7. Pilot Scale Demonstration of Agrivoltaics
   Implement a pilot project (30kW) of agrivoltaics complemented by multi use agricultural systems to be selected through a public tender.
8. Design and launch a dedicated webpage and carry out national and international dissemination activities to promote knowledge sharing and visibility.
9. Monitoring and Initial Testing Operations
   Follow up on the installation of pilot systems and conduct initial testing operations to evaluate performance, environmental impact and system integration.

3) "Adoption of Environmental Quality Management and Ecological Value applied Framework for the Lagoons of the Gândaras Region"

Project Promoter:	Intermunicipal Community of Coimbra
Donor project partner(s):	SINTEF AS (SINTEF AS)
Other project partner(s):	University of Coimbra Municipality of Figueira da Foz Municipality of of Cantanhede Municipality of Mira Portuguese Environment Agency
Total maximum eligible costs:	€ 2,426,470
Project grant rate:	100.00 %
Maximum project grant amount:	€ 2,426,470
Estimated duration:	36 months

The project aims to restore and enhance the environmental quality and ecological value of the coastal lagoons of the Gândaras region, which are part of the Natura 2000 site, and are increasingly threatened by climate change, pollution, invasive species and anthropogenic pressures. By implementing a targeted intervention model in selected priority lagoons, the project seeks to mitigate impacts on water quality and biodiversity, strengthen resilience to extreme climate events, and promote sustainable management of water resources, with the objective of creating a replicable model for similar areas at national level.

The main activities shall include:

1. Cleaning, upgrading and stabilising drainage ditches and lagoon banks to improve water flow and prevent siltation.
2. Removal of muddy sediments through drainage, excavation, transport and deposition.
3. Control of nutrient inputs, contaminants and sediments.
4. Monitoring of water quality and environmental parameters.
5. Control and Management of invasive species of fauna and flora.
6. Management of water levels and controlling the opening and closing of sluice gates for the drainage ditches and data monitoring.
7. Environmental education through awareness campaigns and promotion of good agricultural practices, workshops, school campaigns, and community involvement to raise conservation awareness.

4) "Enhance water resilience in the Arade irrigation perimeter and the Querença-Silves's groundwater body (Algarve)"

Project Promoter:	Portuguese Environment Agency (APA)
Donor project partner(s):	Norwegian Institute of Bioeconomy Research (NIBIO)
Other project partner(s):	Silves Irrigation Association, Lagoa, Portimão (ARBSLP) Directorate-General for Agriculture and Rural Development Águas do Algarve (AdA) Faculty of Sciences and Technology of NOVA University Lisbon Centre for Environmental and Sustainability Research (FCT Nova/CENSE) University of Algarve (UAlg)
Total maximum eligible costs:	€ 2,500,000
Project grant rate:	100.00 %
Maximum project grant amount:	€ 2,500,000
Estimated duration:	48 months

The project aims to enhance water resilience and agricultural sustainability in the Algarve by promoting the reuse of treated wastewater (ApR) for irrigation, addressing increasing water scarcity and pressure on natural water sources. It seeks to complement existing demand management measures with alternative water supply solutions, reduce groundwater abstraction, and improve resource efficiency in agriculture.

The main activities shall include:

1. Execution Project and Licensing: Development of the technical project, including a risk management plan, risk assessment, and obtaining necessary environmental and reuse authorisations.

2. Construction of ApR Infrastructure: Installation of pipelines, reservoirs and delivery points to supply treated wastewater for agricultural irrigation.
3. Implementation of Monitoring and Control System: Deployment of monitoring systems to control water distribution and ensure operational efficiency and compliance.
4. Risk Management and Scientific Oversight: Monitoring water and soil quality, conducting nutrient analysis, and preparing a manual for the use of reclaimed water in citrus irrigation.
5. Study of Economic Financial Framework for ApR Use: Development of a proposal for a tariff structure and financial framework to incentivise the use of non conventional water sources in agriculture.
6. International Cooperation and Technical Workshops: Organisation of exchanges with donor state partners and stakeholders to share best practices and knowledge on water reuse and nutrient recovery.
7. Communication and Dissemination: Implementation of communication actions including website, public reports, workshops and a final seminar to promote results and awareness.

4. Bilateral relations

The Cooperation Committee shall consist of representatives from the Programme Operator and representatives the Donor Programme Partner. The Programme Operator and the Donor Programme Partner shall agree on the rules and procedures applicable to the Cooperation Committee.

The use of the bilateral funds allocated to the programme shall be agreed between the Programme Operator and the Donor Programme Partners in the Cooperation Committee.

5. Programme management and financial parameters

5.1 Special rules on eligibility of costs:

Programme management costs shall take the form of unit cost for direct staff costs in accordance with Article 8.6.2(a) of the Regulation and a flat rate of 15 % of eligible direct staff costs for indirect costs, in accordance with Article 8.5.1(b) of the Regulation. All other costs shall take the form of actually incurred costs.

5.2 Programme administrative structures:

Not applicable.

6. Miscellaneous

Not applicable.